

A submission to the consultation on -

‘Security in Retirement: Towards a New Pensions System’

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The Women's Support Network (WSN), established in 1989, is an infrastructural umbrella organisation, which provides support and services to, and represents over 30 groups (mostly in the Greater Belfast area), including community-based women's centres, women's projects and women's infrastructure groups.

WSN aims to achieve social, political and economic justice through the promotion of the autonomous organisation of women. The Network aims to strengthen the collective voice of women's groups and to promote and develop networking opportunities, to enable collective action and to impact upon policy and decision making processes. We provide an accessible, relevant and high quality support service and resource for member groups. The Network is also an important information provider on issues relevant to community-based women's organisations and for other infrastructure groups, nationally and internationally.

The Women's Support Network welcomes the White Paper on Pension Reform and moreover we welcome the opportunity to respond to this consultation process. It has long been acknowledged that discrimination is embedded within the current complex pensions system throughout the UK – a system that fails to economically value the reproductive role that women have (biologically) and the 'caring' role attributed to women in this society. The Women's Support Network view the current pensions system as blatantly discriminatory – a system created at a time when men were perceived to be the 'breadwinners' and their wives would rely on their husband's contribution in retirement. That this system pertains today is utterly inappropriate and has resulted in the growing socio-economic inequality between men and women, particularly older men and women. In light of this we welcome that Government have (within the proposals) went some way to address the obvious inequity that exists within the current pensions system. As a network representing women's centres and host of other women's organisations and groups (mostly based in the Greater Belfast area) we clearly have an interest in policies that could reduce inequalities faced by women in Northern Ireland and in the wider UK.

A number of salient points in relation to the proposals outlined the White Paper are outlined below:

1. WSN strongly welcomes that the ‘up-rating’ link between the Basic State Pension (BSP) and Average Earnings is to be restored. The BSP has almost become meaningless over (almost) the last two decades as in real terms the BSP has declined drastically in relative terms, forcing many members of our older population to live the final years of their lives in poverty. This scandalous situation has had a disproportionate and highly inequitable effect on older women. While we welcome the restoration of the above link, we would urge government to reinstate it sooner than 2012, to alleviate the unacceptable poverty experienced by pensioners today. We are also unsure as to how the restoration of this ‘link’ will occur in terms of the real value of the Basic State Pension. If government wait until 2012 to restore the link with earnings – pensions may become even more meaningless in terms of their ‘real’ monetary value. We therefore strongly urge that government begin by establishing pension rates at a reasonable percentage of average earnings at the outset of the restoration of the link with earnings.
2. WSN welcomes that government recognises that the current system is particularly unfair to women and carers. We therefore ‘cautiously’ welcome that the conditionality attached to Basic State Pension entitlement is to be reduced to 30 years. This may go some way to recognising that while there is a huge increase in the numbers of women working in the mainstream labour

market, their (paid) working life is often fragmented due to having/raising and caring for families and relatives. However, we would contend that the proposed reduction in conditionality to BSP entitlement could be enhanced further, taking due regard of the fragmented nature of many women's careers and therefore resulting in diminishing the economic discrimination faced by many older women.

3. It is stated within the White Paper that currently only 30% of women retire on a full state pension compared with 85% of men. The proposals as outlined in the paper expect that by 2010, 70% of women reaching State Pension age will be entitled to a Full Basic State Pension. This expected outcome is welcomed by the Women's Support Network. However, we remain extremely concerned that when one examines the 'bigger picture' of the overall pension system, little will change in terms of the economic inequalities and discriminations faced by women.
4. We are concerned that the proposals do not address the huge gender gap that exists in occupational and private pensions. Notwithstanding the influx of women into the mainstream labour market over the last two decades, the reality remains that having children and women's perceived role as primary care giver, has ensured that they have remained disadvantaged both in financial terms (Unequal Pay/Pensions) and in terms of their career prospects (although women have surpassed men in terms of educational gain, low-paid and part-time jobs are still dominated by women). This means that

due to 'caring' responsibilities and lack of general societal support eg. accessible and affordable childcare, many women take career breaks to have and raise children and/or to care for elderly relatives. Due to these responsibilities many women re-entering the labour market, access jobs that are part-time and low-paid. There is little doubt that this exacerbates the gender pay gap. While in part-time, low-paid jobs women find that they are unable financially to make contributions to a private or occupational pension scheme and if they do, their contributions will be much lower than that of a full-time male worker who has not had to take a career break. Therefore it is highly likely that older women (when compared with men) will still be disproportionately affected by poverty over the future decades. WSN believe this to be an unacceptable situation and one that must be addressed if we as a society are serious about tackling gender inequality.

5. Therefore, we believe that a number of other overarching issues must be recognised and addressed in order to ensure gender equality is realised in terms of overall pension provision:

- It must be recognised that the current pensions system and provision was designed to accommodate men (the male breadwinner). Society has changed dramatically since the 1940s and the proposals as outlined in the white paper are tinkering at the edges of what is essentially a 'male breadwinner' framework.

- The reproductive role of women in society and their perceived and/or real responsibility as ‘carers’ must be acknowledged and understood in terms of how it clearly has an unequal economic impact on their lives. Therefore we believe that government should acknowledge and place value on the unpaid ‘caring’ role attributed to/undertaken by the vast majority of women in this society. Recognition of this role should permeate pension policy.
- After (over) thirty years of legislation the gender pay gap remains a reality. Female work remains segregated (horizontally and vertically); women earn less than men; and women are hugely over – represented in part-time and low paid jobs. This results in many women not being able to build up entitlement to the Basic State Pension, much less to private or occupational pensions.

6. In conclusion, we acknowledge and welcome that many pensioners (mostly women) have been lifted out of absolute and relative poverty due to recent government pension policies, and we further acknowledge that the proposals as outlined in this paper will have a positive impact on some older women as they reach ‘pensionable’ age. However, we believe that the true causes of economic inequality as experienced between older men and women have not

been fully examined and acknowledged. We would therefore hope that this government White Paper is not viewed as a panacea to the issue of gender inequality amongst the older members of our society but rather the beginning of a process which will result in the eradication of gender economic discrimination. We therefore look forward to further developments within this policy area that will further address the blatant socio-economic gender inequalities that persist within our society, and particularly, in relation to this policy area, the eradication of poverty amongst older women.