

Supplementary written evidence submitted by Women Against State Pension Inequality Campaign (CVG0041)

Introduction

We are pleased to have an additional opportunity to provide evidence to the Committee following our original submission prepared in April and accepted as evidence on 3rd June 2020 (document ref MR30186). We have noticed that several women who had been furloughed are the last to be recalled to work

Women share their experience with us daily. In the last month or so their circumstances are becoming more dire:

- Two women in their early 60s working in Derbyshire are still on furlough, even though all younger workers have been recalled. They are very concerned about their future employment.
- A woman who moved to Kent, cashed in her private pension to create suitable space for a Holiday Let providing a future income stream told us "...when Covid struck. My income ceased immediately. I've lost over £14,000 from lockdown. I didn't receive the £10,000 grant. I'm not classed as self-employed so didn't receive that grant. I've applied for a discretionary grant but haven't heard the outcome of that. I have a small council pension that I drew early which provides me with £3,555 per annum, because of that (and for the first time in my life) I claimed universal credit in and received £95.00 in May and will again in June." **This woman is living on £90 per week (£4,695 pa) and has no savings to fall back on.**
- An NHS hospital trust worker in her early 60s had to do a health assessment as she was considered by the NHS to be more vulnerable to the Coronavirus. She has been declared unfit for work but is too young to apply for her State Pension.
- Working 60+ year-olds in London may use their 60+ transport card, but not for their journey to work if in peak hours. This adversely affects those on minimum wage, part time jobs e.g. cleaning for 1 or 2 hours per day.
- A 61-year old woman who sadly lost her 65-year old husband (who was receiving State Pension) is now only entitled to a widow's grant of £100 per month for a short time. She fears for her future employment prospects and fears she won't qualify for any out of work benefits.
- A 64-year old woman told us "I have Bronchiectasis. However, I had been working as a self-employed cleaner, although only part time. My partner cannot find a job so the money I earned was helping us survive until I got my State Pension. My other income is a small private pension.
- When the pandemic hit my work stopped. I am self-employed but because my earnings are not the biggest part of my income, I am entitled to nothing from the Government, nor am I entitled to any other help. I am classed as extremely vulnerable and supposed to be shielding but I must go back to work or struggle on indefinitely."
- A 62-year old woman with heart failure who has been furloughed tells us "There is no doubt that if I had State Pension I would have retired at 60. I can't see a situation where I will feel safe enough to return to work, but I know I will have to"
- A 57-year old woman with various health complications told us she has been "...Furloughed since March, 80% of pay (£701) 20% of pay burger king NOTHING.

Thankfully able to cover bills with this. I have no savings because of divorce, downsized, next step sofa surfing or homeless!!! If furloughing is stopped.”

These are a handful of the stories we receive daily from women who have little or no hope of making ends meet without work, have no savings as they expected to receive their State Pension at 60 which would have enabled them to retire. They used up any savings they had to get by or improve their circumstances. What comes through them all is a sense of hopelessness and a feeling of being forgotten, ignored, treated with no compassion by those making decisions about who “has” and who “has not”. They know that they have been treated differently to men throughout their working lives, they have had the bulk of caring responsibilities in the family, and they are still expected to have support from a partner in their old age.

We have known for some years of the unfairness faced by women in their 60s. Now there is a body of research supporting the empirical evidence provided by WASPI women.

Does the economic impact of Coronavirus reflect existing sex or gender-based inequalities?

We referred to the difference in pension wealth between men and women in our first submission. The Women’s Budget Group ["Spiral of Inequality"](#) report concludes that unpaid care work is at the heart of gender inequalities. Because women spend more time “caring” they generally work part time, earn less, so build up less pension wealth. Specifically:

- Women aged 26 to 35 undertake the most unpaid work (34.6 hours on average per week compared with 17.4 hours for men in the same age group), suggesting that inequalities in unpaid work open up around the birth of the first child.
- The proportion of unpaid care for adults undertaken by women increased between 2000 and 2015.
- The gender disparity is most marked among those aged under 50, suggesting that the responsibility of caring for ageing parents falls primarily on women.
- Among those aged 50 and over, care is more likely to be for a partner and so more evenly shared, although 62.6% is undertaken by women.
- Unpaid work is vital to the functioning of society and the economy, and feminist economists have long argued for it to be recognised on par with paid work in systems of national accounting.
- Partly as a result of such campaigns, the ONS now publishes ‘satellite household accounts’ that value, in monetary terms, unpaid work. The most recent estimate, in 2014, put the total value of unpaid work at £1.01 trillion, or the equivalent to 56% of GDP.¹²
- Throughout their careers “women are less likely to be in any form of paid work and, when they do undertake paid work, are more likely to be in part-time and precarious work”
- Part-time working is a major driver of the gender gap, which stands at 17.3% for all employees and means that women, on average, earn 43% less than men
- The life-course implication of this is that women rely much more on benefits than men.

- Single female pensioners are also more likely to be living in poverty than single male pensioners, reflecting their lower ability to save over the life-course. Among all 65-to-75-year olds, median pension wealth for men (£164,700) in England and Wales is almost ten times the median pension wealth for women (£17,300)

Stories from WASPI women have also shown that these women who are only able to secure “part-time and precarious work” are falling through the gaps in the Government’s economic support package, and are often not entitled to any other working age benefits.

How effective has the Government’s economic support package, in particular, been for men and women?

Rest Less, the UK’s fastest-growing digital community for the over-50s, have recently warned that “Rishi Sunak’s Youth Kickstart Scheme could leave at least 660,000 over 50s dependent on Universal Credit for a decade”

Their [recent analysis of date from the Office for National Statistics](#) finds that

- Over 50s have been responsible for 73% of the UK’s employment growth in the past 20 years since 2000.
- Universal Credit claims from the over 50s increased by more than 355,000 between March and May this year, taking the total number of Universal Credit claims amongst this group to nearly 660,000. This compares with an increase of nearly 288,000 claims amongst the under 25s in the same time period.

(Please note Universal Credit claims are a particularly poignant measure as it highlights the financially precarious position of this group with less than £16,000 in savings after three decades in the workplace)

- Based on data to April 2020, at the beginning of lockdown, inactivity levels amongst 50-64 year olds increased by more than 48,000 in a month and are now at their highest level ever (3.3 million), providing early indications that many in this age group have been and are likely to continue to be pushed into early retirement as a result of Covid-19

We think this analysis, along with the IFS Research conclusions reported in our earlier submission (that women are about one-third more likely than men to work in a sector that is now shut down) confirms that the Government’s economic support package has been ineffective for older workers, particularly women, who are more likely to be in part-time and precarious work.

What measures should the Government put in place to ensure gender equality in the longer-term economic recovery from Coronavirus?

We reiterate our ask for early access to Pension Credit as in our original submission.

We also ask that the Government considers a “flexible pension age” for those unemployed workers over 60 who are unlikely to gain employment before they reach State Pension age. This could be as a result of significant unemployment, or their own health issues, or any catastrophic occurrence (e.g. global pandemic).

Our members suggest daily that the Government reconsider their position on compensation for WASPI women. We ask for compensation at a rate of 50% of the current State Pension for every week from our 60th birthday to our new State Pension age. Any compensation could be conditional on the recipient agreeing to leave paid employment freeing up jobs for younger workers.

We also ask that the Government consider remunerating unpaid care work at the living wage rate. As well as building up NI credits while caring, we ask that the Government include carers in auto enrolment to the stakeholder pension scheme taking up the role of “employer”.

As always, I will be happy to attend an oral evidence session should you wish to discuss anything further

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