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## **Mary Coughlan Minister for Social and Family Affairs rejects pension age increase**

Mary Coughlan Minister for Social and Family Affairs today rejected suggestions that the retirement age should be raised.

The suggestion was made in a report to be published by the Society of Actuaries in Ireland who said the cost to the State of providing pensions is set to more than double by 2050.

“There are no plans whatsoever to increase the retirement age as suggested by the Society of Actuaries in today’s press reports, “ said Minister Mary Coughlan.

“I am acutely conscious of the changing demographics here which points to a larger older population in years to come – this situation is an issue for today on the European mainland. Here in Ireland we are at the fore of our European colleagues in working to meet the challenge of a greying EU.

”This Government has consistently prioritised the needs of pensioners and we will ensure that older people can live in the dignity their immense contribution to our country deserves.

”To this end, we have increased pensions by 59 per cent since 1997, changed the tax code to remove 77,000 pensioners from the tax net, and established the national Pensions Reserve Fund to ensure that we can continue to pay decent pensions in the future.

”I am providing the framework required to embark on this Government’s programme to increase private/occupational pensions coverage from 50 to 70 per cent of workers. Most recently a new flexible pensions product, PRSAs were introduced to the Irish market and this development too is helping increase pensions cover.

”I have also provided a fund of €500,000 to the Pensions Board for a major pensions awareness campaign which will commence shortly and which aims to further increase awareness and pensions cover, “ said Minister Coughlan.



“I would also point to the recent Joint Report by the Commission and Council of the EU on adequate and sustainable pensions which concluded that we had made “good progress in ensuring the financial sustainability of the pensions system while at the same time making provisions for increasing the adequacy of pensions. The Government is committed to accumulating a considerable reserve fund in order to partially pay for future liabilities. The public system therefore appears to be in broad terms, financially sustainable despite projected major increases in future pensions expenditure.” “ added Minister Coughlan.

**Ends**

**25th September 2003**