



cc Mark Addison  
P/S No 10. CAP

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From the Minister of State for Social Security and the Disabled

Norman Willis Esq  
Chairman National Pensions Convention Steering Committee  
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Mr. Willis,

I was pleased to be able to join the Prime Minister in meeting the delegation from the National Pensioners' Convention on 7 March and to have the opportunity to hear the views that the pensioners' representatives wished to put to us.

You may recall that at the meeting a comparison was drawn between pensions in the United Kingdom and those in other countries, particularly the Member States of the European Community. As we said at the time, international comparisons should always be treated with caution because the scope of schemes, the contribution rates and other conditions vary from country to country. You may, however, be interested in the following table which sets out the expenditure on programmes for old age as a proportion of the gross domestic product at market prices for countries of the European Community in 1981.

<u>Country</u>	<u>Percentage</u>
West Germany	8.6
France	9.4
Italy	8.4
Netherlands	8.7
Belgium	7.5
Luxembourg	8.0
United Kingdom	9.4
Ireland	6.0
Denmark	10.6
Average of the 9 countries	8.9

Source: Tables VII-12 and VII-13: Social Indicators for the European Community: Eurostat 1984.

In addition to state retirement pension, the figures include the cost of private and occupational pensions and cash payments to the elderly, the cost of staying in old peoples or nursing homes, early retirement payments and a range of local authority services such as home helps or benefits in kind. It does not include the expenditure on medical care or increases in pensions for dependants.

As the table covers most of the expenditure on the various programmes for the elderly it presents a fuller picture of the overall provision in each Member State of the Community than can be obtained by a simple comparison of State pension rates.

*Yours sincerely,*  
*Tony Newton*

TONY NEWTON

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