



NEWS RELEASE

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Hanafin launches Pensions Board Annual Report 2008

Minister for Social and Family Affairs, Mary Hanafin TD, today (*Monday, 22nd June 2009*) launched the Pensions Board Annual Report and Accounts, 2008. The Pensions Board monitors and safeguards the interests of over one million people who are members of occupational pension schemes or who have personal retirement savings accounts (PRSAs).

Minister Hanafin outlined recent initiatives undertaken by Government in pensions policy, including legislation for the Pensions Insolvency Payment Scheme (PIPS) which will provide an alternative for trustees in cases where defined benefit schemes of insolvent employers have to wind up.

Minister Hanafin said **“in simple terms, trustees of participating schemes will pay to the Exchequer the amount necessary to cover the cost of providing pensions to its retired members. Because commissions, expenses, and the cost of capital will not have to be paid, PIPS will be able to provide these payments at less expense to the trustees. This will free up extra money to go towards the pensions of those yet to retire.”**

Minister Hanafin also stressed the important role played by the Board in regulating pension schemes and PRSAs. In one particular case in 2008 the Board successfully applied for an order in the High Court directing a construction sector employer to pay over €180,000 in contribution arrears. The Minister said **“I am glad to see that the Board has continued to play a strong role in this area. It is important that it follows through with its wide-ranging powers, particularly in relation to breaches of pensions legislation, and that it takes necessary action on those who fail to fulfil their obligations.”**

In relation to the development of a national pensions framework, the Minister said **“while recent events have made it necessary to concentrate on the situation of those in defined benefit schemes, we need also to be mindful of the thousands of people contributing to defined contribution schemes. The Government is continuing to work on a national pensions policy which will set out a comprehensive framework to address all of the issues faced by our pension system.”**

Minister Hanafin concluded by saying **“as well as its continued activity on regulation, I want to acknowledge the Board’s ongoing input into policy development, some of which has been reflected in recent pension**



changes. The pensions area is a highly complex one and the expertise brought by the Board and its staff over the last number of years has assisted the Government in developing key reforms to protect pension scheme members.”

ENDS

The Pensions Board Annual Report 2008 is available at www.pensionsboard.ie