



# The Inequity of UK State Pensions

**It is time to end the discrimination that successive British Governments have perpetuated against their own pensioners for almost eight decades. British retirees, who have contributed mandatory taxes through National Insurance payments, rightfully expect equal treatment.**

## THE FACTS

- The UK State pension received by pensioners depends on where they reside.
- Of the total 12.6 Million UK pensioners, 1.1 Million live overseas: 650,000 (59%), including those in the EU and USA, get pensions uprated annually, but 450,000 (41%) do not. The disadvantaged reside in mainly Commonwealth countries, and this policy is not only callous but illogical.
- Indexing the majority of overseas pensioners rebuts any notion that priority be given to UK resident pensioners.
- The UK is the only country in the OECD that takes this discriminatory approach.
- To date, the UK has entered into reciprocal social service agreements with thirty-three countries including non-EU countries Iceland, Norway, and Liechtenstein, but refused repeated requests over years from the Australian and Canadian Governments, stalwart UK allies, to negotiate new agreements. The most recent request made was in October 2023.
- Australia, Canada, and many other countries index payments for their pensioners living in the UK.
- The UK Department of Work and Pensions (DWP) has stated that a reciprocal agreement is not necessary to have the policy changed.
- By living overseas, pensioners are saving the UK Treasury almost £3 Billion per year, through cost savings in health care and other benefits. These savings amply cover the modest indexing cost.
- History does not justify perpetuating a Parliamentary wrong. Historical examples such as slavery, preventing women from voting, and homosexuality as a criminal offence, were all abolished by a Parliamentary vote. Abolishing the Frozen Pension policy is overdue.

## THE TRUE COST OF INDEXATION

Based on data available, through DWP's own Stat-Xplore website, the cost of indexing State pensions paid in all Frozen Countries is less than £50 Million p.a. That represents only 0.02% of total State pension expenditures - a rounding error.

The costs previously provided by DWP were disingenuous and inaccurate, being based on a total restoration of UK current pension equivalents. That has never happened, as indexing has been the practice in every case.

**This injustice must be rectified now!**



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