The British Pensioner in Canada

Highlights from issue # 44 (December 2006) newsletter of *The British Pensioners' Association of Western Canada*

In the Fall the Consortium had formalized itself into the International Consortium of British Pensioners (ICBP).

The mail role of the Consortium was to keep all of the Consortium partners on track and getting ready for the class action against the British Government. **John Markham**, the ICBP Chairman had set himself up in London and he had the huge task of lobbying Members of both Houses of Parliament, Ministers, High Commissioners, the TUC, the National Pensions Council – you name it and John was responsible for lobbying them:

John Markham

It was John’s mission was to try to get UK lawmakers to understand the importance of the justice of our case being understood and accepted. The political will needs to be there. What John found was, in the main, ignorance and unawareness of the frozen pensions issue.

John did a remarkable job in London lobbying on behalf of frozen pensioners everywhere. He spoke with **Rodney Bickerstaffe** who was President of the National Pensioners’ Convention, **Neil Duncan Jordan** of the NPC, the TUC, **David Laws** (Liberal Democrat MP for Yeovil, who went on to draft an Early Day Motion), **Matthew Oakeshott**, a British Liberal Democrat peer currently Spokesperson for Treasury and for the DWP, **Joe Harris**, NPC General Secretary, **James Purnell**, Labour Minister for Pensions, **Des Browne**, Minister of Defense who has a close relationship with **Gordon Brown**, **Jonathan Djangoly** (Conservative Shadow Solicitor General, Shadow Minister of Trade and Industry), **Hwyel Williams** of Plyd Cymru, and **Mike Weir** of the SNP.

The Liberal Party have been very helpful and supportive and are giving John a lot of practical advice.

John has also ensured that every member of each of the Houses of Parliament has received a special two page version of CABP’s “Justice” magazine, which sets out the frozen pensions issue.

The TUC have agreed to “intervene” in the case against the British Government. In addition there is the support provided by Britain’s largest pensioner organization, the National Pensioners Convention. The TUC sent out a press release in early December:

> ***“OVER 500,000 MISS OUT ON PENSION INCREASE AS LEGISLATION TRAPS PENSIONERS AND COSTS TAXPAYERS***
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> *Over half a million British pensioners will once again miss out on any cost-of-living increase in their state pension next April, due to an annual Parliamentary procedure that begins with the tabling of the draft Uprating Order in the House of Commons on December 7.*
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> *The procedure will also trap numerous pensioners in the UK, by inflicting financial penalties were they to leave, and in doing so, imposes substantial avoidable costs upon British taxpayers. The Uprating Order is the instrument that annually sets the universal increase in the basic state pension for the coming fiscal year. Just before payment is due to be made in the spring, a regulation will quietly revoke the increase for some recipients – those who move to any one of 149 selected countries – while keeping it intact for pensioners still resident in the UK, or in some 35 other countries abroad.*
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> *This denies Britain’s 10 million resident state pensioners the ability to freely choose where to live in retirement without fear of incurring financial hardship.*
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> *Many are forced to spend their old age alone in the UK, if their family is living in a country not included among those where annual upratings are applied. Of the Commonwealth’s 53 nations, 48 are adversely affected.*
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> *The pension-freezing regulation passes insidiously every year because it is a negative instrument, one which carries automatically unless a*

contrary motion is presented and passed. In spite of the support of 130 MPs for universal pension uprating in 2006, no 'negative instrument' has been successfully annulled since 1967.

Many of the 520,000 negatively impacted pensioners are frozen at less than £29 per week, in spite of the fact they worked in the UK and, like their peers everywhere, paid mandatory National Insurance premiums for many years. Ninety-eight per cent now live in Commonwealth countries, including 240,000 in Australia, 150,000 in Canada, 38,000 in South Africa, and 37,000 in New Zealand.

To bring an end to this situation, 13 "frozen" pensioners have filed a legal challenge against the UK Government in the European Court of Human Rights.

The lawsuit is underwritten by a consortium of pensioner organisations based in Canada, Australia and South Africa and is backed by Britain's largest pensioner organization, the National Pensioners Convention.

> *'Legal action should not be necessary', says Tony Bockman, spokesman for the consortium. 'A stroke of a pen in the form of a simple modification to the offending regulation would instantly restore even-handedness and individual freedom to state pensioners at home and overseas – the very values that Prime Minister Blair is actively promoting these days'.*

Former pensions minister Stephen Timms confirmed that universal pension increases could be achieved by changing UK domestic legislation, when speaking in the House on March 10 1999. He was echoing the January 1997 report of the House of Commons Social Security Select Committee which concluded:

> *'A simple change in British law could enable upratings to be paid in any or all overseas countries, provided the political will was there to do so'*

In 1988, former Secretary of State for Social Security, Nicholas Scott agreed that bilateral reciprocal agreements with other nations are not required in order for all beneficiaries living abroad to be awarded pensions at the same rate as those paid in the UK.

The £34 billion in pensioners' money lying surplus in the National Insurance fund, identified by the Government Actuarys Department in January 2006, far exceeds the £400 million required to uprate the pensions of all contributors, wherever they live. The GAD forecasts the fund surplus will top £60.5 billion by 2011, almost 80 per cent of the anticipated NI expenditure for that year.

> *'In freezing pensions, the Government may actually be financially irresponsible' says Tony Bockman, pointing out that when seniors who wish to leave the UK are prevented by Government policy from doing so, heavy demands on the national exchequer are needlessly maintained. The one million pensioners who have already left Britain save taxpayers an estimated £1.9 billion every year in health and care and other age-related costs 'Others would leave if they could rely on uprated pensions, thus saving even more' says Bockman. Then there are the extra costs associated with seniors whose frozen pensions force them to return to the UK for financial assistance with medicines and care giving.*
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> *'It would be a win-win situation' says Mr Bockman. 'Modifying the legislation to allow universal state pension upratings to proceed would end the discrimination and would do much to restore Britain's tattered image as the home of fair play. Further, it would not be as unaffordable for the British taxpayer as they may have been led to believe'.*

Further TUC References to frozen state pensions:

3-Sep-2019 - Government U-turn could cut pensions for hundreds of thousands living abroad

9-Sep-2019 – CONGRESS 2019 – CONSOLIDATED MOTIONS AND COMPOSITE MOTIONS Page 32: 43 End discrimination in state reciprocal pension arrangements – sent to TUC Black Workers Conference

Phil Tunley, who was our free *pro-bono* legal resource move from McCarthy Tetrault to Stockwoods LLP in Toronto.

Ken Dearlove has taken over from Peter Kennan as Treasurer of the ICBP.

The BPAWC have made a £3,000 contribution to the Consortium…