

An Coimisiún Pinsean The Pensions Commission

Pensions Commission launches Public Consultation on State Pensions

- Appeal to Young People to participate
- Option of Making Submission or Completing Online Survey
- Consultation runs until 9th March

Tuesday, 9th February 2021

Today the Pensions Commission launched its public consultation on State Pension arrangements. This is an opportunity for people to have their say on the future of State Pensions in Ireland.

Over the next four weeks, everybody including workers, self-employed, unemployed and retired people, employers and representative groups, carers and young people will have the opportunity to help inform the Commission's work by making a submission outlining their views or completing an online survey.

Speaking ahead of the public consultation, the Chair of the Pensions Commission, Ms. Josephine Feehily said that any reforms to State Pension arrangements have the potential to affect almost everybody in Ireland and the Commission is keen to hear a wide range of views to help develop options on how sustainable State Pensions can be provided for current and future generations.

The Chair of the Pensions Commission, Ms. Josephine Feehily said,

"This public consultation is an important component of the work of the Commission and members are keen to hear from a wide range of perspectives. We want to hear people's views on the future of the Irish State pension system, including when it should be paid, the basis on which it should be paid, how it can be paid for and how to make sure that it is as fair as possible.

We also want views on retirement ages in employment contracts, especially where they are below the State Pension age. Because today's workers are paying for today's pensioners, we are particularly keen to hear from younger people, who may not know it but who are, and will be, funding State pension payments over the coming decades.

Welcoming the launch, the Minister for Social Protection, Ms. Heather Humphreys TD said,

“The State Pension is the bedrock of the Irish pension system. I am delighted that the Pensions Commission has launched its public consultation process on State Pension arrangements. Thankfully with improvements in life expectancy, Irish people can expect a long and healthy retirement. Careful consideration is required to ensure that sustainable State Pensions can be funded into the future. I am pleased that the Commission is also examining the issue of retirement ages in employment contracts and how we can accommodate carers within the pension system. I would urge people to send a submission to the Commission or fill out the survey so that the Commission can take your views into account when developing options for Government.”

Further information and guidelines for preparing submissions is available in the *Have Your Say: Pensions Commission Consultation Paper* on the Pension Commission’s website: <https://www.gov.ie/en/consultation/0a525-the-pensions-commission-consultation/>

Details about how to submit responses (by email or post, for written submissions; or through a survey) are also available at this link.

For those wishing to respond to the ‘Have Your Say’ Pensions Commission Consultation Survey, please go to <https://ec.europa.eu/eusurvey/runner/PensionsCommissionSurvey2021>

The closing date for written submissions or for the survey is Tuesday 9th March 2021.

ENDS

Pensions Commission Secretariat Contact Details

E: PressPC@pensionscommission.gov.ie

Notes to the Editor:

In line with a Programme for Government commitment, the Commission has been asked to examine sustainability and eligibility issues in respect of State Pension arrangements and to develop options for the Government to address issues such as qualifying age, contribution rates, total contributions and eligibility requirements.

Action 5 of the Commission’s terms of reference asked it to, “Seek views of recognised experts and representative/advocacy groups by inviting submissions and/or presentations.”

The full terms of reference of the Pensions Commission are available on its website here: <https://www.gov.ie/en/publication/02859-about-the-pensions-commission/#terms-of-reference>

Consultation questions

The Pensions Commission seeks views on current State Pensions arrangements and how best to ensure that they are fiscally and socially sustainable into the future, in particular asking individuals and organisations to consider the following questions:

1. **What do you expect from State Pensions?**
2. **What's working with current State Pension arrangements?**
3. **What concerns you with respect to current State Pension arrangements?**
4. **How best to accommodate those who provided long-term care for most of their working lives?**
5. **What specific policy, provision or other changes are needed to make State Pension arrangements sustainable into the future?**
6. **What are your reform proposals for sustain State Pension arrangements?**

There will also be the opportunity for people to include any other suggestions they might have to improve the sustainability of State Pensions.

Sustainability Challenges

- The deferral of the increase in the State Pension age will cost €221 million in 2021 and €453 million in a full year.
- Some €8.8 billion has been allocated to the department for pension payments in 2021 compared to €6.1 billion in 2011. This represents an increase from 29% of the overall social welfare budget in 2011 to 38% in 2021.

Further information

When people say the 'State Pension', they are usually referring to the main State Pension Contributory scheme (SPC) (previously the Old Age Pension). Along with the SPC there are several other State Pension schemes (collectively we call these 'State Pensions'). The SPC is the largest in terms of spend.

The term 'State Pension arrangements' is used to distinguish those aspects of the Irish State Pension system that directly relate to why, how much and in what way pension payments are made and to whom. Different State Pension schemes will have different arrangements.