



An Roinn Gnóthaí Fostaíochta
agus Coimirce Sóisialaí
Department of Employment Affairs
and Social Protection

Minister Doherty Launches the First in a Series of Regional Consultation Seminars on Automatic Enrolment - #autoenrolment

160 representatives of employer groups, Trade Unions, pension providers, financial institutions and advocate/consumer groups as well as members of the public scheduled to attend Dublin events

Minister encourages a National Discussion on the ‘Strawman Proposal’ to introduce an Automatic Enrolment Retirement Savings System

Strawman developed to stimulate debate and generate discussion on possible approaches to the design of the Automatic Enrolment System

Government will introduce Automatic Enrolment in 2022

Delivering on a commitment made in the Government’s [Roadmap for Pensions Reform 2018-2023](#) (Action 2.1), the Minister for Employment Affairs and Social Protection Regina Doherty T.D. recently (22nd August 2018) launched a [‘Strawman Proposal for a new Automatic Enrolment Retirement Savings System in Ireland’](#).

To support this process, today, Monday 1st October, Minister Doherty launched the first in a series of Regional Public Consultation Seminars on the Government’s Strawman proposal in Dublin.

The Roadmap for Pensions Reform confirms that the Government will introduce Automatic Enrolment (AE), by 2022, as a State sponsored supplementary workplace retirement savings system. It is intended that those saving in the AE system will be supported by both employer and State contributions. Whilst workers will have the freedom to opt-out should they so choose, experience in other countries indicates that once automatically enrolled workers tend to remain within the system.

Commenting at the consultation event the Minister confirmed that ***“Automatic Enrolment (or AE) is perhaps the most fundamental policy reform in a generation in terms of retirement savings provision. The new Auto Enrolment system will, when implemented, enable people to save and accumulate sufficient assets to maintain better personal living standards in their retirement. In this way, the combined use of public pensions and private retirement savings allows employees, employers and the State to each play a part in addressing the provision of improved retirement incomes.”***

In opening the public consultation event the Minister said ***“I am very pleased to be here to launch the first of our planned consultation seminars for Automatic Enrolment and discuss the Strawman proposal prepared by my***

Department. The Strawman proposal is a high level draft designed to prompt and generate discussion and improve ideas. It should not, in any way, be construed as Government's confirmation of what form Automatic Enrolment will ultimately take. As we work to achieve the overall objective of improved income adequacy for our future retirees, our goal in preparing this Strawman is to help interested parties conceptualise possible approaches to AE and to facilitate a focused debate around key design issues."

The Minister confirmed that

"Feedback received from those here today and from other private individuals and representative groups during this consultation process is very important and will be used to inform Government and assist in determining the framework design of the preferred operational structure for the Automatic Enrolment system. To help us ensure the new system is the best we can make it, I would strongly encourage the participation of all interested parties in this national consultation process."

The Roadmap for Pensions Reform 2018-2023 encompasses major reforms of future State, private and public service pension provisions. The Government has confirmed the State pension is, and will remain, the bedrock of the pension system and a protection against poverty. However, the State pension is not designed or intended to deliver full income adequacy in retirement. To achieve such an outcome, it is recognised that most employees should supplement their State pension income with personal retirement savings. Yet just 35% of the private sector workforce has private pensions coverage and Ireland is one of only two OECD countries without a mandatory earnings related element to retirement saving.

To this end, the Minister noted

"It is increasingly evident that most Irish workers are not saving enough, or indeed at all, for their retirement years. Many people will be faced with a serious reduction in their living standards when they retire – a fall in income they clearly do not want. Having examined the options and looked at international experience, the Government previously decided that a new Automatic Enrolment supplementary retirement savings system, where the individual retains the freedom to opt-out, is the best approach to take."

Members of the public are particularly encouraged to become involved in the debate and make their views known to the Department of Employment Affairs and Social Protection. They can do this either by attending a seminar or via the Department's website.

The Strawman proposal for a new Automatic Enrolment Retirement Savings System together with other support documents is available on www.welfare.ie. To give those who may want quick and easy access to the proposals, a summarised 'Plain English' version of the Strawman has also been produced.

The consultation period will remain open until the 4th November 2018 and responses should be forwarded by email to autoenrolment@welfare.ie. While submissions in electronic format are strongly encouraged, those who wish to make a written submission can write to:

Automatic Enrolment Programme Management Office
Pensions Policy
Department of Employment Affairs and Social
Protection
Floor 1 Áras Mhic Dhiarmada
Store Street
Dublin 1
D01 WY03

In addition to the Dublin events, the Government is hosting consultation events in Cork and Galway at which interested parties will be able to contribute views and ideas. Further details are available on the Department's website.

To ensure Government is fully aware of the views of those who will be most impacted by Automatic Enrolment i.e. the likely membership, dedicated 'Focus Groups' will also be undertaken to draw together potential members of the system to identify preferences regarding the structure and operation of the Automatic Enrolment system.

ENDS

Note to Editors:

The Strawman should not, in any way, be construed as a confirmation of what form Automatic Enrolment will ultimately take. Readers should not take the key features as definitive. It is a high level draft intended to generate and prompt discussion and improve ideas. The intention is to help interested parties conceptualise plausible approaches to AE and to facilitate a focused debate around key design issues and how to address income adequacy for retirees.

See [Roadmap for Pensions Reform 2018-2023](#)¹ **Strand 2 'Building Retirement Readiness** for details relating to Government's proposals relating to the development and implementation of a State sponsored supplementary retirement savings system in which workers will be automatically enrolled.

Department of Employment Affairs and Social Protection

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¹ <https://www.welfare.ie/en/pressoffice/pdf/PensionsRoadmap.pdf>