

Pensions Action Group Newsletter

Issue 22

26 May 2009

Let's tell our MPs!

Join us outside Parliament on 3rd June

Are you:

- angry that failed bankers who've wrecked the economy can still get lavish pensions with unlimited indexation while your modest pot has virtually none?

- aware (and how can you not be?) that trillions of pounds of government, (i.e. your) money is being used to prop up all kinds of dodgy assets while "decent, hard working people" (i.e. you!) are still denied inflation protection on (your) "modestly comfortable retirement income" (Lord Justice Wall) - on average £6500pa or £4700pa for FAS and PPF respectively?

- concerned that the most likely consequence of today's desperate measures is a sharp dose of inflation in a year or two - just as it was in the 1970s?

- conscious of the real prospect of dying in poverty?

- fed up with the dishonesty & double standards by which government refuses to face up to and deal with its responsibilities in mishandling private sector pensions?

Then

- we need your presence as never before on 3rd June
- support yourselves and those who've made huge efforts & sacrifice for you
- swell the numbers with family, friends, past & present colleagues
- Write to your MP, inviting his/her presence and support at 13:00

Note

- Wednesday noon is Prime Minister's Questions and the DWP consultation document will be debated in the near future

- June 3rd may well be the last chance to apply protest pressure before a general election

- There's no substitute for numbers - please make every effort to be there

- Persistence pays off, as we've already seen

Summary:

Date: **Wednesday 3rd June 2009**

Place: **Parliament Square (opposite House of Commons)**

Theme: **All we want is what we paid for - where's our indexation?**

11:00 Meet.

12:00 Protest.

13:00 Focal time for MPs and media

15:00 Disperse

The protest has police permission; thanks to Alan Marnes for doing the paperwork. Our protests are normally entirely peaceful and good humoured and this should be no exception; we will be joined by John Bull himself (in full fig) and are planning to stage our traditional 'stripped of our pensions' protest (whilst, of course, maintaining public decorum!).

Come and join us, bring your family and friends, and invite your MP!

COMPANY PENSIONS

We lost 100%
Gordon Brown promised 90%
But almost all of us will get much less

Over 140,000 people lost some or all of their company pensions when their employers went bust or (quite legally) folded their pension schemes. The Government promised us that our pensions were safe "whatever happens to your company" and have been found guilty of maladministration by the Parliamentary Ombudsman and the High Court. They have had to put in place a compensation scheme, the Financial Assistance Scheme (FAS) and a support scheme, the Pension Protection Fund (PPF) which they widely claim will top up these lost pensions to 90% of expected payments. But when you look at the fine print, almost everyone will get less than that and some as little as 50%.

Little protection against inflation

A maximum of just 2.5% per year, and that only for pension arising from contributions made between 1997 and 2004. Most of our pensions were accumulated before 1997 and we paid for inflation-proofing. Even worse, any extra indexation on the residual scheme payments is deducted from the Government indexation. All of us will be affected, but those with long service could see their pension cut by half in just 20 years.

Payments are capped

The Government assistance will be capped and any pension entitlement above the cap will be lost forever. This particularly penalises loyal employees with the longest service. The Government is paying £15,000 per week through their shareholding in RBS towards the pensions of failed bankers - no cap for them! The Government also promised that the value of this cap would be protected, but once it is applied there is no allowance for inflation, so payments are eroded even further.

Poor ill-health cover

The Government pledged to allow people who are seriously ill to get early assistance if their doctor considers them unlikely to live beyond 5 years. But now they are saying that there has to be a 'progressive illness' - people at risk from heart attacks or strokes may not qualify.

Pre-2004 payments are lost

The Government payments cover people who lost their pensions after 1997 but the payments are only being backdated to 2004. Anyone who retired before then loses all the earlier benefits.

NO MORE SMOKE AND MIRRORS!
90% should mean 90%

www.pensionstheft.org

This is the leaflet which we will be handing out on 3 June.

Two highly successful protests in Wales



Welsh Labour Party Conference - 25 April

14 former ASW workers arrived at the Conference Centre in 4 cars about 8:00 am with a big banner and placards, and to give out leaflets to the politicians, their staff, delegates, and union officials. In all, we gave out over 300 leaflets.

Spoke with ministers, MPs and AMs before they went in to the Conference, telling all of them that our campaign for full compensation will continue. I spoke at great length with, and gave a letter to, Paul Murphy (Welsh Secretary) together with a letter for him to give to Gordon Brown, outlining our case and asking for Gordon Brown for once to personally reply (but we won't hold our breath on that one)

My AM Jane Hutt (Labour), when told we were not going away till we get Justice, answered: "We know that."

Glennis Kinnock was asked to give Neil our love but we continue our campaign.

Rhodri Morgan (First Minister) this time had no choice to take a leaflet from us. It was a pleasure to see his grumpy face - it was like a ripped dap. His wife Julie did find time to speak to us

Community General Secretary Michael Leahy came to speak with us. He told us we have come a long way, but he did not think we would get full

compensation. He also was told that we are not going away, and he replied that he was meeting James Purnell soon.

They would not let us near the Conference entrance, but Chris Bryant (Labour MP) told me that Harriet Harman was arriving later and asked a Senior Officer if we could speak with her as she was going straight to the entrance when arriving. He said that only one person could speak with her so I spoke to her for 3 or 4 minutes, told her about how the Government could find hundreds of billions of pounds of taxpayers money to bail out irresponsible Banks, pay millions of pounds of taxpayers money to Bankers for failure etc, yet refuse to pay us our Pensions in full. I mentioned the average ASW workers Pension was £7,000. She agreed with our anger, and then stated she was trying to sort out Equitable Life. I asked her if she could arrange a meeting with the Prime Minister, or even herself, and also whether she considered what the Prime Minister and the Government had so cruelly done to us regarding our promised pensions was morally right and fair. I would call off the Protest's here in Wales in which replied, I will see, with that she hurriedly went inside the Centre.

John Benson

National Assembly of Wales - 17 March

A great protest here in Cardiff with good coverage on BBC Wales Radio, BBC Wales Television, our local paper, and our good friend and supporter, Jeff Prestridge from the Telegraph sent Toby Walne along to cover the protest.

We had good support from Assembly Members and their staff, with the Conservative and Liberal Democrat leaders coming out to speak, also Plaid AMs. Plaid Cymru AM Leanne Wood made a statement in the Assembly saying that the UK Government must uphold the Parliamentary Ombudsman's recommendations.

Nick Bourne, leader of the Welsh Conservatives, and Kirsty Williams, leader of the Welsh Liberal Democrats, want me to draft a letter with all the bullet points we want brought up to support our fight for full compensation, they will then get Assembly member's to sign the letter, and then take our cause further.

Once again Rhodri Morgan and his gang declined to come out and speak with us.

Kirsty is hopefully going to arrange a short meeting with Nick Clegg when he comes to Wales.

Many thanks to all who attended the protest, especially those from the South East, who must have travelled hundreds of miles.

Also many thanks to John Bull, who turned up to support us, and Peter Wheeler and Brian Mealing who supplied the leaflets and placards.

John Benson

There was some good press coverage, including this article in WalesOnline - <http://tinyurl.com/qcr4mt>

The devil's in the detail

As an example of the way in which the Government is using small print to whittle away the benefits they promised to us, consider their approach to indexation of the FAS if you also expect to receive some indexation on your residual pension.

Government have promised that they will provide indexation up to a maximum of 2.5% on FAS payments in respect of pension earned after 1997. If you will be receiving some pension from your old scheme, the chances are that it has a rather more generous indexation, applying to all of your contributions. In this case, what the Government will do is **subtract** any additional indexation on your residual pension from the indexation of the FAS payments, so that the **overall** indexation (for FAS plus residual pension) does not exceed the indexation they promised. In effect, this will mean that most people who have some residual pension will get no indexation on the FAS payments at all!

This is just one of the reasons why we are saying:

No more smoke and mirrors!

Keep in contact

If you would like to keep in touch with events as they happen, to chat and to exchange notes with others in the same boat, why not join our email group? Full details at <http://tinyurl.com/ruams>

Previous issues

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