



HOUSE OF COMMONS

LONDON SW1A 0AA

Rt Hon Kwasi Kwarteng MP  
Minister for Business, Energy and Clean Growth  
Department for Business, Energy and Industrial Strategy  
1 Victoria Street  
London SW1H 0ET

7 October 2020

Dear Kwasi

### **Mineworkers Pension Scheme (MPS) – surplus sharing arrangements**

New information I've established from the House of Commons Library shows that, of the 130,047 MPS members in the UK<sup>1</sup>, one in five – 27,051 – live in and around South Yorkshire. There are 6,710 in and around the Wentworth & Dearne constituency alone, more than in the whole of the North West region or in the four southernmost English regions combined.

MPS members in our area currently get an average pension of just £84 a week. Many, who paid in before it became earnings-related in 1975, get much less.

One constituent who wrote to me recently, shortly after the death of his father, was shocked to find out he had been receiving less than £3,000 a year, or £57 a week. His widow will receive around a third of that. Like many, he had suffered the effects of working underground and had COPD.

During the 2019 General Election campaign, ex-miners were given hope when it was reported that, on a visit to Mansfield, Nottinghamshire, the Prime Minister "made a 'categorical' pledge that miners will soon receive their fair share of the Mineworkers' Pension Scheme."

The *Yorkshire Post* reported Mr Johnson said: "We will make sure that all their cash is fully protected and returned, I have looked into it and we will ensure that's done."<sup>2</sup>

This was welcome news as just two months earlier you had written to me saying the MPS 50-50 surplus sharing arrangements would be retained. It was in response to my letter to the former Chancellor five months before, in April 2019, urging him to launch a formal review and calling for a fairer deal for aging former mineworkers. For a number of years, I and other Labour coalfield MPs have called on the Government to review the MPS.

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<sup>1</sup> <https://www.mps-pension.org.uk/news/2020/06/member-update-a-message-from-the-chairman-of-trustees>  
<sup>2</sup> <https://www.yorkshirepost.co.uk/news/miners-pension-promise-labour-manifesto-1747080>

It is time for the Government to do what is right and take a reduced share of the surplus to allow more pension support for the mineworkers. Many scheme members and their widows are now in their 80s or older. Urgent action is needed.

As you will be aware, the Labour Party's manifesto for the 2019 general election included a commitment to reduce the Government's share of the surplus, so much more stays with scheme members.

Since privatisation in 1994 the Government as guarantor has had to make no direct payments to the scheme, demonstrating the risk is extremely low. Yet the Government has continued to take a 50% share of the surplus, and last year had received £4.1bn.

Since 2010, miners' sense of injustice over the MPS has grown, particularly as the Government said<sup>3</sup> it did not obtain actuarial advice before deciding on the surplus sharing arrangements in 1994, and a 1993 document suggests miners were receiving 70% of the surplus at that time – not 50%.

That sense of injustice will be exacerbated if the Prime Minister fails to keep to his word and "return" miners' cash. Some MPS members may have lent him their support based on this promise.

If the Government is determined to keep the surplus, then at least it should be used to help the poorest pensioners and increase investment in coalfield communities, as the Labour Government did. For example, we spent £90m on one-off payments to MPS members on the lowest incomes and we increased mining pensions by 20% over and above inflation.

Also under Labour, miners and their families were compensated for respiratory disease and vibration white finger. In Rotherham alone, more than 20,000 ex-miners and their families received more than £120m while over £250m went to more than 40,000 claimants in Barnsley.

I ask again – on behalf of the thousands of aging miners and their families in our area – review the arrangement, do what's right and cut your share, so that the average ex-miner gets more than just £84 a week in return for the very tough job they did underground to keep our country going.

  
**JOHN HEALEY MP**  
Wentworth & Dearne

<sup>3</sup> <https://questions-statements.parliament.uk/written-questions/detail/2018-02-20/128727>