



FIVE BUILDINGS
LE OF MAN
IM1 3PW

Thank you for your letter dated 8th August which was awaiting me upon my return from holiday.

The issue of the pensions review has, understandably, alarmed and caused anxiety for many government employees. At this stage of the deliberations I think I can do no better than refer you to an extract of a copy of a letter that the Chief Minister has issued to others within your profession who have raised similar issues.

You will see that this is an issue that is in its very preliminary stages of discussion. Currently more research is taking place and further consultation will undoubtedly take place with both employees and employee representatives.

I do not know if you have a copy of the Select Committee Report on Pensions that was done but if not it effectively points out that we cannot continue on the same basis as now. The demographics are such that we have an ever increasing elderly population and we do not have enough children and young people who will be the future working population, to be able to sustain the level of pension payments equivalent to that of today. You will appreciate that people do not pay for their own pensions but the working population pays the pension of those who receive at the time. Measures have to be taken but I can assure you that extreme caution will be applied to any proposals that will be brought forward.

Until we have further revised proposals I am unable to make any additional comment, but hope this puts you in the picture as to what is happening at the present time.

Yours sincerely,

Anne Craine MHK