



An Bord Pinsean -
The Pensions Board

Authority for Pensions

The Pensions Board welcomes pension coverage increase but recognises need for more to be done

Dublin, Tuesday 7 September 2004: The Central Statistics Office (CSO) today issued the results of its most recent pension coverage survey which was completed in the first quarter of 2004. The CSO survey shows private pension coverage at 52.4% of the total at work aged 20 to 69. The CSO survey also shows that private pension coverage is 59.1% of the total at work of those aged 30 to 69. The Pensions Board welcomes the increase in coverage but recognises the need for more to be done to achieve the ultimate goal of some 70% of the total at work over age 30 having private pension provision.

Commenting on the results, Anne Maher, Chief Executive of The Pensions Board, said that “we will soon have an increase in older people and these older people will be living considerably longer which makes it essential that adequate retirement provision is achieved. The present agreed pension structure is based on achieving the increased private pension coverage on a voluntary basis. The Board believes that the best way forward is for employers, trade unions, the pensions industry and Government agencies to make every possible effort to increase this coverage as planned.” She continued that, “2006 has been agreed as the year when progress under the present system will be reviewed. The Board will be presenting a report to the Oireachtas at that time and the Board’s recommendation is that mandatory pension options should be considered if coverage is not increasing sufficiently on a voluntary basis”.

Key components of the campaign to increase private pension coverage are Personal Retirement Savings Accounts (PRSAs) and mandatory employer access to these PRSAs by employers who do not operate occupational pension schemes. The Board is currently working on the National Pensions Awareness Campaign which it is organising for the Government and next week 13 – 19 September has been designated as National Pensions Awareness Week. The Board is also taking steps to ensure that all employers are complying with their mandatory access obligation requiring them to make pensions access available to their employees and is currently monitoring employers in this regard. Last week it wrote to 64,000 employers as part of its access monitoring activities. The Board is also looking at possible incentives to make private pensions more attractive to those who have not yet taken them out and would expect to make some recommendations to Government on this later this year.

Notes for Editors:

About PRSAs

A PRSA is a contract between an individual and an authorised PRSA provider in the form of an investment account that can be used to save for retirement. It is a personal pension plan where the contributions paid are tax deductible and the investment return is tax exempted. There are two types of PRSA - a Standard PRSA and a non- Standard PRSA.

About Mandatory Access

All employers were required by 15 September 2003 to enter into a contract with a PRSA provider so that access to at least one Standard PRSA was available for all “excluded employees” on and from that date.

About The Pensions Board

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

Public information

The Information Unit at The Pensions Board provides a wide range of pension information booklets free of charge and can be reached at the Locall number 1890-65-65-65 and on info@pensionsboard.ie. The Board’s website is at www.pensionsboard.ie

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