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Summary

- **Conservatives:** Work and Pensions Secretary Esther McVey reiterates her commitment to an industry-led pensions dashboard.
- **Labour:** Jeremy Corbyn pledges to keep the triple lock pensions policy, and hadow Chancellor John McDonnell asks pension funds to demand that companies sign up to the Fair Tax Mark.
- **Liberal Democrats:** Vince Cable announces plans for a major tax shake up including a flat-rate tax relief on pension contributions.

Fading into the background

With political party conference season upon us once more, Natalie Tuck looks at the policy pledges for pensions from the main political parties

Pensions, it appears, continue to fade into the background of the current political agenda. The subject was mentioned at all three of the main political parties' conferences, but it is clear that it's not a political priority.

Prime Minister Theresa May was the only party leader to make no mention of even the word pension in her speech to delegates, with Labour leader Jeremy Corbyn and Vince Cable both making references.

However, perhaps more concerning was the failure of Labour Shadow Work and Pensions Secretary, Margaret Greenwood, to talk about any policy relating to pensions in her speech. She uttered the word twice, in reference to her colleagues' "vital work" they do in holding the government to account, which includes Shadow Pensions Minister Jack Dromey.

There was also a notable omission of pensions from Chancellor Philip Hammond's speech, but the incumbent



Work and Pensions Secretary, Esther McVey, touched briefly on the area, reiterating her support to an industry-led pensions dashboard.

"More people than ever are saving into a workplace pension, up nearly 50 per cent in the past six years, and significantly driven by younger people. Through automatic enrolment, we have helped create almost 10 million new pension savers," she said.

"And we will be giving people the opportunity to access their pension information through an industry-led pension dashboard, building on the government's check your state pension online service."

On the subject of state pensions, McVey said the Conservatives "support pensioners who have worked their whole lives, and contributed enormously to the success of this country".

"We are providing certainty in retirement through the state pension, which has increased by £1,450 per pensioner since 2010. In sharp contrast to the 75p increase pensioners received under Labour in 2000 - remember that?"

In addition, she said the



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Conservatives will continue to apply the triple lock on the state pension to pensioners living in the European Union after the UK leaves in March 2019.

Labour's Shadow Work and Pensions Secretary may have left out pensions, but Labour leader Jeremy Corbyn pledged to keep the triple lock if his party is elected. Corbyn said the party owes it to the older generation to rebuild Britain "so you too have peace of mind and dignity".

"We will fulfil that obligation with the triple lock on pensions protected, along with the winter fuel allowance, a free bus pass and a national health and care service that can look after you and your families with respect. That is solidarity between the generations."

Keeping the triple lock would mean the state pension would continue to rise in line with the highest of earnings, inflation or 2.5 per cent.

The Labour Party also wants pension funds to join other shareholders in demanding that companies sign up to the Fair Tax Mark. The certification scheme was launched in 2014 and seeks to encourage and recognise organisations that pay the right amount of corporation

tax "at the right time and in the right place".

Making just a passing remark to pensions, Shadow Chancellor John McDonnell revealed his initiative to bring institutions such as pension funds, churches and trade unions to launch a shareholder campaign to demand companies sign up to the Fair Tax Mark.

Delivering his speech, McDonnell said that "we need to exert some power over our tax system", noting that there is a "minority" who do not live up to the standards of those that "pay their taxes and support our community".

"One way is to mobilise shareholder power to demand companies uphold basic tax justice standards. Numerous institutions from churches to trade unions and pension funds have large-scale shareholdings in many of the companies that avoid taxes," he explained.

"So today, I'm announcing my intention to bring together these organisations to launch a shareholder campaign. We'll be demanding companies sign up to the Fair Tax Mark standards, demonstrating transparently that they pay their fair share of taxes. So fair warning to the tax avoiders, we are coming for you."

Tax was also a focus for the Liberal Democrats, but with pensions tax relief listed as part of a major tax shake up

proposed by the party.

Speaking on *The Andrew Marr Show*, 17 September, ahead of his speech to conference, Liberal Democrat leader Vince Cable said pensions tax relief should be treated equally between high earners and low earners.

Currently, those paying the lower rate of income tax at 20 per cent receive 20 per cent tax relief on their pensions contributions. Those paying the higher rate of income tax at 40 per cent, receive 40 per cent tax relief.

Former Liberal Democrat MP Steve Webb, who served as Pensions Minister between 2010 and 2015, previously suggested introducing a 33 per cent flat-rate pension tax relief amount.

Delivering his speech to conference, Cable said the Liberal Democrats would "resurrect a sense of fair play in the way the government raises money", as he proposed tax reforms across the board.

"We would rebalance pension tax relief away from the highest earners, towards those least able to save. These reforms could raise substantial sums. We would not splash the money on short-term spending. It could be invested in a sovereign wealth fund, saving for the future. And that fund would be further boosted by the eventual sale of RBS shares."

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