

# Hope for expats in UK pensions ‘lottery’

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The seemingly unstoppable rise of Jeremy Corbyn – the bookies’ favourite to win the Labour leadership contest – could be good news for those campaigning against the UK government’s “frozen pensions” policy.

Lots of people dream about retiring somewhere hot, or moving abroad to join a grown-up son or daughter, but many don’t realise that where you choose to retire will have a huge impact on how much money you have to live on in your old age.

If you move to one of more than 100 countries, including Canada, Australia, New Zealand and South Africa, your state pension will be permanently frozen at the date you retire or when you arrived in that country. But if you move to an EU country, the US or one of a seemingly random list of places, including Puerto Rico and Samoa, your state pension will increase in line with inflation.

There are thought to be around 558,000 “frozen” British pensioners living in countries where their basic state pension is not uprated annually, and it’s an issue that Guardian Money has featured a number of times over the past few years.

One of those who has been a long-term vocal opponent of the government’s stance on this issue is Jeremy Corbyn. As far back as 2000, Corbyn, the MP for Islington North, spoke in the House of Commons about the overseas pension “lottery” that has left many thousands of Brits hugely out of pocket. During a Commons debate in February of

that year, he said the government's frozen pensions policy was "entirely illogical" and "morally wrong".

He told MPs: "People move abroad, on or before retirement, for a number of reasons to do with home, family or other factors. There is nothing wrong with that. They have paid for, have worked for and are eligible for pensions in this country and I see no reason for the pensions that they receive not to be linked to what is paid here ... We should arrange for the current state pension here to apply to British pensioners wherever they happen to be, provided that they are eligible to receive it."

The issue clearly remains close to Corbyn's heart – he is one of the members of the all-party parliamentary group on frozen British pensions, which was set up last year to campaign for a change in policy, and will reconvene in September.

Another high-profile politician critical of the current rules is Keith Vaz, the Labour MP for Leicester East and chair of the Commons home affairs select committee. Below he writes about the "unfairness" of "this archaic policy".

He says that in his constituency there is a large Indian population and retiring to their country of origin is something many of his constituents would like to do – but India is on the UK's frozen list of countries. The result, he writes, is that "they will be punished because they have chosen to retire there, rather than Europe or the US, or even the Philippines or Macedonia, where British state pensions are not frozen".

The International Consortium of British Pensioners (ICBP), which represents expat campaigning groups, runs the [Pension Justice website](#), to highlight their plight.

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