THE PARLIAMENT OF THE CZECH REPUBLIC SENATE



7th term

590th RESOLUTION OF THE SENATE

Delivered on the 24th session held on 3 November 2010

on Green Paper towards adequate, sustainable and safe European pension systems

(Senate Press no. K 123/07)

The Senate

I.

1. Regards

the Green Paper as a basis for discussion at the EU level about reform of pension systems and is aware of the connection between the launch of this discussion and impacts of the economic crisis which has deepened deficits of public budgets and increased indebtedness of the EU Member States;

2. Points out however

that the right to define fundamental principles of the social security system, including basic principles of pension systems, belongs according to Article 153 Paragraph 4 of the Treaty on the Functioning of the EU to the competence of national legislators;

3. Refers

in this regard to the ongoing debate about the Czech pension system reform which has not been concluded yet;

II.

1. Is convinced

that the introduction of an effective framework for control of public finances at the EU level may significantly support long-term fiscal discipline within the EU, thus helping the sustainability of national pension systems;

2. Reminds

in this regard that at its initial phase the parametric change of the pension system may have negative impact on the public budget for which the state undergoing the pension reform should not be sanctioned;

3. Invites

the Commission to consider establishing a system of specific cost reporting for pension reforms which would not be included into the overall deficit of public budgets in respect to the Stability and Growth Pact, the system which was already supported by Committees for the European Affaires of the Visegrad group in their Conclusions from the meeting in Prague on 14th September 2010;

4. Stresses

the application of the principle of subsidiarity in the area of decision-making with regard to the fundamental principles of national pension systems which reflect not only demographic and economic prognoses but also socio-cultural values of the society;

5. Is of the opinion

that while the question of sustainability of pension systems may be partly handled at the EU level, the question of adequacy of the retirement income should be in accordance with the principle of subsidiarity handled only at the national level;

6. Assumes

that the role of the Commission in the area of pension systems reform should be limited to the facilitation of information exchange about good practice and innovative solutions and to excellent interdisciplinary research;

7. Deems necessary

the discussion about the increase in pensionable age to be accompanied by a discussion about the measures enabling later retirement in practice; the discussion should embrace issues such as expanding opportunities to assert oneself at the job market in older age, motivation to enhance qualification or undergo requalification at an older age, respect to physical impediments etc.;

8. Regards

the proposal to designate the year 2012 as the Year for Active Ageing as an opportunity to attract the attention of the general public to the issue of population ageing and to the related pension systems reform, and thus to contribute to the improvement of public awareness of options for security in retirement;

III.

1. Invites the Government of the Czech Republic

to inform the Senate about the response to the Green Paper it will, after taking into account the Senate's view, forward to the European Commission;

2. Authorizes

the President of the Senate to forward this Resolution to the European Commission.

Přemysl Sobotka sign manual President of the Senate

> Soňa Paukrtová sign manual Senate Verifier