



MEETINGS, OBITUARIES

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To see the names of deceased members, please visit www.prospect.org.uk/obituaries If you are not registered, first go to www.prospect.org.uk/register

Busting the baby boomer myths

THE CHALLENGES and myths around intergenerational fairness emerged as a key theme at this year's Pensioners' Parliament in Blackpool, organised by the National Pensioners' Convention.

David Sinclair, director of the International Longevity Centre UK, spoke powerfully against the claim by some politicians and the media that all baby boomers have it good at the expense of the younger population. The term "baby boomer" refers to people born between the end of World War II and the early 1960s.

Sinclair said it is increasingly being used as a term of abuse but painting this picture has the potential to result in worse outcomes for both young and old. "If we can't act to tackle this intergenerational bickering, we will find policy delivers worse outcomes for both young and old."

What should be tackled

are the inequalities that can affect people at any age – in health, income and wealth, educational opportunities and the ability to contribute and get ahead in work. He cited evidence from a report by the Ready for Ageing Alliance, *The myth of the baby boomer*.

The report recognises the tough time facing younger people today for multiple reasons, including soaring house prices, especially in the Southeast; student debt; the changing nature of work – with more people on zero hours contracts; and the prospect of retiring later in life.

But older people have also been impacted by austerity, not least because of the terrible funding crisis affecting social care. The real story is far more complicated than young versus old, and baby boomers are not all the same. For example:

- Only 48% of people aged 55-64 in England own their property outright and 24% are still renting.



People of all ages experience inequality and dividing young from old will not solve the problem, says national secretary **David Luxton**

- The argument that baby boomers benefited from a free university education is tempered by the fact that only just over 13% of 65-69 year-olds in the UK have a degree.
- Nearly two million people in Great Britain aged 55-64 have no private pension savings.
- 3.4 million people aged 65-74 in Great Britain (58%) have a long-standing illness or disability.

Prospect believes it is important to unite young and old to campaign for fair pensions for both current and future generations and *The myth of the baby boomer* provides more evidence to support this.

You can download a PDF of the report from <http://bit.ly/myth-boomers>

■ **Pictured top: Prospect young professionals met retired members at national conference in May to discuss areas of common interest and dispel the myths about friction between the generations.**



What lies ahead for the triple lock?

THE TRIPLE lock is the name given to the system for applying annual increases to state pensions – though not all state pensions.

The Basic State Pension and the New State Pension (given to anyone reaching state pension age since April 2016) get it.

SERPS and S2P – the old, additional state pensions, which are not paid to anyone receiving the New State Pension – don't.

The triple lock says that the relevant state pensions will increase by the best of:

- inflation – as now measured by the consumer prices index (CPI). In 2010 the then chancellor George Osborne introduced this typically less generous measure for uprating benefits, including SERPS and S2P.
- earnings increases – as currently measured by the index of annual weekly earnings, provided by the Office for National Statistics
- 2.5% – a seemingly arbitrary amount.

Former pensions minister Ros Altmann has, since losing office, criticised the triple lock policy (<http://bit.ly/bbc-alt>); expressing a preference for a



Prospect pensions officer **Phil McEvoy** offers a personal perspective on the long-term solution for uprating state pensions

double lock using the first two measures above.

In the **long term**, I am inclined to agree that the costs of the triple lock are likely to become prohibitive. I am also unsure if pensioners (again, in the long term) should enjoy increases not seen by people of working age.

The long-term solution could be to uprate pensions in line with earnings increases alone. I stress the long term because the current state pensions are not at a suitable level to ensure that pensioners can be kept out of poverty.

Many people trace this back to 1980, when uprating was based on price inflation rather than earnings increases – although there were some years when government applied extra increases in excess of the retail prices index (RPI).

This measure prevailed for 31 years until the triple lock came in.

It meant that while state pension income did not lose value against the average cost of living, it did not keep track of the higher increases to the standard of living of the working age population.

The current Basic State Pension stands at roughly £120

a week. If RPI alone had been applied since 1980, without any extra government increase, it would be roughly £110.

However, if earnings increases (as quoted by the average weekly earnings measure) had been applied the Basic State Pension would now be worth more than £180.

This means that current levels of state pensions are too low. The Organisation for Economic Co-operation and Development has suggested that state expenditure on pensions will remain too low compared with other countries (<http://bit.ly/OECD-pens2015>).

In calling for state pensions to be increased, some would prefer to see a one-off cash injection applied. Being realistic, the current financial climate is likely to prohibit that, meaning that a period in which pensioners' incomes rise at a higher rate than those of working age will go some way to offsetting the damage done between 1980-2010.

It seems impossible to say how long the current triple lock policy should be kept, given that future price inflation and earnings increases are unknown – but I would think at least until 2020. It would be difficult to see it lasting a decade beyond that, though.

If and when it is removed, an earnings-based uprating level would best achieve parity between working age and retired parts of the population.

● *Note: RMG national secretary David Luxton is keen to emphasise that Prospect is committed to retaining the triple lock as a means to protect the value of the state pension until a workable alternative formula can be agreed.*



Prospect at Pensioners' Parliament

PROSPECT RETIRED members were represented at the three-day Pensioners' Parliament in June by Mike Moriarty, Arthur Bavister, Peter Gilroy, Ann Hedgecock (above) and Alan Edgar, who took the photo.

Participants held a march through Blackpool on the first day (pictured below) and then debated intergenerational fairness (see page 1), the digital exclusion of older people, the state of the NHS, housing, bus travel and the future of the social care sector.

Download a PDF of the National Pensioners' Convention's full report (46 pages) from <http://bit.ly/pens-parl>



ROGER REED OBITUARY

ROGER REED, who sadly died on 29 April, had been the chair of the Scotland North area of Prospect's retired members' group since 2010. Roger's career was as an engineer in the energy supply industry, working at the North of Scotland Hydro Electric Board, which later became part of Scottish and Southern Energy.



Roger also chaired the Scottish Association of Car Clubs for six years. He officiated at events as well as doing some rallying himself. He also sang bass in the Stonehaven and district choral society.

At his first Prospect national conference as a delegate in 2014, he was one of the members who put a question on Scottish independence to panel member Nicola Sturgeon, then Scottish deputy first minister. Members found him an excellent chair and rep, always striving to learn and improve. We all miss his contribution, counsel and company and send our condolences to his wife, Pat, and their wider family.

Charlie Bruce, Scotland North RMG secretary

Report from July's RMG national committee meeting

The RMG national committee met in July. *Andrew Ruffhead reports*

- A discussion was held about the five motions carried at the retired members' group 2016 annual delegate conference and next steps.

- Richard James (East Midlands area) spoke about asbestos exposure in the workplace and the need to keep historical records to support compensation claims. He highlighted the difficulties facing former power workers in the East Midlands in gathering good evidence, as many people were now dead or very old.



Companies could not be relied on to provide evidence from their own records to assist claims, he said, mentioning power stations that are still running as well as others that closed only recently.

National secretary David Luxton confirmed that employers had the legal responsibility for retaining exposure records.

The absence of records does not preclude Prospect lawyers from pursuing a successful claim, he said.

- David Luxton reported that

the AEA Technology pension scheme was about to transfer to the Pension Protection Fund (from 8 July). Steve Webb, when he was pensions minister in the coalition government, had promised indexation for people with long service. But the statutory instrument required has not been enacted. (See blog by pensions officer Neil Walsh on the PPF at <http://bit.ly/PPF-blog>). Prospect was reviewing relevant documents and the legal advice, and a briefing will be sent to members in due course.

- Arthur Bavister reported a National Pensioners' Convention "Tell Us Your Story" project run by the health and social care working party. If anyone has a story to tell, the working party would like to hear from you – please email jan.shortt@googlemail.com

- The committee stood in memory of member Roger Reed (see left), who died in April, and also in memory of John Lyons, former general secretary of Prospect predecessor union, the Engineers and Managers Association, who died in May – see obituary at <http://bit.ly/john-lyons>

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Upcoming meetings/AGMs

North East area meeting/visit

6 October – Meeting and visit to Nexus Tyne and Wear Metro system. *Details to be confirmed.* To register your interest, **contact** Peter Gilroy – email p.gilroy@sky.com or call 01670 354613. For members in postcodes NE, DH, SR, DL, TS.

Scotland North area AGM/meeting

AGM 12 Oct, 2.30pm for 2.45pm. Civil service sports club, 111 St Leonards Bank, Perth. Guest speaker, Richard Hardy, Prospect Scotland national secretary. **Meeting 30 November**, 2.30pm for 2.45pm, Station Hotel Aberdeen. **Contact** Charlie Bruce – email charlie.b@btinternet.com or call 01382 884575. For members in postcodes HS, ZE, KW, IV, AB, PH, DD, FK (7 et seq), PA (20 et seq), KY.

Scotland South area AGM

18 Oct – 2pm, Teacher Room, IET The Teacher Building, 14 St Enoch Square, Glasgow G1 4 DB. **Contact** Cath Mitchell – email cmitchell4@btinternet.com or call 07779 189015. For members in postcodes G, KA, ML, EH, TD, DG, FK 1-6, PA 1-19.

Cheshire, Manchester, Deeside (CMMDI) area AGM

19th Oct – 1pm, Campanile Hotel, Lowlands Rd, Runcorn WA7 5TQ (near Runcorn station) **Contact** John Augoustis – johnaa65@googlemail.com. For members in postcodes L, CH, WN, BL, WA, MCW, SK, OL, LL, IM

South West Midlands area AGM

19 Oct – Diamond Project, Harwell, OX11 0DE, 1.30pm. There will be a chance to visit the project at 10.30am but register in advance as numbers may be limited. **Contact** Malcolm Andrew – email malcolm@g8nnp.net For members in postcodes OX, GL.

North West area AGM

20 Oct – 10.30am. County Hotel Carnforth. Guest speaker Prospect negotiator Jez Stewart. **Contact** Yvonne Hargreaves – 07754 763553. For members in postcodes CA, LA, BB, PR, FY.

Southern area AGM

27 Oct – 11am, Lyme Regis Guildhall chambers. Guest speaker Chris Andrew on Lyme Regis geology and fossils. **Contact** Bob Milner – call 01202 296553. For members in postcodes BH, DT, TA.

London Central area AGM

3 Nov – 11am, New Prospect House (Council Room B), 8 Leake Street, London SE1 7NN. Guest speaker Phil McEvoy, Prospect pensions officer. **Contact** Ireen Goulding – email ireen.goulding@gmail.com or call 07939 201857. For members in postcodes BR, CR, E, EC, HA, KT, N, NW, SE, SM, SW, TW, UB, W and WC.

Wales area AGM

4 Nov – 11am, Waterfront Museum, Swansea. Guest speaker Prospect deputy general secretary Dai Hudd. **Contact** Graham Clarkson – email grahamclarkson188@btinternet.com For members in postcodes SY, SA, LD, CF, NP.

Central Southern area AGM

AGM: 8 Nov, 11am. Royal Maritime Club, 75-80 Queen Street, Portsmouth, PO1 3HS. Refreshments available. **Contact** Robbie Ridoutt – email robridoutt@btinternet.com or call 01983 525571. For members in postcodes SO and PO.

South East area AGM

10 Nov – 1pm, Castle Room 1, Angel Leisure Centre, Angel Lane, Tonbridge, Kent TN9 1SF. Guest speaker Prospect deputy general

secretary Dai Hudd. **Contact** Derick Jackson – email d.jackson123@btinternet.com or call 01474 814541. For members in postcodes BN, TN, CT, DA, ME, RH.

West Midlands area AGM

15 Nov – 10.30am, Pear Tree Inn, Smite, Worcestershire, WR3 8SY. **Contact** Ian Hodges – call 07757014823. For members in postcodes ST, TF, WV, WS, DY, B, WR, HR.

Avon Valley area meeting/AGM

AGM 16 Nov, 2pm at Bath Pavilion. **Contact** Jacqueline Cobb, email AvonRMG@buhund.plus.com – For members in postcodes BA, BS, SN and SP

East Anglia area AGM

16 Nov – 1pm, Red Lion Hotel, Station Road, Whittlesford, Cambridge, CB22 4NL. Guest speaker Phil McEvoy, Prospect pensions officer. **Contact** David Mills – email d.n.mills@btinternet.com or call 01473 210797. For members in postcodes EN, NR, IP, PE, CB, CO, CM, RM, SS, IG.

Thames Valley Area AGM

AGM 23 Nov – 10am, Reading International Solidarity Centre, 35-39 London St, Reading RG1 4PS. Please note date change. Guest speaker national secretary David Luxton **Contact:** Bob Simmons on 01635820602 or email bob.simmons@ntlworld.com For members in postcodes GU, RG, SL.

Please note

Members in all postcodes listed have voting rights, but others welcome to attend.

See www.prospect.org.uk/rmg for recent additions. Email stephanie.bridgman@prospect.org.uk with new meetings.

● Dec *WiseEye* deadline: 14 Nov

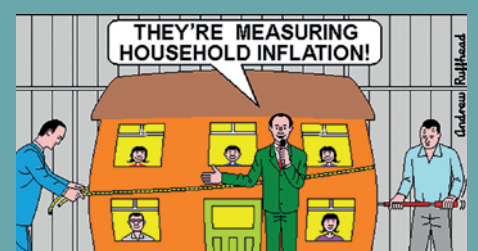
Implications of Tata crisis on pensions

THE government has been consulting about the future of the pension scheme at Tata Steel in the light of the company's sale (<http://bit.ly/BS-pens>). Prospect pensions officer Phil McEvoy blogged about this recently at <http://bit.ly/blog-BS>.

Fears had been raised that any mechanisms to reduce payments of

pension already accrued – including switching the measure for annual uprating from RPI (which includes housing costs) to CPI – could have implications for other company schemes, currently protected by Section 67 of the Pensions Act 1995.

So it was seen as a relief when the DWP said in the consultation:



"We are not... considering extending the proposal beyond the BSPS as a specific scheme."