



Amanda Rishworth MP

Member for Kingston

PRIVATE MEMBERS' BUSINESS

British Pensions

15 September 2008

[Ms RISHWORTH](#) (Kingston) (7.36 p.m.)—I have moved this private member's motion on behalf of the many British pensioners living in my electorate of Kingston and throughout the nation. The issue of the indexation of the British pension has been raised regularly during my time in the parliament. British migration has played a central role in the creation of the Australian nation. Many British migrants have come to Australia and have contributed significantly to this country. I regularly speak with many British migrants who reside in my electorate, and they talk with fondness of their adopted country even though they acknowledge that by migrating to Australia they have been disadvantaged in the pension payments they receive from the United Kingdom's National Insurance Fund. It is important to note that they are not referring to a system that is the same as the Australian pension system. Rather, British residents pay compulsory, regular contributions from their gross salary into the United Kingdom's National Insurance Fund. Upon reaching retirement, Britons become eligible for an allocated pension from this fund. This means that the British scheme is more similar to the Australian superannuation system than to its social security programs. Further, British pensioners remain entitled to an allocated pension whether they are living in Britain or not.

Like most allocated pensions for most recipients, the British pension scheme is indexed for increases in the cost of living. This ensures in real terms that the pension remains the same amount over time. This indexation is applied to British pensioners residing in most countries. Unfortunately, this is not the case in Australia, where the British government refuses to honour its obligations to the national insurance contributors. Instead, the pension ceases to be indexed at the point that the pensioner migrates to Australia.

The inequity of this scheme is demonstrated by comparing the situation of two members of the British Australian Pensioners Association. These two British pensioners are the same age and have paid identical contributions into the NIF, and yet one receives a basic pension of £46 while the other receives £62. The difference in the pension is due to one pensioner immigrating to Australia before the other. This is clearly not a logical or an equitable system. The further inequity in this situation is that if either of these British migrants had immigrated to, for example, the United States, Israel or a country in the European Union their pension would have been fully indexed. However, because these migrants have chosen to settle in Australia, their pensions—which they have contributed to—have failed to keep up with the rising cost of living.

In my election campaign, I initiated a petition to gather the dissatisfaction of British pensioners in my electorate. The petition received widespread support and recorded hundreds of signatures from British expats. Of these I would like to

formally acknowledge a number of people in my electorate who contributed to circulating this petition. Norman Woodend of Morphett Vale, Terrence D'Lima of Trott Park, Dennis Walter Docherty of Port Noarlunga and Jack Stoner, the Secretary of the British Australian Pensioner Association, have all been very actively involved in lobbying to correct this massive oversight.

And it is not just an issue in my electorate of Kingston; it is an issue affecting ex-Britons all around Australia. I have been contacted by an elderly couple, Mr and Mrs Waterhouse, living in Sippy Downs in Queensland, who have given me their support for this motion. The couple, now aged 83, moved to Australia in 1985, after making a lifetime working contribution to the British National Insurance Fund. They came, as did many others, to support a family member who had fallen ill and needed support. Astonishingly, Mrs Waterhouse has not had an increase in her British pension in 23 years, while Mr Waterhouse has not had an increase in 18 years.

As you can imagine, there have been rises in inflation and in the cost of living between 1985 and 2008, yet these pensioners have missed out. I have been informed that Mrs Waterhouse is now wheelchair bound and her husband is her registered carer, and they are both doing it very tough. The Waterhouses are not looking for a hand-out; they are looking for remuneration from the thousands of dollars they have contributed to the National Insurance Fund. This inequity highlights why it is imperative that the Australian government commence renegotiation with the United Kingdom on UK-Australian social security. I commend the motion to the House. *(Time expired)*