

Minutes
<b>Checkpoint and Consultation Process</b>
<b>Meeting of 27<sup>th</sup> January 2021</b>

## Pensions Commission

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### Minutes

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*Meeting held on Webex – start time 10am.*

*In Attendance:*

**Commission Members:** Josephine Feehily (Chair), Aedín Doris, Anne Vaughan, Ethel Buckley, Ian Power (from 10.20am), Ita Mangan, John McGrane, Roma Burke, Seamus Coffey, Tony Donohue

**Secretariat:** Roshin Sen, Kasey Treadwell Shine, Louise Banable, Brian Purcell, Margaret Mulhall, Evelyn Harrington

**Observers:** Alan Flynn (DSP), Ivana McGarr (DPER), Felix O’Kane (DETE), Mairead Ross (DFIN)

**Apologies:** Jack Keyes

#### 1. Minutes and Matters Arising

*Inputs: PC0401 Meeting Four Minutes*

- Members agreed the Minutes from Meeting Four.

#### 2. Checkpoint, Reflection on Issues, and Confirmation of next steps

*Inputs for reference:*

*PCA0322 Irish State Pension arrangements: Key Developments*

*PC0141RI - Irish Pensions System and Commission's Work*

*PC0220 - Implications of Demographic Trends and Sustainability Challenges*

- The Chair, Josephine Feehily, gave a presentation to the members which reflected on the Commission’s terms of reference in order to set out the work of the Commission, and included questions that the Commission will have to consider.
- The Chair sought confirmation that members agreed with this approach. Members noted the importance of agreeing on the limits of the Commission’s

focus and delivering on its terms of reference. In this regard, members noted that given the limited time for the Commission's work, the Commission may need to focus on reforms within the existing pension system, rather than systemic reforms - "fixing the system within system".

- Commission members discussed a range of matters:
  - While it is important to have a realistic scope, there is also a necessity to also consider perspectives that are "outside the box."
  - The scope of, and potential for overlap with, the Commission on Welfare and Taxation which is due to be established.
  - The importance of the intergenerational focus.
  - Many people want to continue to work past normal retirement age but cannot, while many younger people are starting their careers at a later stage.
  - Referring to "longer" working life can be misleading – working later in life may not make the duration of working life longer than previous generations. It may be more appropriate to speak of "later" working life.
  - The need to focus on the core issue of the normal retirement age, the state pension age and the gap between the two.
  - Suggestion that the Commission agree a set of principles that would set out the bigger picture endpoint that the Commission wishes to achieve.
  - The importance of communicating the fiscal implications and contextualising pensions spending within wider government spending.
- The Chair noted that the next Commission meeting will focus on calculation methods and the Total Contributions Approach. The Secretariat will also produce a note on a Universal Pensions.

### **3. Stage 1 Consultation**

*Inputs:*

*PC0540 – Consultation Paper Presentation*

*PC0541 – Have your say on Sustainable State Pensions into the Future:*

*Consultation Information paper*

- The Secretariat delivered a presentation on the first stage of the Pensions Commission Consultation process.
- Members discussed the consultation process:
  - Underlined the importance of hearing from all demographics.
  - Keen to receive submission from all groups, including young people, who may not be focusing as much on pensions policy at this stage in their lives.

- The process should go live as soon as possible so the Commission has adequate time to review the submissions.
- A number of changes to the consultation paper were requested by Members.
- It was agreed that Commission members will approve the revised consultation paper by written procedure in time for the consultation to go live with the next two weeks.

#### **4. Documents to be published**

PC0401A *Minutes of Meeting Four 13th January 2021* (Approved)

PC0500 *Meeting Agenda* (Approved)

## 5. Specific Action Points

Colour Code:

Closed/Agreed ■

In progress ■

Ongoing/Repeated Action ■

Not Started ■

**NB** Actions not included: 1) closed by previous meeting; 2) ongoing but with no change since previous meeting. See action log for full details.

ID	Action	Lead	Deadline	Status
PCA0102	Commission website to be published	Secretariat	Jan-21	In progress
PCA0105	Generate note of Media coverage, recent developments and items of interest	Secretariat	Ongoing	Ongoing
PCA0109	Add 'checkpoints' at meeting 5 and periodically thereafter to sense-check if work and deliberations are interlinking issues systematically. Reframe meeting schedule as needed.	Chair with Secretariat	Meeting 5/then TBD	Ongoing
PCA0110	Establish whether the Widow/er's and Surviving Civil Partner's Pension is within the remit of the Commission's work	Secretariat	Meeting 3	See PQ circulated, Mtg 3. Decision still to be made
PCA0112	Consider, as part of labour market input in Meeting 4, a summary note on the prevalence of private contracts specifying a retirement age <66; produce descriptive statistics etc. position of 65-year-olds	DETE/Secretariat	Meeting 4	Closed see PCA0112Sec_LabourMarket_StatsNte
PCA0113	Liaise with DETE colleagues to determine if there is a need for research around retirement age, the gap to pension age and issues arising	Secretariat	Meeting 4	In progress
PCA0114	Liaise with DFIN to determine the current position with respect to proposals to amalgamate USC and PRSI	DFIN	Meeting 9	In progress
PCA0216	Provide age-breakdowns of those with no pensions cover from CSO Pension Coverage Survey	Secretariat		Closed see PCA0216Sec_AgeRangesPensCov_StatsNte
PCA0317	Scope venues for a physical meeting dependent on Government advice	Secretariat	Early January 2021	Closed [venues checked, but no face to face meetings while under Level 5 restrictions]
PCA0318	Establish whether Government as employers pay PRSI	Secretariat	Meeting 4	In progress

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PCA0319	Generate broader note on the examples of Social Insurance Systems in other countries, and, in particular, the structure of their Social Insurance Fund equivalent where relevant.	Secretariat	Meeting 5	In progress
PCA0320	Gather further data on the gap between effective retirement age and pension age	Secretariat	Meeting 4	Included in Meeting 4 Secretariat Labour Market note
PCA0321	Generate a detailed proposal for the first stage of the consultation process	Secretariat	Meeting 5	Completed
PCA0322	Generate a high-level overview of the evolution of current schemes, rates and contributions	Secretariat	Meeting 5	Closed see PCA0322Sec_KeyDevelopState PensionsArrangements_policy/bf
PCA0323	Contact DETE in relation to consultation on mandatory sick pay	Secretariat	Meeting 4	Contact established
PCA0424	Draft note giving an overview of the Total Contributions Approach, implementation challenges	Secretariat	Meeting 6	In Progress
PCA0425	Provide overview and update of Automatic Enrolment	Secretariat	Meeting 5	Completed
PCA0426	Follow up with ESRI on availability of data for Ireland on prevalence involuntary retirement versus involuntary work	Secretariat		In progress
PCA0427	Source labour force projections by age	Secretariat		Not started
PCA0428	Determine the extent to which WRC mediation services are used for mandatory retirement age cases, seek WRC data or professional inputs on these cases	Secretariat		In progress
PCA0429	Further information on duration of social welfare schemes by age and practices for 65-year olds	Secretariat		Not started
PCA0430	Note on tax arrangements by age in decumulation phase of occupational arrangements	Secretariat		Not started
PCA0431	Provide report and summary of the November 2020 Interdepartmental Pensions Reform and Taxation Group	Secretariat		Not started
PCA0532	Generate Note on Universal Pensions	Secretariat	Meeting 6	In progress
PCA0533	Generate Note on Value for Money of the State Pension	Secretariat	Meeting 6	In progress