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## Spending Review: Pension age change hits women hardest

Author: Rachel Charman  
IFAonline | 20 Oct 2010 | 17:08

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The raising of the state pension age (SPA) to 66 by 2020 will be harder for women than men, experts say.

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As part of the Spending Review, George Osborne today announced the SPA will begin rising to 66 from 2015.

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"This is a very big change for women," says director-general of Saga Ros Altmann.

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"Men's pension age rises by one year, but women's rises by six years in 2020.

"It makes sense to align the SPA for men and women, but this means those who cannot find a job will no longer get pension credit."

Joanne Segars, chief executive of the National Association of Pension Funds (NAPF), says: "These changes will have a

particular impact on women in their late 50s, who may have to review their retirement plans.

"The trade-off for a later retirement must be a better state pension, particularly as the UK's is the worst in Europe."

Rash Bhabra, head of corporate consulting at Towers Watson, says: "A woman born on 5 April 1953 will still be able to claim her State Pension when she is just 62 years, 11 months and one day old. A woman born a year and a day later will have to wait until she is 66.

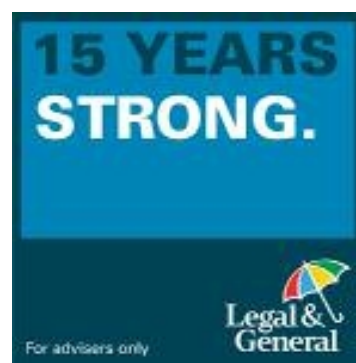
"The extra three years of income could be worth more than £15,000 just looking at the Basic State Pension and could be much higher for women with substantial entitlements to SERPS or the State Second Pension.

"Before the election, the new Liberal Democrat Pensions Minister said he thought it would be illegal to widen the gap between male and female State Pension Age, even temporarily, as the Coalition originally proposed."

Ceri Goddard, chief executive of the Fawcett Society, adds: "It is women who will be the main losers as jobs are cut, public services are rolled back and benefits are slashed."

However, Jennie Kreser, partner at Silverman Shertiker, says: "Women will have to work longer in order to qualify for a pension, but let's think about that; generally women live longer than men anyway.

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Fair?? I don't think so!

OK. So these cuts are supposed to be fair? Women are already on an incredibly steep rate of increase in pension age and this really is the final straw. We are flippin' angry - it is a crazy, inequitable and ill-thought out change and are going to shout about this from the rooftops. If I was born on 6th April 1953, I could retire in April 2016 at 63. I was born just 8 months later in December 1953, and I shall now have to wait til I am 65 and 2 months, an extra 2 years 2 months. Or perhaps I will have to be 66 before I can retire...the experts seem divided on this one! As a long term carer and someone who has never claimed any benefits I chose to pay over £2000 to top up my NI contributions by extra 4 years for a full state pension in mid 2017. Now overnight and against a backdrop of my own declining health and employment prospects I have less than 7 years to make over £12,000+ of provision for these extra years without a state pension. Fair?? Possible?? I dont think so! P.S. As a real 'Worcester woman' so highly regarded by pollsters I am furious and feel betrayed. I and many others will never make the mistake of voting for the Lib Dems again....

Posted by: Deb Hodson

21 Oct 2010 | 15:03

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