



***Age proofing goods and services: How
might the Equality Bill impact on
businesses?***

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Age proofing goods and services: How might the Equality Bill impact on businesses?

Good morning. I would like to start by thanking the International Longevity Centre for organising this extremely important and timely meeting.

As was highlighted in the Queen's speech just a couple of weeks ago, the Equality Bill is absolutely central to the Government's reforming programme in this legislative session before the General Election. It is a wide-ranging piece of legislation which sets out groundbreaking measures aimed at significantly strengthening Britain's anti-discrimination legislation.

Our proposals to outlaw harmful age-differentiated practices against people aged 18 and over by those providing services and exercising public functions form a key part of the Bill. The new law will provide important new protection, particularly for older people by putting age discrimination outside work on a similar footing to discrimination in the workplace. It will send an unequivocal message that it is not acceptable to treat people worse simply because of their age. The legislation will also help you as service providers to eliminate harmful age discrimination by providing you with a clear legal framework to work within.

Our intention is that the Bill will now complete its passage through the Commons and then the Lords becoming law in spring 2010, subject to the approval of Parliament. We expect to see the age legislation coming into force for business in 2012.

As the people who are actually going to be implementing the ban on age discrimination within the Bill, it is extremely important to me that you will leave today with a clearer idea of why it is necessary, what it is about and what it will mean for your working practices.

Context

Before I talk about the specifics of the legislation, I want to first put things in context.

If we look at the major issues facing this country— financial stability, climate change, international security, frankly our ageing society sits alongside these. For the first time, there are more pensioners than children in Britain. And this demographic change is set to continue.

Today there are around 10,000 people aged over 100 but by 2050 it is predicted there will be 250,000 Centenarians. That means if the elderly King William V is still on the throne in 2050, he will be sending nearly 700 telegrams a day!

In fact, during the last century average life expectancy increased by 2 years a decade on average. This is about 15 minutes every hour ... on average. Which means that by the time I sit down, your life may have extended by around 4 minutes!

Of course the fact we are living longer is good news. It presents us many opportunities, but it also presents us with challenges too. It demands action to tackle the prejudice and discrimination that still constrains our older people. It makes it even more important we as a society ensure a long life is a healthy and fulfilling life, that we unlock the potential for older people to play an even greater role in our society; and explode the myth that ageing is a barrier to a positive contribution to our society.

The ban on age discrimination in the workplace this Government introduced in 2006 was important, but we need to go further. It is still legal to discriminate against older people outside the workplace.

Examples of such discrimination include:

- A retailer assuming that older people are incapable for signing a contract without a younger person present to explain the details to;
- An activity holiday excluding an otherwise fit person from certain activities simply because they “look too old” and therefore may not be able to keep up with others in the group.
- A doctor failing to investigate a health complaint raised by an older person simply because of their age;
- A holiday camp site refusing access to a young married couple who are both 20 years old, because the service provider does not allow under 21s to stay there for fear of anti-social behaviour;
- Many older people and lobby groups representing older people have also told us they are concerned that older people have difficulty obtaining car and travel insurance. Some insurers do not offer some types of cover to older people, and when they do the premiums are high. This contributes to a perception that insurance companies do not want to provide a service to them and that the premiums they are charged do not fairly reflect the underlying risk they present.

Of course when age is used properly it is a valid criterion for pricing risk, but it needs to be based on evidence and not some arbitrary assumption.

We all go through the ageing process so the question we have to ask ourselves is how would we feel if it happened to us?

The Government strongly believes that ageism has no place in a civilised society. With more of us living longer, if we do not take the action necessary to build a fairer and more equal society for older people we will all suffer. This is why the Equality Bill bans age discrimination beyond the workplace.

Now I know from the point of view of business that more equalities legislation can seem bureaucratic and burdensome – a luxury we cannot afford during a recession. But actually this is a misconception that needs to be challenged.

Equality is necessary for individual rights, it is necessary for a more cohesive and modern society but equally important it is necessary for a strong and prosperous economy that draws on the talents and abilities of all.

It is also in the interests of business to develop goods and services catered to the needs of our older population. People over 50 currently account for nearly 40% of UK annual consumer spending.

We know there are already many businesses and other service providers out there who recognise the benefits of an age-friendly society. What we hope to achieve through the Equality Bill is to mainstream this approach and turn good practice into common practice.

Equality Bill and Age

Our proposals to ban age discrimination in the provision of services are based on the following principles:

One - Fair: People of all ages should be treated fairly and have an equal opportunity to access services provided by the public, private and voluntary sectors;

Two - Proportionate and flexible: It is important to us we ensure our proposals do not inadvertently hurt those we are seeking to protect. We are therefore proposing that the new law does not stop service providers offering age-specific goods and services which are beneficial or justified. This includes:

- Accommodation such as retirement, care and nursing homes available only to people in a particular age group because it caters for their age specific needs and individuals' preference to live with people of a similar age;
- Age based discounts and benefits such as '10% off days' offered by certain retailers to pensioners;
- Subsidised leisure and transport facilities for older or younger people;
- Or age-related group holidays.

We only want to stop age discrimination where it has negative or harmful consequences.

Three – Clear and transparent for individuals about their rights and how decisions are made, and for the public, private and voluntary sectors about their legal responsibilities;

And four – Practical and realistic: Taking into account how people of different ages live and their different needs and how businesses and other organisations operate. We want to ensure we strike a balance between ensuring that age is used appropriately, without imposing undue burdens on service providers.

In practice the new legislation could see an insurance company still using age where appropriate, but only where it is supported by evidence and not some arbitrary assumption.

Or to address the problem that some young and older people find it difficult to find a suitable policy, an insurance company could adopt a signposting service. This would provide better access to insurance products, offering more customer choice but with minimum additional cost for the providers and help to reduce the perception of age discrimination.

To ensure we get this right and make the new law effective, over the summer we consulted interested parties on our emerging proposals for exceptions from the ban on age discrimination. This gave service providers the opportunity to consider their own businesses and help us to gauge the impact so that we can start to frame the exceptions correctly. I know some of you here today contributed to the consultation and we are extremely grateful for your input. We are currently considering the contributions and will publish a summary of the responses shortly.

The legislation will only be an effective tool if we get the detail of the policy design right and for that we will be asking for your further involvement. In 2010 there will be a consultation on the draft secondary legislation to implement the ban and the appropriate exceptions. There will also be consultation on the supporting guidance, and your help is required to ensure that the appropriate action is taken to deliver effective implementation. By contributing to our consultations you can help us transform the legislation from a legal document into a vehicle for long lasting change.

The Equality Bill and the age discrimination ban will support the Government's wider drive to ensure legislation catches up with the aspirations and needs of an increasingly older population. It will send a clear signal that ageism is no more tolerable than any other prejudice – that our future prosperity depends on a society that treats its older and wiser citizens with the respect and dignity they deserve.

Concluding Remarks

My message is that we need effective legislation and commitment from service providers such as yourselves if we are to be successful in making our vision of a fairer society a reality.

I hope I have helped you understand why the Equality Bill and the age discrimination ban are so important.



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