

**STATEMENT TO BE MADE BY THE PRESIDENT OF THE POLICY AND RESOURCES  
COMMITTEE ON 1st APRIL 2003**

In a reply to a question from Senator Norman on 18th March, 2003, I stated the following in relation to a potential deficit in the Public Employees Contributory Retirement Scheme, (PECRS), fund:-

“In the final analysis, if the States and the Committee of Management, PECRS, are not able to agree on ways of addressing a deficit, pensions in payment are reduced accordingly to dispose of the deficit”.

I regret to say that the last part of this statement has led to misunderstanding. To remove any doubt, I should emphasise that in these circumstances it would be future increases to pensions in payment which could be reduced.

I regret if anyone has been inconvenienced or concerned by any ambiguity in my original response.