

Policy

Pensions

Real pensions not financial gimmicks

Pensions are in crisis. The full state pension for a single pensioner is only **£95.25** (from April 2009), a massive decline since the link with earnings was broken by the Tory government in 1979. Many pensioners, especially women, don't even get a full state pension.

And private pensions are in crisis too. Some occupational schemes have failed, leaving pensioners who've contributed all their lives with nothing. Many firms are abandoning or weakening occupational schemes. Millions of people have been mis-sold under-performing personal pensions. And even apparently reputable providers have failed to deliver a reliable return.

Just as Greens believe that we should leave the planet in a fit state for our children, we believe that we all owe older people a decent standard of living without demeaning means tests. And the foundation of doing so is a proper state pension for all.

ONE WORLD.ONE CHANCE

Vote Green Party



The Green Party would:

- introduce a Citizen's Pension which would pay single pensioners £165 per week, would be paid to all pensioners without means testing and would be linked to the rise in average earnings.
- ensure that voluntary private and occupational pension schemes are organised for and by the workers and pensioners concerned instead of being used primarily to make money for banks and insurance companies.
- encourage Local Community Pensions Schemes that would invest in the local community and in public services, not the stock market, so offering stable returns, not dependent on speculation or vulnerable to mis-management.
- simplify the system by ending tax relief on contributions, which mainly benefit the more wealthy.

Is it affordable?

Yes. Independent studies by the National Association of Pension Funds have shown that a Citizen's Pension could be afforded today within current net expenditure on state pensions. There would be major savings for example on means tested benefits and administration.

But surely we face a future where there will be more pensioners and less workers, and higher state pensions simply cannot be afforded?

It will cost a little more, but it is still affordable and it is right that older people should be properly provided for. The money saved by abolishing tax relief on private pension contributions can provide much of the extra funds needed

Won't abolishing tax relief discourage saving for a pension?

It's the present system of means-tested top-ups that discourage saving. Many feel that it's hardly worth saving for a pension because you end up hardly better off than those who haven't. With a Citizen's Pension you will benefit from all you save. Wouldn't it be best to make additional pension contributions compulsory? Such compulsion is unnecessary if there is

a decent state pension, and additional pension schemes that people trust. People should be free to decide how to provide additional security for themselves in old age.

Haven't pension credits helped the poorest pensioners?

Pension Credits do not solve the problem. The Government admit that take up is inadequate, and many poor pensioners will not get them. Pensioners should not have to leap through the hoops of complicated and demeaning means tests in order to get a decent pension.

But aren't all political parties promising more money for pensioners?

Hardly. The Tories will only restore the link at a level a little above the current pension level, still leaving millions of pensioners in poverty. And the Lib Dems would restrict increases in pensions to older pensioners over 75.

To join the Green Party visit:
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