



NEWS RELEASE

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## **Hanafin launches Pensions Ombudsman annual report**

The Minister for Social and Family Affairs, Mary Hanafin T.D., today (2 December 2009) called for improved communication for pension scheme members and greater diligence in pension scheme investment. The Minister was speaking at the launch of the Pensions Ombudsman's Annual Report for 2008.

Minister Hanafin said **"it is one of my objectives in reforming the pension system to simplify the pensions environment and to ensure that people are made more aware, when saving for their retirement, of how much they are saving and the type of investment product they are in. Where saving is made simpler for people, and there is greater transparency in the system, people will feel more secure with their investments and more people will be encouraged to save."**

The Minister also noted the lack of a 'lifestyling' approach in many pension schemes, where scheme members' funds are moved into less risky investments as they approach retirement.

Minister Hanafin said **"I would like to see a situation where default funds include lifestyling as a matter of course and that members are appropriately informed about the risks involved in opting for alternative investment routes."**



The Minister also praised the role played by trustees in the pension system and stressed the importance of education in pensions management. It will soon be a requirement for employers to arrange training for trustees to help them discharge their obligations. **“We are all very conscious of the pressure on trustees at this difficult time in the pensions industry. Many are part of that corps of volunteers upon which we all depend so much. Greater education is one avenue through which we can assist trustees in fulfilling their duties and developing their expertise”** said Minister Hanafin.

The Minister acknowledged the importance of the work carried out by the Office of the Pensions Ombudsman, adding that the Ombudsman and his staff had shown efficiency and productivity in meeting the challenge of a significantly increased workload.

**ENDS**