

Freedom of Information request 219/2013

Received: 14 January 2013

Published: 7 February 2013

Information request

“The new pension changes that have been brought in by government and your department will affect all those in final salary schemes.

MPs are in such a scheme. In fact MPs are in one of the most generous final salary schemes. Can you confirm that MPs will be paying 1.4% more of their wages in national insurance.

I noted that MPs believe they are worth a £30,000 pay rise so I find it strange that they would arrange a 1.4% pay cut for themselves with out finding a way out of it.

I am asking this because teachers pay, police pay, doctors pay and nurses pay (middle income people) will be subjected to this cut.”

DWP response

MPs, as members of a contracted-out pension scheme, will cease to receive the ‘contracted-out rebate’ and will start to pay full National Insurance contributions once the single-tier pension is implemented. As you point out, this will mean an increase in National Insurance contributions of 1.4 per cent on earnings between the Lower Earnings Limit and Upper Accrual Point (between £5,564 and £40,040 in 2012/13).