



PRESS RELEASE

Auto enrolment 'not enough to solve pensions crisis', conference concludes

One of the current buzzwords in the pensions industry - the concept of auto-enrolling employees in occupational schemes - will not be enough to solve the coming pensions crisis.

That was the message spelled out to the industry today (Nov 16) at the Society of Pension Consultants annual conference, at the London Stock Exchange.

SPC Chairman Sir David Miers said: "The conference was clear that the continuing commitment of employers is vital if occupational pensions are to have a future.

"However the consensus was that auto-enrolment as a concept should not be relied on to solve the anticipated short-fall in retirement provision for the current working population. In fact there is a distinct danger in relying on it too much.

"What is needed is a sustained programme of communication and interaction with employees, to explain the benefits of building up well-funded and well run occupational schemes in as many work places as possible.

"Again the message needs to be driven home that there simply isn't any alternative, if staff want a decent standard of living after retirement and/or a reasonably early retirement age. Employers must be incentivised to grasp this opportunity to improve the situation."

Today's event headed 'Company Pensions in Sickness & in Health' was attended by some 160 delegates. Keynote speaker was Stephen Timms, Minister of State for Pensions Reform.

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For further details

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Editor's notes:

SPC is the representative body for the providers of the advice and services needed to establish and operate occupational and personal pension schemes and related benefits. Its Members include accounting firms, solicitors, life offices, investment houses, investment performance measurers, consultants and actuaries, independent trustees and external pension administrators. SPC is the only body to focus on the whole range of pension related functions across the whole range of non-State provision, through such a wide spread of providers of the advice and services.

The vast majority of the 500 largest pension funds use the services of one or more of its Members. Many thousands of smaller funds and individuals also do so. SPC's growing membership collectively employs some 14,000 staff providing pension related advice and services.