

Presentation by Members of EMAG

John Newman:

- Congratulations to Daniel Kawczynski MP on founding the APG
- There are 1.5 million Equitable Life policyholders, all of whom hold a vote, except some have died. Those policyholders have a “contagious effect” in that they talk to family and friends
- The Parliamentary Ombudsman (PO) ruled after close examination that there had been ten years of regulatory failure, and that policyholders should be compensated. The public are aware of this.
- Since publication of the PO report, membership of EMAG has doubled
- Described “The Chadwick Process” as unfeeling
- The PO said that it is incumbent on Parliament to take up the reins

Colin Slater

- Provided an explanation of the Judicial Review (JR) process
- All the court can do is to tell the minister to think again
- The JR is in the Divisional Court all next week:
 1. It contests why three out of the four big money issues have been rejected in the government’s response.
 2. it was the minister’s decision to ask Sir John Chadwick to carry out the review. Sir John is not independent. His assistant is on secondment from HM Treasury. Sir John is paid by, and reports to, HM Treasury in private. Most importantly, Sir John is not answerable to Parliament
- Daniel Kawczynski MP noted that Sir John has refused on three occasions to appear before the APG, - to surprise expressed by members. Sir John has replied to requests that he felt it inappropriate to attend and felt put out that ‘justice’ is in the title of the APG name
- Fabian Hamilton MP asked whether there was not a process by which Sir John can be forced to appear before a meeting of the APG
- Daniel Kawczynski MP said that this is something the APG can focus on between now and when Parliament returns in October 2009
- 3. When the government responded in January, it was announced there would be compensation, but when the Command Paper 7538 was published it was clear that Sir John Chadwick had been heavily restricted in his remit by HM Treasury
 - APG membership has grown from 20 to 135 members, and there are now over 300 signatories to the EDM (1423). Party hierarchies need to take note
 - “The Chadwick Process” has been rumbled – MPs realise that it only affects a tiny minority of policyholders
 - EMAG will be in Court next week for the JR
 - Would like to make clear that EMAG/policyholders should not have to go to Court at all

because the PO is meant to be a free alternative dispute resolution (ADR) mechanism.

- It is a nonsense that EMAG should have to do this. This is not what the PO is there to provide. It is totally wrong that a small group of pensioners should have to take on the government
- This is a matter for parliamentarians. The PO is their ombudsman, and it is up to MPs to stand up. As Fabian Hamilton said, it is a matter of justice
- Parliament needs to tell the government that they have got it wrong with “The Chadwick Process”

Paul Braithwaite

- During the last eight years, the HM Treasury line has remained unchanged
- Fabian Hamilton MP, in the Westminster Hall Debate of 24 June, asked four questions of the minister responsible for Equitable Life, Sarah McCarthy-Fry MP, which were not answered. Similarly Daniel Kawczynski MP asked a question at Prime Minister’s Question time (PMQs), also unanswered
- It seems likely that the government has successfully knocked this issue into the next Parliament
- Susan Kramer MP put it well in the Westminster Hall Debate on 24 June that the government has toughed it out and stolen Parliament’s prerogative
- Tony Wright MP has always been stalwart and was unswerving in his (PASC) reports
- EDM 1423 has 313 signatures, as of today
- The addition of George Galloway MP to the APG takes the number of members of the APG to 135
- EMAG has the media ‘on side’ with a number of appearances on Radio 4’s Today programme, the *Guardian*, *The Mail on Sunday*, and *The Sunday Telegraph*. The *Sunday Telegraph* this week quoted Vince Cable MP saying that the issue of Equitable Life has been pushed into the long grass
- EMAG will make Equitable Life an election issue
- EMAG have held 18 regional meetings with MPs – many attended by 80 to 100 constituent Equitable policyholders
- Held a meeting on Saturday at the British Library with 60 regional activists to plan political escalation in the autumn. The sad evidence was that 90% of those mature, well-informed activists now have no faith or trust in any financial service providers or the regulators and that strong message goes to their children and friends
- The Command Paper accompanying the government statement on Equitable Life, at first instructed Sir John Chadwick to report back by July 2010 but that was amended during the day (15 Jan)
- EMAG is reluctantly incurring the cost and risks of the English legal system because Parliament is “the dog that didn’t bark”
- Sir John Chadwick is only able to look at the few injustices that the government has

admitted to. He now has a website set up for people to submit comment by 17 July

- EMAG seeks to set aside “The Chadwick Process”
- EMAG wants a Commons debate.
- EMAG wants the independent tribunal the PO proposed – not for HM Treasury to make charity payouts.
- EMAG wants to change the climate back to respect for the PO
- PB will send through URL addresses of most important material/articles to APG members
- The EMAG website is always the definitive place to find information

EMAG questions and answers

- David Taylor MP asked about the growing size of the branch network of EMAG. How many people are affected, and of those the number who are a member of EMAG?
 - Responding, John Newman said that 1.5 million policyholders were affected. 1 million of whom were additional voluntary contributions (AVCs) of circa £5,000 - £6,000. Many of these have given up on the hope of getting compensation. 500,000 people were saving substantially in the with-profits fund. 55,000 with-profits annuitants, many of whom are in their late 70s and above and are dying off. They have seen their annual incomes fall by up to 50% since 2003.
 - There are 24,000 members of EMAG
- Lord Steel of Aikwood referred to a recent Hansard and said that it is important not to overlook the possibility of using the House of Lords in the parliamentary campaign. There were supplementary pensions taken out by parliamentarians with Equitable Life, as advised by the House.
 - Responding, EMAG said that there were to the order of 450,000 people who moved their money away and got on with their lives, at considerable financial loss but they are deserving of compensation for Injustices found. The English are very good at blaming themselves, in this case entirely inappropriately.
 - Parliament was advising members, as was the NHS advising staff, as were judges as advised by the Government Actuaries Department (GAD) to place money with Equitable Life.
 - The average amount of money invested by the core 500,000 pension savers in Equitable was only £46,000, which would only provide a pension of a few thousand a year. “These are not fat cats”.