



Scottish Women's Convention response to the UK Government's:

Second State Pension Age Review: Independent Report Call for Evidence

April 2022

Premise

The age of entitlement to State Pension has varied over time and is currently set at age 66 for both men and women. The Pensions Act 2014 set a statutory requirement to review the rules about pensionable age every 6 years, to help to ensure the costs of increasing longevity are shared fairly between the generations, and to provide greater clarity around how State Pension age will change in the future.

Baroness Neville-Rolfe is currently preparing an independent report making recommendations to the government on what metrics should be considered when setting the age of entitlement to State Pension age in future. This Call for Evidence is an important part of the evidence gathering stage for this and seeks views from members of the public of all ages and all interested parties.

The Scottish Women's Convention (SWC)

The Scottish Women's Convention (SWC) is funded to engage with women throughout Scotland in order that their views might influence public policy. The SWC uses the views of women to respond to a variety of parliamentary, governmental, and organisational consultation papers at both a Scottish and UK level.

The SWC engages with women using a range of methods, including roadshow events, thematic conferences, and regional contact groups. This submission provides the views of women, reflecting their opinions and experiences in key areas relevant to women's equality.

The SWC is currently engaging with women through digital roadshows, online surveys, asking women to comment by email, and by telephoning those who want to talk. We are also using our wide network to ask women to collate views in their local communities and forward these to us on a regular basis. We are continuing to review innovative ways of engaging with women throughout Scotland using whichever medium is appropriate to them.

3.1. Intergenerational fairness:

As people are living longer, how do we ensure the costs of State Pension are shared fairly across generations?

- Rather than looking at it generationally, the issue should be reframed to look at how the costs of State Pension are shared fairly across income brackets.
 - High earners need to be taxed significantly more.
 - More needs to be done by the government to improve pay and working conditions and generate good quality jobs with a real living wage.
 - There should be a cap on executives' salaries and an enforced ratio between the earnings of executives compared with those of their lowest paid workers (e.g. 20:1) to increase wages (and therefore NI contributions) overall.
 - The minimum wage needs increase in line with living costs to ensure that people of all ages have security.

What factors relating to intergenerational fairness should be considered when determining the State Pension age?

- Women and childcare
 - Many women have to take time out from their career to raise children so have to work longer in order to accrue their pension and NI contributions.
 - Women take on the bulk of caring responsibilities, both for children and other family members. This can mean they are not able to pursue the same promotions and opportunities as men so do not have as much in savings to be able to retire early.
- Women of all ages have shared their concerns with us that there are not the same employment opportunities now for young people.
 - With people having to work until they are older, vacancies and opportunities for career progression are not becoming available in the same way.
 - "They are telling us women who should have retired at sixty to re-educate ourselves when we go to the Job Centre. Why waste money sending WASPI women on these courses? Give work to the young people and let us retire when we should have."
- Respect and valuing people's contribution - Older women we have spoken to feel that their work is undervalued by society.
 - "It's the women who are 50+ who are the ones that have been keeping us all going, keeping us alive, and doing all the services on the frontline and care and schooling. They're getting it from all angles, and they're expected to cope and get on with it."
 - "Older women need to be supported and not just swept aside."
 - "It's worrying that we're losing all that experience, and those people who have done so much within their communities have not been offered anything."
- Bullying and harassment of older women in the workplace is also a problem.
 - A survey by the Scottish Pensioners' Forum has shown that 59% of older people had experienced bullying or harassment at work.
 - This predominately took the form of humiliation, verbal abuse or being publicly undermined.
 - "Bullying of older workers and they're continually being undermined at work is not making the best of their talents and experience."
 - "Older men are seen as more experienced and able to take on challenges but women in the same age group are not treated with the same respect."
 - "I just felt that I had no one to talk to at work. I was constantly being left out and my health suffered."

Is it reasonable to give people a fixed period of notice for State Pension age changes, and if so what period?

- As we have seen with the WASPI women, people need to be given notice before changing their state pension age.
 - “The Government made a decision that robbed women of their money with no justification when it came to the pensions.”
 - The Scottish Pensioners’ Forum’s survey showed that 46% of older adults planned to retire at 60 but had been forced to change their plans.
 - The instability caused by this can be detrimental to both mental and physical health and needs to be addressed.

3.2. Changes in the nature of work:

How have changes to the types of jobs people do affected working lives?

- Precarious work
 - People can no longer expect to have a job for life. This takes away the stability of planning for retirement and may mean people have multiple pension pots which do not get them as much money.
 - Precarious and zero-hours contracts mean many people do not have a reliable income from one month to the next. This affects long-term planning but also restricts their eligibility for social security if their wage fluctuates
 - The minimum wage is not keeping up with the cost of living, meaning many people are getting into debt just to survive and have no capacity to save or plan long-term.
 - The lack of unionised employment means lower pay and worse working conditions. This is eroding the collective self-worth of workers and people are coming to expect less from their employers and the state which needs to be redressed.
- Work intensification
 - Austerity and cost-cutting in both the private and the public sectors has meant workers are expected to do more for less.
 - Older people are finding that they are struggling to meet the increasing demands and are finding themselves performance-managed out of jobs.
 - There needs to be more effort put into ensuring that older workers are given dignity in the workplace:
 - Redesigning jobs to better meet the needs and capabilities of older workers
 - Training supervisors to better understand and be respectful of older workers’ role within the workforce
 - More planning needs to be done around sickness and absence management to ensure that older workers are not being overworked to the point of illness, or discriminated against for having to take time off.

What are the anticipated future changes to the workplace? How could this impact on people’s working lives?

- Flexible working
 - Since the pandemic, there has been a notable shift towards hybrid working.
 - Many women have seen benefits from this, especially disabled women or those with caring responsibilities, as it makes working more accessible for them.
 - “We need more flexibility in work patterns across 7 days a week and allowing for split hours in the day to allow work life balance and family-friendly

policies. Also more acceptance of home working as an option, focusing on measurable outputs rather than presenteeism.”

- The more flexible employers can be in accommodating working patterns, the fewer people will feel pushed out of the workplace and paid employment.
- However, women have raised concerns that inequalities may emerge if flexible working is not implemented properly.
 - Those working from home may be denied the same opportunities for promotion or training as those in the workplace. If those working from home are disproportionately women, this could set back progress for women in leadership roles and perpetuate the issue of women earning less over their working lifetime.
 - Being isolated from other workers weakens collective bargaining and leads to lower pay and worse working conditions.

What factors do people consider when making decisions about when to retire?

- If they can afford to
 - If they have enough in savings/any private pension
 - The lack of employment opportunities for younger people and housing crisis mean children are staying at home longer, which has implications for parents retiring.
 - The Scottish Pensioners’ Forum’s survey of older adults showed that 28% wanted to retire but could not afford to.
- Caring responsibilities
 - Issues with childcare mean many older women have to give up work to look after grandchildren so their own children can go to work.
 - Many older women (50+) have to leave paid employment to become full-time carers to partners with health conditions or elderly parents.
 - “We rely a lot on older women in the economy, with the unpaid childcare, voluntary work, and all the things that we do. But we’ve been left to just get on with it, and I find it really sad that we’ve been left with nothing post-covid.”
- Their own health
 - Women predominate in sectors such as care, cleaning and retail which can be very physical and hard to maintain.
 - Chronic conditions such as fibromyalgia and osteoporosis disproportionately affect women.
 - This can include the mental health benefits of staying in work (e.g. maintaining social contact and keeping mentally and physically active).
- The stress of work
 - After the pandemic, a lot of women have re-evaluated their priorities and have decided that they do not want to have such stressful lives, either choosing to retire, reduce their hours or move into less stressful sectors.
 - Women in the NHS in particular have noted an increase in people retiring because of understaffing and being overworked – “we’re losing the most experienced staff that can get it done and support other staff. They’re all going to disappear and we’re going to have a real staffing crisis.”
- Domestic abuse
 - For many women experiencing abuse, going to work is the only reprieve they get from abuse.
 - Women experiencing economic abuse may feel forced to stay in employment if they have been denied economic independence throughout their working lives.

3.4. Metrics for setting State Pension age

Is it reasonable for people to expect to spend a fixed proportion of their adult life in receipt of State Pension?

- Yes
- It is a social injustice if some people are rich enough to be able to afford to retire but others cannot.
- If people are no longer fit to work, it is a human right that they should be entitled to support from the state.

How can we best take into account the sensitivity of the life expectancy projections when considering an appropriate State Pension age for the future?

- It is important that the discrepancies in life expectancy based on socioeconomic status are taken into consideration.
- It is also important to note that those working in the most physical or manual jobs are often on the lowest comparable wages so will have to work later. Since many people can physically struggle to maintain these types of jobs, there can be barriers when it comes to having to retrain later in life.
- Consideration needs to be given to the fact that studies are showing young people today will be the first generation who live shorter lives than their parents and who do not earn as much as their parents. The pension age cannot just continue to go up indefinitely.

Conclusion

The SWC is grateful for the opportunity to respond to the UK Government's call for evidence on the Second State Pension Age Review. As an organisation, we will continue to work with women from across Scotland to gather voices and experiences relating to this topic and its effects on women's equality.

For further information, please contact

The Scottish Women's Convention

Email – info@scottishwomensconvention.org

Telephone – 0141 339 4797

www.scottishwomensconvention.org

The Scottish Women's Convention engages with women using numerous communication channels including Roadshow events, Thematic Conferences and regional contact groups. This submission paper provides the views of women and reflects their opinions and experiences in a number of key areas relevant to women's equality.

Scottish Women's Convention is a charitable company limited by guarantee. Registered in Scotland No. SC0327308. Registered office 2nd Floor, The Albany Centre, 44 Ashley Street Glasgow G3 6DS.

The Scottish Women's Convention is a Charity registered in Scotland No. SC039852.