

[Osborne plans to scrap benefits for wealthy pensioners?he should be scrapping the pensioners themselves](#) [1]

Written by [George Kirby](#) [2] | Friday 28 June 2013



Don?t jump to conclusions: I?m not advocating a purge of the elderly. Rather, what I?m saying is that the government should get rid of its concept of a pensioner, and all the benefits which go with that. There should be no division of law-abiding adults into "working-age" and "pensioners": they should have exactly the same rights.

Of course, "pensioner" just means someone who is receiving a pension. The state definition of a pensioner as a person over a certain age completely ignores the huge variation amongst individuals. ?Pensioner? conjures up an image of a frail old person in need of help. While it?s clear that some pensioners are dependent on others, many are not, and it?s illogical to treat them all the same based on an arbitrary definition. One area of difference is employment: some 70-year-olds, say, are much more able and willing to work than others. If a 70-year-old is able to work, why should she be treated differently to a 30-year-old working man? And if a 30-year-old is unable to work why should she be treated differently to a disabled 70-year-old? One?s age does not itself indicate one?s need for state assistance.

A response to this would be to say that the elderly are more likely to be dismissed from their job, due to age discrimination. But I believe such dismissal or ?compulsory retirement? should be completely up to the employer: it is their right to employ whoever they want. Also, calling it compulsory retirement is misleading ? the dismissed employee is free to take up another job. I think employers should be much freer to fire employees of any age. This would make companies more willing to take a risk in hiring people, as they could be fired if they were not suitable.

The state also ignores the varieties in wealth amongst pensioners. Only now are ministers moving to [scrap benefits such as free TV licences and winter fuel allowances for wealthy pensioners](#) [3]. To me it seems

crazy to have been handing out these benefits at all: the whole point of redistribution is to take from the wealthy and give to the poor. Taxing the wealthy and then subsidising their TV licences and bus travel is simply a waste of money. At least Osborne and co. are finally moving in the right direction.

The main justification for the benefits of state pension age (at least for poorer pensioners) is that pensioners? lower income means they cannot afford to pay for as many goods and services as a working person can. But this lack of money is partially caused by the whole scheme. Subsidising bus fares and TV licences costs money, paid for by taxes. If people were taxed less, they would have more money, and would be able to save to pay for these things themselves, if they so desired. Also, over time, a smaller state would lead to easier business, more wealth, and cheaper goods, further easing people?s dependence on the state.

The other injustice the government causes through its ?pensioner? classification is the state pension, paid for by National Insurance. This is another example of the state being unwilling to leave the individual to make their own choices. If I want a pension I should be left to sort it out for myself directly through a provider or my employer. If a company requires that its employees pay into a pension pot, that is fine?if I don?t want to contribute to the pension, I can choose not to take the job. But to force me to put my own hard-earned money into a pension, with the promise of greater reward in the future, is simple coercion.

Finally, the name ?National Insurance? is deceptive. It is income tax by another name (around 8.5% for the average wage). It is used to pay for more than the state pension: for example,[it also funds Maternity Allowance](#) [4]. It is yet another example of how the government takes our money dishonestly: ministers can raise National Insurance contributions and say that income tax has stayed the same.

The government?s pension age should be scrapped, and all the pensioner-benefits with it. Currently, people are taxed heavily only to be given benefits back later in life, when it would be more efficient to leave people to provide for themselves. The state pension scheme is coercive, and National Insurance is a deceptive tax which should be abolished.

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