European Parliament resolution on an Agenda for Adequate, Safe and Sustainable Pensions

*The European Parliament,*


– having regard to the Commission proposal for a Council recommendation of 5 December 2012 entitled on establishing a Youth Guarantee (COM(2012)0729),

– having regard to the Commission Communication of 12 March 2013 entitled ‘Youth Employment Initiative’ (COM(2013)0144),

– having regard to the study entitled ‘Pension Provision: Government Failure around the World’ (IEA, 2008),

– having regard to the study entitled ‘Pension Privatisation in CEE: World Bank’s Failures and European Inconsistencies’ (ETUC and ETUI, February 2013),

– having regard to Rule 48 of its Rules of Procedure,

– having regard to the report of the Committee on Employment and Social Affairs and the opinions of the Committee on Economic and Monetary Affairs, the Committee on Internal Market and Consumer Protection and the Committee on Women’s Rights and Gender Equality (A7-0137/2013),

A. whereas there is no scientific evidence to suggest the need for reform in the direction traced by the Commission; whereas academic research has already exposed the risks of social poverty that will derive from reforms such as those called for in the Commission’s White Paper;

B. whereas the Commission’s calls for pensions reform seek merely to reduce public expenses, regardless of the adverse effects on senior citizens’ lives; whereas the EU’s insistence on reforming pension schemes does not stem from any willingness to improve
the living conditions of Europeans, but rather from a desire to further pursue the austerity agenda that has already reduced people to a state of poverty in many Member States, especially in the South;

C. whereas research has proven that raising the retirement age will prevent unemployed young people from entering the job market, contrary to the official EU rhetoric that denies this argument; whereas the current efforts of the EU institutions to raise the retirement age are incompatible with other EU social initiatives intended, at least allegedly, to reduce youth unemployment;

D. whereas older workers must not suffer the consequences of the EU institutions’ inability to lead the Union out of the crisis; whereas raising the retirement age will not lessen the current financial, social and political disaster that has struck the EU; whereas the EU institutions should stop imposing further financial burdens on European citizens and should instead adopt a credible strategy for growth by promoting business incentives and preventing unfair trade competition from third countries;

E. whereas, since the beginning of the ‘austerity era’ in the southern Member States, the EU institutions have never admitted their responsibility in contributing to the current social and economic disaster, but have instead promoted a single rhetoric to shift the blame on to ordinary citizens and push them to accept draconian measures at their own expense; whereas the current rhetoric about ‘senior workers not staying long enough in work’ is part of the same strategy; whereas such an approach will not enable the Union to overcome the crisis but will merely cause European society to become even poorer;

F. whereas the proposed scheme to allow older workers to stay longer in work ‘on a voluntary basis’ will soon prove to have been a Trojan horse, gradually introducing a mandatory framework that will eliminate any chance of opting out, and make it compulsory for all workers to work beyond the retirement age;

G. whereas private pension schemes have already been imposed in various Third World countries, with disastrous economic consequences for both citizens and national budgets; whereas this imposition was encouraged primarily by international financial organisations such as the World Bank, with no regard for its impact on the lives of people in the countries concerned;

H. whereas research has proven that only multinational corporations benefit from third-pillar schemes as they are free to impose unacceptably high operating costs; whereas private systems invariably lack transparency and refrain from providing sufficient information to citizens on how their savings are handled; whereas it is clear that citizens will not benefit in any way from the introduction of third-pillar schemes;

I. whereas research has proven that there has been no actual reduction in public expenses in the countries that introduced private schemes, as the additional costs of multi-pillar systems outnumber the potential savings;

1. Calls on the Commission to abandon the orientations put forward in its White Paper unless it is able to produce credible scientific evidence that can justify calls for reform in that direction;
2. Calls on the Commission to drop its rhetoric about the ‘need’ to raise the retirement age and to acknowledge, instead, the fact that higher retirement ages will prevent unemployed young people from accessing the job market;

3. Calls on the Commission to adopt a credible growth plan to lead the Union out of the crisis, as European citizens can no longer bear the costs of further cuts and taxes, or of the general absence of reliable political leadership.