



Department of Social and Family Affairs

SIPTU Protest Over Construction Pensions Statement by the Minister for Social Affairs, Séamus Brennan T.D.

The trade union protest today is about their concerns that the law is not being fully complied with by some construction firms as employees seek to secure their pensions. I condemn any such breaches of the law that may be occurring.

As I have said earlier this week, I strongly believe that every citizen in this country should have a decent pension. While I have no direct responsibility for the particular scheme in question I am anxious to ensure that the law is fully complied with and that members contributions and benefits are secure. Therefore, I have invited SIPTU to meet with me next week to discuss their concerns.

Also, I will be ensuring that The Pensions Board continues, through its consultants, to complete within months the ongoing comprehensive examination of the scheme in question. I will act without delay on any concrete proposals or suggestions that emerge from the final report of that examination.

Background Information

The Construction Federation Operatives Pension Scheme (CFOPS) was founded in 1965 by employers who were registered with the Construction Industry Federation (CIF) to provide pension and mortality benefit for workers in the Construction Industry.

The terms of the Registered Employment Agreement for the Construction Industry relating to Pensions, Assurance and Sick Pay were registered with the Labour Court on the 7th March 1969, under the Industrial Relations Act 1946/69. As a result of this Agreement it is compulsory for all employers in the Construction Industry to provide pension and mortality benefit for all manual workers. The enforcement of the Registered Employment Agreement is a matter for the Labour Court under the Industrial Relations Acts.

The Department of Social Affairs or the Pensions Board does not have a direct role to play in relation to CFOPS unless breaches of the Pensions Act are involved. In this connection, it is an offence under the Pensions Act for an employer not to remit contributions deducted from employees to a pension scheme. In this regard, the Pensions Board is continuing investigations, in consultaion with the sponsors and trustees of the scheme, in relation to a large number of employers who may be in arrears with regard to the remittance of employee contributions.

In addition, it is also open to beneficiaries, or potential beneficiaries, of CFOPS who feel they have sustained losses because of maladministration by the administrators of the scheme or an employer to make a complaint to the Pensions Ombudsman.

While the Minister for Social Affairs has no direct responsibility for the operation of the Construction Federation Operatives Pension Scheme he is anxious to ensure that the terms of the scheme are fully complied with and that members contributions and benefits are secure. In this regard the Pensions Board has facilitated an examination of the scheme by consultants with a view the addressing compliance issues in relation to the scheme. That examination is still ongoing and will be completed within



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months.

ENDS