

6 August 2010

State Pension Age Review Team
State Pension Division
Floor 5, Section B
Caxton House
Tothill Street
London
SW1H 9NA

Dear Sir

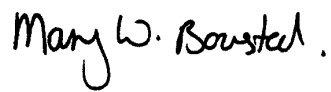
ATL's SUBMISSION TO THE CALL FOR EVIDENCE – WHEN SHOULD THE STATE PENSION AGE INCREASE TO 66?

1. The Association of Teachers and Lecturers (ATL) welcomes this opportunity to respond to the request for evidence about when the state pension age (SPA) should increase to 66.
2. ATL contributed to the submissions of the TUC and the National Pensioners' Convention and takes this opportunity to fully endorse and reiterate the arguments made in those submissions.
3. ATL is an independent, registered trade union and professional association, representing approximately 160,000 teachers, headteachers, lecturers and support staff in maintained and independent nurseries, schools, sixth form, tertiary and further education colleges in the United Kingdom. ATL represents the largest number of staff working in the independent sector.
4. ATL believes that any increase in the SPA would affect the poorest in our society the hardest. Although life expectancy is increasing, it is not doing so uniformly across our society. Men and women living in the poorest neighbourhoods tend to die earlier than those in wealthier areas. Increasing the SPA will have the greatest impact in poorer areas where men and women will have to wait longer before reaching SPA and will receive their state pension for a shorter period of time.
5. The average life expectancy is increasing, but the DWP's own evidence clearly shows that this has not been matched by the length of time people are living free of illness, disability or both. The evidence from the DWP shows that although people are living longer, a larger proportion of that increase in longevity is spent living with an illness or disability.

6. Furthermore, evidence shows us that the poorest in society tend to live a greater proportion of their retired lives with a disability or illness. Therefore, the poorest in our society not only tend to die sooner, but they also spend a greater proportion of their retirement with an illness or disability.
7. An increase in the SPA would not necessarily lead to greater numbers continuing in employment. The likelihood is that more people would end up living on disability benefits until reaching SPA. It is imperative that before any judgement is made on increasing the SPA, the DWP conducts further research about the years of healthy life expectancy and not focus only on the increase in longevity.
8. According to the evidence produced by the DWP, men in unskilled manual employment tend to live four years less than men in skilled professional occupations. Unskilled manual employment tends to be more physically demanding than professional occupations and not as well paid. Those working in a physically demanding job are therefore more likely to retire earlier due to the demands of their occupation. Forcing people to work longer may not be practical or realistic if they physically can no longer continue in employment.
9. ATL welcomes the Coalition Government's decision to link state pension increases from April 2011 using the higher of earnings, prices or 2.5%. However, this triple guarantee intended to raise the state pension to a decent level has effectively been weakened by the decision to replace the prices measurement from the Retail Price Index to the consistently lower Consumer Price Index. This decision combined with an increase in SPA, is in effect a double whammy and will undoubtedly hit the poorest the hardest.
10. The Government's current equalisation of the SPA of men and women has had a lead-in time of up to 25 years from the Pensions Act 1995, which implemented the EC directive dealing with the principle of equal treatment. The decision to phase this change in for a period of ten years gave time for individuals and employers to prepare for this significant change.
11. ATL believes that the lead-in time for raising the SPA to 66 should not happen before 2020 and should not lead to an increased period of inequality between men and women. Therefore, the increase to age 66 and beyond should not change from the long-held plans to increase SPA for men and women from 2024 to 2046.
12. Before an increase in SPA is introduced, the DWP must ensure that the benefits system is robust and sophisticated enough to support those who may end up worse off as a result.
13. ATL does not agree with the position that consideration should be given to the current economic position when one is judging the correct time to increase SPA. This is not the lens through which the debate over the timing of the increase in the SPA must be viewed. Instead we must look at the most vulnerable in our society and ensure that they are not hardest hit by an increase to SPA. Fairness, equality and social responsibility must be the key ingredients on which a decision is based.

ATL strongly believes in full, co-operative and constructive consultation. We look forward to receiving the DWP report and working closely with the DWP to ensure that any increase to SPA is implemented at the right time and the most vulnerable in society are not adversely affected. ATL is willing to answer any questions arising from the DWP's study of our submission and can provide further written or oral evidence on request.

Yours sincerely

A handwritten signature in black ink that reads "Mary W. Bousted". The signature is written in a cursive style with a period at the end.

Dr Mary Bousted
General Secretary