

# Pensions Action Group Newsletter

Issue 27

8 March 2011

Fighting to get our pensions back

## Cardiff Demo

**At the Welsh Assembly  
12:00 Tuesday 22nd March**

**We're still here and fighting for justice!**

Our Welsh PAG colleagues have gained considerable support from members of the Welsh Assembly and this demonstration is timed to coincide with the final session before they break up for elections. This demo will strengthen the resolve of those members who support us, and remind those who don't that there may be an electoral cost to pay.

Although pensions policy is decided at Westminster, the Assembly is very influential, and Welsh MPs will be watching closely – their votes in the House of Commons could be crucial as the campaign continues.

The demo is being organised by John Benson who, together with his colleagues from ASW Steel, has made the saga of our lost pensions a real issue in the area – let's give them our full and active support!

### Meeting place:

Outside the National Assembly for Wales, Cardiff Bay, Cardiff, CF99 1NA. There is a map at <http://tinyurl.com/66m5qul>

### Timings:

- 12:00 **Meet** at rear of Assembly Building at the Senedd.
- 12:30 **Start of demonstration** Placards and leaflets (see overleaf) will be available and we will be unveiling a new banner.
- 2.00 **Disperse**

### Arrangements:

If you have demonstrated with PAG before, please bring your red and yellow "ALL WE WANT IS WHAT WE PAID FOR/WHERE'S OUR INDEXATION?" T shirts. Fresh supplies will be available and newcomers are most welcome. Leaflets to hand out will be supplied. Noise-making equipment (whistles, rattles horns) is also a good idea, just to remind those indoors that we are there.

### How to get there

Cardiff Central Station is about 7-8 minutes away by bus or taxi, or a 25 minute walk along Bute Street towards Cardiff Bay.

For those coming by car, the motorway signs to follow are Cardiff Bay and The Docks. The post code is CF99 1NA for satnavs. There is plenty of parking available around the Assembly.

John's mobile number for any further information is 07792 693383.





**PENSIONS ACTION GROUP**  
**Stripped of Our Pensions - Ravaged by Inflation**



**FIRSTLY**

**Government maladministration stole the pensions we paid for**

**NOW**

**they are further punishing us by letting minimal or no indexation erode our compensation**

**We paid for full indexation and that is what we deserve.**

**The Government proclaims  
 Fairness, Big Society, All pulling together,  
 But Unless they improve the F.A.S.  
 We face retirement in poverty**

**ALL WE WANT IS WHAT WE PAID FOR.**

**OTHERS HAVE BEEN GIVEN THEIR FULL PENSIONS,  
 WE JUST WANT THE SAME.**

**Please support the Pensions Action Group Campaign for full compensation  
 for people who have lost all or part of their pension due to**

**Government mistakes.**

For details go to [www.pensionstheft.org](http://www.pensionstheft.org)



Leaflet to be handed out at the Cardiff demo

## What's been happening in PAG?

Although it may have appeared quiet since the last newsletter, a lot has been happening behind the scenes, on a number of fronts.

### CPI vs RPI

We have continued to press the Pensions Minister Steve Webb (who was so supportive in opposition) to reverse his decision on moving FAS and PPF indexation from the Retail Price Index (RPI) to the more conservative Consumer Price Index (CPI). A measure of the difference this apparently trivial change will make is shown by the fact that the PPF board will be reducing the levy which they charge by £120 million a year as a result. That's £120 million a year for the life of the scheme (the savings on the FAS will be similar) and those savings will be directly at our expense.

However his response has been merely that he considers it to be a "... more appropriate measure of the inflation faced by pensioners." He also points out that it is a "... more stable measure than RPI". This is true, but it means that when there is a sudden change in, say, fuel prices, the CPI moves up less than the old RPI and hence the increase in the PPF and FAS payments are less. That doesn't sound like a good thing from our perspective. The CPI also ignores Council Tax. The average PPF pension in payment is £3,823 and the average council tax is £1,440, i.e. about 35%. That doesn't sound much like an appropriate measure, either.

We are not the only ones to disagree with Mr Webb's Panglossian view either. In a recent letter from the Vice President of the Royal Statistical Society to the Chair of the UK Statistics Authority she wrote that CPI is not a "sufficiently good measure of price inflation as experienced by households" and it does not meet the Code of Practice when used to measure household prices.

The CPI should be restricted to the comparison of inflation rates between different countries, which is what it was designed for.

### CPI consultation

In order to effect the change from RPI to CPI the Government has had to pass an act through Parliament. This required a consultation period which we took full advantage of, both as PAG and as individuals. 43% of the submissions came from PAG or PAG members, so they will be in no doubt about the strength of feeling. It was interesting

that they laid the regulations before Parliament weeks before they published their response to the consultation and perhaps we can infer from that a certain level of contempt for alternative viewpoints.

The regulations are now before Parliament, so letters have been sent to all members of the Work & Pensions select committee who will debate them, to ensure that our voice is heard there as well.

### Improvements to the FAS

You may remember that, over the Summer, we made a number of suggestions of ways in which the Government could save money and thus fund the relatively small cost of improving the FAS and PPF schemes. In spite of that, we were turned down flat in October, with the Minister blaming the financial crisis and saying that "... we will not be able to dedicate any additional resources to enhancing the FAS."

However, after further correspondence, he wrote again in February saying: "My officials and I continue to consider various suggestions for further additions to the FAS and will write to you once we have concluded these. While I cannot give any guarantees, I can assure you that I am taking a personal interest in this issue and that my officials are fully exploring whether there is any potential to generate additional funds for FAS." (The word "personal" was underlined by the minister.)

We are not holding out great hopes. But the change in heart is most welcome.

### Conservative Party Conference demo

We had a fine demonstration at the Conservative Conference in Birmingham on the 5<sup>th</sup> of October. There was a good turnout, we performed our trade-mark "stripped of our pensions" protest, and made a lot of noise. It was good to meet up with some familiar faces again.



## Workplace Retirement Income Commission

A new commission has been established to review the provision of workplace retirement income in the private sector and to advise government. It is headed by Lord McFall (who was previously chair of the Treasury Select Committee in the House of Commons) and he is actively seeking views from all quarters as to how pensions should be provided in future.

A submission has already been made on behalf of PAG, pointing out that pension savings depend on trust, and few people will trust in pensions unless they see that we are compensated properly for our losses which resulted from following Government advice.

However, much more is needed. If each of us writes to tell our story, and how the pensions debacle has affected us personally, it will amount to a body of evidence which would be very hard to ignore.

Details of their terms of reference and their approach to the problem can be found here: <http://tinyurl.com/66nefh3>

Send your response to Shiona Charlery at [wric@wricommission.org.uk](mailto:wric@wricommission.org.uk)

or you can send a letter to:

Shiona Charlery  
Workplace Retirement Income Commission  
6th floor  
138 Cheapside  
London  
EC2V 6AE

You can also leave a comment (and read other comments) on the site here: <http://tinyurl.com/6cgfpnj>

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## Visteon Demo

The Visteon workers (who lost their pensions when Ford sold off their company, which then collapsed) will be demonstrating in London on 31<sup>st</sup> March, processing from Unite headquarters in Theobalds Row to Westminster. Further details will be available nearer the time from their website at <http://tinyurl.com/64r9pdw>

Visteon Pensions Action Group have been very active PPF protesters. Their struggle is our struggle and fully deserves support.

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## Persistence

The Visteon campaigners have unearthed a quote which says it all:

*"Nothing in the world can take the place of PERSISTENCE. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. PERSISTENCE and determination alone are omnipotent. The slogan, 'press ...on' has solved, and always will solve, the problems of the human race."*

Calvin Coolidge

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## 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>

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## Previous issues

You can download this and previous issues of the newsletter from here:

[www.pensionstheft.org/newsletters](http://www.pensionstheft.org/newsletters)

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