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## **Minister Coughlan welcomes Pensions Board announcement of its approval of the first PRSA products**

Mary Coughlan, Minister for Social and Family Affairs today welcomed the approval by the Pensions Board of the first Personal Retirement Savings Account (PRSAs) products.

PRSAs are a low cost, easy access, and long term personal investment account designed to allow people to save for their retirement in a flexible manner. The new accounts are aimed particularly at people who do not have an occupational or private pension coverage. They will complement the Social Welfare pension.

Minister Coughlan said: "The approval of these products by the Pensions Board means that they will be available to the public in the near future. I look forward to the introduction of PRSAs to the general public. I am confident that they will play a leading role in meeting Government targets in relation to private pensions coverage and in ensuring that people will have an adequate income on retirement".

In a report on the National Pensions Policy Initiative the Pensions Board estimated that 70% of workers over 30 years of age require supplementary pension cover if they are to maintain their pre-retirement standard of living. The Government aims to increase private pensions coverage in line with this target. At present coverage stands at just over 50%. The Personal Retirement Savings Account will be a key instrument of this strategy.

**ENDS**

**24 February, 2003**