



UK Pension Scam

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The ECHR, “Carson and Others V the UK Government”

On Wednesday September 2nd 10 of the 13 original applicants to our case attended the **ECHR GRAND CHAMBER IN STRASBOURG** held before 17 judges attending from various European countries.

BPiA sent 4 applicants to the ECHR joined by the original applicant from South Africa, **Annette Carson** and 5 of the 8 original applicants from **Canada**. Also present in Strasbourg were the Chairmen from 3 of the associations in the Consortium and some representatives of the British Pensioner Associations in Australia and Canada.

As many of our members are now aware the ECHR delivered its decision on our case on March 16th. Eleven judges were against us but six were in support. Philip Tunley the Canada based lawyer who pro bono has assisted us in the court case is of the view that with *“a very strong and principled dissent shown by the 6 judges, this will deprive the UK of any smug feeling that its irrational treatment of its state pensioners retiring to Commonwealth countries is anything to be proud of.”* “I am calling it a win”, he said. He continues, *“Certainly the political and lobby efforts ought to be redoubled in light of this result, which ought really to be very damaging to the UK on these fronts”*. The main reason we were denied success was that we, in the non indexed countries, are not seen as analogous or similar to almost 600,000 British pensioners who live in the 50 countries in which the UK age pension is indexed. These 50 countries include the EEA, the USA, Israel, Barbados, Jamaica and The Philippines.

The dis-similarity is that our mainly Commonwealth countries have not signed a reciprocal agreement re pension matters with the UK Government whereas the 50 indexed countries have. A previous agreement existed between Australia and Britain but in March 2001, this agreement, which did not include indexing the UK pension for British residents in Australia, was cancelled. The Australians were hoping to force the British Government to change its attitude toward indexing UK age pensions here, but this proved to be of no avail. The British Government had refused to even negotiate on this issue.

With the Court/legal matters behind us and with 6 of Europe’s better judges strongly supporting our claim of unfair discrimination, together with the Canadian and South Africa based British expats we will be following Philip Tunley’s counsel and take the issue to a political level in London. The first place to draw attention to the

hypocritical British political attitude is to make our case an issue in the UK’s General Election debate, albeit as a minor matter. However at least we will be making ourselves visible and vocal. Moreover with several articles published in influential newspapers in the UK [read 2 of them below] and worldwide, we believe the general public is becoming more aware of us and our cause and that we will not resile from our fight for fair treatment and justice.

Our strategy includes the use of London based PR group Champollion to help promote our cause among every Potential Parliamentary Candidate [PPC]. This will be achieved by Champollion sending each PPC a letter outlining the frozen pension issue. Then after the election each successful Parliamentarian will be sent a package comprising a copy of every petition that we have recently asked our members, whose current email addresses we have, to sign and submit the petition. We also have asked that they spread the knowledge of the petition around family and friends, especially those back in the UK. These petitions will arrive at a central base from which packages of the submitted petitions will be distributed to each successful MP. The more petitions we can provide to the PR team the greater will be the impact. This petition can be found at the Consortium website www.pension-parity-uk.com; click on “how to help”, complete the petition and click on SUBMIT.

In Australia we are also considering boycotting the purchase of British goods and the use of British services. E.g. we will recommend members to not travel on British Airways, nor Virgin Atlantic, nor buy Branston Pickle, nor Twinings tea or Frank Cooper’s marmalade etc. Furthermore a new member has made a very gallant suggestion that he is prepared to organise the delivery at a public ceremony in the full glare of the UK media in a significant public place, the handing back of his own service and civil medals. We are appealing to those among you who have such items to advise us if you would be prepared to offer yours too for this ceremonial handing-back of these awards? The gentleman involved has some very significant medals and the more we can provide in support of his offer the more successful this project would be. Please advise us by letter, e-mail or by phone on 1300 308 353 if you are prepared to join in this project. There has been an endorsement of this project and some worthy support offered so far from other International Consortium associations.

The Present Currency Issue

Most of you will be aware that the British £ has currently been losing considerable value against the Australian \$.

In the past year the £ has devalued from about \$2.40=£1 to today's rate of \$1.66 = £1. This is a reduction of approx

30% and reduces the AS \$ you receive for your British Pension. Indexing our pensions will recover this devaluation for some of us if it is eventually agreed to.

We can do nothing about this now but I am reminded the AS \$ has been at this current rate in the past. Some time in the future this devaluation of the £ may be reversed, but don't hold your breath!

Social justice loses out to legal niceties; Dame Joan Bakewell, the Government's champion of older people, on the travesty of social justice handed down at the European Court of Human Rights this week on British expat pensions.

By Joan Bakewell

Published: 19 Mar 2010 London's Weekly Telegraph

Dame Joan Bakewell, Champion of older people

Photo: Andrew Crowley

Earlier this week around half a million pensioners saw their hopes dashed. Many of these pensioners had lived and toiled all their working lives in Britain, paying in full their National Insurance contributions. They did this in the natural expectation that once they retired, they would enjoy the same pension that their contributions, similar to that of other UK citizens, had earned them. But they were mistaken. Many get far less than the rest of us. For one reason only: in their retirement they have moved to live abroad.

There are many reasons why pensioners move abroad: one is the weather. Sunshine is kind to old bones, so many have moved to sunnier places to avoid the chilling cold and damp of a British winter. Another reason is to be with their children. Globalisation has split families across the world. Ageing parents left in the UK can feel a loneliness that risks declining into depression and ill-health. Moving to be with their grown children is how they solve the problems of being old and bring some happiness to their remaining years. Some of them have been in for a shock.

Almost half such pensioners have had their pension payments frozen at the rate it was when they first settled in a foreign country. Despite having paid in as much as UK pensioners they do not get any annual increase in line with the cost of living. This means that if a pensioner began drawing a full pension in Australia in 1981 they are still only receiving £29.60 per week. Pensioners in the UK are currently getting £95.25 a week. So such a pensioner has been denied nearly £100,000 to date.

But what about those other pensioners living abroad - some half a million of them - who are getting not only their basic UK pension, but also enjoying a regular cost of living increase. How does it come about that a pensioner living in the USA receives full annual increases whereas one living in Canada does not? There must be an explanation. There's surely an anomaly crying out to be put right.

Annette Carson thought so. She brought a case against the British Government in 2002, saying that British pensioners' human rights were being violated. She lost the case. She went to Court of Appeal: lost again. Then the House of Lords: again lost. Most recently her case was referred to the European Court of Human Rights: its Lower Chamber heard the case in 2008 and agreed



with the UK ruling. Its Grand Chamber heard the case last September and issued judgment on March 16th. Once again Anne Carson lost: but this time the ruling was narrow, 11 votes against 6. Narrow enough to give her heart. The campaign goes on.

What's the explanation? Why are some pensioners getting what they feel is their due, and others not? The answer lies in the law that governs relations between countries. Britain has reciprocal social security arrangements with many countries: all the 29 EEA countries and 16 others. The argument that carried the day in the courts claims that an expat pensioner is not in an analogous position to a UK pensioner. Some, like Annette who lives in South Africa, may enjoy the benefits of a lower cost of living than in the UK and a rate of exchange working in their favour. In the words of the judgment: "She has put herself outside the scope and purpose of the UK social security system... where the specific rationale for uplift may by no means apply."

The campaigners argue from a different point of view, that they have an entitlement by virtue of their National Insurance payments which over time were a form of delayed income. What's more government figures state that each person over 60 costs the UK taxpayer £7,000 a year in their share of NHS costs and benefits. So you can even argue there's actually a saving of £6,000 for every pensioner living abroad. No wonder the International Consortium of British Pensioners intend to persist with their challenge.

There is another view aside from the niceties of the law: that it is a matter of social justice. People paying insurance contributions in good faith, expected to get the same pension as their contemporaries, wherever they chose to spend their retirement. Geography should have nothing to do with it. Why should the same consequences not follow if they retire to Canada, Australia, South Africa and Switzerland, and yet apply when they move to, for example, Bermuda, or Israel, or Croatia. By what sense of social justice can such discrimination persist? The judgment was narrow enough this week, and the cases in favour of equal treatment are so persuasive that campaigners believe it can't be long before justice prevails.

'We will fight until we achieve justice
The International Consortium of British Pensioners is dug in
for a fight about expat pensions.
Its spokesman, John Markham, explains why and asks you to
join him.

Published: 12 Apr 2010, London Weekly Telegraph

The European Court of Human Rights delivered a devastating blow last month to more than 540,000 British pensioners living in more than 150 countries around the world, when it upheld the British government's ludicrous frozen pension policy.

This archaic and arbitrary decision to freeze British basic state pension payments to some entitled pensioners, based purely on where they reside, ignores the fact that these individuals have all worked in the UK and paid their mandatory NI contributions like everyone else. British pensioners living mainly in Commonwealth countries have their pensions frozen, whereas British pensioners living in the EU and fifteen other countries do not. This means that a pensioner living in Canada will have their pension frozen, whereas a pensioner living in the US will not. To most citizens of the UK, decisions of this nature are illogical, unjust and above all fly in the face of centuries of British morality and fairness.

The disbelief and outrage that has poured in from UK residents and from across the globe has reinforced the International Consortium of British Pensioners' (ICBP) resolve to continue fighting until we achieve justice. After all, this is not just an issue that affects our elderly citizens who have already moved abroad. It impacts on pensioners who are still living in the UK but who may desire to emigrate and spend their declining years in the bosom of their family. It impacts on generations of immigrants who came to the UK to work and make a better life for themselves but who may want to retire to their country of origin. It impacts on all our current workers and our future generations of workers.



Retirement should be peaceful. But it's not always wine and roses
Photo:Alamy

The ICBP intend to expose this disgraceful state of affairs whenever and wherever possible during this critical general election campaign, countering the entirely specious argument that the country cannot afford to provide pension parity.

The cost of uprating all 545,000 frozen pensions would be less than 1 per cent of the pension budget. But regardless of this negligible sum, the government's position is based on a false economy. The Department for Work and Pensions' own figures show that every UK resident over the age of 60 costs the UK taxpayer annually £7,000 in their share of NHS costs and benefits over and above basic and additional pensions. By providing pension parity to all, at an average annual cost per capita of £1,000, there are potential savings of billions by making emigration easier and more appealing. The UK is the only OECD country that does not provide equal pension portability rights to all of its citizens regardless of where they decide to live in their retirement. This is not a question of cost. It is a question of modernity, logic, and above all justice. People around the world continue to wonder that British standards of morality and fair play have fallen so far. The ICBP are going to stand up and expose this and would ask the people of Britain to join in the fight. To add your voice to the Consortium why not sign **the ICBP's online petition** (started on Monday April 12 2010), available at, www.pension-parity-uk.com. Follow the prompts at "how to help", complete the petition and just click on "submit"

Membership matters

Since we last sent a newsletter, in September 2009, BPiA's membership has continued to grow steadily. This past few weeks, following some publicity in Adelaide's local Messenger papers, local papers on the Mornington Peninsular and in the "Have a Go News in WA, there has been a surge in membership enquiries and numbers. This proves the value of publicity at a local level. On this occasion we were able to leverage off some good news about an exercise being run by the UK's Dept of Work and Pensions.

This enabled some older pensioners, men born between April 1933 and October 1939 and women born between April 1938 and October 1944, to pay for some additional pension contribution years, generally requiring no actual cash

outlay. This enabled them to become entitled to more pension income.

This DNE exercise has now closed, on April 5th 2010, but many of our members and newcomers have benefited from the project. BPiA has benefited too by many people taking advantage of our contacts in Newcastle and joining BPiA adding to our funds so we can continue to fight the UK Government to achieve eventual UK age pensions indexing.

However, with only 10,241 members this is still several thousands less than we should have, for there are 250,000 UK pension recipients in Australia. So where are the other 240,000?

It is your committee's view that we need to attract much more support by way of many more members. How can we achieve a doubling of our data base?

This should be reasonably easy to achieve.

For example if every member we have undertakes to encourage just 1 more new person to join the association, that will at least double membership, support and provide extra funds to really take on the UK Government where we need to take action, i.e. back in London. There, we will probably need the help of a "Joanna Lumley" like champion. Rest assured we have a long list of possible champions to approach and with whom to negotiate for just that purpose. But not Joanna please, nor Dame Joan Bakewell

Membership by State

NSW	4336
WA	1537
VIC	1471
QLD	1346
SA	924
TAS	301
ACT	245
NT	20
O'seas	61
TOTAL	10241

This total represents an increase of 494 members [5.1%] since September 2009 when we last reported.

One of the most successful ways in which BPiA has built its membership has been to help people approaching pension age by either:-

1. Providing them with a UK pension forecast form, or
2. A UK age pension application form.

New UK pension payment rules, which have very recently been introduced, apply to men born after April 5th 1945 and women after April 5th 1950.

These new rules enable both men and women to achieve a pension of 1/30th for each year worked in the UK.

Furthermore, having worked in the UK and paid for 3 years, they can build on that pension entitlement by making some extra National Insurance voluntary contributions, even from Australia.

BPiA provides a service in this regard for people who join the association.

Current BPiA members who know of anyone from their social or work circles, who falls into this age bracket, are requested to encourage such people to contact BPiA by phone, 1300 308 353, by letter or email, or by visiting our website, www.bpia.org.au. We will give them all the assistance we can, in understanding how to go about getting their pension. It is better to take this action ahead of reaching pension age otherwise they may be hounded to do so by Centrelink when they reach that threshold.

Have you changed your data details?

We appreciate the letters and emails we receive advising us of any detail changes to your addresses and phone numbers. Thank you and please keep them coming, they are very useful in maintaining our critical data base.

Vacations abroad

Many of our members are fully aware now of being able to have their UK pensions fully indexed when they travel to most of the countries in which the UK age pensions are indexed abroad from the UK. This benefit applies for travellers to all the 50 countries in which indexation is applied except in the USA and Bermuda.

To get your pension indexed [not a full pension] we recommend that, no sooner than 4 weeks prior to your departure for your vacation you should phone the DWP at Newcastle upon Tyne UK on 0011 44 191 218 7777, that is the Pension Service phone centre. Just advise them your full name and NI number and your travel plans, i.e. the date you expect to leave here, when you anticipate arriving in the country you intend visiting and your departure date from that country to return to Australia. This applies to most of Europe and several other countries a list of which is in the DWP's booklet NI38

BPiA can supply a paper on this procedure and another which provides some hints on how to minimise your travel costs, especially when in the UK and travelling on the long haul rail services, which can be very expensive.

Australian Tax Issues

The Aussie tax year soon closes and we wish to remind you that your UK age pension will attract an 8% allowance. A similar UPP allowance is given on UK private pension income. The % varies and to establish your % you are required to complete ATO form n16543. It is suggested that if this applies to your income you are best advised to contact an Aussie tax specialist

You receive the following for your annual sub.

- Top London PR support
- International support from 40,000 other members.
- Help with most UK age pension queries
- A regular newsletter
- A website on which regular reports are lodged.

**BPiA IS AN EXPATRIATE
VOLUNTEER NOT-FOR-PROFIT
INCORPORATED ASSOCIATION**

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