

## The last thing we need is more auto-enrolment of those ...

Published: January 14, 2026, 2:43 pm

---

As the [FT has noted](#) this morning:

*Pension providers have called on the government to reform workplace pension entry rules after official analysis found hundreds of thousands of people could be brought into retirement saving if eligibility criteria were eased.*

So what is really happening here? What pension providers have noticed is that those earning less than £10,000 a year are not being automatically enrolled in pension schemes that require that 5% of their earnings be paid per month into the City Ponzi scheme, which they obviously think needs a few more members to keep values topped up in the face of the combined pressure of recession and rising interest rates, with all their knock on effects.

Thankfully the government has decided that those on such low earning levels should not be expected to make pension contributions of this sort. Those on such earnings should, instead, be allowed to make their ends meet without a rent being imposed on their earnings by the City of London.

It might be hard for the City to understand that those earning less than £10,000 a year really do not have the capacity to save. That it so hard for them to do so might also be some indication of how far removed from the real world they are.

That we require anyone earning less than average earnings to contribute to such badly designed and inappropriate pension schemes that are so unlikely to meet any need, so far removed are the 'investments' in which these funds are saved from being aligned with any social goal, is astonishing to me. All of this sum is extracted from those on low earnings to simply inflate the wealth of those with much bigger stakes in the stock market.

In that case I have three suggestions.

Fierst, if such a scheme is required the state should pay these contributions. Given it already pumps £55 billion of tax revenue foregone into subsidising pension saving the

marginal cost would be small.

Alternatively, we should return to a state earnings related pensions scheme.

Third, we should discuss what pensions really mean. What pensions actually represent are an agreement that one generation will generate sufficient capital for the next generation to use so that by the time they retire that next generation can afford to forego part of their income to keep that older generation in comfort when they no longer work, the capital donated by the previous generation being the compensation to the next generation for doing so.

There is, in other words, an implicit and very tangible bargain in place.

My suggestion is that we are failing on delivering on that bargain. We create financial assets that we expect the next generation to buy when they do not have the means to do so. What we are not bequeathing them is the means to actually sustain themselves with the real capital that we pass on, much of which is impoverished and which we are leaving them to replenish.

That is the real pension crisis that we face that only something like a Green New Deal can resolve.

And the last thing we need is more saving in the City's Ponzi scheme that will ultimately fail us.