

## **PRESS RELEASE**

### **Pensions Board Launches Annual Report**

**Dublin, 3 July 2001:** The Pensions Board launched its 2000 Annual Report today at a briefing in the Board headquarters in Dublin, which was attended by the Minister for Social, Community and Family Affairs, Mr Dermot Ahern TD.

Speaking at the launch, the Chief Executive of the Pensions Board, Ms Anne Maher said, that the majority of Irish pension schemes are well run in the best interests of their members and that the overall position of compliance with the regulatory requirements is showing slow but steady improvement.

In 2000, the Board was involved in the monitoring of administration arrears clearance in the case of 16 leading pension practitioners. According to Ms Maher, "Significant work has been done in arrears clearance during the year. There are, however, a few pension practitioners who still have to complete their arrears clearance programme. The Pension Board's concern is that arrears in administration prevent timely compliance with the statutory requirements for pension schemes and expose the trustees to problems".

She also referred to the Funding Standard, which is one of the main areas of pension regulation. "At the end of 2000, only 2% of pension schemes involving 0.2% of membership had failed to submit regular actuarial funding certificates to the Board. A large number of actuarial funding certificates are due to be submitted to the Board in 2001 and the Board will take statutory action against any actuarial funding certificates not being submitted within the statutory time frame", commented Ms Maher.

The new Chairperson of the Board, Ms Grainne Clohessy, said at the launch that she expects the focus of the new Board will be on its regulatory role. Whilst the compliance position is improving she accepts that there is still room for improvement and that there are a number of areas which the Board needs to consider. "We will be agreeing our new strategy in the Autumn", said Ms Clohessy.

During 2000 there was a 13,810 increase in the number of schemes and the overall pension scheme membership increased to 629,801 up 10% from 1999.

The Board doubt, however, that pension coverage has kept pace with the increase in the workforce. Ms Maher said the Pensions Board is currently working on a national survey of pension coverage and the likelihood is that private pension coverage as a percentage of the workforce may still be falling. According to Ms Maher: "This further emphasises the importance of the

upcoming 'Personal Retirement Savings Account (PRSA)' which will be contained in the new Pensions Bill. This initiative will extend coverage to all citizens; employed, self-employed, homemakers, carers, unemployed or any other category will be able to plan for long term retirement provision."

The Board also looks forward to its upcoming regulatory role in relation to PRSAs, and according to Ms Clohessy: "We are already preparing for the PRSA introduction and we have started the necessary work on processes, procedures, systems and staff. We are working towards being ready for early 2002 as the Minister has said he hopes to introduce the PRSAs at this time."

Achievements of the Board in 2000 included:

- Total overall number of current schemes was 86,348 compared to 72,538 in 1999;
- Active membership has jumped from 569,220 in 1999 to 629,801 in 2000;
- The Pensions Board initiated 82 new investigations into occupational pension schemes during 2000;
- The Board completed its Policy Programme, in matters related to preparation of the Pensions Bill, which will be published this summer;
- Since June 1996 up to end 2000 the Board had received a total of 26 reports under the 'whistle-blowing' provisions, seven were compulsory and 19 were voluntary;
- The Pensions Board dealt with 4,143 enquiries in 2000;
- The Pensions Board information provision successes included the launch of a booklet entitled "Women & Pensions", a 70-page document developed to describe the ways in which women can provide financial security for themselves and their dependents in retirement.

#### About the Pensions Board

The Pensions Board is the statutory body set up to regulate occupational pension schemes and to advise the Minister for Social, Community & Family Affairs, and through him, the Government, on overall pension policy and development.

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