

8 May 1985

PRIME MINISTER

ABOLITION OF SERPS

This is not another long brief on the abolition of SERPS. But we have one last suggestion on Norman Fowler's Cabinet Paper on pensions.

Nowhere in his paper does he say he will oblige existing pension funds, and new funds set up under the compulsory scheme, to give better information to contributors. Members of a pension scheme should be told every year of their accrued rights and of the current transfer value of their pension. Actuaries will say that this is impossible, but they are wrong. The political attraction is simple - a little chit through the post every year telling you the size of your nest egg is one more step to the property-owning democracy.

*David Willetts*

DAVID WILLETTS