



Craig Whittaker MP

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WOMEN'S STATE PENSION AGE

Thank you for contacting me about changes to the State Pension age.

I firmly believe people who have worked hard all their lives deserve security in their retirement. The triple lock means the basic State pension rises by inflation, earnings, or 2.5 per cent, whichever is highest. This means that in 2017-18 the state pension is more than £1,200 a year higher than in 2010. The triple lock will remain in place for the duration of this Parliament. For those reaching State Pension age after April 2016, a new State Pension has been introduced at a single, flat rate of £159.55 per week, which has also been triple locked. All those women affected by the 2011 State Pension age changes will draw their State Pension under the new system, which is much fairer to women than the previous system and will mean 650,000 women will receive an average of £8 per week more in the first 10 years.

Equalising the State Pension age was necessary to ensure the State Pension remained sustainable, and to reflect our modern economy and society. The Pensions Act 1995 legislated for this to be done gradually after 2010. Following sharp increases in life expectancy projections, the Government had to accelerate this process slightly in the Pensions Act 2011 to secure the sustainability of the system.

The Government did listen to concerns raised at the time of the 2011 adjustment, and I am pleased that as a result the maximum increase was capped at 18 months relative to the 1995 timetable. That represented a £1.1 billion concession, helping those women affected with the transition to a higher State Pension age. Making further transitional arrangements would not only complicate the system but could also cost taxpayers many billions of pounds, and the potential cost of reversing the 2011 changes has been estimated at £39 billion.

Higher life expectancy does mean that as a society we will have to adjust to slightly longer working lives, but it is right to ensure at the same time that people have security and dignity when they do retire. That is why the Government will continue to provide unprecedented support for people in later life, including the triple lock and maintaining universal benefits such as the Winter Fuel Payment. The Government did adjust its proposals in 2011 to mitigate the impact on those worst affected by the State Pension age changes, and I do not think there is a need to revisit the issue.

Thank you again for taking the time to contact me.

Kind regards,

Craig Whittaker MP