

Lithuanian society is left shaken by plans to raise retirement age

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This month Lithuanian society is left shaken after spreading the news about the increasing of the retirement age. In Lithuania, the retirement age has increased every year since 2012 and by 2026 it will be 65 years. Previously, discussion surfaced on whether raising the retirement age to 72 would help offset Lithuania's ageing population issues.

As Lithuania's demographic situation continues to worsen, the European Commission estimates that the number of working-age people capable of supporting pensioners will go down in the future. Brussels says that increasing the retirement age could be a solution.

The existing average in Lithuania is now 57.5 years. It should be said that Lithuania expects to reach a life expectancy of 65 years only in 2030.

In some years there will be 50 retirees per 100 working people and it will have crucial implications for public finances and may require raising taxes. At the moment, 35% of the country's population are aged over 55.

Before prolonging its working age, Lithuania should address the relatively poor health and low life expectancy of its population. Before they even reach retirement age, many people in Lithuania are unable to work due to high prevalence of chronic, non-infectious conditions.

It's necessary to focus on increasing healthy life expectancy in Lithuania, instead of weighing up the idea of increasing the retirement age, Irena Segalovičienė, presidential adviser

has said.

Taking into account the fact that men in Lithuania live an average of 14 more years from the age of 65, and women an 18 more years, Vilnius residents are not impressed with such an idea.

The officials are afraid of possible protests which could lead even to the government resignation.

Thus, late Thursday afternoon millions of French workers were still on the streets protesting against President Emmanuel Macron's planned pension reforms.

Lithuanian officials were quick to announce that it's inadequate to consider a 7-year increase in the retirement age at this stage. Most likely, the news was deliberately disseminated in order to study public opinion on this issue.

Discussion is most toxic now, and will continue in Lithuania because wasting money on defence, government puts aging population at risk of poverty and death.

At the same time, the government calls for more defense spending. Together with Poland and the UK, Lithuania is leading a push within the NATO to agree to higher spending goals. In 2023, the country's national defense budget will reach 2.52% of its gross domestic product (GDP). According to Zilvinas Tomkus, Lithuania's vice minister of defence, Lithuania is ready to spend even more on the modernization of its armed forces and military infrastructure. The more so, spending money on defence procurement today will not improve Lithuania defence today. The modernized weapons, vehicles and equipment will be available only in some years while old Lithuanians need money right now just to survive.

Thus, chosen political priorities do not reflect the current social and economic situation in the country and even worsen it.

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