



British Pensions in Australia Inc. P O Box 438 Gordon NSW 2072

ABN 42 186 383 389

Fair Play for British Pensions in Australia

29th January 2023

Select Committee on Cost of Living
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Sirs,

We welcome the opportunity to make a submission to the committee on behalf of the members of British Pensions in Australia Inc. (BPiA).

BPiA is a volunteer run not-for-profit organisation that cares for people entitled to a British state pension and who are living in Australia. We assist them in applying for a pension, guide them in how to maximise their pension entitlement and we campaign for an end to the British government's discriminatory policy of not paying inflation adjustments to pension recipients living in Australia.

Our members are particularly hard-hit by rising prices. The purchasing power of our pensions shrinks even faster in periods of high inflation.

The cruelty of the British government's policy of frozen pensions will be made more obvious by the 10.1% increase in the rate of pension that will occur on 5th April this year. This increase will be paid to all state pension recipients in the UK and to the majority of pension recipients living outside the UK. But not for the over 200,000 pension recipients living in Australia. Our pensions remain frozen.

The lack of an annual inflation adjustment adds pressure on Australia's social security system through the means testing for Australian Age Pension. According to Department of Social Services data, 80% of people receiving a British State Pension also receive a part or full Australian Age Pension. More of our members will become entitled to Australian Age Pension this year and the amount of Age Pension they receive will increase as a result of the freezing of their British State Pension.

It is unfair that the burden of the British government's policy has to fall on Australian taxpayers.

The Australian government has been complaisant on this matters for too long. The government should stand up for Australians and demand the UK enter into a reciprocal social security agreement that includes provision for Australians to receive annual inflation adjustments. The Canadian government is doing this for its citizens. Why the silence from the Australian government?

Yours sincerely,

Patrick Edwards
President