



## **Minister Cullen launches Pensions Board Annual Report 2006**

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***"System of on-the-spot fines to increase the supervisory powers of the Board"***

**Martin Cullen TD**, Minister for Social and Family Affairs, today (Wednesday 11 July 2007) launched the **Pensions Board Annual Report for 2006**. The Minister was presented with a copy of the report by the Board's Chief Executive, Brendan Kennedy at the statutory body's headquarters in Mount Street, Dublin 2. Established by the Government under the Pensions Act, 1990, the Pensions Board aims to monitor and safeguard the interests of almost 900,000 people who are members of occupational pension schemes or who have personal retirement savings accounts.

In 2006, the Pensions Board produced two major reports on pensions policy; *The National Pensions Review* and *Special Savings for Retirement*, which dealt with options which could be considered by Government in relation to the introduction in this country of mandatory pensions. Both reports were major inputs to the drafting of a recent Green Paper on pensions. Speaking today, **Minister Cullen** said: "Pensions policy has now taken centre stage as one of the major issues facing the country in the years and decades ahead and it is certainly one of my own key priorities. There is a commitment from Government in *Towards 2016* to publishing a Green Paper on pensions, having a consultation process and developing a framework to address the pensions agenda over the long term. I am anxious to make progress in this area as quickly as possible".

The Minister added: "I am aware that my Department has finalised a draft of the Green Paper in cooperation with the Departments of An Taoiseach, Finance and Enterprise, Trade and Employment and that it has been submitted to Government. I wish to take time over the summer to examine this Paper carefully, with a view to publication in September. I would like to thank the Pensions Board for its considerable input to this document".

In relation to the area of compliance, Minister Cullen said that in his view, it was vital that:

"the Board uses its powers to the fullest extent possible to ensure that trustees, pension scheme administrators and employers fully comply with the provisions of the Pensions Act". In 2006 the Pensions Board took nine prosecutions, all of which were successful. The Minister said he was



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

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particularly pleased that: "a number of these prosecutions arose as a result of the activities of social welfare investigators who are supporting the Pensions Board in policing employer PRSA obligations". In 2006, Department of Social and Family Affairs investigators carried out almost 1,900 enquiries in support of the Pensions Board.

One of the key priorities of the Pensions Board in 2006 was the drafting of legislation for a system of on-the-spot fines to increase the supervisory powers of the Board. These fines could be used by the Board as an alternative when it is considering a prosecution. Provision for this measure was provided for in the *Social Welfare and Pensions Act, 2007*.

Speaking about this legislation, the Minister said: "The Board is at present finalising the procedures necessary to implement the new on-the-spot regime in consultation with my Department and I understand that it will be possible to commence the new arrangements in September". The Minister added: "This approach should strengthen the hand of the Board in enforcing the Pensions Act and its effectiveness in this regard will be reviewed by the Board in due course".

Minister Cullen noted the efforts made by the Board in relation to its ongoing national pensions awareness campaign. The Minister said: "In 2003, about 60% of people had a general awareness of pensions issues and most recent research puts this at 87%. The challenge we face is to maintain this level of interest, but more importantly, to translate it into actual pensions coverage".

Minister Cullen thanked the Chairperson of the Pensions Board, Mr Tiarnan O Mahoney, the Board Members, Pensions Board staff and the Chief Executive for their work and commitment. He concluded: "The strong desire of Government to deal with the pension issue means a busy time ahead for all concerned and I look forward to working closely with you on this very important issue".

**ENDS**

To access a copy of the Pensions Board Annual Report 2006 please log on to [www.pensionsboard.ie](http://www.pensionsboard.ie)