



An estimated 100,000 UK workers have lost their pension through companies going bust

Amicus is fighting to put right this injustice

Amicus
leading the pension campaign



Join our Demonstration
26 September in Manchester
from 11.45 at Castlerfields off
Liverpool Road near to Deansgate.
Contact Amicus on 01704 546 500
or Brian 07957 995947

Amicus defending members pension rights and fighting for future rights

Amicus campaigning for pensions justice

Amicus has been campaigning vigorously over the past four years to restore pensions' justice for the estimated 100,000 workers who have lost most, if not all, their hard earned pension savings through company insolvency.

Amicus has instigated a court case on behalf of its members at Allied Steel and Wire (ASW) who lost their pensions when their company went into liquidation. It has also organised tens of lobbies and demonstrations on behalf of our members and tabled 19 amendments to the Pension's Bill. Together, these actions have succeeded in shifting the government. Amicus has been instrumental in achieving the introduction of the Pension Protection Fund (PPF) and the Financial Assistance Scheme (FAS) which are designed to protect workers future pensions savings and to provide compensation to those workers who, through no fault of their own have already lost out.

While we welcome these moves, we believe they don't go far enough. Under the current FAS plans the majority of people caught in the insolvency trap will not benefit, while the ones who do will be tested on age and pay outs will range from 50% to 80% of their pensions savings – a fraction of what they were promised by their employers and led to expect by Government through its own literature.

Graham Goddard, Amicus' Deputy General Secretary and Regional Secretary for the North West of England, knows exactly how people caught in the pension trap feel. Graham worked for a company called United Engineering Forgings (UEF) for 29 years until the company went bankrupt in 2001 leaving him and 1500 other employees with little hope of receiving any pension.

"Since the company went bust it has been a very worrying time for all of us. All our hard earned money, money we allowed to be taken believing it to be safe, was lost. It's a terrifying prospect for anyone."

Under the existing criteria, Graham and many of his former colleagues do not qualify for anything from FAS.



Deputy General Secretary, demonstrating with colleagues from UEF at Sedgefield, Tony Blair's constituency.

Unions take fight to the European Courts

In 2003 Amicus and Community unions issued court proceedings against the government on behalf of members and former employees of Allied Steel and Wire (ASW) which were subsequently referred by the UK High Court to the European Court of Justice.

Our legal case is based on the argument that successive UK governments have failed to properly implement the EU Insolvency Directive which would have secured employees' pensions when companies become insolvent.

The case was heard on the 1st June this year and the Advocate Generals opinion, that should guide the final judgement expected this Autumn, supported our interpretation of the Directive. **Copies of Amicus' opinion brief can be found on our web site.**

The Parliamentary Ombudsman supports our case

The Parliamentary Ombudsman was also asked by the victims to investigate the insolvency debacle. She found that government leaflets encouraging employees to join their pension schemes were "sometimes inaccurate, often incomplete, largely inconsistent and therefore potentially misleading". Employees were never warned that the law would only provide a 50:50 chance of their pensions being paid if their employer went bust and further government actions made occupational schemes even more vulnerable. The Parliamentary Ombudsman recommended that victims should have their full pensions restored.

Amicus believes that these people deserve their pensions' savings back. What's more, if the wider population is to be encouraged to save responsibly for their retirement, as the government wants, their trust in pensions must be restored by seeing those people who have been done a terrible injustice be compensated.

Amicus believes that the government can afford to pay up the relatively small amount compared to what governments' have raked in from the abolition of advanced corporation tax (ACT) relief, which UK pension schemes used to enjoy. Amicus will continue its fight for pension justice until we achieve this goal.

Amicus policy is to campaign for compulsion with no opt-out, consultation rights, pension fairness for lower paid workers through tax incentives, no increase in the retirement age, equal rights for women and index linking of state pensions in line with earnings.

For more information on Amicus' pensions campaign log on to www.amicustheunion.org