



PRESS RELEASE: FOR IMMEDIATE RELEASE
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ETHNIC MINORITY UK CITIZENS RETIRING ABROAD MISS OUT ON FULL STATE PENSION

Ethnic minority UK citizens retiring to countries outside of Europe could lose up to £24,000 over 20 years due to their UK Basic State Pension not being up rated in line with inflation.

The discovery was made by the Runnymede Trust, the UK's leading race equality think tank, in its latest report *To Stay or Not to Stay: Retirement Migration Decisions among Older People*.

The report found that while UK pensions are uprated in a small number of non-European countries such as the USA, Jamaica and Barbados, pensions are frozen in the vast majority of Caribbean, Asian, African and South American countries.

This affects many Black and Asian Britons retiring to their country of birth in the Caribbean, Africa and South Asia, as well as others who choose to leave the UK to retire in Australia or Canada.

For many, the prospect of losing pension income overseas through receiving a frozen pension is a barrier to retiring abroad, as not receiving a full pension can have a big impact on quality of life in the retiree's new country of residence.

This is particularly the case where the cost of living is particularly high, such as Australia, or where medical bills can be expensive, such as the Caribbean.

For example, one participant in the research who retired from the UK to the Caribbean said:

"It didn't work because the cost of living is very expensive and [as] I worked [in the UK] for so many years and paid in my taxes and my national insurance, I found it difficult to go to be paying doctor bills for medication, so it just didn't work for me".

In addition, the report found that many of those wanting to retire abroad have lived and worked in the UK for 30 or 40 years, or were born in the UK, and therefore feel that as they have contributed to the UK economy through working, paying taxes and national insurance – as well as contributing to their communities – it is unfair that their contribution is not repaid in full through their pensions.

Commenting, the report's author Phil Mawhinney said:

"It is clearly unfair that the people who were encouraged to rebuild the UK after the Second World War by working for the NHS should risk losing their entitlements if they return to the Caribbean, or elsewhere. The current system of overseas pensions uprating is arbitrary, with no logic behind a pension being uprated in Jamaica but not Trinidad. We therefore call on the Government to uphold fairness and uprate all overseas UK pensions."

Peter Morris of the International Consortium of British Pensioners said:

"While many 'frozen' pensioners live in Australia, Canada, New Zealand and South Africa, they also live in Trinidad & Tobago, Dominica, India, Pakistan and Nigeria. As the number of older Black and minority ethnic people in the UK grows over the coming years, more ethnic minorities may face the unfair situation of not receiving their full entitlement if they leave the UK. Now is the right time for the government to take action by uprating all overseas pensions."

NOTES TO EDITOR

1) *To Stay or Not to Stay: Retirement Migration Decisions among Older People* will be published on Thursday 1 December and will be available to download for free here: <http://www.runnymedetrust.org/publications/169/32.html>

2) For an advance copy of the report, press inquiries and to arrange interviews with the report author please contact Phil Mawhinney at phil@runnymedetrust.org, or on 020 7377 9222

3) Runnymede is a social policy research organisation focused on race equality and race relations. We work by:

- Identifying barriers to race equality and good race relations
- Enabling effective action for social change
- Influencing policy at all levels through providing thought leadership and robust evidence

Further information is available on our website: <http://www.runnymedetrust.org/>

4) This research programme is funded by the Nationwide Foundation, a registered charity (no 1065552)

5) The International Consortium of British Pensioners (ICBP) represents British Pensioners all over the world receiving frozen pensions, and campaign for the government to annually uprate all UK Basic State Pensions, regardless of where the recipient lives. <http://www.pension-parity-uk.com/>