

EUROPE AND US

Netherlands

Pension

reform in several

countries in Europe suggests

a rethinking in the direction of the

welfare state. The private/public policy

mix has resulted in the public schemes

declining in many countries. Voluntary pensions

and those sponsored by employers only cover one

section of the working age population, and we in the

UK are moving towards extended coverage by private

sector schemes. Our Government does not want to be part

of an employer, worker, trade union group which could

resolve pension entitlement.

Denmark

The earliest development of this group was in the **NETHERLANDS**.

The Dutch started in 1946 with a public/private mix for pensions

and over the years 90% of those employed were covered. In 1998 a

pension covenant was created which persuaded the private sector to

lower the public commitment. A new covenant in 2002 continued the

move to ensure that pensioners received 70% of their final salary with

equal treatment given to women and men, and pension benefit paid

for people during periods of leave (maternity and educational).

Switzerland

WE SEE THE NETHERLANDS AS THE STAR PLAYER

In **SWEDEN** it was agreed that the emphasis in the private sector would

be coupled with the provision that Unions and employees could

negotiate packages based on wage restraint, and in exchange for

deferred wages there would be guaranteed pensions benefits.

In **DENMARK** the strong unions guaranteed (through negotiation)

pension contracts, therefore legislation was not necessary.

In **SWITZERLAND** mandated occupational pensions were inspired by

the fear of a referendum calling for the expansion of public

pensions.

UK

In the **UK** the government provides a minimum safety net rather

than supporting legislation which provides those of pensionable

age with a decent pension through a public/private mix. UK

state pensions are the lowest in Europe.

Will being in Europe mean that our Government legislates to

copy the Netherlands, Sweden or Denmark. If the

Government wants no part of improving our pensions from

the examples provided by the EU countries they should

explain their position.