

Canada and Australia call for end to 'unfair' UK pension policy

[Amy Austin](#) December 16 2020



The Australian and Canadian governments have called on the UK to end the 'frozen' pension policy which sees overseas pensioners left without their full state pension.

An inquiry report by the All-Party Parliamentary Group on Frozen British Pensions, published today (December 16), has called on the government to provide UK pensioners living overseas with their full uprated UK state pension as soon as possible.

Under current rules, a UK pensioner who moves abroad will have their state pension frozen at the level it was at when they left the UK or first claimed their pension overseas, unless their new country of residence has an agreement with the UK that says otherwise.

The APPG said this policy was “illogical, unfair and causes significant distress”.

Australia and Canada have been pushing for years for the UK to end this policy.

According to the report, of the 510,000 UK pensioners living on a ‘frozen’ pension, 230,000 are based in Australia and a further 150,000 live in Canada.

This amounts to 75 per cent of the UK pensioners impacted by this policy.

Submissions by the Australian government and Canadian MPs claimed the issue could be resolved via UK legislation, saying that their countries provided full state pensions to their pensioners who live in the UK.

The Canadian government said: “Over the years [it] has raised, and has sought to address, this issue with the UK by proposing the two countries negotiate a comprehensive social security agreement.

“To date, UK officials have not engaged on this issue. As it has done in the past, the government of Canada will continue to raise this issue with the UK through various channels, where appropriate.”

The Australian government also strongly stated its support for ending the policy and said it had made a “series of representations to the UK government in recent years”.

The report also looked into the financial impact of the policy and found one in two ‘frozen’ pensioners were receiving £65 per week or less and more than half struggled financially because of their frozen pension.

Sir Roger Gale, chairman of the APPG on Frozen British Pensions said it was a “disgrace” this issue had not been addressed.

Sir Roger said: “Successive governments of differing political persuasions have sheltered behind the assertion that ‘we can only uprate pensions for UK citizens living overseas in countries with which we have a reciprocal agreement’. That is quite simply factually and morally wrong.”

He added: “As the chairman of the APPG on Frozen Pensions I regard it as a disgrace and a matter of national shame that the United Kingdom has for so long denied to elderly citizens, very many of whom have proudly served our country in the Armed Forces or the Civil Service, the funds that they need to live on in old age and, sadly, sometimes in ill-health.

“It is past time for this injustice to be addressed and the wrong of decades righted.”

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