

# BBC Radio 4 *The World at One*

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**Sarah Montague:** "Now when George Osborne was Chancellor he told a Global Investment Conference in 2013 that raising women's pension age was '*one of the less controversial things we've done and*', he went on, '*and it probably saved more money than anything else we have done*'. Today, women around the country are marching in protest at that decision.

They say they were never properly informed that their State Pension Age was pushed back after the changes which were made in 1995 and in 2001. Well, one of them is Stella Taylor and she spoke to me earlier."

**Stella Taylor:** "I was born in 1955, I had worked all of my life and, when I became unwell at just about the age of 58 I then discovered, quite accidentally, that my State Pension, which I was expecting to receive at 60, had been moved six whole years to sixty-six. And, like so many women in this movement, we were just aghast. We thought there must be a mistake.

"Had I received my pension at sixty, when I had expected to, I wouldn't have been wealthy by anybody's standards, but I wouldn't have been in the depths of poverty that I now am. At the moment, because I am still unable to work due to ill health, I receive seventy three pounds and ten pence per week in Employment Support Allowance. Living, and paying all your household bills, out of that £73 a week is impossible. There are times when I have needed to use my local food bank because I haven't been able to afford groceries."

**Sarah Montague:** "So you don't object to the fact that your pension age is being put to the same age as men?"

**Stella Taylor:** "In principal, I think equality is to be achieved when possible, but what I do think is for women of our generation, and possibly for generations slightly after us, we were never accorded equality in our working lives, in our personal lives. I can remember going into bars when I was quite a young woman and not being able to approach the bar to buy my own drink because I was a woman. After a lifetime of inequality, how can they force a pseudo equality on us if you like."

**Sarah Montague:** "Stella Taylor. Well, David Hencke is an investigative journalist who's looked at what Government did with the fund into which National Insurance were paid."

**David Hencke:** "Basically, one goes back - and I am using House of Commons Library documents for this - goes back to the late 1980s when actually the Thatcher Government took the decision to end the Treasury money that was put into the National Insurance fund, and that money was substantial, was about £11.3 billion a year. Basically, John Moore abolished it because it was in surplus. Within four years half the surplus had just disappeared. As far as I can see, for twenty four years, they **never** put any money into it. The result is about a figure of about £271 billion pounds never got into the fund, which is why the Government can say today '*we haven't got the money*'."

**Sarah Montague** (interrupting): "So what, are you suggesting? Sorry forgive me for interrupting David, but are you suggesting that money that these women paid throughout their life in expectation that it would eventually come back to them as a pension, had actually been er, robbed, stolen by the government?"

**David Hencke:** "Yeah, yes, because of that decision actually that was taken and, I know that it is a strong view to take, but basically, say they had taken a different political decision in 1995 and said, 'yes, people are going to live longer and we ought to plan for this, so let's actually change the rules, or revert to what William Beveridge decided in 1948 and leave that percentage in our

pots of money coming in' there would be no problem in paying what will amount to a very large sum of money to compensate these women. It's about seventy seven million pounds."

**Sarah Montague:** "David Hencke. Well, Lord Rooker was the Social Security Minister from 1999 to 2001. Good afternoon."

**Lord Rooker:** "Good afternoon Sarah."

**Sarah Montague:** "You think these women have been unfairly treated, don't you?"

**Lord Rooker:** "Yes, I would encourage every MP to read David Hencke's report which he published on the 5th of June. I was also on the Front Bench in Opposition on Social Security from 1979 to 83 and I was in the Standing Committee where the cuts started and the manipulation of the National Insurance Fund, taking off the earnings' related supplement of Unemployment Benefit and Sickness Benefit where this all started the process, and cutting the Treasury Supplement. And David is absolutely right, it is unfair the way the women have been treated, but to say the argument is: 'We haven't got the money' you have to go back to look at what happened to the National Insurance Fund. And, if I could just say this, because it's crucial, when ministers are given assessments to changes in the National Insurance Fund, they are given a thirty-year span, which is why George Osborne was able to say what he said. When I was the Pensions Minister 1999-2001, any change that was forecast you were given a thirty-year span. People on receiving the money - their pensions - my view is they are entitled to the same kind of warning to plan their life."

**Sarah Montague:** "OK, but you were there when some of these changes were implemented. Why, why did you allow it?"

**Lord Rooker:** "Well, I was at the DSS from 1999 to 2001. I would have to say, that during that two years, that I was also the 75p Pensions Minister and I had to spend an awful lot of time defending that decision, which I am happy to do, because the poorer pensioners got £3. But this is the other issue, the National Insurance, because it is a thirty-year span, looking at it and the manipulation of it, the number of ministers and civil servants over the period of years that come in, do a couple of years, come in and leave and do something else, there is no over-arching, there are no independent trustees for the National Insurance fund. The fund doesn't exist. It's not a piggy bank. Money paid out by people working this week in National Insurance will be paid to pensioners in about six weeks' time."

**Sarah Montague:** "OK, so Baroness Ros Altmann, because she was a Minister for Pensions as well. She has since said that male ministers absolutely refused to listen when she raised concerns about the decision to raise the pension age for women, when she said that it was a problem."

**Lord Rooker:** "Well, she's absolutely right and, because of this mindset that refusal to go back and look at the changes that have occurred in the way the National Insurance fund is managed - and don't forget that employers put into it as well - as the Treasury used to, that's why the vast amount of money has not gone into the fund that David Hencke has just indicated."

**Sarah Montague:** "So what should happen now?"

**Lord Rooker:** "Well, frankly it needs a massive reversal. It needs, I won't say a Royal Commission 'cause nothing would happen. The Commons Select Committee should get to work, the Government should be more honest and open about changes that occur where there's a thirty year span. Accept the fact that these women were not given sufficient warning. There's no question about that, however..." *<interrupted by SM: "OK">* arguments they get letters, and actually correct it. And you *<interrupted by SM: "What correct it? You mean?">* "...you could do it with a supplement into the National Insurance fund. Get the fund to work the way it was originally planned with a Treasury Supplement. Er, higher contributions..." *<interrupted by SM: "So they are compensated? So, what, they don't get their pension but they have some compensation to soften the blow.">* "...Well, the argument has been George Osborne and others changed the date

for the pension as a way for covering up what had happened with the National Insurance fund. I mean, he made the books balance by actually giving misery to these women for longer, those years. You could correct that. It's not easy just to turn the clock back because this has gone on for three or four decades, but David Hencke's exposure in a very simple clear document is all that MPs need to be able to put the pressure on the Government to put the matter right."

**Sarah Montague:** "Lord Rooker, thank you very much. Well, still listening and joining us thank you very much is Mel Stride, who is Financial Secretary to the Treasury, and Nick Thomas-Symonds, who is Shadow Security Minister and Shadow Solicitor General. Gentlemen, thank you very much for waiting and, Mel Stride the obvious question to you, what is the Government going to do about this?"

**Mel Stride:** Well, we've already done a lot in this area of the WASPI campaign. I think I'll just make one or two important points here. The first thing is, it is important that we have men and women retiring at the same age and that needs a transition. Um, women, um, on average, er um, live about two years, er, longer than men."

**Sarah Montague:** "Do you accept that these women weren't warned?"

**Mel Stride:** Well, um, no I don't, because when the policy came through, um, announcements were made and I know that between April 2009 and March 2011 the DWP sent out 1.2 million letters to those women that would be affected. But the other point I..." *<interrupted by SM: "But here are many women who say they **did not know**, they had no warning until possibly two years before." >* "...So what we have done is that we've, er, er, spent about or allocated about £1.1 billion to make sure that those affected will see no change, er, in their retirement date any greater than, er, eighteen months, er, relevant to the 1995, er, Act. Um, so we have, er, made quite a move, er, in in this particular area but, as I say, the policy has been clear, er, has been clear in the past individuals have been, er, er, notified of this and I think that the broad thrust of the policy, er, is the right one."

**Sarah Montague:** "But do you, do you accept as well that part of the problem is that they were paying into their National Insurance and that fund was **effectively** being raided by the Government."

**Mel Stride:** "Well, the National Insurance fund as, er, er, you have the consolidated fund, you have different funds and places where, er, monies go but at the end of the day this is money, er, only really comes from two places, either you borrow it or you tax and raise it that way and then it goes out by way of expenditure."

**Sarah Montague:** "Sure, but the Government **had** being paying into this fund and it decided to stop?"

**Mel Stride:** "Well specifically as to which fund these, er, these amounts come out of, the reality is that I think the over-arching policy here has been right, which is to bring the retirement age of men and women together and I think that's, er, you know, a basic gender equality issue...." *<interrupted by SM: "Yeah, but it's a different question that I am asking you." >* "...Well, the point that I am making is that exactly where the money come from, or which which fund, or which part of central government, um, it is nominally allocated to, er, the basic mathematics are the same. Which is that there is a certain amount that's there and there's a certain amount that's dispersed and...*<interrupted by SM: "OK, but let me turn to..." >* "...and changed the retirement..."

**Sarah Montague:** "And let me turn to Nick Thomas-Symonds, 'cause Labour hasn't made clear what it would do for these women who are affected and say they were unfairly, er, affected."

**Nick Thomas-Symonds:** "Well, we, we've made a number of suggestions actually. I was my party's pensions spokesperson in the early months that I was in Parliament in 2015. I was really pushing the Government to do more. I mean the limitation of impact to eighteen months that Mel is talking about is actually something that was in the original 2011 Bill and, by the way, **many** of

the WASPI women I spoke to around the country, in my constituency, and indeed across the wider UK, didn't have that, er, notice Sarah and, actually, that's where the real unfairness is"

**Sarah Montague:** "What would Labour in Government do?"

**Nick Thomas-Symonds:** "Well, here's three suggestions that we have put: we could extend eligibility for pensions credit, we could allow those affected the chance to retire earlier at 64, we could explore further options for transitional protections and, by the way, when I was my party's Shadow Pensions Spokesperson, we were putting forward a menu of options in 2015 and I said in a speech in the House of Commons, to the Government, do not slam the door on the WASPI women but I am afraid that's exactly what they have done over the last three years. Absolutely nothing."

**Sarah Montague:** "Nick Thomas-Symonds and Mel Stride, thank you both very much."

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