

Retirement and Pensions

*View from the Chair Business Newsletter 2 August 2010
Bob Collins, Chief Commissioner, The Equality Commission.*

There is a big question mark over the affordability of present pension arrangements, not just in Northern Ireland but throughout Europe and in all countries which make social provision for retirement. Launching a European wide debate on the issue last month László Andor, EU Commissioner for Employment, Social Affairs and Inclusion, described the current situation as “*simply not sustainable*” and said the choice was between “*poorer pensioners, higher pension contributions or more people working more and longer.*”

There is concern over a growing imbalance between the increasing numbers of retired people compared to those working and financing their pensions. This has led to proposals for a change in the age at which state pensions become payable

It is one thing to tell people they may have to work longer but, as no one can be guaranteed employment, the current provision that people lose the protection of the age discrimination law at 65 has assumed even greater importance. The issue is whether people should, on an arbitrary basis, be precluded from working just because they're 65. People now live a great deal longer and are healthier. As a result, many people are willing to work longer; are able to do the job; welcome the fulfilment and socialisation they find in it and, of course, because they need the money.

In recent days the United Kingdom Government has announced its intention to remove the default retirement age and has commenced a consultation. That decision will prompt a review by the Executive here in Northern Ireland and comparable change may follow.

The nature of any new statutory framework to be established will be important. It should protect the rights of people who are able and willing to carry on working, without applying generalised cut-off points. But the detail of such a far-reaching change in legislation is always important, such as what exemptions may be considered necessary or what provisions may be required for assessment of fitness to work.

Concerns are often raised that removing such barriers to work for people in their sixties and beyond may mean that people in their teens and twenties may lose out on employment opportunities as a result.

That was also the argument used decades ago against women working - that if a woman held a job it meant a man with responsibility for a family was denied it. At the time, that seemed logical – mostly to the men. Now people would find it laughable, ludicrous and grossly offensive. That very same argument could be turned against young people if there weren't legal protections available.

Of course, age discrimination law works for all age groups. It protects young people, people in their middle years and older people. Everyone has the right to receive fair treatment based on their individual merits, experience and potential. And we should be able to accommodate the different needs and preferences of people whatever their age group.

Some people want to stop work at 60, some at 65. Others may want to have the satisfaction of continuing to work so long as they feel able to do it. We must also strive to avoid blockages for young people leaving education and entering the workforce. They need to have a reasonable prospect of finding jobs. And we should remember that barriers to employment based arbitrarily on age can be every bit as unjustifiable for young people as for older people.

There are other issues in relation to age that the law does not cover at the moment. Unlike all other areas of anti-discrimination law in Northern Ireland, there is no protection in respect of age in the provision of goods, facilities and services. But that is something for another day.