



## **MINISTER PUBLISHES REPORT TO EU ON IRISH PENSIONS**

### **LOOKS FORWARD TO RECEIVING NATIONAL PENSIONS REVIEW**

The Minister for Social Affairs, Séamus Brennan T.D. today published Ireland's second National Strategy Report to the EU on Adequate and Sustainable Pensions and looked forward to receiving the National Pensions Review he has requested from the Pensions Board.

"Earlier this year I asked the Pensions Board to bring forward the statutory review of pensions strategy, by more than one year, because I felt that, despite the hard work of all involved, we are failing to mobilise the public at large, and employees, to start contributing to pensions in the numbers required. This comprehensive review, which is ongoing, encompasses our overall pension strategy and the role to be played by various elements of the system in ensuring retired people receive adequate incomes, both in relation to state pensions and supplementary pension provision and the interaction between these.

"I look forward to receiving the report of the review from the Pensions Board later this year and, accordingly, this latest national strategy report to the EU sets out our current position on the policies and targets of the Irish pension system. Future reform will be considered after the publication of the review," said Minister Brennan.

"Ireland, along with other European Member States, is facing the challenge of ensuring that our pensions system can sustain the pressures presented by an ageing population. Through modernising our pension system, making difficult policy choices and coming up with innovative solutions to the challenges that faces," added Minister Brennan.



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

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Minister Brennan has asked the Board to examine the best means of tapping into the savings habit created by the SSIAAs, as one route to creating a pensions/savings scheme that would have widespread appeal. The issue of introducing more mandatory requirements is under close examination, and the Board is also exploring innovative ways of encouraging and allowing people to work past official retirement dates and age restrictions, if they wish to do so.

Out of an Irish workforce of some 2 million, an estimated 900,000 people do not have a private or occupational pension to boost their incomes in retirement. For women, in particular, the statistics on pensions are disturbing. Only one third of working women outside the public service have pensions and many of these have pensions that are far from adequate.

“We must also remain aware that income is just one element of the position of people in retirement. Retirement also brings many other changes to a person’s life – their relationships, routine and health can also face change during this time. We need to bear these issues in mind when contemplating reform,” said Minister Brennan.

The national strategy report to the EU is the second national report on pensions produced under what is known as the Open Method of Co-ordination, the first having been published in 2002. EU Member States are required to assess their overall pensions strategy under a number of common objectives agreed at EU level, in the areas of:

- adequacy of pensions;
- financial sustainability of pension systems; and
- modernisation of pension systems in response to the changing needs of the economy, society and individuals.

Through the exchange of ideas and best practice, all countries can benefit from the experience of their fellow member states. In Ireland’s case this experience is particularly valuable as we still have the opportunity, because of our favourable demographic situation, to ensure that a system is in place which will provide an adequate income in retirement for all our citizens in the future. ENDS