

CHECK – AGAINST – DELIVERY

TUC PENSIONS CONFERENCE 2024

Wednesday 12 March

Speech by Liz Kendall MP

Shadow Secretary of State for Work and Pensions

Introduction

It is a pleasure to join you today and an honour to follow Kate and her excellent speech.

I want to thank Kate, Paul, the TUC and the wider union movement for all the work you do to support working people in this country, and to make work pay.

You never stop fighting for dignity and decency at work, and for dignity and security in retirement too.

You understand - as Kate has just set out – that the two are inextricably linked.

Labour understands this too.

That is why a strong and growing economy; more decent, well-paid jobs; and financial security in retirement are at the heart of our future plans.

Century of ageing

I want to start by saying something obvious, but important nevertheless.

Which is that we live in the century of ageing.

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The number of people aged over 65 will increase from 11 to 14 and a half million in 20 years time.

The over 85s will double.

And 1 in 4 babies born today is set to reach 100 years old.

The fact that we are living longer is something we should celebrate, and look forward to with hope not fear.

But for too many pensioners – and those coming up to retirement – this is simply not the case.

As the Centre for Ageing Better says: a financially secure and healthy later life is becoming increasingly unlikely for millions of people.

Life expectancy is stalling.

And for the poorest, going backwards.

People in the most deprived parts of the country can expect to live 17 more years with a disabling health condition than those in the least deprived areas.

And there has been a sharp increase in pensioner poverty too.

1 in 5 of all pensioners are living in poverty. That's more than 2 million people.

And for many future pensioners, the situation is set to get even worse.

The number of older private renters is at an all time high, with all the knock on consequences for their income in retirement.

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And as the TUC's research shows, women's overall income in retirement is already 40 percent lower than men's.

Yet 1 in 9 women are in jobs where employers don't have to enter them into a workplace pension, compared to fewer than 1 in 20 men.

Achievements of Labour in Government

I'm proud to say the last Labour government made huge strides in tackling pensioner poverty and inequality, and improving workplace pensions.

We lifted almost a million pensioners out of poverty.

We introduced the State Second Pension, with a more generous earnings-related top up for carers, low earners and those with disabilities.

We brought in Pension Credit to boost the incomes of the poorest pensioners - disproportionately women.

And we created the auto enrolment system, bringing 10 million more people into workplace pensions, giving them a level of income in retirement they simply otherwise wouldn't have had.

Whereas the Tories have stalled on pension reform: my mission is to finish the job of the last Labour Government.

Building on the legacy of great Labour women and trade unionists who have come before.

Barbara Castle – who took the first major steps towards closing the pensions gender gap more than 40 years go.

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The late, great Patricia Hollis – who fought and won to split pensions on divorce and to ensure women could top up their state pension so they wouldn't be poor in retirement.

And Jeannie Drake – former TUC President and one of the architects of auto enrolment, who fought to get better pensions for lower paid women workers and those who've missed out due to caring for their children or elderly relatives.

These Labour women blazed a trail on equality and opportunity, and remain my inspiration today.

Tories: no longer the Party for pensioners

When I think of Labour's proud record on pensions, the contrast with this Tory Government is clear.

Just in this Parliament ...

Broken promises on the Triple Lock.

Billions wiped off pension funds by Liz Truss's disastrous mini Budget.

A devastating cost of living crisis that has hit ordinary people and pensioners hard.

The cost of the weekly shop soaring. Gas and electricity bills rocketing. Mortgages and rents going through the roof.

The Tories economic failure has meant more over 55s needing to take their pension early.

More pensioners relying on their hard earned savings, just to get by.

And more older people renting into retirement.

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It is no wonder pensioner poverty has risen on the Tories watch, after years of falling under the last Labour Government.

And it is no wonder, either, why the pensioners I meet are so dismayed at the state of the country, and the state of their own finances too.

The reality is that older people have paid a heavy price for the economic chaos inflicted on this country by the Tories.

After 14 years of failure the Tories have run out of excuses and run out of road.

And they can no longer claim to be the Party for pensioners.

Risk of five more years of the Conservatives

And another 5 years of the Conservatives will only risk more of the same.

More tax hikes on ordinary people making it harder to pay the bills, let alone save for retirement or a rainy day.

More risky, unfunded, ill-thought through plans that put our economy and living standards at risk.

As the Resolution Foundation has shown, Tory tax plans announced in last weeks budget are set to leave eight million pensioner taxpayers an average of £1,000 a year worse off.

After everything they've already been through.

That's before we even get to the Tories irresponsible, unfunded £46 billion plan to scrap National Insurance Contributions.

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The Chancellor and Prime Minister are crystal clear.

In his Budget Statement Mr Hunt said: “we believe that the double taxation of work is unfair. Our long-term ambition is to end this unfairness.”

Mr Sunak repeated the commitment at the weekend, telling the Sunday Times: “we want to end this double taxation on work...to keep cutting NICs until its gone.”

So my question to the Prime Minister and Chancellor are simple.

How will you pay for it?

Will your unfunded £46 billion plan to scrap National Insurance Contributions be paid for by higher taxes ... including on Britain’s eight million pensioner taxpayers?

Will it be paid for by higher borrowing?

Or will it be paid for by spending cuts to our vital public services – our schools, hospitals, armed forces or police?

We all know that National Insurance Contributions determine your entitlement to the state pension.

If NICs are scrapped, how will working people – who have contributed all their lives – even know what their future pension entitlement is?

And if the Conservative plan is to merge National Insurance and income tax, what this will mean for pensioner tax bills, including the taxes they pay on their hard earned savings?

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If Labour made a commitment half the size of this, we would rightly be asked to spell out exactly where the money is coming from and how would it work in practice?

This Tory government must do the same.

And let us not forget.

Just 2 years ago when he was Chancellor Rishi Sunak raised National Insurance Contributions telling us this was essential to pay for social care.

Now he says he wants to abolish national insurance altogether.

If you're raising national insurance one year then promising to get rid of it the next, that's not a plan.

That's chaos.

And the public have had enough of Tory chaos.

The truth is now staring us all in the face.

Sunak and Hunt and the rest of this cowboy cabinet.

Too incompetent to do the basic maths.

Too out of touch to think through the consequences.

And too arrogant to think that you - the decent ordinary people of this country - won't notice them for the con artists they really are.

Priorities of next Labour Government

Under the leadership of Keir Starmer and Rachel Reeves, Labour will never put Britain's finances risk.

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All our plans: fully costed and fully funded.

Built on the rock of economic stability.

Focused on the long term challenges facing this country where the Tories have failed for so long.

Our plan to get Britain growing again with more good jobs in every part of the country...

In clean energy, through our modern industrial strategy and by overhauling the planning system to build the homes and other infrastructure our country desperately needs.

Our plan to get Britain working again, and reduce the record number of people now out of work due to long term sickness...

By driving down NHS waiting lists, overhauling skills and reforming Job Centres to meet individual and local needs.

And our New Deal for Working People will make work pay and improve the quality of work...

With a genuine living wage, by banning exploitative zero hours contracts, ending fire and rehire and strengthening working people's rights.

All of which are essential for creating the resources we need, as individuals and as country, to pay for a decent standard of living, during our working lives and in retirement too.

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Our commitment to pensioners

Labour's commitment to delivering dignity and security in retirement is unwavering.

We know how vital the triple lock has been in protecting pensioners' incomes and providing certainty in retirement.

That is why we have defended it when the Tories sought to break their promises to pensioners.

We also understand just how vital good workplace pensions are, on top of the state pension.

That is why in November our Shadow Chancellor Reeves announced our wide ranging pensions review, following the reforms of the early 2000s and the introduction of auto-enrolment in 2012.

Our review will look across the whole sector and at all types of pensions – including defined benefit, defined contribution, and public sector schemes.

It will set out proposals to ensure savers get the best possible returns and identify the barriers to pension funds investing more into UK productive assets.

So we get the best for UK pensioners and UK PLC

This review is absolutely vital. As Kate said, two decades after the Pensions Commission, when cross party agreement saw the coalition government implement Labour's policy of auto enrolment, progress has now stalled.

And that is not good enough.

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So this is Labour's commitment.

For future pensioners – we will have a relentless focus on creating more, better paid jobs in every part of the country; helping people get work and get on in their work; and championing decent second pensions for all, so everyone can prepare for their retirement with confidence.

And for current pensioners – we are on your side.

Labour is determined to once again be the Pensioners Party.

We will never play fast and loose with the economy, or put the nation's financial stability at risk. We will tackle the cost of living crisis and work tirelessly to give you the security in retirement you need and deserve.

You have worked hard for this country and we'll never stop working for you in return.

That is the choice the British people face this year.

Another 5 years under the Tories - with more stagnation, higher costs and taxes, making ordinary working people and pensioners worse off.

Or Keir Starmer's Labour - with a long term plan to get Britain building again, get Britain growing again and get Britain working again.

Giving Britain and Britain's pensioners their future back.

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We all know – it's time for change.

It's time for an election.

It's time for an election now.

Ends