

The one thing that we can all be sure about is that things will change. When announcements are made, they are invariably pulled apart and what we end up to work with is something almost entirely unlike the original idea.

The Personal Pension Accounts are due to come into existence in 2012. Everything was being geared up to that date until someone realised that the auto-enrolment of millions of people at the same time would be virtually impossible to administer.

Now it seems that this is being phased in over 5 years, starting with large companies that already have schemes and ending up with micro companies that have never had a scheme. Surely it should be done the other way round to ensure that the people that are currently not doing anything are brought into the fold, rather than the large schemes that already have members.

It seems that with pensions, nobody is willing to be the person to make the unpopular (right!) decision to make a decent level of contribution compulsory. Also, we are too willing to be supportive of people who make no provision with pension credits. There is not much incentive to make provision unless a fund is big enough to provide a very decent level of pension. This is unlikely to happen at the contribution levels being suggested. Therefore, if anybody does the maths, they will know that it is not worthwhile.

The incoming Government should be honest and say that everybody is going to be a lot worse off in order to clear the public debt with higher taxes and to provide for income in retirement either by cash input or NI contributions or preferably both.

The likelihood of this is, of course, nil. Whilst it is easy to blame the last administration, and this Government still often harks back to the 1980s and 1990s, it is not so easy to build a robust future for everybody. They will call them tough decisions, but really they are just an unpopular no-brainer.