
Danes reject six-month increase in retirement age

By Editorial Staff *Thu, May 25, 2017*

Danes born between 1956 and 1962 are entitled to receive a state pension at the age of 67. Under the plan that has now been dropped, this age would have increased to 67.5 years.

Admitting a lack of broad political support for the move, prime minister Lars Løkke Rasmussen of Denmark has abandoned his plan to increase the state pension age by six months to age 67.5, IPE.com reported.

As the law stands, people born between 1956 and 1962 are entitled to receive a state pension at the age of 67. Under the plan that has now been dropped, this age would have increased by six months to 67.5 years.

Løkke Rasmussen has proposed the increase in the state pension age several times over the last 12 months, according to DR, but he has now said that the idea had been finally laid to rest.

However, he also said on television that the government would continue to work towards making it easier for people to stay in the labor market for longer if they wanted - an outcome the prime minister said was necessary if the country was to free up money for welfare.

"We are still going to come out with an initiative that will be about motivating Danes to stay a bit longer in the workforce," Løkke Rasmussen said.

Resistance to the increase in the pension age came mainly from the two largest parties in the Danish Parliament, the Social Democrats and the Danish Peoples' Party, according to national broadcaster DR.

"A broad majority... has already decided that the state pension age should rise gradually, if Danes are living longer," said Løkke Rasmussen, who is leader of the Conservative Party (Venstre).

Because the Danish labor market needs more workers putting money into the pension system and fewer people taking money out, "it would be reasonable to adjust settlement to create greater equality between generations and ensure our progress and prosperity," he said.