



# Pension Review Group

## Glocer Expects Pensions to Rise 3.9%

**Tom Glocer** expects Reuters UK pensions to be raised this year by an inflation-matching 3.9%.

The CEO of the newly formed Thomson Reuters told a lunch for retired Reuters staff and their guests on April 25 that he probably shouldn't be announcing this yet as the final details hadn't yet been worked out.

The increase, which is in line with the rise in the Retail Price Index for September 2007, will be backdated to January.

But a pension fund source said it would probably not be paid before July because of technical details, in part caused by the takeover of Reuters by Thomson Corp, which was finalised little more than a week earlier on April 17.

**Honouring Pension Commitments**  
"Honouring our pension commitments is something we take

very seriously and will continue to do so," Glocer told the 607 guests at the lunch at the Grosvenor House Hotel in London's Park Lane.

### Three Years of Increases

This is the third year in a row that pensions paid by the RPF and SPS final salary schemes have been increased in line with inflation, after increases on pensions earned before 1997 were suspended for the three years 2003-2005.

Inflation protection resumed in 2006, with pensions rising 2.7% in 2006 and 3.7% in 2007.

Pensions earned after 1997 have some statutory protection against being eroded by inflation.

At the March 26 Extraordinary General Meeting to approve the takeover of Reuters by Thomson, the PRG asked the company to help the pension funds pay an increase

this year if investment returns were not strong enough.

Tony Winning asked the meeting, "To celebrate the birth of the new Thomson Reuters, and as a gesture of solidarity with the old guard, would you undertake to underwrite an inflation increase for UK pensioners in the event that the funding agreement does not allow for one this year?"

### Healthy Investment Returns

As it turned out, help from the company seems not to have been needed.

A pension fund source said the RPF's investment returns in 2007 were healthy enough for the increase to be paid out of its own resources.

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