



## **Department of Social and Family Affairs**

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### **MINISTER COUGHLAN LAUNCHES REPORT ON PENSION REFORM**

Mary Coughlan TD, Minister for Social and Family Affairs today officially launched the ESRI report "Reforming Pensions in Europe: Evolution of Pension Financing and Sources of Retirement Income". The report deals with the pension reforms taking place across Europe and was welcomed by Minister Coughlan as an important contribution to the debate on pensions and the reform process.

"Increased life expectancy is something to be celebrated and this Government is committed to the continuing development of our pensions system so that we can ensure that people can enjoy a happy and secure retirement," said Minister Coughlan.

"We face the same pension challenges as other countries but in our case the full impact of an ageing population will not arise until much later and this allows us more time to prepare. We are using this time to take action on a number of fronts," added Minister Coughlan.

"An important element of our pensions strategy is to increase the number of people with private or occupational pensions coverage. The introduction of Personal Retirement Savings Accounts last year is an important element of this policy and the results to date have been encouraging.

"This year I am funding a €500,000 pensions awareness campaign by the Pensions Board. The campaign will target those sections of the population and areas of the country, which have been identified by CSO research as having the lowest pensions coverage," said Minister Coughlan.

"This government has been working hard in recent years to raise the level of our social welfare pensions in line with the National Pensions Policy Initiative. Since 1997 social welfare pensions have been increased by 69% or 43% above inflation. We are committed to further increases in pensions and aim to set a rate of €200 per week for our basic payment by 2007," said Minister Coughlan.

"At the same time we have made major improvements in the area of non-cash benefits, such as free telephone rental and electricity allowances, which are an important element of the support we provide for older people," added Minister Coughlan.

**ENDS**  
**5th March 2003**

#### **Note for the Editor**

Over the coming decades the EU faces a significant acceleration of demographic ageing due to three main factors:



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- The baby boom generation reaching pension age
- Increases in life expectancy
- A declining birth-rate

The number of people at pension age will increase rapidly and at the same time the number in the active age groups will diminish.

An important element of the Government's pensions strategy is to increase the number of people with private or occupational pensions coverage. At present just over 50% of workers have such coverage, the pensions strategy aims to increase this to 70%.