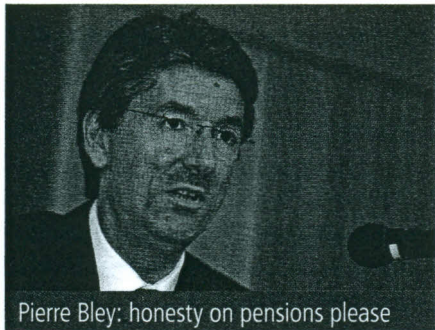


// Politics

// "Honesty" needed on pensions



Pierre Bley: honesty on pensions please

Politicians should "give honest and codified messages to the public" to prepare them for the indispensable modifications required for the pension system. Speaking to a conference on the pension system organised by La Luxembourgoise-Vie, Pierre Bley, the secretary general of Union of Luxembourgish Enterprises pointed out that whilst there were 3.27 workers for every pensioner in 1960, this figure fell to 2.08 in 1995 and has only been maintained at this level since then by strong growth. On current trends, he pointed to studies which indicated this ratio would deteriorate quickly after 2025.

His call for honesty from all side in this debate was set in contrast to the pensions round table which was held in 2001 featuring all economic and political representatives. He noted that rather than helping to improve the impending deficits, benefits were increased and that recent studies have indicated that the current reserves would not be exhausted

come 2030/2035. Action is "indispensable" he said and he called on politicians to speak clearly and not in "code". He did not recommend a solution but pointed out the options: increased contributions, later retirement ages or lower pension payments. In the meantime he recommended that businesses react by offering company pension schemes, with only 15% of Luxembourg's employees currently benefiting from such schemes.