## State pension age changes spark thousands to call for early access to payment | Personal Finance | Finance

By Scott Marlette - On Oct 4, 2021

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They say forcing everyone to work later and later in life is unfair on the sick, and those doing manual or stressful jobs. Older workers have been hit disproportionately hard by the pandemic and many will struggle to find new work as recruiters favour younger employees.

Tom Selby, head of retirement policy at AJ Bell, said falling life expectancy will heap pressure on the Government to rethink the planned state pension age hike to 67 from 2026. "Allowing early state pension access at a reduced rate would potentially help address this unfairness."

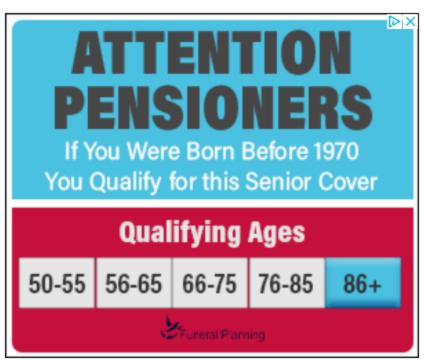
More than one in three aged between 50 and 66 would consider taking their state pension if it was an option, early at a lower rate, AJ Bell's research shows.



Former pensions minister Baroness Ros Altmann called for people in poor health or financial to be given early access to the state pension, especially if they have built up decades of qualifying National Insurance contributions.

The state pension makes no allowances for poverty, regional differences or workers doing stressful, manual jobs, she said. "Forcing everyone to wait longer for their state pension has harsh impacts on the least well-off."

Many may never receive any state pension at all despite making decades of National Insurance contributions, because they die before age 66, Baroness Altmann added.



Among over-55s who retired early, almost six in 10 had no choice, according to research by Just Group. A third did so due to poor health or physical problems, while 17 percent had lost their job and eight percent had caring responsibilities.

Only one in four retired early because their pension and savings were enough to afford their retirement.

Dennis Reed, director at Silver Voices, said workplace ageism is a major problem and attitudes to older workers have not kept pace with the rising state pension age. "After you reach 50, any life crisis can plunge you into poverty because employers look for younger and cheaper workers and do not recognise caring responsibilities."



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Many have been forced out of the jobs market for good due to the pandemic and face severe hardship until they reach retirement age, Mr Reed said. "The state's safety net is miserly and workplace pensions are not as good as they used to be."

Almost three million over 50s are now seeking work and more than half believe their age has impacted the likelihood of being hired.



A further 17 percent said poor health hit their search for work, while almost one in 10 struggled due to caring responsibilities, according to a new report by Legal & General Retail Retirement and the Centre for Economics and Business Research.

There are still over 360,000 people age 55 and over on furlough and Emily Andrews, deputy director of evidence at the Centre for Ageing Better, said we risk a fresh wave of redundancies now it has ended. "This is particularly worrying because the over 50s struggle more than any other group to get back into work after redundancy."

Steven Cameron, pensions director at insurer Aegon, said there is a case for allowing people to choose to take an early state pension at age 63, but people may have to accept a lower income. "This would reflect the fact it is starting earlier and may therefore be paid for longer."