

Grech Benedict at MHEC (28/04/2005 13:01):

Before the lapse of the extended closing date I felt in duty bound to express some comments on the Pensions Reform without direct reference to the contents of the White Paper.

Contributions

The amount of pension should be invariably based on the number and amount of contributions over a determined period of years. Present provisions relating to the contributions over a stated period of years should not be included.

Fund

In order to avoid the repetition of what happened to the National Insurance Fund the proceeds of contributions should be invariably deposited in an ad hoc Fund which should ensure that contributions and benefits balance each other. Contributions should therefore be increased as necessary to guarantee the solvency of such Fund.

Pension Scheme

It is felt that Government should have its own scheme. Employees should have the option to participate either in the Government or private scheme. Measure should be provided by law so that the funds of Private schemes be secured/guaranteed - to avoid the possibility that such schemes go bankrupt.

A tier system could be available relating the contribution to the targeted scheme that one wishes to participate in. Government should provide for those whose source of income is not enough to allow for the payment of the basic scheme contribution.

Cost of Living increases should - if allowed - be also reflected in the any pension scheme. Whatever scheme Government decides on Social Security means testing should be more serious and effective to avoid the current/existing rampant abuses which are encouraging/increasing the Welfare State dependency. Could it possibly be that the citizens of our country are so susceptible to invalidity rendering many people unemployable. People on the dole should be bound to contribute towards the needs of the community in return for the benefit received.

Last but not least any Pension system Government decides upon it should be applicable to all citizens irrespective of the office they occupy.

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