

# Pension Schemes Bill 2020 Northern Ireland

Response from the Commissioner for Older People for  
Northern Ireland

September  
2020

Thank you for your recent letter and invitation to respond to the Pension Schemes Bill 2020 Northern Ireland.

As Commissioner, I welcome the additional protection offered for pension subscribers in Northern Ireland and the additional and regulatory framework contained within the bill. These changes will be of particular importance in the coming years as the proportion of older people in Northern Ireland's population continues to increase.

The population aged 65 and over is projected to increase by 65.1 per cent to 491,700 people from mid-2016 to mid-2041. This means that almost one in four people (24.5 per cent) in the UK will be over 65 by the year 2041. <sup>1</sup>

Future and pending changes in the State Pension age will have a significant impact on current and future pension subscribers in Northern Ireland. Women will be particularly affected by these. The average pension pot for a 65 year old woman in the U.K. is £35,800, just 1/5th of the average of a 65 year old man's. The average cost of residential care for women aged 65-74 entering a care home is £132,000 and £82,000 for men".<sup>2</sup> Women in Northern Ireland over the age of 50 on average earn over £200 a week less than men the same age.<sup>3</sup>

There needs to be further research, conversations and both legislative and social policy interventions to ensure our ageing population will be financially secure, including both pensions and social care.

Currently in the UK and within Northern Ireland, rates for long term unemployment are the highest for those over fifty and below pension age. The currently accepted definition for long term unemployment is a period of unemployment lasting over twelve months. According to the most recent data from the Office of National Statistics (ONS), 60.9% of those under fifty fall into this category.<sup>4</sup>

1. <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability>
2. Chartered Institute of Insurers report - (<https://www.cii.co.uk/media/10120355/moments-that-matter-pensions-life-journey-for-women.pdf>)
3. <https://www.nisra.gov.uk/statistics/labour-market-and-social-welfare/annual-survey-hours-and-earnings>
4. <https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/outofworkbenefits/datasets/jobseekersallowancebyageanddurationben03>

This act will provide much needed additional protection for those subscribing to pension schemes in Northern Ireland. I look forward to further work by the Assembly to address issues of financial security for current and future older people and pension subscribers in Northern Ireland.

If you or the Committee wish to discuss these issues further or my office can be of any further assistance please contact me via our Head of Legal and Policy Advice, on (028) 90 890 894.

I look forward to hearing from you.

Yours sincerely,



**Eddie Lynch**  
**Commissioner for Older People for Northern Ireland**