

An Un-Happy New Year to Equitable policyholders (9 Jan 2004)

Equitable Life's trapped with profit annuitants were horrified to hear the comments made by the Chief Executive, Charles Thomson in an interview on BBC's 5 live last week stating that the Society is unlikely to make a recovery. Equitable's 65,000 with profit annuitants are unable to move their annuities and so are trapped and to hear comments such as Mr Thomson made on national radio was a very unhappy new year's message for them. As one annuitant said "If Mr Thomson is unable to manage Equitable, he should not be in the position of chief executive". ELTA (Equitable Life Trapped Annuitants), which represents the annuitants, cannot believe that Mr Thomson should make comments such as this publicly and wonder at his competence in his role as Chief Executive. He has led members to believe that if they voted for the Compromise in 2002 that the Society could be brought back onto an even keel. It was then announced that Equitable was out of intensive care. At the AGM in 2003 it was announced that there would be a 3.5% bonus. This all seems to be a method of creating a false sense of security to keep those that are trapped quiet.

The annuitants have had cuts in their pensions of up to 30% during 2003, Mr Thomson said this was to bring them in line with other policyholders. Unfortunately he misled them then too by giving the impression that the maximum cut would be 20%. It also seems Equitable were unable to tell pensioners what the cuts would be in advance, so they could not even plan ahead. In 2004 the weary annuitants have again been told that they will have yet another cut and again do not know how much it will be. How would Mr Thomson feel if his salary were to be cut by this sort of percentage? Can he not understand the worry and anguish that this is having on a particularly vulnerable sector of our society? If there are new problems with Equitable, policyholders do not want to first hear about it on the radio or in their daily papers.

Ann Berry, an Equitable annuitant and spokesman for ELTA said "I am just so angry, we annuitants are those who will have to suffer the most in this Equitable saga and this sort of behaviour by Charles Thomson makes us lose all trust in the management of our pensions. We are with Equitable for the rest of our lives and we would like to feel that we are being fully supported by people like Mr Thomson, who is being paid extremely well to ensure this".

ELTA have a website at www.elta.org.uk. They can also be contacted at info@elta.org.uk.