

**Individual Submission 061**

**16/02/2021**

Hello,

It is vitally important that both public and private workers have some sort of pension when we retire. At a very high level, the old age pension is worth 12k a year for an average of 15 to 20 years? So we're talking in the region of a cost of somewhere between 200k - 240k per person. Broken down per year, a quarter of the population at 12k per year, the basic old age pension will be costing the state on average of 15 billion per year, this based on today's prices will obviously all be index linked. I have started contributing a very small amount towards a private pension ( i am in my 30s currently) and I think the only sustainable future is to encourage as many people as possible to do the same and then perhaps a system of the government will match your private pension up to a maximum of 8000 per annum ( or some similar number) . This should ease the pressure in the future, but there will need to be some sort of incentive to encourage people to do this. I'm thinking maybe Increase the tax credit available for pension contributions upto a certain point to 40% and then reduce back to the current rate at all contributions over a certain amount so its not disproportionately benefitting high earners?

Anyway that's my two cents, the average working Joe needs to be incentivised to start their own pension, this cannot be funded by increasing taxes and it cannot be funded solely from higher income earners either.

Thanks & Kind regards

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**Individual Submission 062**

**16/02/2021**

Dear Sir/Madam,

I will be 60 this year, I have worked since I was 17 , I never claimed anything from the state in all that time .

I have paid PAYE, PRSI etc since I was a teenager and now I'm being made feel like a burden for expecting my state pension at 66, while around me I see neighbours claiming more than twice what my pension would be on HAP alone while I struggled to pay my mortgage.

Under the newer system which has been postponed at the moment I would have to wait until I'm 68 and with the crazy averaging system I might not even get a full rate pension if I decide to leave work soon and live off my savings until pension age despite having worked for more than 40 years. This seems very unfair, if I sat on the dole until I was in my late 40's and only then started to work I would be eligible for a better pension under the averaging system, how can that be fair? The number of years worked should determine the rate of pension.

Sorry for the rant, but it's an emotive subject. I wish you the best of luck I and hope I fair resolution is reached.

Kind regards

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**Individual Submission 063**

**16/02/2021**

Hi,

There has to be a time-line as to the proposals that yourselves as a commission recommend to Government, I am due to retire in 2 years, for me it would be like changing the goalposts in the middle of a match. I worked over 20 years, due to ill health there was another 20 years when I was sick, these were credited contributions, because of modern medicine I was able to work, I will not be able to make any more contributions after 2 more years. I am hoping for a contributory pension, that is why I need the time to qualify for a contributory pension.

I would hope that you can see the position any major changes would put me and others in. I understand you have a job to do. Surely there can be a period of grace for people like me, who are caught up in the time-line. At the moment as far as I am aware you are entitled to 10 years credited contributions, 20 years for women who reared a family, Also, men x women who have had to leave the workforce to care for children with disabilities I strongly feel this should not be taken or diluted in any-way, as this is vital to individuals and families regarding their future. The time-line of any major changes has to be implemented in a fair and just way, taking into consideration the impact it will have on ordinary people's lives.

Kind Regards,

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**Individual Submission 064**

**16/02/2021**

Dear Sir/Madam,

I have been watching with interest the governments approach to putting together a commission to look at the sustainability of the state pension (formerly known as the old age pension).

It appears to me that the scope of the project that the commission has been asked to operate on is completely flawed and an attempt to railroad taxpayers into accepting an erosion of future benefits.

Benefits that they would in the past have been entitled to based on the taxes and social payments they have made to the state over their working lives.

The opening assumption is that the state pension is not sustainable and that the commission need to advise government on how to make it sustainable.

There are no sustainable answers to this question just as there are no sustainable answers to making children's allowance sustainable in the future.

Why does the state pension have to suddenly be sustainable? It has never been sustainable in the past so why does it have to be sustainable in the future?

Indeed the state pension can never be sustainable if the payments that are being made in terms of PRSI or other social deductions from employees have not been ring fenced in the past and invested to pay for pensions in the future.

The logic of setting a commission to find a way to reduce future benefits is very simply dishonest and a smokescreen under the guise of sustainability.

For people now approaching pension age they fall into a number of categories.

1. The state pension is the only form of income they will have. There has been no increase in this payment for a number of years and it therefore has less buying power than it had in the past.

It is roughly 30% of the average wage and not at a level to sustain a person as an only income.

2. The state pension is supplemented by a private pension.

Private pensions have gone through a torrid time over the last 10-15years. The days of a defined benefit pension are long gone for private pensions and pretty much all private pensions now operate on a defined contribution basis that have seen significant erosion of benefits that will be paid to workers once they reach pensionable age. In my own case I was in a private pension for more than 30 years that was to pay 30/45ths of final salary once I reached 60 years of age.

This would have yielded a pension of approximately €50,000 per annum until death. The pension scheme was converted to a defined contribution scheme ten years ago and will pay approximately €12,500 per year at 65 and may run out before I reach the end of my life.

Private pensions have also been eroded due to them been seen as a soft target by previous governments during the financial crises and have not reimbursed the funds that were taken from them at this time.

3. The state pension is supplemented by a public service pension.

Public service pensions which are defined benefit and payable for life though unsustainable have been ring fenced by government and are guaranteed by government based on future tax receipts.

If this is sustainable then there is no reason why the State pension should not be treated the same and should increase value in line with public service pensions.

Yours sincerely

[REDACTED]  
[REDACTED]  
[REDACTED]

**Individual Submission 065**

**16/02/2021**

Dear Sir Madam

The pension age should remain at 65 . In France which has a lower rate of marginal tax it is 60 they also have free medical care. Why did the government pour the Irish pension fund into bailing out bank at a huge net loss . Surely if there was a deficit this would not have been done ??? I would also call for increased pensions for people who have being paying prsi for over 40 years and link to it what was paid in like Germany . It's unfair that different contribution rates attract the same pension

In the UK they get free NHS it seems our PRSI does not get you very much

Regards

**Individual submission 066**

**16/02/2021**

Hi can I ask why is the oap €248.30 For contributory and €230.00 for non contributory? Only €17.70 in the difference. I have worked the last 50 years and paid my taxes. Someone who has not worked at all and paid no taxes gets €230.00 someone whose paid taxes all there life gets €17.70 more than someone who has paid no taxes. Not a great deal for the person who has paid taxes all there life. Also I still have 3 years left before I am entitled to my pension. That means I will have paid my taxes for 53 years and end up getting less than half my wages in a pension where someone on the welfare gets an increase in there income when they retire. DO YOU THINK THAT IS FAIR FOR SOMEONE WHO HAS PAID TAXES ALL THERE LIFE.  
THANKS.

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**Individual submission 067**

**16/02/2021**

It is an EU requirement for sustainability that everyone has a minimum wage.

If the minimum wage at €382,00 is not considered a living wage,  
Then why is the Old age pension €248,30 per week ?

In Ireland, the living wage is €12.30 per hour, as opposed to the minimum wage,  
which is €10.10 per hour.

An increase of 20c was awarded at the back end of 2020.

Ireland's living wage is currently €12.50 per hour.

Going on the assumption that a person works 8 hours a day and 40 hours a week,  
makes €500 a week pre stoppages.

Ireland's minimum/basic wage is €10.10 per hour.

An experienced adult worker on minimum wage is entitled to €10.10p per hour.

An employee age under 18 is entitled to €7.07p per hour.

An employee age 18 is entitled to €8.08p per hour.

An employee age 19 is entitled to €9.09 per hour.

Even with the 'living' wage after tax prsi usc pension etc then rent bills food car  
insurance and maintenance or transport fares you have nothing left. Nothing.

No way to save for a mortgage let alone a 'rainy day'.....

How is it possible for Dr Laura Banbrick of the Irish Congress of Trade Unions  
agree with this ?.

Heather Humphreys making it sound like she is doing pensioners a huge favour.

When you reach 65 years of age, which should be the age when you would  
previously receive your lifelong contributory old age pension, you will no longer  
receive the rewards of your lifetime contributions to the pension that you had paid  
into and looking forward to receiving at the end of your working life.

You will instead receive a reduced pension €203, even though you paid full  
contributions all your life.

( is this considered fraud and embezzlement by revenue and the government ?.)

Over 65's will no longer be required to sign on but will receive €45 less per week  
than the State pension until they reach the age of 68.

Welcome to 3 years of your old age pension being deflated by €45 a week.

Making it tough times for Old people .

With the cost of living, how can the elderly survive on an old age pension that pays  
less than the living wage ?.



Likewise how can any young person progress in Ireland in 2020 ?.

Emigrate or welcome to Chateaux Mum and Dad.

Sincerely.

[REDACTED]  
[REDACTED]

**Individual Submission 068**

**16/02/2021**

I would like to raise some points regarding this consultation:

I am a divorced father with 2 dependents, who live with their mother. I made voluntary contributions to their welfare, but because it is under the threshold for maintenance payments I am not allowed any tax rebate. I earn a low wage and after maintenance payments I am not in a position to save towards my retirement. I will be fully dependent on state pension.

I believe the current age threshold should stay at 66 especially for operatives like myself who perform a labour intensive job.

There should be openness from employers to retain workers after the age of retirement especially if the individual wishes to remain, a lower level of PRSI could be used as an incentive

Employers should stop age discrimination as this group have vast expertise and experience that could be utilised to train new employees, this would be an idea for sustainable flexible retirement pathways

Long-term carers should be considered separately as homecare provide a massive saving to the state by keeping elderly people out of hospital and care homes.

There is a need to curb pension entitlements being transferred to other countries after the employee has only worked for 10 years here and can return to their own country and claim pension even when they are well below the pension threshold age

Thank you for considering my submission

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**Individual Submission 069**

**16/02/2021**

Dear Sir/Madam,

I would never take out a private pension in Ireland again after the government "stole" money from peoples private pension funds during the last financial crash, the president has been set & they have shown themselves to not be worthy of trust with peoples private money, due to these facts I will have to rely on the state pension for income as I would not put another penny into any fund that the government can take at their whim, why bother, how could you have faith in that system

Regards



**Individual Submission 070**

**16/02/2021**

Dear Sir/Madam

When the commission looks at state pensions they should look at all pensions, state, public and private. It should be a level playing field for everyone, a portion of PRSI should be set aside for pensions. Also public pensions should be looked at to see how sustainable they are versus the contributions towards them. As regards retirement age, there is a difference between a person in e.g. a clerical position versus a person doing a physical job such as building work or nursing or retail. A person doing a sedentary job may be able to continue working until 70 years whereas someone in a physically hard job may find it hard to keep working even till 60 yrs.

All of these issues have to be looked at and a pension system which is fair to everyone has to be arrived at Yours Sincerely [REDACTED]

## Individual Submission 071

17/02/2021

Firstly I would like to say that the current pension system (contributory & non contributory) is an excellent and much needed support for our seniors who have contributed so much to society throughout their lives. We need to make sure everyone has dignity in their latter years. What a shame that this excellent system is coming under financial strain as the population ages.

It is also worth noting that the average old age pensioner receives far less in pension than some public servants or politicians and therefore represent less of a financial burden on the states finances. If financial viability is the focus of this review then I would hope reform of these types of pensions is also included in the review.

### Transitioning to a New System

Key to this reform is to acknowledge that working people have paid their taxes and PRSI on the basis of the prevailing pension rules at the time of their contributions. It would be grossly unfair and unjust to "**change the pension goalposts**" just as people near retirement age.

Therefore I believe that any new proposed system should be run in parallel to the existing pension arrangements for a period of years to allow contributors to adjust over time to any change in the pension system.

### Pension Age Increase

People are living longer so naturally the pension age should increase over time to reflect survival ages. However this needs to be a universally agreed retirement age and should be made with the agreement of employers, private & company pensions and the state pensions - this will ensure that there are no inconsistencies or gaps in the transition to pension phase.

As per the point above, any pension age increases should be signalled well in advance so that people can plan over time rather than being disadvantaged by a sudden introduction with no time left to adjust to any age change.

### Sustainable, Fair and Respectful Pension

I believe this review should cover combining private & company pensions in addition to the contributory, non contributory & public service state pensions.

There should be a single pension authority which receives ALL compulsory & voluntary pension contributions ( private, employer, public service, & state) in accumulation phase.

This could be done in association with the private pension providers.

In the pension phase the state could provide any minimum pension payout and the state contribution would taper down as the value of the persons pension increases,

the state contribution phasing out at some point and leaving the private providers to supply the pension where sufficient funds have been contributed by the worker. This would ensure that a base pension is provided to all and those who can afford to save additional contributions for a private pension would not need to be supported by state funds.

Hopefully my suggestions can guide you to arriving at both a financially viable, fair & equitable system which can ensure people who have worked hard throughout their lives can attain a dignified retirement.

**Individual Submission 072**

**17/02/2021**

Store Street,  
Dublin 1 D01 WY03

17<sup>th</sup> February 2021

Dear Commissioner,

I submit this letter to you following your invitation, on RTE recently, for suggestions in relation to pension enrolment (TCA).

I have two separate concerns:

My first concern is:

How you will address the problem of employers who, despite clear legislative responsibilities, flout the law and refuse to pay pensions in accordance with the rules of the pension scheme?

During my working life I spent a number of years abroad, returned to Ireland and spent [REDACTED] years, up to retirement, working for the Irish Aviation Authority (IAA).

During that time I purchased Notional Service (NS) and over those years I paid approximately €65,000 (NS) plus another €7,000 in normal State pension contributions.

My decision to make these contributions was based on the civil service rules which guaranteed that I would receive 50% of the aggregate of the final three years of my salary and that I would receive increases in my pension commensurate with increases in the pay of my marker grade as those increases arose.

These elements of my pension were further guaranteed by the 1993 IAA Act, Art 40(2). (Extract attached)

One can understand that a company would pay close attention to its finances. However, the IAA board is mandated by EU Regulation 1794/2006 (extract attached) to levy pension costs (plural) on all airlines for which the IAA provides services (E.G. air traffic control; meteorology; radio communications etc.)

(see also extract from EU Regulation 391/2013, Article 7, para 2 in regard to pension costs to be levied)

In other words, the on-going costs of funding my pension is totally independent of the IAA and the Exchequer.

In 2015 the IAA board, for some inexplicable reason, decided to cease paying pension increases and declared that 0% funding levy would apply for such increases for all future years. (See extract from annual report 2015 page 50 Note 20 (a) attached)

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an IRISH STATUTORY INSTRUMENT AND EU REGULATIONS. YET, NOTHING HAS BEEN DONE ABOUT IT.

My first question is therefore:

If the IAA board can just bulldoze over and ignore with impunity, a legislative Act of the Oireachtas and 2 EU Regulations and that such actions can be ignored and condoned by 2 Taoiseach; 3 Ministers of Transport; the Chairman of the PAC; the Pensions Regulator; the Pensions Ombudsman; and numerous councillors (all of whom I have brought this matter to their attention) then I can only see, with respect to you as Chairwoman, that the end result of your deliberations will be just another form of tax on the PAYE worker.

Not to mention that tax credits have not been increased for I don't know how many decades and that all other reliefs such as mortgage interest have been abolished.

Please don't tell me that PRSI was also for the provision of health services because that would be a sick joke;

Despite the fact that I am now 80 years of age my medical card was taken from me some years ago at a time when I was undergoing chemo-therapy!!!

No person on this island can afford to be without medical insurance; this is yet another form of tax.

When the time comes for the imposition of this pension contribution will PRSI be abolished.? After all, it was originally purported to be for the provision of pensions. Or, will it, as I suspect, be just piled up on top of all the other taxes: PAYE; PRSI; USC?

USC was supposed to be temporary; that was 10 years ago!!

My second concern is:

Right now, there are many self-employed who, through "creative accounting" can avoid the burden of paying taxes, particularly those pertaining to pensions.

A typical case, one I am very familiar with, is that of a friend of mine, a farmer, who had quite a sizable farm and who paid no taxes during his life and constantly reminded me of this fact.

By the time he came to retirement he had divested himself of all his assets by passing them on to his son.

He subsequently applied for a State Pension by declaring to the Department of Social Protection that he had no income nor assets. Both he and his wife were granted a non-contributory pension, each!!



If, when it comes to pensions in particular, the above does not show extreme bias against PAYE workers I don't know what would?

My second question is:

How are you going to prevent those who refuse to join the system from claiming for and receiving a non-contributory pension; in other words, a free pension?

Conclusions:

Having said all of that, I agree with the concept of TCA but, everybody should be made to finance their own pension. As a taxpayer I resent having to pay for other people's pensions.

What should be clear from my submission is that pension contributions should not be just another form of taxation. So the first thing that should happen is that PSRI should then be abolished forthwith.

Instead of spending money on flash cars, alcohol, smoking etc etc, I invested my spare cash in my pension so that I would be able to look after my wife and myself in retirement.

The government rewarded me for my frugality by now hammering me, as a single person, with taxation in as many and varied forms as they could conjure up to impose upon me and, because I was deemed to have too much money, my medical card was taken from me.

So, I would suggest that if people are to be forced to contribute to their eventual retirement, then tax relief should be allowed on their contributions and their pensions should be drawn tax free.

Otherwise, it will be just another tax scam by the government.

Best Regards,

A black rectangular redaction box covering the signature of the sender.

Extracts from Relevant IAA Act 1993 & EU Regulations

Extract from IAA Act 1993, Article 41(5), para 2

*(5) Superannuation benefits granted under schemes under this section to persons who, immediately before the vesting day, were members of the staff of the Minister for Transport, Energy and Communications and the terms and conditions relating to those benefits shall not be less favourable to those persons than those to which they were entitled immediately before that day*

Extract from EU Regulation 1794/2006; Article 6, para 2

*2. The costs referred to in paragraph 1 shall be broken down into staff costs, other operating costs, depreciation costs, cost of capital and exceptional items including non-recoverable taxes and custom duties paid, and all other related costs.*

*Staff costs shall include gross remuneration, payments for overtime, employers' contributions to social security schemes as well as pension costs and other benefits.*

Extract from Note 20 to the accounts Employee benefits; page 50 of the 2015 Annual Report:

*20. Employee benefits (continued) A. The Irish Aviation Authority Defined Benefit Schemes (i) Principal actuarial assumptions 2015 Projected unit 2014 Projected Unit*

*Weighted average assumptions to determine benefit obligations*

*Discount rate 2.50% 2.25%*

*Rate of general compensation increase (staff/senior staff)  $\pm$  1.50% 1.50%*

*Rate of price inflation 1.50% 1.50%*

*Rate of pension increase  $\pm$  0.00% 0.00*

Extract from EU Regulation 391/2013, Article 7, para 2

*2. The costs referred to in paragraph 1 shall be broken down into staff costs, other operating costs, depreciation costs, cost of capital and exceptional items including non-recoverable taxes and customs duties paid, and all other related costs. Staff costs shall include gross remuneration, overtime payments, and employers' contributions to social security schemes as well as pension costs and other benefits. Pension costs may be calculated using prudent assumptions based on the governance of the scheme or on national law, as appropriate. Those assumptions shall be detailed in the performance plan.*

**Individual Submission 073**

**17/02/2021**

I think that the pension age should be 65. When I started working when I was 18 the pension age was 60. I have already had 5 years added on it's unfair to add more years. I want to start enjoying life. Whatever the pension age is when you start working that should be the age you get the state pension. Maybe you could consider that when making your suggestion to the government I think its the fair way to go.

Regards



**Individual Submission 074**

**17/02/2021**

A Chara,

It is understandable that arrangements for the payment of "State Pensions" will have to be adjusted to ensure their sustainability, provided that the expected increase in the working population is taken into account and also the tax take from "retired" persons.

However, the changes that had been made to extend the retirement age to 67 and 68 (which are now currently paused) were a breach of the Irish States' "Social Contract" with workers. Many individuals who were within a few years of retirement had limited time to adjust to these changes, both psychologically and financially.

Any future amendments to the pension age should not impact individuals who are within 15 years of retirement. This time period would allow sufficient time for workers to adjust their expectations and to save/invest additional money for their retirement.

Thank you for reading this submission.

Is mise le meas,

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**Individual Submission 075**

**17/02/2021**

Points for consideration by the Pensions Commission Consultation process

Background.

I have already completed the online survey as [REDACTED]

These are points that I felt were difficult to get across in the online format.

1. There should be a clear law stating that requiring people to retire at 65 (or any other age) is not permitted and that any attempt to take such action is a punishable offence. This is the first stage in any pension reform and should have been put in place before any change was made to the retirement age some years ago.
2. Many Defined Benefit pension schemes operate on the principle that  $1/60^{\text{th}}$  of final salary is accumulated as a pension entitlement for every year of employment service. The target is that  $40 \times 1/60^{\text{th}}$  of final salary as the occupational pension. However, many pension schemes reduce the pension amount paid by subtracting the value of the Contributory State Pension. This issue was not addressed when the Contributory Pension age was increased some years ago and must be addressed by the Commission.
3. Annual Pension Benefit Statements are an important element of the regulation of pensions in Ireland. These currently are focused on retirement at 65. The regulations should be changed to ensure that the annual statement address a wide range of retirement options at ages between 60 and 70.
4. It would be great if there was more "joined-up thinking" between State Agencies. I did not get my Contributory State pension at the age of 65 due to the date being moved to 66. The logic for the change (which I largely agree with) is that people are now living longer, are in better health, etc. However shortly after my 65<sup>th</sup> birthday I went to renew my 10 year Drivers Licence and was told that it had to expire at age 70! I suggest that the 5 year difference between Contributory State Pension age and expiry of 10 year Driving Licences be restored.

[REDACTED]  
[REDACTED]  
[REDACTED]

**Building solidarity and fairness into the compulsory retirement age for older workers**

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**Abstract**

In Ireland eligibility for the contributory state pension increased to 66 in 2014 and was until recent political changes, due to rise to 67 in 2021 and 68 in 2028. Such changes to the contributory state pension assume that the proportion of older people economically active will increase substantially in the coming years. Yet no systematic empirical evidence is available to guide policy in this area. Drawing on the national Labour Force Survey this paper examines changes in the participation rate of older people active in the Irish labour market. Results indicate that the participation rate of people aged 15 to 69 remaining active in the labour market has increased over time due mainly to the dramatic increase in the proportion of older females remaining at work. Older workers in lower level occupations, with lower levels of education and working in low pay sectors of the economy are more likely to remain economically active. An increase in the eligible state pension age from 66 to 67 is thus likely to further constrain the choice of workers in low skill and low pay jobs either to continue working or face into a period of unemployment at the end of their working lives.

**Word count: 6189**

**Introduction**

For much of the 20<sup>th</sup> century an 'early exit' retirement culture was pervasive among the developed industrial societies (Taylor, 2013:1). For example the mean age of retirement for men in the United States declined steadily from 70 in 1950 to 63 after 1985 with large peaks at 62 and 65, the ages for early and full Social Security eligibility (Burtless and Quinn 2001). This trend toward earlier retirement reflected mandatory retirement policies, increases in pension wealth, and strong incentives to retire at particular ages built into both private defined benefit pension plans and Social Security (Quadagno and Quinn 1997). Yet in the 21<sup>st</sup> century most developed industrialised countries are steadily increasing the age for eligibility for the state employment pension. A central driver of this change is the increasing cost of state pensions as people live longer and hence claim for an ever longer period of retirement. Longevity in Ireland has risen substantially in recent years. Life

expectancy for males at birth in 1951 was almost 65 years for men and 67 for females while by 2011 life expectancy reached 78 years for males and 83 for females. Over future decades, population ageing will induce a substantial “greying” of the working age population in OECD countries. Increasing the labour force and employment of older workers, not least by raising effective retirement ages, could help alleviate the burden of ageing populations by increasing output and curbing increases in spending on old-age pensions, while at the same time generating higher tax revenues to finance them. Indeed there is evidence that higher labour force participation of older workers would be welfare enhancing in many countries (Duval, 2003).

In the future it is hoped that more people will work until state pension age and beyond, and indeed in many countries state pension ages are rising (OECD, 2011).

Aside from the economic argument there is a substantial literature extolling the benefits of a longer working life. Work is perceived as a central part of a person's sense of self and identity with substantial social as well as economic rewards. A longer and healthier life has created a set of positive conditions conducive to working beyond the traditional retirement age of 60 or 65 (Roodin and Mendelson, 2013). While there is no agreement on a definition of an 'older' worker, there is a broadly shared view that, in the workplace context at least, one becomes identified as 'older' somewhere between the chronological ages of 50 and 55 years of age (McCarthy et al., 2014). In this paper older workers are defined as those economically active in the labour market between the age of 55 and 74. In Ireland eligibility for the contributory state pension increased from 65 the customary retirement to 66 in 2014 and was until recent political changes due to rise to 67 in 2021 and 68 in 2028. The changes to the contributory state pension assume that the proportion of people economically active over the age of 60 and particularly 65 will increase substantially in the coming years. Yet no systematic empirical evidence is available to guide policy in this area.

Drawing on data from the Labour Force Survey this paper first examines the trends in the participation rate of older workers economically active in the Irish labour market between 1998 and 2019. This allows us to assess the impact of the financial crisis in 2008. Unemployment increased dramatically after 2008 reaching nearly 15 per cent in 2012 possibly leading to an increase in the retirement of older workers (Coile and Levine, 2007). There is some evidence to suggest that unemployed workers permanently leave the labour force at a significantly higher rate than employed workers. Older job seekers who experience difficulties finding work are even more likely to retire earlier than expected (Marmora and Ritter, 2015; Coile and Levine, 2011). Secondly we focus specifically on data from 2019 to assess the impact of gender, educational and occupation on the likelihood of older workers remaining active in the labour market.

## **Leisure and work trade-offs for older workers**

Leisure time in general has increased particularly in European countries since the 1960s (Freeman and Schettkat, 2005; Aguiar and Hurst, 2007). For many older workers over 50 depending on their economic circumstances there is increasingly a possible choice between remaining economically active or retiring and exiting the labour market. Older workers who remain economically active are likely to do so through either economic necessity or because they value the income gains from work over the availability of extra leisure time.

A number of economic and sociological factors can be identified that likely influence older peoples decision to remain economically active. Economic explanations focus on the time preferences of individuals with regard to the trade-off between income and leisure (Becker, 1965; Ghez and Becker, 1975). Rational individuals are assumed to want to maximise the things they enjoy most. The trade-off between work as a source of income and leisure means that the more people work the less leisure time available to them. Older worker are more likely to exit the labour market where leisure time is valued more highly than the opportunity for extra income. Alternatively where older workers value maximising earnings over extra leisure time the more likely they are to remain active in some capacity in the labour market.

Sociological explanations dwell on the intrinsic rewards of work. Preferences to remain economically active may stem from intrinsic satisfactions from the nature of the work and associated social community at work. A number of sociological factors may make work more attractive and encourage individuals to remain economically active as they age. Workers may be influenced in their preferences for work that conveys high status and provides a community of work colleagues in the workplace with whom they identify strongly. There is some evidence to show that older employees compared to younger employees put more emphasis on good relationships with colleagues, while income, advancement opportunities, job security and having an interesting job are less important (Drabea et al., 2015).

For older women the decision to remain active in the labour market is also likely to be influenced by family commitments especially those of a caring nature. Loretto and Vickerstaff (2015) argue that there has been a remarkable lack of attention paid to the role of gender in extending working lives. Firstly there is little consideration of the relationship between gender and flexible working beyond the child caring phase of life and, secondly the tendency to assume that the end of working life and retirement are gender neutral (see also Calasanti, 1996; Wright and Soutter, 2015). Based on a qualitative study of people aged 50+ in the UK Loretto and Vickerstaff (2015) challenge some of the key assumptions underpinning the utility of flexible work in extending working lives and suggest that the ways in which working in later life is



constructed and enacted is different for men and women.

### **Factors associated with remaining economically active**

Given the cross-sectional nature of the LFS data it is not possible to establish causal linkages with any certainty. Our results therefore describe associations between measures and should be considered contingent and exploratory. Moreover the LFS dataset lacks measures that directly test respondent preferences for either greater income returns or extra leisure. Direct measures are also absent to assess the role and influence of intrinsic work satisfactions and social networks in the choices of older workers to remain in the labour market. Consequently in the following analysis occupational level, educational level and employment sector are used as a proxy for both the economic and sociological factors that influence individual preferences. Higher level occupations such as the professions tend to be associated with both high instrumental rewards and interesting and high quality work. Low level occupations tend to be jobs associated with uninteresting work, poor working conditions and low extrinsic rewards. Similar higher levels of education are associated with higher occupational levels and superior working conditions compared to those with low levels of education. Thus we examine **(i)** whether older workers in higher level occupations and/or higher educational levels are more likely to remain economically active.

A preference to exit the labour market or remain inactive may arise from a higher value placed on leisure than income particularly where economic circumstances are favourable such as the availability of pension entitlements and early retirement opportunities. Workers in higher level occupations are more likely to be in more financially favourable circumstances with pension entitlements than workers in lower level occupations. In contrast lower level occupations economic circumstances may preclude early retirement from the labour market. These advantages for higher level occupations will be particularly salient in older workers. Income is obviously a key consideration and is captured here by employment location in a high or low paying sector of the economy. Thus it may be the case that **(ii)** older workers in lower level occupations and low paying sectors are more likely to remain economically active than workers in higher level occupations

Few older men appear to avail of flexible work options, particularly part-time working. Most men work full-time and then retire with little evidence for gradual retirement (Hofacker, 2010: 84–99). The most common form of flexibility is part-time working and women are markedly more likely to have worked part-time across their life-course (Hofacker and Konig: 2013). Accordingly **(iii)** Older male workers are likely to have significantly lower levels of part-time working than older women.

Often many women modified their hours in later life to undertake caring for elderly parents, an ailing partner or grandchildren (Loretto and Vickerstaff, 2015). Such

flexible work is often associated with low skilled, low-paid jobs with few prospects particularly for the over 60s in Anglo-Saxon countries (Kalleberg et al., 2000; McGovern et al., 2004; Lain, 2012). For many women there may be a strong propensity to escape into retirement if at all affordable compared to men in full-time work. Indeed it has been argued that part-time working in practice may actually inhibit temporal flexibility on the part of the employee who feel they have to be available 'on-call' all the time (Dick, 2010; Rigby and O'Brien-Smith, 2010). Moreover many economically active women over 55 may still carry out a disproportionate share of domestic duties particularly where elderly parents require care and attention (Hakim, 2002; Yee Kan, 2007; Gangel and Ziefle, 2009). Such responsibilities may provide an incentive for women to retire from work. As a result we examine (iv) whether women over the age of 55 are more likely to exit the labour market than men over 55.

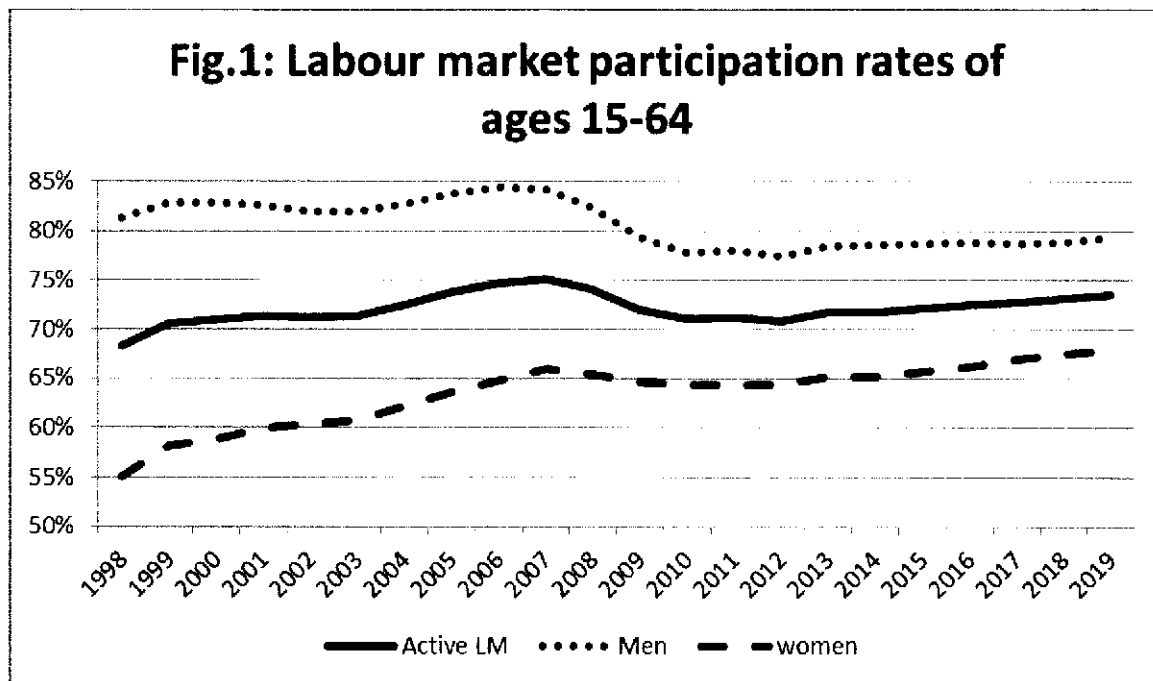
## **Data and Methodology**

The data analysed comes from the micro data file of the Quarterly Labour Force Survey. The LFS is a large-scale, nationwide survey of households in Ireland. It is designed to produce quarterly labour force estimates that include the official measure of employment and unemployment in the state. To explore the characteristics of older persons both economically active and inactive we rely on the aggregate data file for the years 19989 to 2019. The focus in this paper is the participation rate of people between 15 and 69 who are active/inactive in the labour market based on the standard ILO measure in the LFS. The participation rate or economically active is calculated as the number of people in the labor force (employed and unemployed) divided by the size of the adult population between the ages of 15 and 69<sup>1</sup>.

Occupation, education and employment sector are central measures used in our analysis. The Central Statistics office categorises jobs hierarchically using the UK standard occupational classification into nine broad occupational groupings. For reasons of parsimony the nine occupational groups are aggregated into three main occupational groups in our analysis as follows: Higher professional level occupations composed of (1) Managers/Senior (2) Professional occupations and (3) Associate professional jobs. Middle level occupations composed of (4) Administrative/routine white collar jobs (5) Craft and technically skilled occupations. Lower level occupations that includes (6) Personal and protective services (7) Sales (8) Plant and Machine operatives (9) Other (usually manual jobs).

Educational level is grouped into high (short-cycle tertiary plus third level education); middle(upper secondary plus post-secondary non-tertiary) and low levels (no education to lower secondary).

Employment sector is divided into high, middle and low pay sectors based on earnings data from the CSO for 2019 (CSO, 2020a). High paying sectors include:



Education; Information and communication; Financial, insurance and real estate activities; Professional, scientific and technical activities; Public administration. Middle sectors include: Industry/production industries; Human health and social work activities; Construction; Transportation and storage. Low pay sectors include: Accommodation and food service activities; Wholesale and retail trade; Administrative and support service activities; Other NACE activities.

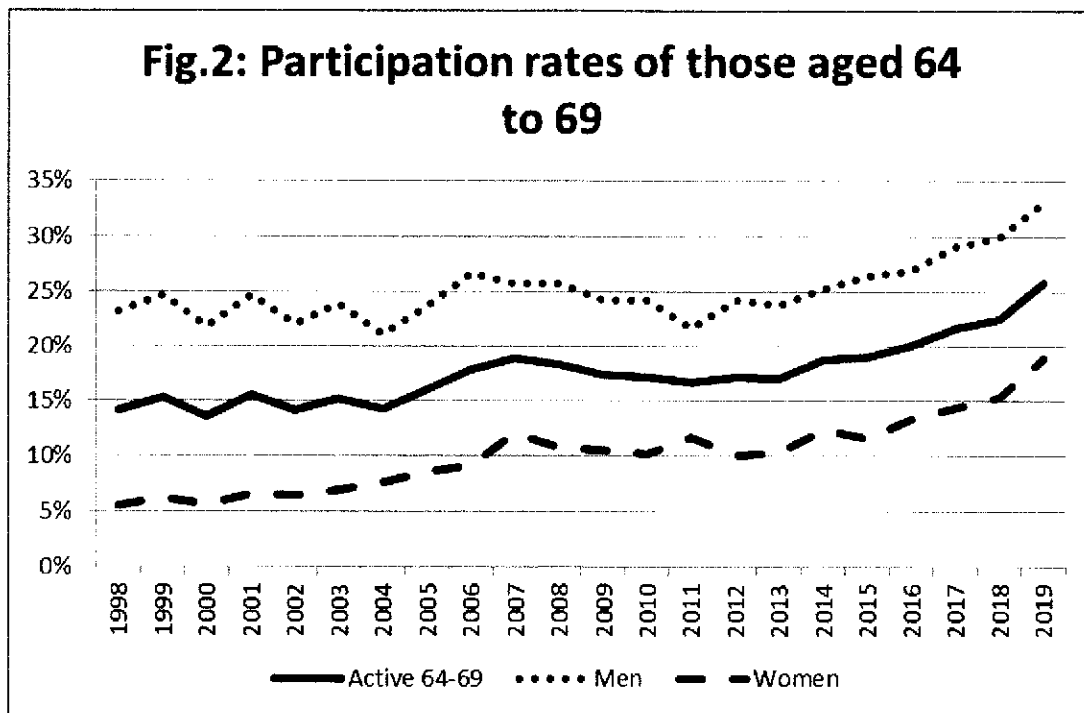
### Participation rates in the Irish labour market 1998 to 2019

Between 1998 and 2019 the labour market participation rate of the 50 to 64 age cohort increased from 68 to 74 per cent of all eligible people driven in the main by the substantial increase in the participation rate of females in this age category (fig. 1). While the participation rate of men decreased from 81 to 79 per cent the rate for women increased from 55 to 68 per cent. The financial and economic crisis after 2007 had a depressing effect on the participation rate of men to a greater extent than for women. The participation rate of 74 per cent is close to the average of 74.5 per cent of the EU28 in 2019 but falls considerably short of the rate of 83 per cent in Sweden (OECD, 2020).

<sup>1</sup> A common alternative measure used is the 'employment rate' which is calculated as the proportion of employed people in the labour force to the size of the population between the ages of 15 to 64.

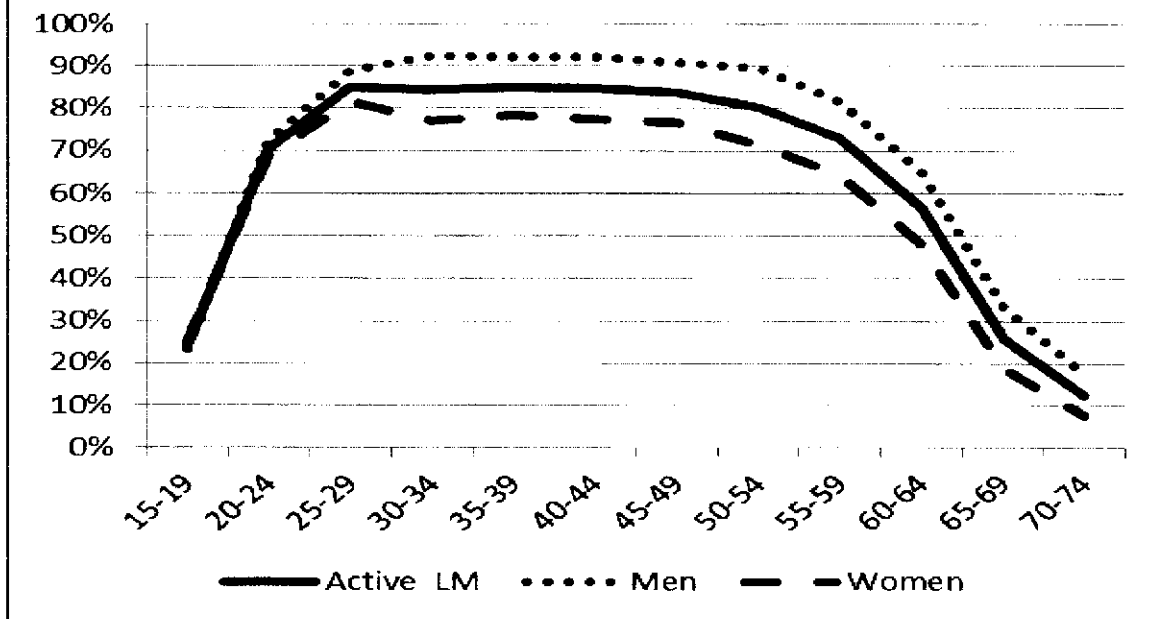
Over the period 1998 to 2019 the participation rate of those economically active in the 64 to 69 category increased substantially from 14.2 per cent in 1998 to 25.9 per cent in 2019 – an increase of just 12 percentage points (fig.2). Again the participation rate for women increased more rapidly from 5.5 per cent in 1998 to 18.8 per cent in

2019 an increase of 13.3 percentage points while the participation rate of men increased from 23.3 to 33.1 per cent. Overall then by 2019 a quarter of those in the 64 to 69 age cohort were active in the labour market. Although an increase in older workers in the 55 to 64 age group occurred between 2000 and 2010 in the 27 countries comprising the European Union (EU) Ireland recorded above average rates of participation for the 60 to 64s and about average rates for the 55 to 59s (Eurofound, 2012; Taylor, 2013: 3-5).



Disaggregating the older workers into five yearly groups indicates a general increase in each category of the economically active between 1998 and 2019. However the proportion of people active tends to decline over the age of 54 compared to younger categories. In 2019 for example the participation rate in the 50 to 54 age category was 80 per cent, 73 per cent in the 55 to 59 category, 56 per cent in the 60 to 64 category and 25 per cent in the 65 to 69 group (Fig.3). In the latter case of the 65 to 69 cohort it is not possible to disaggregate the participation rate for each year separately but a substantial decline in the rate is likely to occur over the five year period particularly over the age of 66. Overall there is a considerable decline in the participation rate of older workers particularly over the age of 59.

**Fig.3: Participation rate by age group 2019**



**Characteristics of those remaining economically active**

Overall high level occupations in 2019 account for 45 per cent of all jobs in the labour market, 18 per cent are middle level jobs and 37 per cent are categorised as lower level jobs. As table 1 indicates the proportion in high level jobs declines significantly as a proportion of those active in the labour market from 42 per cent of the 55 to 59 cohort to 38 per cent for the 64 to 69 cohort. Indeed this reduction in the proportion in high level jobs has already commenced even by age 55 to 59: 42 per cent indicates a 3 percentage point drop from the active population level of 45. By contrast the proportion of low level jobs increased from 40 per cent of the 55 to 59 group to 49 per cent of the 64 to 69 cohort.

This provides scant support for the suggested proposition that workers in higher level occupations are more likely to remain economically active over the age of 50. Indeed these patterns provide strong support for the alternative position that older workers in lower level occupations, particularly over the age of 60 are more likely to remain economically active than workers in higher level occupations. Educational level displays a similar pattern with 38 per cent of the 55 to 59 cohort with tertiary level education decreasing to 29 per cent in the 65 to 69 cohort while the proportion of people with a low level of education increased from 24 per cent in the 55 to 59 group to 36 in the 65 to 69 cohort. The likelihood that older workers who remain active work in low skill jobs and have lower levels of education is further supported by the employment trends in low paying sectors of the economy. The proportion of the 55 to

59 cohort in low paying sectors increased from 29 per cent to 39 per cent for the 64 to 69 cohort while those working in high pay sectors declined from 31 to 25 per cent.

**Table 1: Occupational, Sectoral and educational distribution of older workers 55 to 69 in 2019 (4 Quarters)**

	55-59	60-64	65-69	Distribution for all ages 15+ <sup>b</sup>
	%	%	%	%
<b>High level jobs</b>	42	39	38	<b>45</b>
<b>Middle jobs</b>	18	19	13	<b>18</b>
<b>Low level jobs</b>	40	42	49	<b>37</b>
<b>High education<sup>a</sup></b>	38	30	29	<b>48</b>
<b>Middle education</b>	38	38	35	<b>39</b>
<b>Low education</b>	24	32	36	<b>13</b>
<b>High pay sectors</b>	31	29	25	<b>31</b>
<b>Middle pay</b>	39	38	36	<b>40</b>
<b>Low pay sectors</b>	29	33	39	<b>29</b>

<sup>a</sup>Includes only those active in the labour market

<sup>b</sup>Figures are calculated based on all those participating in the labour market over the age of 15

### **Flexible working patterns**

It is generally held that older workers favour more flexible forms of work as they move towards retirement. The most common form of flexible work is part-time working. This trend is confirmed in table 2 as the proportion of those working part-time increased from 21 per cent in the 55 to 59 age cohort (comparable to the overall part-time rate for the labour force) to 40 per cent in the 65 to 69 cohort. Between the age 55 and 69 part-time working increased significantly for both men and women. Yet women are still more likely to work part-time with 57 per cent of the 64 to 69 age cohort active in the labour market compared to 31 per cent of men still active. Part-time work remains overwhelmingly female despite the increase of older men working part-time particularly in the over 64s.

**Table 2: Part-time and female participation rates of older workers 55**

**to 69 in 2019 (4 Quarters)**

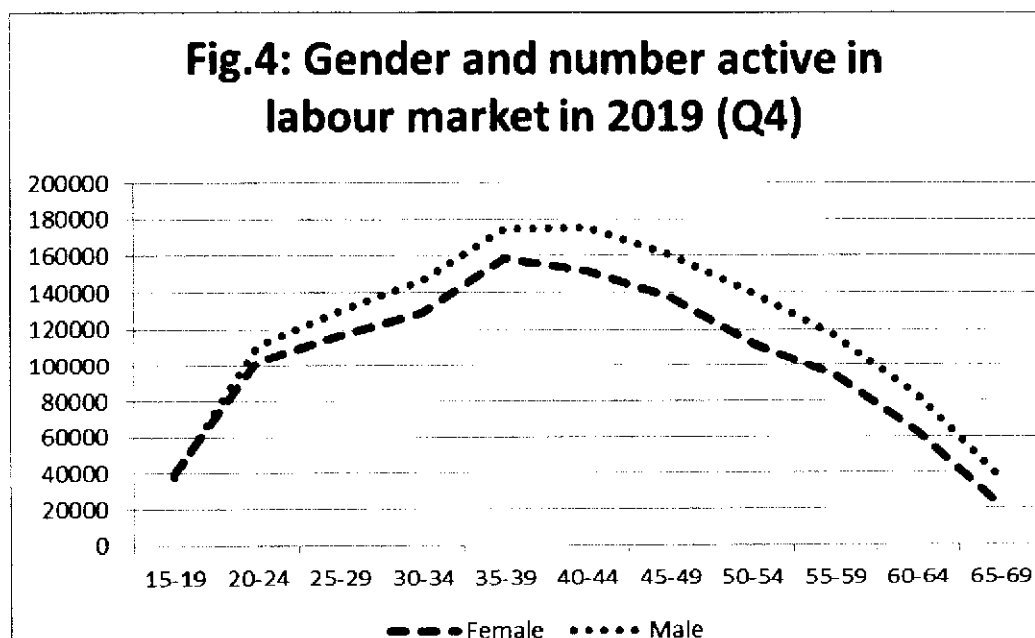
	<b>55-59</b>	<b>60-64</b>	<b>65-69</b>	<b>Distribution for all ages 15+<sup>b</sup></b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>% in Part-time work</b>	21	28	40	<b>21</b>
<b>% of females part-time<sup>a</sup></b>	34	43	57	<b>31</b>
<b>% of males part-time</b>	10	16	31	<b>12</b>
<b>% active who are female<sup>**</sup></b>	45	43	37	<b>46</b>

<sup>a</sup> This is calculated as the percentage of part-time females as a proportion of females active in that particular age cohort

<sup>b</sup> This refers to the percentage of females as a proportion of those active in for all ages

There is a noticeable decline in females as a proportion of those remaining active in the labour market from 45 per cent in the 55 to 59 age cohort to 37 per cent of the 65 to 69 cohort. These trends appear to indicate that women are more likely to exit the labour market over the age of 55 at a greater rate than men. However the actual exit trend is relatively similar as the weighted numbers for each age cohort indicate for the 4<sup>th</sup> quarter in 2019 indicate (fig.4).

Using the measure of a respondents main status indicates that a substantial proportion of the population who are inactive in the labour market in the 55 to 59 and 60 to 64 age cohorts report being either permanently sick or engaged in home duties (likely to include caring duties) of 20 and 24 per cent respectively. This declines significantly for the 65 to 69 cohort to 14 per cent due to increased retirement (table 3). Women are significantly more likely to report home duties as their main status 18 per cent in the 55 to 59 cohort, 21 per cent in the 60 to 64 group and 17 per cent in



the 65 to 69 cohort compared to less than 2 per cent for men in any of the age cohorts.

**Table 3: Main status<sup>2</sup> of all adults (active and inactive) in the 55 to 69 age range 2019 (4Qs)**

Main-status	All			Males			Females		
	55-59 %	60-64 %	65-69 %	55-59 %	60-64 %	65-69 %	55-59 %	60-64 %	65-69 %
At work	69	53	24	77	61	30	61	44	17
Unemployed	4	3	1	5	4	2	4	3	1
Student	0.4	0.3		0.3	0.2	/	0.5	0.5	/
Retired	6	19	61	5	19	62	6	20	60
<b>Sick</b>	<b>10</b>	<b>13</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>5</b>	<b>10</b>	<b>11</b>	<b>5</b>
<b>Home duties</b>	<b>10</b>	<b>11</b>	<b>9</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>18</b>	<b>21</b>	<b>17</b>
Other	0.5	0.5	0.4	0.5	0.5	/	0.5	0.5	0.8

## Conclusion

Between 1998 and 2019 the labour market participation rate of the 50 to 64 age cohort increased from 68 to 74 per cent of all eligible people driven in the main by the substantial increase in the participation rate of females in this age category. For older workers in the 64 to 69 age cohort the participation rate of those economically active increased substantially from 14.2 per cent in 1998 to 25.9 per cent in 2019. Nevertheless there is a considerable decline in the participation rate of workers as they age, particularly over the age of 64.

Flexible working for older workers remains overwhelmingly the preserve of females with older male workers significantly less likely to work part-time. This provided substantial support for the proposition that older men are less likely to engage in part-time working than older women. Given the prevalence of high levels of part-time working among women of all ages it can hardly be considered an innovative flexible practice to facilitate retaining older women in the labour market. Flexible work is often low quality and zero hour type contracts are not particularly flexible for the employees involved (Chalmers et al., 2005; Kalleberg, 2009).

<sup>2</sup> Responses are based on the ILO measure of respondent's main status as follows: 'at



work'; 'Unemployed'; 'Student'; Retired'; Unable to work due to disability/sick'; 'On home duties'; 'Other'. These figures are likely to diverge somewhat from the standard ILO measure used in this paper.

Part-time work even for older women is probably linked to continuing domestic duties in the home. Women are significantly more likely to report home duties as their main status 18 per cent in the 55 to 59 cohort, 21 per cent in the 60 to 64 group and 17 per cent in the 65 to 69 cohort compared to less than 2 per cent for men in any of the age cohorts.

A profile of older workers remaining active in the labour market indicates that over the age of 55 they are increasingly likely to work in lower skill jobs, have lower levels of education and work in low paying sectors of the economy. These patterns show that older workers particularly over the age of 60 are more likely to remain economically active compared to workers in higher level occupations with high levels of education. These findings confirm previous research in Ireland (Nolan and Barrett, 2019; Privalko et al, 2019) and internationally (Taylor, 2019; Moen, 2013) and indicate that a substantial proportion of older workers particularly in the 64 to 69 age cohort are likely to continue working out of necessity rather than choice in jobs that may be low quality with low levels of intrinsic satisfaction. As Taylor (2019: 102) notes 'it should not be assumed that continued labour market activity is necessarily beneficial for older people'. Sceptics of the overemphasis on work as a central process for positive aging prefer the concept of 'active aging' as consisting of all meaningful pursuits that contribute to an individual's well-being, their family and wider society rather than a narrow concern with employment (Walker, 2006). Indeed given the low skill profile of many of those remaining active over the age of 64 in the Irish labour market it could be argued that the necessity of continuing to work potentially leads to the further marginalisation of those who are already disadvantaged in society (Estes and Mahakian, 2001). Any assumed link between older people remaining at work and well-being is likely to depend on the nature of the job and the working conditions since not all jobs contribute to an older workers well-being.

An increase of the pension age to 67 in Ireland is likely to push large numbers of older workers into either a forced period of unemployment or some type of bridging mechanism until they reach the eligible pension age. As our data shows even in the 60 to 64 age cohort only 56 per cent of eligible people remained active in the labour market. From a public policy perspective the increase in the proportion of people over the last twenty years is a positive development. Although the current participation rate of 74 per cent is close to the average of 74.5 per cent of the EU28 in 2019 it falls considerably short of the rate of 83 per cent in Sweden. If for example the participation rate of the 15 to 64 population increased to 80 per cent this would equate to approximately 206,000 extra people active in the labour market based on the 2019 LFS (4<sup>th</sup> quarter). By contrast if the proposed increase in the pension age

from 66 to 67 occurs this would approximately add an extra 16,000 active workers to the labour market based on a 70 per cent participation rate<sup>3</sup>. Since the participation rate for the 60 to 64 age cohort was 56 per cent in 2019 the more likely scenario over time is an increase in the participation rate to about 60 per cent at best resulting in an extra 11,500 people active over one year from 66 to 67. Public policy should aim to encourage increased labour market participation of the adult population generally including older age groups. However it is notable that the adult dependency ratio<sup>4</sup> in Ireland ranks second lowest in the European Union. In 2017 the average old age dependency ratio in the EU was 29.9 per cent compared to 20.7 per cent in Ireland – a ratio of just five people of working age for every person aged 65 and over (Eurostat, 2020). Yet the current retirement age of 66 in Ireland exceeds many European countries<sup>5</sup>.

Given the evidence in this paper based on the labour force survey it seems in the current circumstances of the COVID-19 pandemic premature to force older workers to continue working beyond 66. Indeed, it appears that those most likely to be unemployed and accessing the Pandemic Unemployment Payment (PUP) are more likely to be lower skilled workers in low pay sectors of the economy (see CSO, 2020b). For many of those availing of the PUP over the age of 60 employment prospects are likely to be bleak for some time. At the very least an increase in pension age eligibility should be paused for a minimum of five years.

Encouragement rather than compulsion should inform policy options designed to keep older workers in the labour force. After all the fruits of a successful economy should be enjoyed by all citizens and not just those who can afford to choose when to retire from work and pursue a broader variety of new and satisfying activities.

### **Main recommendations**

- 1. Target increasing the participation rate to 80 per cent of eligible adults in the 15 to 65 age group. This would equate to approximately an extra 206,000 people active in the labour market based on the 2019 LFS (4<sup>th</sup> quarter).**
- 2. Focus on encouraging people in higher skill occupations to remain in the labour market.**
- 3. Any increase in pension age eligibility over 66 should be paused for a minimum of five years.**

These figures are based on the weighted population numbers from the LFS 2019 4<sup>th</sup> quarter calculated by 1. The total adult population in the 64 to 69 age cohort are divided by 5 to get the average annual population of approximately 44,400. 2. The existing active working people in this cohort are divided by 4 (loading more people in the beginning of the cohort) to give a yearly average of the active population. 3. The participation rates of 70 and 60 per cent are arrived at by calculating the active population as a proportion of the total annual population and 5. The increase in the active (extra)

people based on the 70 and 60 per cent participation rate minus the yearly average of the existing active population.

<sup>4</sup> The old age dependency ratio is calculated as: (people older than 64) / (working age people ages 15-64). A higher value for Ireland and other countries means that employed people have to support more older non- working people. The old age dependency ratio barely increased over the last 60 years from 19.5 per cent in 1960 to 21.4 per cent in 2018.

<sup>5</sup> These include Germany (65); Austria (65); Belgium (65); Bulgaria (64); Denmark (65); Spain (65); Finland; France (62); Hungary (64); Luxembourg (65); Norway (62); Poland (65); UK (65); Sweden (61); Switzerland (65).

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**Individual Submission 077**  
**17/02/2021**

Please find below my submission to the consultation process.

- 1) The living alone allowance of €19 per week should be means tested as some pensioners do not need it.
- 2) The free travel pass is great for over 66 years of age as long as they live on a bus / train route but some people do not live on a bus route or would have to drive over 6k in some parts of Galway for example to get a bus which runs once a day 3 days per week. My suggestion for people in this situation should have an option to apply for fuel vouchers to be spent on fuel for their cars instead of the free travel pass or for a combination of both fuel vouchers and restricted travel pass.
- 3) The maximum income for a full medical card is much lower than the full contributory pension of €248,30. The cut off for full medical cards should be the same as the full state pension of €248.30 as this is the only income some people have,
- 4) The USC should be combined with workers PRSI contributions which would increase the PRSI contributions specifically for pension contributions.
- 5) All employees who work 20 hours or over per week should have to also join a private pension by law.

Regards

[REDACTED]

**Individual Submission 078**

**17/02/2021**

To Whom It May Concern

I would like to address the expense of the pension to the State as follows:

**Calculating The Size Of The Workforce**

Immigration should be included in calculating the size of the workforce. The workforce is bigger now than twenty years ago. Forecasts of the size of the workforce into the future should include immigration. It should not be based solely on the birth rate in order to determine a more accurate ratio of worker to pensioner.

Calculating the expense to the State should include consideration of the benefits of the pension being spent into the Irish economy. The net cost to the State should be used in calculations only.

Retirement should not be compulsory. When practicable, people should be allowed work for as long as they want to, but entitlement to retire at aged 65 should be maintained.

**Automatic Enrolment**

This should be introduced immediately and should be made a legal obligation. The private pension derived from this could be attached to the State pension. If the combined pensions amount to over €600 per week minimum, then the State Pension could be adjusted downwards. This would mean that high income earners could conceivably not receive any State pension or only a proportion of it. €600 should be the minimum.

I would also suggest that such fundamental changes that affect the quality of life to citizens who are making life long plans, should not have their plans pulled from under them by introducing these changes in a short timeframe. I would suggest at least twenty years notice be given.

Regards

[Redacted signature block]

**Individual Submission 079**

**18/02/2021**

Hi,

Clearly it is known by anyone educated on the matter that the current state pensions system is unsustainable.

In reality however, most are not educated on the matter and will be in for a shock when today's 30 year olds find that the taxes they've spent their life paying won't provide them a state pension.

The current levels of wealth transfer from today's younger generation to the older should be mitigated immediately. Under 25s are currently suffering from +50% unemployment due to State measures to protect the elderly. Research shows this has a lasting profound effect on lifetime prosperity. The youth of Ireland are paying heavily to sustain the longevity and wealth of today's elderly and there should be a balance struck. This isn't just about wealth, putting pensions aside, there won't be funding for public hospitals either when this shifting demographic transpires.

An appropriate body such as the Society of Actuaries should be engaged to calculate how much should be set aside if the Government wants to provide adequate pensions in future.

This level should be explicit and the funds set aside should be untouchable by law. This is not out of the realms of how a civilisation can be organised, as proven in Scandinavia.

Yours sincerely,





**Individual Submission 080**

**19/02/2021**

A chara,

I wish to make a few points in relation to pensions. I am in the very fortunate position to have a very good public service pension. Also I was privileged to be able to take early retirement, on a reduced pension, after 37 years. What struck me most when I did retire were the hordes of people I came across on working days whom I came to realise never worked at all yet were well looked after by the state and the poor unfortunate taxpayers. Quite a lot of these people were on disability. How naive I was as it wasn't until I retired and was able to listen to the radio during the day that I heard about lifetime disability payments for alcoholics, people with depression etc, many of whom play the system not to mind the countless "disabled" who have blown in here since 2000. We seem to have no problem paying this money and all the benefits to unemployed people who have never bothered to work in paid employment ever, ever, ever. On the other hand we want to keep raising the pension age for hard working individuals, many of whom have worked since they were 14 or 15 years of age, to 66 and 67 years, having worked for 45 to 50 years. Bear in mind most of these people never got the chance to go to 3rd level and when they do retire now at 65 they can't get their pension for 12 months and then they get a miserable 20 Euro a week more perhaps than those individuals who partied on welfare their whole lives and who get the non contributory pension. What a joke. Now the government want to keep raising the pension age as it's supposedly unsustainable at present. Well why can't the government cut its own massive entitlements to inflated pensions for itself, its advisors and all past Government tds, senators, presidents, etc. That would help to pay the hardworking people who should be entitled to retire and claim a contributory pension at 65 or 66 year., not 67 or 68, They deserve to retire at 65 after their massive contribution over their lifetime. No more raising of the pension age, please.

Regards.



**Individual Submission 081**

**19/02/2021**

I would like to raise an issue which, while perhaps marginal to the central concerns of the commissions work, is nevertheless important to a group of future retirees, of whom I am one.

The suspension of the planned increase in pension age from January 2021 will have the effect of preventing some workers attaining the necessary number of PRSI contributions to enable them to claim a pension. My own case is illustrative of this: I took up a position in the state in 2014 with my contract specifying that I would retire on my 67th birthday (my employers pension scheme being aligned with the planned state pension age). Being eligible for both employer and state pensions informed my decision to sign the contract. Being due to retire in 2024, I would have made the necessary minimum number (10 years) of PRSI contributions. If the present pause in pension age increase is maintained, my PRSI contributions will effectively cease in 2023, leaving me short of sufficient contributions to claim a state pension.

I know that I will not be the only person in this situation. As from January this year, anyone who was relying on achieving the necessary contributions based on the retirement age being raised this year will be effectively prevented from receiving a pension. So some very recent retirees will currently not be receiving a state pension, when it was their reasonable expectation, based on legislation, that they would do so. The number of retirees impacted in this way will inevitably grow.

The most straightforward way to deal with this would be agree a new date for the state pension age to be raised and make pension provision (backdated) for the small number of retirees who would have achieved the necessary number of PRSI contributions this year, but have been prevented from doing so by the current suspension in rise in retirement age. An alternative solution, as suggested in your consultation document, would be to allow people to continue to pay PRSI contributions up until their 67th birthday, so as to achieve the necessary minimum number of contributions.

Kind regards,



**Individual Submission 082**

**19/02/2021**

I would like to disagree with the raisin of the pension age to 67 . I work at manual work out doors all my working life and putting 2 extra years on to the original 65 is wrong.We are the highest in EU France 64 up from 62 Latvia and Lithunia Belgium 65 Malta 63 Slovakia 62 and some letting women retire at 60 to 63 and they are no where better off than us .A lot of people say they can work on into their 70s this is because they are indoors sitting down with no hard labour involved

**Individual Submission 083**

**19/02/2021**

Hi,

I would like to give my view submission. I am 41 year old full time employee of an IT multi national company.

I'm one of the cohort who is paying for the pensions of today and 100% agree that state pension should be begin at 65 years. Most people like me will be working full time for 45 years. I think this is well and enough service to the state to qualify for a state pension.

Also my views on 'people living longer' don't bide well for me. To me its still the lucky few who live well into thier 70s and longer.

We are constantly told 1 in every will have cancer in the future. I see this already around me with friends, family etc. The life expectancy is this country to other EU countries with much better health systems i would think is lower.

I have no issue with my taxes going to todays pensioners at 65 years old and pray that if i get to this age too that I will recieve my state pension at this age.

Increases are found all the time for public service jobs increases etc so I don't know this is such an issue.

Look at the US system, if someone is healthy and wants and is able to continue working. Then they defer thier pension and get an increased rate at a later date. Not everyone is able to work past 65 years depending on thier work.

Regards,

██████████

**Individual Submission 084**

**19/02/2021**

Dear Sir/Madam,

I would just like to let you know that I would like if the age would stay as is for state pension.

Thank you,

Kind regards,

██████████

**Individual Submission 085**

**20/02/2021**

As I am 65 years old and another year to go before my 66th birthday, I feel our age group are at a very vulnerable stage of our lives. Most of us depend on the old pension and in fact retirement age should be 65. I and many like me have mortgages until we are 70. How are we expected to pay our normal utility bills and a mortgage. The old age pension should be at least 350 euro a week to keep our heads above water. We have worked all our lives we payed our taxes and prsi all our working lives. So we are entitled and deserve to retire at 65 and be able to enjoy what is left of our lives.

**Individual Submission 086**

**21/02/2021**

Hi students coming into the workplace should pay compulsory pension plan when they start work .

My son started work two years ago and no word of pensions

Mabey prsi contribution be increased to cover pension and services

**Submission 087**

**21/02/2021**

Dear Sir/Madam,

I would like to add my views to submissions in relation to proposed changes to state pensions.

**AUTO ENROLL (new system);**

1. The idea of auto enrollment is fine in theory, but doesn't address the public perception that current USC and PRSI contributions fund state pensions..Is this a new tax by another name? What does the public gain from the new system, (that will presumably cost more to the individual tax payer), or is it purely forensuring sustainability of the current pension scheme that will otherwise be at risk?
2. Those nearing retirement age, 60 and over, who will not automatically qualify for auto enroll, could be left in a form of limbo. Women who took time out to care for children or other dependents are already in that difficult position (those who started work and took a break, are still at an unfair disadvantage compared to those who never worked at all or started late in life)..
3. The "raiding" of private pension funds by the government ("levy") during the last recession set a bad precedent and created a culture of mistrust in relation to saving for private/personal pensions. Those with existing pension funds face a form of lifelong austerity as a result of government action during the last economic crisis, with future pension payouts reduced into perpetuity for many of those affected. It isn't easily forgotten.
4. While I gather that there will be options to make additional voluntary contributions to pensions, many young professionals now both fear the state taking some or all of their savings in a future crisis and also find themselves so locked out of the housing market that housing is their first priority, and pension planning is being put on the long finger. This will have long term consequences.

**QUALIFICATION CRITERIA FOR RECEIPT OF STATE PENSIONS;**

1. Previous rumours or suggestions that future state contributory pensions will be means tested are not helpful, and are worrying to a lot of people. It penalises those who work, and who pay the most. While it's understandable that the needs of the most vulnerable have to be met, the motivation of making personal sacrifices to contribute more into personal pensions or investments towards retirement is reduced if the perception were to exist that other income would lead to a reduction or loss in the state contributory pension. Don't deduct payments from income to specifically cover pension contributions if you are suggesting that you might not pay them a pension at all when the time comes.



2. All taxes should be seen to be fair. It would be unfair if someone who had made contributions into the state social fund throughout all or most of their working life found themselves with less eligibility at retirement than someone who had made few payments or none at all. (For example, women who took time out to care for children or dependents are still at a disadvantage compared to those who only started working and paying tax late in life, or never worked at all, and some individuals who choose to never work or to cheat the system can have better entitlements to state support at retirement age than those who faced lifelong struggles to provide for families and pay their own way.). .

### **SUSTAINABILITY OF PUBLIC SECTOR PENSIONS;**

1. The current defined benefit, plus lump sum at retirement, system is unsustainable in the long term, particularly as the vast majority of employers in the private sector have had to move to defined contribution schemes due to the recognised deficits looming with defined benefit schemes, and because the state makes no long term investment to cover public sector pension costs into the future. . A move towards a defined contribution model for the public sector, even if just for new entrants starting from a certain date, would reduce future liability in a key cost area. The public are unlikely to accept austerity or changes towards contributory state pensions while public sector pensions are not in line with market trends.

### **TRANSPARENCY/CLARITY, & SUSTAINABILITY OF ALL SOCIAL PROTECTION PAYMENTS;**

Pension reviews could be viewed in the context of an overall analysis of social protection payments. There are anomalies that need to be addressed, such as;

1. A young adult who takes up part time work while at school (starts paying taxes), and then takes a break to study, is ineligible for student credits past the age of 23. As an undergraduate degree is now the "new leaving cert", most professionals are required to achieve at least masters level, if not PHD. As this requires a further 2/6 years of study, most PHD graduates are aged 24/28, or more if they worked for a few years before returning to study. By not starting employment until education is completed, (lifetime contributions are calculated from the date each person starts work/paying taxes), a full contribution record can be maintained, **INCLUDING FOR PENSION PURPOSES**. This creates a disincentive to teenagers and young adults to work and pay taxes before their education is complete, as any necessary break entails creating a gap in contributions once they are aged over 23.

2. It is only possible to fill such contribution gaps and make voluntary PRSI contributions when you have completed 10 years of employment, so gaps taken for further education can't be voluntarily filled with contribution payments. However, it is possible to claim unemployment and some other social protection payments without ever having paid into the system at all. **ALL state social protection payments should be based on contributions**. School leavers are normally still living at home, and if not pursuing further education should have no eligibility to claim state support without first working and paying sufficient credits into the scheme. Disability, or

specific hardship cases, can be dealt with as part of other processes, but standard rates and criteria for social protection payments do not incentivise anyone to take up low paid work in Ireland. Greater support should be given to those who take up work, particularly low paid work, paid for by stricter criteria for eligibility for payments at the entry level (teenagers/young adults). Better pensions for those who worked the most would also incentivise working, albeit this change needs to be phased/gradual (the criteria can't be changed for those who are already too old to have the opportunity of making further contributions or to make up for lost time). The current gap between the means tested pension and the contributory pension is small.

3. If housing in Dublin isn't affordable for young adults now, they will be dependent on greater levels of state support (pensions) at retirement age, as they are likely to also need housing paid for by the state. Whether rental housing is in the state or private sector, either way the state will have to fund a roof over their heads if they don't have alternative sources of income (a social protection payment in the form of pension levels or other payments).

CONCLUSION ;Some of my views above might seem to be go off track, but that's not the case. The criteria for allocation of state pension credits must also be addressed as part of a fair pension review, and viewed concurrently with social protection payment criteria as a whole..

Kind regards,



**Individual Submission 088**

**21/02/2021**

Hi

I think you should have the choice to retire at 65 years if that suits the person and receive the full state pension

i want to retire with good health hopefully at 65 and enjoy a few years of retirement. I want to retire next year 2022 after working full time for 50 years in retail for 8 hours a day constantly on the go .

The government say they cant afford it but by the time you are 65 you wont be putting large amounts back into the economy  
buying a house / car

The longer the older generation work the less work for the younger generation whom some have never known full time work and who will want to buy a house / a car and make a future for themselves

All public office workers can retire at 60 or have worked for 40 years and all sitting in offices all day .so whats the difference for me.

I will have paid a stamp very week for 50 years in 2020 so i feel i will have earned my pension

Many Thanks

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**Individual Submission 089**

**21/02/2021**

I don't believe that the government should be increasing the age a person qualifies for a pension. Most people work really hard all their lives and should be able to enjoy a few years of retirement, you never know when it will be your last day on Earth.

I have seen people in their sixties that worked since they were sixteen and younger crying because they don't know if they can continue working up to the pension age due to health problems. Some of these people are health care workers working in nursing homes treating people who have dementia wondering if they will go straight from work into a nursing home. They are lifting people from their beds and on their feet for 12 hour shifts with no sick pay in private nursing homes. It is a disgrace and I wish they didn't have to do it but they have bills and mortgages to pay like everyone else.

I think the government should help people save money for their houses and retirement instead of charging people to save money. This is after punishing people telling them it was their fault they over extended themselves during the so called Celtic Tiger and then had to deal with austerity measures which hurt people. It stinks of hypocrisy.

Increasing the pension age also affects how many jobs there are for younger people. Youth unemployment is a huge problem and there should not be additional challenges brought in by increasing the pension age. Surely the mark of a civilised society is allowing their elderly population to age gracefully with respect and dignity.

Allowing some older people to sign on with relaxed activation measures is a complete cop out. They shouldn't have to do that. I know the pension is expensive but there are definitely some high pensions and salaries which could definitely be reduced if expense is a problem. Sure aren't we all in this together after all?

I say all of the above as a twenty seven year old Irish woman who had been working paying taxes since 2015. I am ashamed the government which is supposed to be acting on behalf of the people of Ireland has done this to our parents, grandparents, neighbours etc.

I hope you take this into account as social welfare is supposed to protect people and address problems associated with capitalism.

Kind regards,

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**Individual Submission 090**

**22/02/2021**

Thank you for the opportunity to contribute, I believe the option of waiting to retire until 70 is a retrograde step, Certainly in the public sector it should not be allowed, It is difficult enough for our young people gain meaningful employment without having to wait for older people to retire, I understand it is optional to stay until 70 or not but I believe that option should be removed and those working in the public sector should have compulsory retirement at age 65 or 66 at the latest. I believe this would lead to a more vibrant public sector , I know there is resentment at those who stay until they are 70 amongst younger staff members, Surely in a post Covid situation ( hopefully) we should embrace the opportunities that life outside work presents, Those who are fortunate to be healthy and well at 65/66 should retire gracefully , working until 70 is just wrong even if it is optional. Surely from a pension point of view there could be a system put in place to encourage normal retirement age of 65/66, Thank You.

Regards,

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