

## Pensioner Poverty

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On October 12<sup>th</sup>, television news featured 'Pensioner Poverty'. No spokesperson from the National Pensioners Convention (NPC) spokesperson was invited so we did not get the full story - only that pensioners with low incomes can apply for means-tested Pension Credit, and that many eligible pensioners do not apply. But why are pensioners poor?

I am ashamed to say that both the UK Basic State Pension and the New State Pension are the lowest in economically developed countries. The full pension is awarded to retiring workers who have paid the full complement of National Insurance contributions, otherwise a fractional pension.

Many women opted out, relying upon their husband's pension. Some were not aware that they could claim payments when not working, when bringing up children, and they get fractional pensions, so a large proportion of those in deepest poverty are women.

The state pension was set up in 1908 when it was equivalent in value to 25% of average male earnings, but in 1980 that link was broken under a Conservative government, causing the pension to fall to 17% of average male earnings in 2008. That being the 100<sup>th</sup> anniversary of the pension, the NPC organised a big demonstration at Parliament Square. Many of us dressed in Victorian garb to emphasise how pensioners fared worse than in 1908.

The Triple Lock, currently under threat, was introduced in 2010 to address the falling state pension, meaning that pensions increase annually according to the highest of inflation, average earnings or 2.5%. But even with the Triple Lock there are 30 years of decline to undo. The possible 8% rise in 2022 cannot make up a 40% loss in value over three decades.

To address pensioner poverty, the government should listen to the NPC's demand for a state pension raised to 70% of the living wage (approximately £232.75 per week) linked to the triple lock. Future pensioners will be even more reliant on the state pension. Currently they face a dismal future. In addition, the government must bar those exploitative employment practices that prevent workers paying National Insurance. Improving the auto-enrolment scheme would also help.

351 words