Joint report by the Commission and the Council on adequate and sustainable pensions

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The committee adopted the own-initiative report by Jan ANDERSSON (PES, S) on the joint Council-Commission report. It began by pointing out that the fundamental responsibility for pensions policy and financing remained with the Member States but that this in no way diminished the value of the European contribution. It therefore welcomed the close cooperation between the Member States in the area of pensions through the open method of coordination. The committee stressed the need, when looking at pensions policy, to strike a balance between social and financial concerns. Any analysis must therefore focus clearly on the extent to which pensions systems contribute to intra- and inter-generational solidarity. It concluded that public pensions schemes, due to their inherently strong redistributional effects, remained vital in providing for a socially acceptable allocation and distribution of income for pensioners. The report added that full employment, with quality jobs in a healthy and safe working environment, was the best way to ensure the sustainability of pensions. MEPs supported the Commission's aim of increasing the effective retirement age but called for this to be implemented by means of incentives rather than disincentives (such as drastic reductions in pension values). They saw an opportunity to maintain the fairness of statutory pensions by increasing the flexibility of the pensionable age and the transition from work to retirement. The report also drew attention to societal changes, which must also be borne in mind when taking steps to modernise pensions systems. It pointed to the rise in the number of atypical, parasubordinated and mobile workers, who are not well covered by pensions systems, and called for procedures to be developed to protect them and guarantee them fair old-age insurance. The committee also called on the Member States to eliminate from their pensions systems any remaining forms of discrimination on grounds of sex and to increase the level of employment among women at equal pay levels. It also wanted the Member States to address the question of continuity of membership of pension systems during leave taken in order to care for children or other dependents, pointing out that it tended to be women who took carer's leave and that they should not therefore be penalised in terms of pension accrual.