

Pension Review Group

PRG fights on for inflation-linked increases

The Pension Review Group (PRG), which campaigns for the restoration of index-linked annual increases for Reuters RPF and SPS pensioners, met on 26 October to agree future strategy following this year's 2.7% increase – the first for four years.

The key point to emerge is that the group, made up of pensioners from various departments of Reuters, will continue to fight for a fair deal from the Company.

One-off increase

You will remember that the Company announced on 24 May, to coincide with the pensioners' lunch, that it was funding a one-off discretionary inflation increase this year, backdated to 1 May.

This was part of a package agreed with the trustees of the two UK final salary pension schemes to deal with deficits totalling £265 million.

Notwithstanding the Company's decision to fund a large part of the

deficits this year and next, there is no guarantee we will get an inflation-linked increase in our pensions in 2007, or thereafter. This will depend upon the performance of the pension funds' investments.

Reuters - out of step

Reuters is the only FTSE100 company thus far identified by the PRG which does not pay inflation-linked increases to its UK final salary pensioners as a matter of course.

It always used to, of course, but stopped after 2002, when markets were doing badly and the Company was going through hard times.

Since then, markets have recovered and Reuters is making money again.

The PRG believes it is high time the Company recognised it cannot get away with short changing its pensioners any more. That means

the restoration of index-linked pension increases.

And that's what the PRG will campaign for until we achieve our goal.

John Freeman bows out

John Freeman, who chaired the PRG from its formation three years ago and led the campaign for fair treatment in his own inimitable and most effective fashion, has decided to stand down after the success of this year's pension increase.

He is succeeded as chairman by Tony Winning, a former senior editor who has pledged to continue the good fight and keep pensioners informed through the PRG website www.reuterspensioners.org.uk.

We expect a decision on a 2007 increase by the end of the first quarter.

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