



The communications union

North West Region

CWU North West Regional Retired Members Newsletter



Under attack

Defend the triple lock

So what is the Triple Lock?

The Triple Lock is the cornerstone of UK State Pensions. Put simply, it's a mechanism designed to ensure that Pensioners living standards are maintained and kept in touch with the working age population.

Back in 2010 (at a time when the State Pension had slumped to its lowest level ever as a proportion of full time earnings), the Government promised that Pensions would rise by 2.5% at the very least but more if average prices or wages rose by more than that figure



It is a myth that most Pensioners are well off which is why the Triple Lock defends the value of State Pensions. To defend yourself from Pensioner Poverty, you must first defend the Triple Lock

A Battle for all Generations - Affects Younger Workers as well as Pensioners

Young workers will also be affected in the event of any reduction of the State Pension. Nearly all Final Salary Schemes have closed and the value of any future Pension payments, both Company and Private can no longer be guaranteed. In addition, everyone is now required to work longer. From December 2018, the State Pension age has risen for both Men (65) and Women (60) until it reaches 66 in October 2020 and 67 between 2026 and 2028. The State Pension age looks set to rise again to age 68 between 2037 and 2039.



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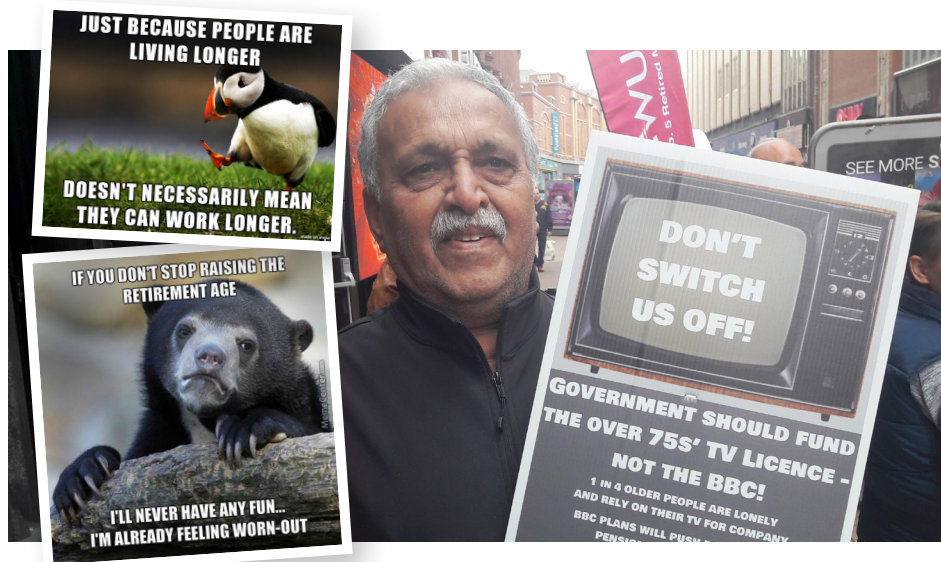
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“Don't be sold the myth that this benefits younger workers”



Jake Kharadi, Regional Retired Secretary



Government Policy

A Parliamentary Select Committee recently supported the view that the State Pension is now unaffordable and the Prime Minister has refused in Parliament to say that the Triple Lock will be retained.

The Chancellor of the Exchequer has instructed Ministers to identify expenditure savings in all Government Departments. For the Department of Work & Pensions, the removal of the Triple Lock would represent the single largest cut since the £468 million in the financial year 2018/19 and circa £247 million in 2019/20 which was achieved by transferring responsibility of free TV licences to the over 75s only for the BBC to scrap it.

Carl Webb, North West Regional Secretary

“It is inexcusable for any government to consider scrapping the State Pension triple lock. While as a nation we turn a blind eye to corporate tax dodging and hand tax cuts to millionaires and even billionaires - UK pensioners receive one of the lowest state pensions (if not the lowest) in the developed world that allows for millions of our pensioners to live in poverty.”



UK Pensions Comparison

The UK remains last in the State Pension League Table. The Organisation for Economic Development (OECD) report, published in November 2019 showed that in terms of mandatory Pensions for those on average earnings, the UK was at the bottom of the pile.

The OECD found the average for State Pensions is 49% for Men and 48.2% for Women for average earnings. The figure for the UK State Pensions represented only 21.7% of Average Earnings. At the top of the OECD League, Austria, Italy & Luxembourg all offer Pensions that exceed 75% of Average Earnings.

At £9,110 per year, the current State Pension is nearly £3,400 below the Personal Allowance (taxable wages) and even below the newly increased level that individuals start to pay National Insurance Contributions on earnings.

Des Carney, NW Regional Retired Chair

‘Eventually everybody becomes a Pensioner – the only qualification is staying alive’

Conclusion

Government will be looking to make savings arising from the Covid-19 impact on the economy. We need to ensure that attacks on Pensioners is not seen as an easy option. Now is the time to Defend the Triple Lock

Petition - Protect the State Pension

Please sign the online Petition <https://www.change.org/p/uk-government-protect-the-state-pension>



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