**CONSUMER TRENDS REPORT**

For OPSG (**Occupational Pensions Stakeholder Group)** ACR President Pauline Azzopardi responded to the Questionnaire on gathering input for the EIOPA 2020 Consumer Trends Report.

EIOPA (**European Insurance and Occupationl Pensions Authority)** is required under its Regulation to collect, analyse and report on consumer trends. Consumer trends are defined as “Evolutions in consumer behaviour in the insurance and pensions markets related to the relationship between consumers and undertakings (including intermediaries) that are significant in their impact or novelty”.

She reported on the current situation on pensions in Malta and what the Government has done to mitigate the effects of Covid. In Malta where this a very short history of personal pensions and occupational schemes, people rely on the State Contributory Pension or Age Pension as it is sometimes called. People coming to retirement are expecting to receive their full two thirds pension but this depends on the number of contributions actually paid, pensionable salary defined by the Government and actual income in the last ten years for those retiring from age 61-64 or throughout lifetime for those who will retire at 65.

It is a complicated work out that you would need to ask for a statement from the Government just before retiring to know exactly what your entitlement is. I think people have not realized until the last few years, that they need to save privately to have a decent income in retirement. I know some friends who were very disappointed with the amount of their state pension; however, they did not contribute all the years of their working life. At least their pension calculation did include some child credits.

It should be mandatory for the Government to issue annual statements with projected pension income so that people understand what level of pension they will have in retirement. Government introduced tax rebates on state pension income as from 2017.

 [***https://cfr.gov.mt/en/individuals/Pages/Pensioners.aspx***](https://cfr.gov.mt/en/individuals/Pages/Pensioners.aspx)

There was a wage supplement given to pensioners from July to September 2020 due to the Coronavirus situation. For persons employed in the private sector of Malta, who after 27th March 2020, due to the impact of Covid-19 were not physically present at the workplace, because they were ordered by the Superintendent of Public Health of Malta not to leave their home, and who were not able to work from home and not being paid by their employer during their absence from work. Their Social Security Contribution will be paid and their future contributory pension rights safeguarded.

[***https://www.servizz.gov.mt/en/Pages/Inclusion\_-Equality-and-Social-Welfare/COVID-19-Social-Measures/Social-Measures/WEB05179/default.aspx***](https://www.servizz.gov.mt/en/Pages/Inclusion_-Equality-and-Social-Welfare/COVID-19-Social-Measures/Social-Measures/WEB05179/default.aspx)