

22 October 2010

Martin Payne  
Workplace Equality Unit  
Employment Relations Directorate  
Department for Business, Innovation and Skills  
1 Victoria Street  
London SW1H 0ET

[draconsultation@bis.gsi.gov.uk](mailto:draconsultation@bis.gsi.gov.uk)

Dear Mr Payne

### **Phasing out the Default Retirement Age Consultation document**

We welcome the opportunity for the Institute and Faculty of Actuaries to comment on this consultation. We are not proposing to submit detailed comments on the consultation questions in the Consultation.

However, we wish to reinforce the comment that is made in the consultation paper that a number of insurance type benefits become increasingly and disproportionately expensive in respect of employees who continue to work beyond age 65. Exemptions will be required in relation to the provision of all such benefits. Care will be required in drafting these exemptions to ensure that they apply however the benefits are provided. In particular, the exemptions should be even handed between employers who provide such benefits by insuring them with an insurance company, and those who in effect self insure them by providing them from an occupational pension scheme.

If you have any questions or would like to discuss any of these matters further, please do not hesitate to contact us. Should you wish to do so, please contact Maria Singleton at [maria.singleton@actuaries.org.uk](mailto:maria.singleton@actuaries.org.uk) or on 0207 632 2173.

Yours sincerely,

Martin Lowes  
Chairman, Consultations Group of the Pensions Practice Executive Committee