

LIBERAL DEMOCRATS OVERSEAS SUBMISSION TO THE APPG FOR FROZEN BRITISH PENSIONS

To: Sir Roger Gale MP and the All Party Parliamentary Group for Frozen British Pensions.

On behalf of the UK Liberal Democrats Overseas (<https://www.libdemoverseas.com>), I would like to commend Sir Roger and other Members of the APPG for establishing a much needed inquiry into the plight of the more than half a million British pensioners whose pensions were frozen due to their living abroad in certain countries that do not qualify for annual uprating.

Due to the injustice of this policy, the issue has been one of the top priorities of our group since its inception. Many of the members of our Executive live in countries where the policy applies and have close contact with some of the victims of the policy.

A common defence by the government of the current policy has been the absence of reciprocal agreements. To put this into perspective, the following is an excerpt from a Wikipedia report on the case of Carson and Others vs. the United Kingdom that was brought before the European Court of Human Rights in 2010. I have highlighted in **bold** a particularly relevant section:

‘The UK has reciprocal social security agreements with the [European Economic Area](#) countries and with a number of other disparate countries (such as the [United States](#))^[5] Social security bilateral agreements were negotiated

between 1948 and 1992. There were agreements with [Australia](#) (1953), [New Zealand](#) (1956) and [Canada](#) (1959) but these did not require payment of an up-rated UK state pension. **The agreement with Australia was terminated by Australia in March 2001 because of the refusal of the UK government to uprate the state pension to UK pensioners living in Australia.'**

The half a million or so affected pensioners fall into one of two categories; those who live in host countries that take pity on British subjects suffering hardships and provide them with financial assistance and those whose host countries have their hands full protecting their own people from abject poverty and have no means or intention to help foreigners.

The first category includes Australia whose government has repeatedly complained to the UK about its having to provide support to pensioners whose income has been arbitrarily frozen, in some cases for as long as twenty or thirty years. Its complaints to the British government have fallen on deaf ears and are an embarrassment to all UK citizens living in or visiting Australia.

The second category is more worrying as it concerns pensioners living in countries where there is no free access to social services, government support or healthcare facilities. The host countries by and large have no time or sympathy for them. They have no resources or the will to support destitute foreigners.

Foreigners find themselves in those countries for a variety of reasons. In many cases, they originally worked there, married locally and settled. For health and family reasons most are now unable to return to the UK or if they did, they would not be allowed to bring their local families with them. Many are elderly and have lost contact with family and friends in the UK.

Their only hope is to be in a location such as a big city where there is a British community that may know of their plight and render assistance. In the worst case scenarios, they might help the pensioner in distress return to the UK but this is relying on the generosity of others and is by no means guaranteed.

Any who in desperation finally do make a move to the UK are likely to become an immediate burden to the health and social services. While they live overseas, the half a million plus pensioners are no burden to the NHS or social services. The financial benefit to the country far exceeds the cost of uprating pensions and ensuring that the recipients remain overseas.

Such is the saving that it would benefit the country financially to incentivise people to retire overseas where they could henceforth support themselves. Many who were born outside the UK but came and spent their working lives in the UK would welcome the possibility of returning to their home countries on retirement provided that their retirement income was protected. But there is no incentive to do so if they have to face the prospect of a pension that could be rapidly eroded by inflation or currency fluctuations.

The coronavirus pandemic has made the situation much worse around the world for those with frozen pensions. The lockdowns, restrictions and health threats to the most vulnerable have simply added to the misery already afflicting this group. Ed Davey, Acting Leader of the Lib. Dems. recently made this point in a letter to the Secretary of State for Work and Pensions.

It is widely expected in the UK that - to compensate for the cost of alleviating the impact of the pandemic - moves are afoot to scrap or modify the 'triple lock' that the coalition government introduced in 2011 to protect pensioners against the ravages of inflation. Any

discussions on the subject must include the special plight of those with frozen pensions, as they have never benefitted from any protection against inflation.

There seems no reason to us that there would need to be a reciprocal arrangement with those countries where pensions are frozen for our own citizens. First of all, people who contributed towards their pensions should get a fair deal equal to those in the UK. And why should it be linked to pensioners of other countries receiving pensions from their own countries in the UK when the UK is financially solely responsible for its own pensions overseas?

Dear Members of the APPG, this campaign against injustice has been running for decades. Now it is all the more acute because of COVID-19, with older people the most at risk. Please use your best endeavours to make this occasion the one where justice can finally be done to those who paid their National Health insurance contributions in full during their working lives, only to find that they could not enjoy the benefits they had earned.

OUR PROPOSAL: An immediate solution we would propose would be a **one-off** COVID-19 emergency uprating that brings everybody to the same full pension **as the UK according to their previous contribution level**. This would then be followed by a review as to **the practicalities and costs of forging** a permanent link between UK and Overseas pension levels. This would be of particular benefit to veterans and the **short term cost would be clear cut**.

An estimated 100,000 of the half a million plus affected pensioners fought for their country. Many World War Two veterans live on a quarter of the national pension available to those in the UK. They deserve better treatment in their final days.

If it will assist I will be happy to provide oral evidence via Skype.

Yours sincerely,

(signed)

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