Individual Submission 091
22/02/2021

Hi

Further to your newspaper advertisements re the above I wish to make the following comments.

I will be 65 this June and heading for the old age pension in either June 2022 or June 2023. I am in receipt on a defined benefit employer pension that shields me somewhat from the date of my receipt of the old age pension.

Obviously I would prefer the old age pension to remain at age 66 rather than 67 from a purely personal viewpoint but recognise that the ever increasing costs of pensions must be funded somehow and that progress has to be made on this.

I consider the new "Benefit Payment for 65 year olds" is a good compromise in that it allows people to retire without having to sign on. I am in favour of people at age 65 not to have to mandatorily retire. However I do not think that they should be able to double dip - working and claiming a pension at age 65 and the new benefit covers this.

One of the biggest issues I feel with increasing the pension age is that the cutover date to the new age is very blunt i.e. if we are increasing to age 67 on 1st January 2022 then a person born on 31st December 1955 will receive the pension in December 2021 whereas a person born on 1st January 1956 will receive the pension in January 2023. I would like the commission to consider a gradual changeover to age 67. For example if we were to increase the age to 67 over say 6 years then in 2022 the pension age would remain at 66 until 31st October 2022 until 66 until 31st August 2023 and so forth until the age 67 is fully within a year (over 12 years would change to 30th November 2022 etc). This could then be extended to bring the age up to 68.

I feel that as we are likely to maintain the new Benefit Payment from age 65 until the actual retirement date then the cost of implementing the above will not be too onerous (the pension benefit of €248.30 per week versus the new benefit of €203.30 per week).

I am not in favour of reversing the pension age back to age 65 as I feel this is a retrograde step.

Consideration should also be given to those who wish to delay acceptance of the state pension beyond the age of granting pension (66 at present) and remaining in the workforce by giving them an actuarially increased pension at actual retirement date.

Please do not hesitate to contact me should you have any queries on the above

Thanking you

Individual Submission 092
22/02/2021

If an applicant has less than 520 class A contributions he/she has no option except to apply for SPNC. This pension is means tested and that is where the anomaly arises. In the calculation there is provision for a weekly Income Disregard. However the Income Disregard only applies to income from employment.

The following example illustrates the point . John and James are both aged 66,single and eligible for SPNC. John has a public sector work pension of €200 pw as only income. James has no work pension but has a part time job which pays €200 pw as only income. Under the present regulations James is entitled to the Income Disregard but John is not.

My calculation would show that, ceteris paribus ,John would be entitled to €67 pw SPNC whereas James would receive €237 pw SPNC. This contradicts the constitutional right of equal treatment for all citizens of the state.

This anomaly could be easily corrected by Ministerial Order ---in my humble opinion.

Signed
[redacted]
22February 2021

Individual Submission 093
22/02/2021

It's an absolute disgrace there is such a small difference in pensions between people who have worked and contributed all their lives,and life dolers.something should be done about it.The entire social welfare system is a joke,no wonder ireland is the land of milk and honey for people to come here and people who don't want to bother working and want to live off the tax of those who do work,but the negligible disparity in the old age pensions is disgraceful and doesn't incentivise working at all.Mandatory enrolment is the way forward,and if they want to opt out and live in poverty,that's their decision as mature adults.

Individual Submission 094
22/02/2021

Hi I would like to make it very clear, I for one, am not stupid enough to fall for the crap the government has spoon that there is no money in our pension pot. It's there just get the banks whom received it to be bailled out in 2008. That was my money and the other tax payers money you the government gave away to thy banks, which now pay no tax nore have they paid back the money which they received.
By the time I reach 65 years of age, I would have workedfor over 50 years. I have paid my taxes,
Which I may add I didn't have too. You or no one else have the right to change the pension age, which is stated in the 1919 constitution, which still stands to this day. If you denie my slef the right to collect my pension on my 65 ft birthday. I will take a case to the European court.
Also it should also be noted if any person hasn't paid into the pension fund shouldn't be intitled to collect any pension.
Kind regs [redacted]

Individual Submission 095
22/02/2021

By...Full Time Worker, Full P.R.S.I. Contributions..44 years service/ now retired

Full Contributions by above, and similar retired,should continue to get full State Pension, after all they have paid full stamp/P.R.S.I. Contributions towards their pensions,over the years. Don't keep telling them that "The Pension Pot" won't be able to sustain paying the State Pension, for an increasing number of people, who will be at Pension Age in the not too distant future.

Contributory Pensions should be paid pro rate, to able pensioners, who have less than an average of 20 P.R.S.I.Contributions yearly, when they come to retirement age.I.e. That group should only get no more than Half Pension, when they come to retirement age.

There should be no such thing as Non-Contributory Pensions for able people, except for Carers or people with Disabilities. If able people loose their job, they should reskill if necessary. There are plenty of opportunities nowadays for them.

You nead to advertise regularly on the T.V. and in the Papers that people must contribute towards their State Pension, by working and paying their P.R.S.I. Contributions, and if they dont contribute, there won't be any Pension for them.

There should be no such thing as "Credits" except for people who get Maternity/Parent Leave, Sick Leave, or some Special Leave.

We all know that Regina Doherty lost her seat, as she tried to reform the Pension Scheme etc. We must follow up on her proposals, and not be afraid to make these tough recommendations. In particular to increase Pension Age to 66, afterall we are living longer. So it makes sense.....

Hope you give serious consideration to my proposals, and show more respect to those people who worked full-time, for 40 years plus, and keep this country ticking over In Normal Times. We paid more than our share in P.R.S.I. and Taxes, over the years,and this Country would be 3rd World without them.

[redacted]

Individual Submission 096
23/02/2021

Hi,

I believe everyone should have an invested pension irrespective if they're earning or unemployed.

Clearly the current system is unsustainable and the public sector pension is likely to be unaffordable in the medium term. That is unfair to people being sold a reasonable income at the start of their careers.

Giving everyone an allowance to invest in a pension and making contributions mandatory for employers would improve financial literacy.

Theoretically a sum of 17,000 Euro invested from birth now would yield the average industrial wage at retirement age- for 1.6 times an annual state pension we could ensure everyone has a taxable average industrial wage in retirement. This is assuming an 8% annual return which is standard enough for equity markets.

Pensions other than state pensions should not be the preserve of the middle classes and upwards, we need everyone to be in a position to have the opportunity to invest for their future.

Social welfare I believe part of the weekly payment should go towards a pension fund as these people are most likely to have not made a provision.

It's a timebomb and the biggest issue facing the state.

Kind regards,

[redacted]

Submission 097
23/02/2021

Between 2015 and 2018, inclusive, the Irish government levied 2.4% of private pension funds. The pensions in payment were reduced but, perhaps of greater importance, funds invested to pay future pensions were also seized. The State ate the seed potatoes and pensioners for decades to come will be poorer as a result. This was the greatest confiscation of private property since the Irish Church Act of 1869 or, arguably, the Act for the Settling of Ireland in 1652 and, surprisingly, it met wil virtually no opposition and wasn't an issue in the subsequent election. In this respect, it conformed with Colbert's "art of taxation", the plucking of the goose in a way that causes the least hissing.

The point will not have been lost on the Department of Finance. Next time a minister for finance needs to find a few billion euro, he or she will doubtless be advised that pension funds could be "tapped" as minister Noonan did.

People should be encouraged to start pension funds but **the small print of every contract should contain a warning that the capital may be subject to State levies from time to time.**

Signed,

[redacted]

Submission 098
23/02/2021

To whom it may concern,
Please find below my submission regarding future arrangements for the state pension.
The main change that must be implemented regarding the state pension, is that eligibility must be the same for all citizens of the state.
Currently, public sector employees, on reaching their retirement age, are insulated from any increases in the eligible age for the State pension. Public sector employees that joined the service before 1995, have the state pension incorporated into their occupational pension and those that joined after 1995, will receive an interim supplementary pension, until the state pension kicks in at whatever age. This supplementary pension is the same value as the State contributory pension.
Increasing the state pension age has no consequences for public representatives, civil servants or public servants.
On the other hand, private sector employees that are forced to retire at 65, have to live on a Jobseekers' Benefit equivalent amount. This is because the transitionary pension was withdrawn in 2014, for all those outside the public sector.
Pensions are becoming very topical in my workplace, as we are an aging workforce and there is confusion and a lot of annoyance about this matter.
Two thirds of all private sector workers do not have an occupational pension. The state pension is all they will have to live on. Practically all full time public sector employees have an additional defined benefit type occupational pension, which is largely paid for by the tax-payer. There is no fund. The public sector also has an option to retire early, with full benefits once they have 40 years service completed. Some categories, such as the Gardai, prison officers and teachers can even retire earlier.
I realise that with an ageing population and greater life expectancy, changes must take place, to finance future liabilities, but the lowest paid sections, such as many in the private sector should not be made take the brunt of the pain. They can least afford it.
The vast majority of citizens do not mind playing their part, to reduce the pension burden on the state, but as taxpayers, payers of PRSI, USC etc. we all should all be treated the same when it comes to eligibility for our state pension. The current system is completely discriminatory and hits the pension poor in society hardest i.e. the private sector and their families, most of which do not have an occupational pension.
A second factor that has to change, is the continuation of a compulsory retirement age of 65 years which is a part of the contract of employment in most companies. The government must legislate to end this, as we are all now living longer. There is no point in the government increasing the state pension age and increasing the

compulsory retirement age for public servants to 70, while at the same time, continuing to recognise current contracts of employment in private companies.

Kind Regards,
[redacted]

Individual Submission 99
21/02/2021

[redacted]

19th February 2021

Submission to Pensions Commission

A Chara,

I welcome the opportunity to make a submission to this Commission and am doing so as worried 63 year old, in the hope that the Commission is honestly open to recommend meaningful change and not just institute certain current attitudes towards the State pension. It is sad to think that a citizen of my age has no idea whether or not they will b receipt of a State pension in 2023, 2024 or some year after that having worked in this country since I was 15 years old.

Popular Narratives

A growing popular narrative revolves around 'the national demographic of an aging population whose pensions will become an increasing financial burden on a younger workforce with consequent questions around sustainability and/or fairness of continuin the current scheme'. This is a disingenuous argument when not balanced by the fact tha the same workforce will have to provide for the cost of a sprawling civil service, a costly standard of health care, short term pensions schemes for Ministers, an expensive and necessarily independent judiciary, nationwide physical infrastructure and the list goes o seems pensioners alone are being targeted. What is more worrying is that the early utterances from the Commission spokesperson on national media appears to further perpetrate this narrative.

Demographics

The demographic that exists in Ireland today was predictable and noted by Sociological academics and economists as far back as the early 1990s and probably before. The flip s of the current argument is that Ireland then had the youngest population in Europe payi their taxes for a proportionally smaller pension age group. The biggest 'problem' with th perceived issue now is that successive governments and their advisors did little to addre one of the most long-term 'predictable' dilemmas of spending. Now it seems they want target a vulnerable section of the population to address this lack of foresight and planni

Targeting of a vulnerable group

Another widely articulated narrative and one that was again repeated by the Commission spokesperson in recent days is that the 'population of Ireland is living longer'. This is presented as a motivation to 'allow' those, bound by their contract to cease work at 65, to continue to work until they are 70. This particular rationale causes myself (and many others, some of them much younger than me) grave concerns. Rightly or wrongly, it implies that the intention of the government and the Commission is to move the age of eligibility of the State pension from the current grey period to 70 years.

Working up to 70 years old.

The idea of working until seventy year old has to be considered from 2 different perspectives. While the capacity to work until 70 and then pick up a State pension would suit the vast majority of sedentary civil servants and office workers, it would be grossly unfair to have to work as a labourer until that age. Is it expected that a construction employee will still be scaling scaffolding in the middle of winter carrying heavy loads at the age of 70? Do we expect a Gard a to face down a gang of thugs in a dark alleyway at the ripe old age of 3 score and 10? Are members of the Naval Service who have to jump from small vessels onto suspected drug trafficking vessels in the hostile environment of the North Atlantic weather expected to be still doing it at 70 years of age? It would be interesting to find out if Irelands labouring classes are living longer? Or perhaps the whole population is living longer because of the retirement age of 65?

Job Vacancies and costs to the State

Another splitting of perspective is required when one is considering those that are paid by the State and those in the private. The challenge seldom addressed is that if civil servants and others remain on in employment until 70 years of age, then there will be an initial 5 year period in which school leavers and others would have no vacant jobs in the civil service to take up. In such cases the State will be paying full wages instead of a pension so costing the taxpayer even more. It is self-evident to me that anybody in a warm comfortable office, if offered the option to remain on in work on full wages for another 5 years rather than take a reduced pension income will opt for the former. If this provision is introduced for people who are being paid by the State, where is the saving? The reality is that such a development will cost more, not less.

I believe that changing the pension eligibility age is grossly unfair to anybody aged 55 or over. If there are changes initiated, they should be done over a 20 year timeframe. Coming up to retirement age is difficult enough already without adding uncertainty and changing the goalposts with each successive Administration. The people in this age group are a segment of the population who have paid taxes all their lives for the provision of pensions for their elders, who in many cases did not have the luxury of further education as they-were already working as early as 15 years. They suffered interest rates on loans up to 18 or 20 percent, they suffered austerity measures through several economic slumps, they had employment security threatened. Now it seems the Commission and the State want to put off their pension eligibility date.

Current Voluntary Contributions

Much is made today of the tax incentive for money invested for pension purposes by those who do so from their pay/salary. Although 20% of the accrued amount can be drawn down tax-free, the rest of the money is fully taxed. This really diminishes the incentive for people to go voluntarily into pension savings schemes as the impression is 'don't pay the tax now but revenue will collect it later'.

In Conclusion

I do not accept the sustainability argument. Keeping civil servants at work until they are 70 will cost the State more, not less money. Every single demand on the economy is set to grow (especially the public and civil service wage bill). The Commission should detract from targeting those of pensionable age as being some sort of 'burden' on the youth.

Advocating pensions as being a burden on the youth is unfair and disingenuous.

Recommendations:

1. Outdoor workers, labourers, public servants, self-employed, manual labourers, and others in the private sector should maintain the right to a State pension at 65 years.
2. Civil Servants and those in State employment sedentary jobs, if opting to stay at work until 70 years should go onto a scale of pay equivalent to the State pension.
3. A system of mandatory pension contributions should be funnelled into a defined budget that is only used for pensions. This would cushion the economic impact of future pensions.
4. Additional pension contributions made by workers should have a minimum of 50% tax free status when it comes to drawing it down.

Is Mise Le Meas,

[redacted]

Individual Submission 100
25/02/2021

[redacted]
19th February 2021

Submission to Pensions Commission

Hi,
I would like to plead with the Commission not to recommend moving the pension age from the current 66 years. I am 62 this year and one of my biggest worries is about my financial wellbeing going into retirement age. A 70 year eligibility age is far too much for me.

Yours faithfully,
[redacted]

Individual Submission 101
24/02/2021

Sir/madam,
I will be forced to retire age 60 from the prison service with 21 years service in 7 years time. I would like to continue working as I like my job. I am very fit, still able to run sub 3 hours marathon time and will expect to be able to do so at age 60, therefore physically I will be as fit as, if not fitter than most new recruits, meaning the only impediment to my continuing to work would my age, surely if I can complete the physical examination required of a new recruit I should be allowed to continue working.
Hoping my views are taken into consideration
Regards [redacted]

Individual Submission 102
24/02/2021

Hello Pension Commission

I am due to retire in July of this year on my 65th birthday.
I heard on the radio that the commission is interested in submissions from ordinary workers like me, and I have read most of the information on your website.

Here is my pension story,
I have been working since I was fifteen,
I was made redundant at 30 from a company that had a pension scheme with both employer and employee contributions, and because I was under 32 my contributions were returned to me and I lost any claim on the employer contributions.
My next employer did not have a pension scheme. So I set up my own through my bank which I have been paying into for over 35 years, My first year of contributions went on set up fees.
In my fifties the company I was working for introduced a pension scheme which I joined and again my first year of contributions went on set up fees. I was made redundant from this company about 4 to 5 after joining the pension scheme. I will be able to collect this pension when I retire, But I was not allowed to contribute to the scheme since leaving the company nor transfer the funds into my personal pension. While I was a member of this scheme I was obliged to reduce my payments to my personal pension which I was then not allowed to increase because of the economic crash of 2008.

I work in horticulture. It is a physically demanding, low paid job but I really enjoy the job. . It keeps me fit and well but I am finding the 40 hour week increasing difficult. I would like to continue working for another couple of years but my contract requires me to retire at 65.
All during my working life I was given to believe by the state that I would receive my state pension at 65 and that I would have to retire at 65. It is very unfair that a couple of years before I am due to retire the rules change giving me no time to retrain or make alternative plans.
It is unjust and **morally wrong** that the decision makers of this county can legislate that I do not receive my state pension until I am 66 when some of them can receive their pension (which is paid from state funds) at 50. Why are there two different rules !! (just a statement)

These are my thoughts based on the my experiences

In the short term

Abolish the retirement age - ie Private and public companies and employers should not require their employees to retire at 65

Employers encouraged/required to support employees have a lead into retirement,

an option for employees to move into or retrain in less demanding roles

the option for reduced hours in the year/s before retirement with a state subsidy for those on low pay

In the long term I think the government should consider the Australian Pension Model,

a minimum percentage of your salary is paid into a pension scheme

one set of "set up" fees,

pension follows you from job to job and during periods of unemployment, maternity leave etc,

employer has option to contribute,

social welfare makes a contribution when you are on benefits

person can make additional contributions

the scheme is mandatory for everyone in this country, all employees, private sector and public sector etc.

no mandatory retirement age basically when there is enough in your pension pot one can retire

Regards

[redacted]

Individual Submission 103
24/02/2021

In my opinion the State pension needs to be paid at age 65 and if government want to increase that age, give more lead in time. If people want to continue working beyond 65, allow that but perhaps with a more enhanced pension at the end.
50 + years is quite a long time to be in the work force and these particular cohort of people deserve some time to enjoy their retirement, wouldn't we be a very selfish society if we were to begrudge them that

Individual Submission 104
24/02/2021

Hi as a local Authority employee working in a manual labour job, I feel the right to retire at 60 years of age is still relevant, outside all year in all weathers and doing heavy work leads to various musculoskeletal disorders earlier than office based or other semi outside jobs, such as delivery drivers, to work on until late 60s or 70 years old with such conditions should be an option to choose from, not be forced upon front line workers.
Thank you.
[redacted]

Individual Submission 105
25/02/2021

Dear Pensions Commission,

I wish to submit https://medium.com/illumination/crypto-for-pensions-8f8b70148647

As an article for consideration as part of your public consultation process on the future of Irish pensions.

Given how the European Central Bank of currently recruiting for a digital currencies expert it is clear that some aspect of the future of money and funding will be from a digital currency.

https://talent.ecb.europa.eu/careers/JobDetail/Market-Infrastructure-Specialist-digital-euro/3117

Thank you for your efforts on this important matter of public policy.

Kind regards

[redacted]

Individual Submission 106
25/02/2021

As a person reaching pension age I have a number of concerns which may seem selfish but which I believe must be considered if changes are to be made.
Before going through any "Questions to Consider" the first thing that needs to be mentioned is that the Burden must be shared between both Public and private sector. This should include the following:

Lump sums to Public Sector – As it is these are excessive

As the Public sector pensions are by and large defined contribution , adequate contributions must be made by the members

Retiring age must be equal for both public and private sector

All entrants to workforce Must join a pension scheme immediately on taking up employment and employer must make a contribution

Expectations from State Pension

For Private Sector employees who do not have a private pension (I believe that is 40%) the State pension will leave many on the poverty line. As an example costs that are essential before receiving a penny from the state include:

Health Insurance	- €1000
Heating -	- €1500
Home Insurance	- €500
Property Tax	- €300
General Maintenance	- €300
Motor & Transport	- €1800
TV Licence	- €180
Total Non Optional	-€5580

Balance to meet all other expenditure €7420 (€142 per week)

This is considerably less than the current minimum wage .

Whats Working

I am not familiar with the process for application but I do believe it can take time . People who are retiring should have access to their pension within 1 month. This requires that the process for application commences prior to reaching the pensionable date.
Pension if not already happening should be paid directly to the pensioneers bank account. Any other entitlements should be made without delay. The Dept of social welfare appear to act in an adversary manner in all instances.

Long Term Carers.

Long Term carers are providing an invaluable service to the state and in my opinion they should be treated in a similar manner to Nurses etc.

Policy/Provision changes
Private Pensions should be mandatory and Employers must make a contribution
State Pension contributions might start low and increase as employee gets older
Retirement age must be the same for everybody. Legislation may be required to override contracts requiring retirement at 65
A phased retirement would be an ideal system to adopt where from 65 an individual might reduce their working hours from 39 hours per week to zero hours when they reach 70. The state would need to support from 20% in yr 1 to 100% in year 6
People opting to work beyond retirement age should be so allowed but would not be required to contribute to their pension unless they are able to enhance the state pension
Financing the gap – This is a difficult one. As a person who has contributed to their pension for many years to give them a lesser amount because of change in legislation seems unfair. Those forced to retire due to employment contracts should receive their pension requirement. I believe that this happens in the public sector.

Sustainable reform can only be achieved if pensions are applied equally between private and public sector. By not doing this we end up with a number of types of pensioners . these include
Public Sector whose pensions are guaranteed
Private Sector with State Pension and private pension
Private Sector with state pension only.
The third group which is a substantial portion of the population will struggle to survive. This can only be resolves if the first two groups are prepared to surrender a portion of their entitlement.

Regards

[redacted]

Individual Submission 107
25/02/2021

Public service pensions will Never be affected by state of finances State guaranteed and index linked for life Really a free pension to beneficiaries as contributions paid are handed back in form of taxfree lump sum on retirement then 50% of final salary till death Private pensions No lump sum or guarantees (stock market dependant/ volatile) Fact is civil servants make up the rules and State OAP will be first to be reduced in event of financial crisis It will take a revoulution to change anything and at present the effort to challenge the imbalance in the courts will FAIL Do you honestly think the judiciary would allow any change in their superior pension (i wont use the word entitlement) Country is facing into a tsunami of unrest over this issue of absolute inequality All citizens must be treated equally At present Public servants pensions (which politicians have convienently aligned themselves with) are simply not sustainable I DONT EXPECT THIS COMMISSION TO CHANGE ANYTHING EVEN THOUGH YOU KNOW THE MORAL SOLOUTIONS

Individual Submission 108
26/02/2021

Hello,

In response to a facebook ad I am submitting my suggestion for sustainable pensions for future Irish generations.

I fear these suggestions will be disregarded, as they are not socialist in nature but I thought id have my say.

Generally discontinue being involved in state pensions. How? see below.

1. Reduced income tax - Stop stealing 40% of peoples earnings so they may prepare adequately for their own future.

2. Eliminate CGT - allow people to retain profits from investments. 1280 CGT annual exemption is laughable. Or at least look at CGT models in Canada and US for inspiration.

3. Eliminate CAT - allow people to help one another freely without government theft. As an example - Should I wish to give a good friend 30k to help buy a house. 30k which has already been taxed - why should 27k of that be subject to further taxation because it is being transferred from one person to another?

4. Eliminate all forms of inheritance or intra family taxation - See above. Also, specifically to pensions, if families are permitted to acquire wealth across generations we foster a society where the need for state pensions diminishes (that is a good thing). It also means elder generations in families can be more robustly supported without the need for incompetent government/failing HSE.

5. Eliminate property tax - See all above. Permit people to prepare for their future as they see fit. No body should pay rent to an incompetent government on property they have purchased.

6. All forms of tuition/educational loans should be paid back before income tax is stolen from pay. See Canada for inspiration. By doing this we permit people to pursue economically meaningful endeavours using free market tools, without the burden of needless govt theft prior to fulfilling useful personal obligations.

7. Teach basic financial literacy in the Junior Cert cycle.

8. Promote problem solving based tax incentive model for multinationals and domestic businesses. IE if that business solves a societal problem, no tax paid on the profits. This lets the free market solve problems the govt cannot/ will not.

9. Streamline/relax local planning rules. Allow housing to be built faster and more efficiently to increase supply, reducing burden on current housing waiting lists etc. This in concert with above will foster a generally more productive society, less dependant on DSPetc.

10. Abandon all form of socialism, consider any govt policy etc which limits personal freedom or pursuit of wealth a problem. Then discontinue said problem.

11. Abandon EUTWD - if people want to work 80 hours a week, that is their prerogative. Permit people to earn as they see fit.

12. VERY important - decouple for the cycle of deficit spending we are forced to engage in as a province of the EU. Every time brussels prints money, the money people earn becomes less valuable. When money earned is less valuable, when they get older they cannot provide for themselves. This point may require reevaluating our position in the euro single currency zone. Or telling burssels to stop printing money......but they wont do that, will they?!

13. All members of government should have crash course in basic financial and economical literacy, Thomas Sowells, "Basic Economics" would be a great place to start.

These may all seem like radical proposals, but in the long run they are better. We dont need state pensions, so long as people are free to provide for themselves.

[redacted] disenfranchised citizen

Individual Submission 109
28/02/2021

Hi,

Legislation should be introduced to legally match the "normal retirement age" with the age at which one becomes entitled to the contributory OAP.
This legislation would override any condition in a contract of employment obliging a person to retire at an earlier age except under specific exceptional conditions which would be specified in the act (or subsequently by Ministerial Order).
A person could always choose to retire earlier but would do so in the clear knowledge that he/she would not get the OAP until reaching the qualifying age. The employer should be obliged to inform the employee in writing of these consequences.

Good luck with your work.

[redacted]

Individual Submission 110
28/02/2021

Dear Ms Josephine Feehily

Thank you for the reply to my last letter. You were talking on the radio about a work/balance in life . Well after thinking about the age for the state pension the last few weeks, 65 should be the age when people get the state pension. Some people are after working 40 to 45 years to reach this age. It is long enough to work. I work in a hospital and I see how many people died between the ages of 65 and 70 every day

How do we pay for it?
Well we could reduce by 20 to 30 percent all the super-duper defined benefit public pensions in Ireland. As I am said in my last letter, a tax on everyone right across the board would go a long way to letting people retire at 65.

Thanking you sincerely,

[redacted]

Individual Submission 111
28/02/2021

I wish to highlight a particular difficulty as a consequence of the 2012 changes to State Contributory Pension calculations. I was the [redacted] for *eircom* up to 2010 and as part of staff rationalisation programmes, exit packages were agreed with Revenue and Unions and implemented nationally across the Networks workforce. Many staff subsequently availed of these packages, particularly people in their late 50s.

The staff in P&T up to 1984, then in Telecom Eireann to 1999 ... and next in *eircom*, all paid WOPS, B1, D1 and D contributions – all Non Reckonable for State Contributory Pension. For an initial period of training of up to four years after recruitment, ORD Paid Contributions were put up for staff. A key part of all the exit packages in the years prior to 2012, were the options to put up 260 Reckonable Paid Contributions for eligibility for the State Contributory Pension, through other employment. My Management Team across the country, outlined these options to our staff and emphasised the potential benefits to put up sufficient reckonable contributions for the State Pension.

Then the 2012 legislation doubled the qualifying number of contributions to 520 ... and introduced the yearly average calculation. When this was applied to our former staff, some were then unable to meet the required number due to their age. Also when the averaging calculation method was applied, the average was always low due to the time the initial ORD Contributions were paid when staff were 18/19 years old at recruitment. As these staff were in the late 50s at time of exit, they did not have the opportunity to put up adequate qualifying Contributions. Despite the key circumstance of qualifying prior to 2012 on making the decision to exit, most did not subsequently qualify for the State Contributory Pension. This scenario may also apply to staff leaving other Government Departments prior to 2012.

This is an opportunity to address this situation and I request the Pension Commission to undertake this exercise and right the wrong that was done to many people through the 2012 Pension legislation.

Thanks for your attention.

Regards,

[redacted]

Individual Submission 112
28/02/2021

Dear Committee,
I am writing to suggest a possible contender for pension sustainability.
With the current retirement age being such a hot topic for those approaching the age of 65, particularly for those who are contractually obliged to retire at that age, something must be done that will keep the individual and industry happy, whilst at the same time actively sustaining the long term pension pot.
Many people in this category simply do not want to retire, my own mother included. She is contractually obliged to stop working next year against her desire to continue, which I suspect, in the not too distant future, will likely raise discriminatory issues for some. Following the 2007 CJEU case of Felix Palacios, compulsory retirement ages set by law were held to be discriminatory, however they could be objectively justified. I suspect that objective justification is a threshold that cannot be met by many employers.
One potential remedy is to introduce an optional phased retirement scheme, whereby a person could retire at 65 and be entitled to the pension, and those that do not want to retire at 65, can continue to work. For every year worked after the age of 65, this will increase their weekly pension upon retirement by €10 per week, which will be capped at age 70. This will essentially mean that those that continue to work until up to 70 will continue to contribute their tax contributions in addition to the State saving on pension payments.
For example, for a person that continues working until the age of 70, this will result in 5 years pension savings by the state, which will equate to approximately €64,500 per person. The additional €50 per week that will be added to their pension upon retirement will amount to €2600 per year. When considering the current life expectancy for men is 80 years and 83 years for women, the State will save approximately €38,500 and €30,700 respectively.
As it is an interesting, incentivising and purely optional system, it may achieve the desired sustainability and keep all sides happy..

Kindest Regards
[redacted]

Individual Submission 113
03/03/2021

I am amongst the lucky group of people that are currently in receipt of a State Pension so I am vested in having a robust and sustainable pension system.

Contributory pensions are one of the longest and most important forms of savings an individual will make in their lifetime to provide for a basic retirement. It is worth noting that the state pension is currently well below the minimum wage level.

It is important therefore that any change to the pension system has an equally long lead time to allow people to adjust their pension and retirement arrangements over many years. Tapering in of new arrangements should sit side by side with maintaining the legacy system for a period of many years to ensure fairness and to not suddenly disadvantage any group in the run up to retirement. This is particularly relevant in these Covid years where people will not have time or perhaps employment on their side to adapt to any sudden pension changes.

I would also like to suggest that the financial viability model that identified the need for state pension change be revisited to reflect the impact of Covid which has lowered the life expectancy rates in Ireland (along with most other countries). It would seem that the state finances will be under less pension stress in the short to medium term as so many of us of pension age have succumbed to Covid-19.

Please do not publish my details.

Individual Submission 114
01/03/2021

Good evening.
I am 70 years old and married last January..
My contributory pension was 198 per week..
This has now dropped by 18e to 180e as I have lost my living alone allowance..
I think the system is very unfair as I worked in a family business for nearly 21 years..
unknown to me no psri payments were made..
Subsequently my pension was affected..

Thanks again for letting me voice my anger.

Regards
[redacted]

Individual Submission 115
01/03/2021

As someone born in 1961 I would have been pushed out to age 68 to receive the State Pension

.I have been working since 1979 so would have worked 50 years at that stage.

I can see from the list on the site that nearly all the people who will decide or make recommendations to change or not the Pension age are public Reps. who will qualify for their pension without question.

As a Financial Advisor I am very aware how expensive pensions , both private and public, have become, due to low interest rates and low government bond yields.

The Demographics are changing and less people will be working to service the Pension liabilities.

The challenge in the future will be to attract outsiders to settle in Ireland as our birth rate will not meet labour shortages, our tax income will be reduced.

Rather than turn Public/Private workers against each other we should look at funding the shortfall.

I am not political in any way but in the last election when Sinn Fein made the retirement age an issue and it got a lot of traction, similar to the housing problem it showed there were listening to people and trying to put it on the table.

In a country where pay rises for politicians and public servants will always be paid regardless of the overall budgets "fairness" must be the quality that you as a Commission must display.

When Insurance Companies[too many to list] went to the wall, levies were introduced to help and were never removed.

USC was a temporary charge but looks like it will last a long time.

A recent interview with an Economist from SIPTU said that if tax relief for higher earners was reduced the cost of leaving the pension age at 66 would be cost neutral

Even if this was 50% correct, plus so type of levy on all people on Pension already, e.g 2% on all ARFs over 300,000 and 2% on all public service pensions over 30,000 P.A

Auto Enrollment will be kicked down the road due to Covid and Governments lack of urgency,

Even the figures mentioned when it starts are tiny and will provide very small pension pots and income

When you hear social commentators giving examples of people starting work at 14/15 this is headline rubbish ,if people didn't go to 3rd level most started work at 17/18/19

If they went into Public Service by 59 they would have their 40/80ths and 50 % pension for life.

Private workers would have to work until 66 to receive the State Pension.

Now the Government wants to extend this to 68, the biggest cost in the overall pension liability is to service the Public Service.

I am aware that recent appointees do not have the same benefits as before. e.g Teachers, Garda

Now with a Government spending large amounts to support Businesses and working people through Covid funding at low or minus interest rates[from Europe] the Pension age cannot be pushed aside and use Covid payouts as the excuse given.

Why should some citizens work 10 years longer to help support an expensive system which present and past governments have ignored.

I remember going to a conference 15/20 years ago and this was highlighted in our industry and in government circles .

Governments continued with increases for political advantage , knowing the liability they were building.

They also knew they would never be affected in a personal nature.

Also the Senior Civil Servants who run the country watched by as again they would not be losing anything in retirement

So my recommendation is to leave the age at 66 and look at ways of funding for the future.

Leave the politics and reward people who have worked for at least 40 years, if governments ignored advice from Economic Advisors why should people who paid in to the fund for so long be penalised

[redacted]
Financial Advisor 40 years
[redacted]

Individual Submission 116
01/03/2021

Dear Pensions Commission,

Having read the “Have your say on sustainable State Pensions into the future” document, my view remains that the state pension is incredibly important and increased spending on pensions is preferable to increase spending on other areas such as social housing and social welfare.
My view is that the state pension should be equal for everyone in starting age, gender and quantity, regardless of circumstance. This means that if citizens get their pension at 66, the same should apply to TDs and ministers. TDs that do not get re-elected should not be rewarded with an early pension.

To specifically address the questions raised:

What do you expect from State Pensions? I expect it to be a form of social protection and form of gratitude and recognition from the state for a lifetime of working and paying taxes.

Individual Submission 117
02/03/2021

A Chara,

Attached please find (1) my Submission to the Pensions Commission, (2) an Appendix to this Submission and (3) a Summary of the Main Points made in my Submission.

I would be most grateful if you could acknowledge receipt of these and confirm that you have been able to access all the three items that are attached.

With best wishes,

[redacted]

A SUBMISSION TO THE PENSIONS COMMISSION, February 28, 2021

By [redacted], a Pensioner; an Economist who worked as a Researcher and later Equality Officer in [redacted] (1973 to 1990) and [redacted] (1990 to 2008), mainly on economic and social policy, employment and equality law, tax and social welfare issues, the negotiation of pension schemes, as well as national pensions policy. Represented the [redacted] for many years on the [redacted] and other bodies such as the [redacted] Served for 2.5 years as Special Advisor to the Minister [redacted]. Still writes occasionally about pensions – e.g. see Appendix 1, a response to Budget 2021 published in the [redacted] Newsletter, Nov. 2020, indicating major concerns about future pensioners and suggesting various actions.

INTRODUCTION

The establishment of the Pensions Commission in November 2020 is most welcome and the questions it has posed for consideration are extremely relevant to the development of Ireland's pension system. This submission aims to address most of these questions, and a few others; and avoids the inclusion of detailed statistical and other information, in the belief that some of this may need to be updated.

WHAT DO I EXPECT FROM STATE PENSIONS?

Like most people, I expect **equity, adequacy, clarity and certainty,** but appreciate that these are not easy to combine and achieve, especially if some **flexibility** is also desired. In recent years, especially, many future pensioners have been upset by the lack of clarity and certainty around such issues as the State Pension Age (SPA); and for many years workers and pensioners alike have had doubts about the equity of eligibility requirements (particularly for certain types of workers) and the adequacy of the State Pensions in relation to average pre-retirement earnings.

Also, and equally difficult to achieve, is flexibility as regards the State Pension (SP). Without even trying to take account of the effects of the pandemic, it's clear that the nature of Ireland's workforce has changed considerably, especially in the last decade or so. There is far more precarious employment, part-time and short-term contract work, interspersed with periods of unemployment or unpaid leave; and there's more care work and home working. There are also many migrant workers, some employed in important industries but not included for PRSI contributions and benefits. Equity must involve the inclusion of all workers who are contributing to our economy and society, in whatever way; and our system must be flexible enough to ensure this. (For example, the inclusion of certain writers, artists, actors, taxi-drivers and others, often defined as 'self-employed' but not insured by PRSI, should also be considered.)

Some workers are retiring earlier, by choice or necessity; others may wish to work for longer, for various reasons, but may be prevented from doing so by rigid employment contracts requiring retirement at a fixed age. Not everyone now works in the public sector all their life; and not everyone is in a 'permanent and pensionable' job for 40 years. Not by any means. And nowadays, flexibility is also needed in relation to the very definitions of paid work and insurable employment.

All this would seem to give rise to a pressing need for retirement age flexibility in the labour market, combined with an element of flexibility around the qualifying conditions for the State Pension, as the SP Age itself cannot be made flexible to the same extent.

For example, if the SPA were to be set at 66 and most employers were obliged by law to set their Normal Retirement Age (NRA) at a minimum of 66, except in specific circumstances (such as by reference to the demands of the particular occupation), then a degree of flexibility could be introduced into the state system. People with a certain level of occupational pension could be allowed to draw their State Pension early, at a reduced level, provided this did not leave them with a total income too low to maintain them adequately in later years. Similarly, people without adequate PRSI contributions for a full State Pension at 66 could be allowed to work on past that age (if that were feasible) and augment their PRSI contributions until they qualified for a higher SP (to a maximum of the full SP).

This type of flexibility could surely be built into the state pension system, providing greater equity and security for many people, without endangering the certainty that should also exist in relation to the State Pension Age. But the relevant changes are needed in the private sector so as to achieve this.

INCLUDING ALL CARERS

Recent changes have helped to enable many carers to get a Contributory State Pension (SPC), by allowing for up to 20 years of Home Caring to be included in the calculation of their payment. The full adoption of the Total Contributions Approach will presumably be helpful as well, in many cases.

However, it will be important to identify those carers who may have spent many years providing care for adult and/or child dependents but may not be aware of the new provisions or the possibility of qualifying for a SPC in their own right as a care worker. Only when equitable parameters have been agreed and set will it be possible to calculate the likely additional costs of including this group, i.e. the additional cost to the Exchequer, over and above the cost of any social welfare payments they may already be receiving (and also taking into account any social insurance contributions they may be required to make).

Attention must be also be given to the inclusion of any other groups, such as certain migrant workers, who are currently excluded from coverage for PRSI contributions and benefits.

KEYS TO SUSTAINABILITY

In my view, the keys to sustainability of the Contributory State Pension (SPC) are **accurate costing and an element of funding**; and an appropriate degree of flexibility could help to reduce costs somewhat.

Raising the SP Age is not the answer, for several reasons. First, the savings are not substantial, as the government is committed to paying people a Benefit during the 'gap year' (or years), albeit at a somewhat lower rate than that which people entitled to the full pension would be paid. This then introduces an inequity between those who have paid full contributions vis-a-vis those who have paid lower levels of contributions, effectively penalising those who have paid more contributions.

Costing the SPC accurately should be done on the basis of paying people the Benefit during any gap year(s) on the basis of the contributions made to that point and the pension payment to which they would have been entitled at that point, subject to a reasonable minimum. And this cost could of course be greatly reduced by enabling more people to work beyond the age of 65 so that for these people, there would be no necessary gap.

The introduction of flexibility in relation to the age at which the State Pension is payable in particular cases could reduce costs somewhat, although this is obviously hard to calculate. For example, if someone who was willing and able to work beyond the SP Age and could continue to pay PRSI contributions, in order to defer and augment their SPC (to a maximum of the full amount), this could be of benefit to the state, the worker and the employer (if any). Conversely, if someone wished to take their SP early, at an actuarially reduced rate, this could be advantageous to all concerned (although there would have to be certainty that this would not leave them on an unacceptably low income and at risk of poverty in their later years).

At best, flexibility around the SP Age could reduce the cost of the SP somewhat; at worst, it would be cost-neutral for the state. But for many individuals, it could be of benefit; and the question of greater flexibility around retirement ages and the option to continue paying PRSI contributions beyond the age of 65 has already been under discussion in several circles. In 2017 the Citizens' Assembly voted by a large majority to abolish the mandatory retirement age and to address the anomaly whereby people forced to retire at 65 had to wait until 66 to receive their SP. And in 2018 legislation was passed which amended the rules applying to most public servants, increasing their compulsory retirement age from 65 to 70.

In the private sector, however, the rigidity remains; by and large, a compulsory retirement age of 65 remains in very many employment contracts. Attempts by trade unions and others to change this through negotiation have been largely unsuccessful; however, many cases have been taken under the Employment Equality legislation, on the grounds that it constitutes age discrimination, and some of these have succeeded where the employer was unable to defend their position on the basis of 'objective justification'. What seems to be needed here is a reversal of the present situation, so that a fixed retirement age below the SPA is deemed illegal in all cases, except where there is clear 'objective justification', e.g. by reference to the particular type of work, or some other 'objective justification'.

This would of course have major implications for a lot of occupational and private pension schemes, as most are geared to providing a full pension at a particular age and/or length of service, but the necessary adjustments would not be too difficult to make if a general commitment to better national pension arrangements can be secured.

COSTING AND FUNDING; SUSTAINABILITY AND SOLIDARITY

The cost of State Pensions has been linked, I believe over-simplistically, to the fact that today's pensioners are living longer and healthier lives than previous generations and that longevity in increasing. Leaving aside the recent sharp increase of deaths among older people, due to the pandemic, and the separate issue of the increasing healthcare, homecare and institutional care costs which arise in some cases, the fact that many older people, beyond the traditional age of retirement, are willing, able and keen to keep working, whether on a paid or unpaid basis, whether full-time or part-time, whether in their former occupation or a different one, is still too often overlooked. The benefits to society as a whole, whether fiscal, economic, social – or all three - are rarely appreciated or assessed, despite considerable concrete as well as anecdotal evidence.

The true cost of the SP must therefore be calculated on a much broader basis than hitherto, taking account of the benefits, both actual and potential, of greater longevity and the contributions that older people could make in a more flexible work environment.

Nevertheless, however this cost is calculated, the fact remains that it is very substantial, especially if we are to ever achieve the long-standing objective, of trade unions and others, of a State Pension that bears a reasonable relationship to average earnings in society as a whole. This raises the question of whether it can continue to be funded on an entirely pay-as-you-go (PAYG) basis, or whether an element of longer-term funding is desirable.

This issue was considered in detail in a 1998 Report by the former Pensions Board (the National Pensions Policy Initiative, or NPPI), in which I was involved. In the course of analysing the predictable future difficulties facing the financing of the Social Insurance Fund, we considered the likely demographic trends over the following 30 years and the likely increases in SPC costs. The figures that stood out from this were that by 2025, the cost of the SPC would rise from 4% of GNP to 8%, even if the amount of the pension were to remain essentially static, as a proportion of average earnings. And this was why NPPI recommended the early establishment of a National Pensions Reserve Fund (NPRF) which would build up steadily until by 2025 it would be capable of smoothing out that big increase in costs that was predicted back in the late 1990s.

In 2001, the NPRF was set up, partly for this purpose and partly to satisfy the demand of another working group in which I was involved – the Public Service Pensions Commission – which had recommended, inter alia, that an element of funding be introduced into the public service pension arrangements. (In fact, the two recommendations were very different and made for different purposes, but they were rolled into one fund and the distinctions were not clearly made at the time, which caused a certain amount of confusion. Many people believed that the NPRF was just to further enhance public service pensions, wrongly viewed as already adequate, even over-generous; others believed that the PAYG system for the SPC was fine and did not need enhancement.)

Thus when the NPRF was raided to bail out the banks during the 2008-2011 crisis, few tears were shed and no real attempt was made to build it up again so that it could fullfil its original purpose in the mid-2020s. What was left of it became the Strategic Investment Fund and this was then watered down into the so-called 'Rainy Day Fund', most of which has now been used up in the context of the 2021 'pandemic budget'. Meanwhile, there has been little or no mention of the looming increase in pension costs which haven't gone away and still face us in the 2020s and beyond.

At this stage, there is a greater need than ever for urgent action to address these costs; and the necessity to establish a new National Pensions Reserve Fund would seem to be more pressing than ever. Moreover, the timing could hardly be better, with cost of borrowing money exceptionally cheap and the huge savings made by so many households during the pandemic, estimated at up to €14 billion at present. There should also be a possibility of some contribution from the banks at some stage – not only because this could be validly seen as 'payback time', with their reasonably good health largely due to those 'borrowings' from future pensioners that were never repaid, but because this would also be a worthwhile investment from several points of view.

Low interest rates will not last long: some forecasts are for increases in the next 2 or 3 years, perhaps even sooner. And many people are wondering about the wisdom of keeping their savings in banks and credit unions that are charging them for the privilege (and in some cases closing local facilities or withdrawing altogether). If the government would take the plunge now and borrow to restart the National Pensions Reserve Fund, it's likely that many people with savings would invest them in that Fund, even for a relatively low, long-term return, especially if their money were seen to be safely invested in sustainable industries – such as horticulture, forestry, wind energy and just transition measures in relation to climate change.

Even if such a fund were unable to build up sufficiently by the mid-20s to finance a large part of the increase in pension costs facing us at that time (although work is needed to establish when exactly the 'bulge' is now likely to occur), its establishment could be of major psychological as well as financial benefit to future pensioners who are currently being bombarded with ominous-sounding noises about future pensions.

Some of the present commentary about 'inter-generational solidarity' implies that the younger generations of workers are financing the pensions of older, retired workers and that this 'burden' is only going to increase in the future. So there is talk about the danger of inter-generational solidarity breaking down as that 'burden' gets even greater; and younger workers starting to resent 'paying for older generations'. But of course the retired workers on the SPC paid the full amount of the required PRSI contributions when they were working, so as to help pay for the pensions of those already retired.

The fact that for demographic reasons, these contributions may no longer be adequate, in the future, to cover the rising costs on a PAYG basis, points to two obvious solutions. One is to **increase the level of PRSI contributions**, made by employers and/or employees and/or the self-employed and/or the state – or a combination of some of all of these. The other is to **introduce an element of funding**. I would think that both are needed.

Also needed, in order to maintain and increase inter-generational solidarity, is clearer presentation and explanation of how pensions are financed, whether state pensions or those in the public, private or voluntary sectors.

THE URGENCY OF AUTO-ENROLMENT

Although this may be seen as outside the scope of the present Pensions Commission, it seems to me to be relevant to the development of a more integrated national pensions policy, in which the financing of all types of pensions, including the State Pension, is viewed in a connected way with the dual objectives of (a) ensuring that the entire population is guaranteed an adequate income in their later years and (b) those that have been able to secure a higher-than-basic level of income during their working lives are able to maintain a reasonable proportion of this during retirement.

The first of these objectives involve changes of the kind (mostly) discussed already. It requires a social insurance system that is sufficiently well-funded to ensure that the rate of SPC is at a reasonable level by comparison with peoples' average pre-retirement earnings. It also requires that the non-contributory pension, funded entirely by the state through general taxation, is adequate as well, despite being lower than the SPC.

Fulfilling the second objective means that people must also be able to augment their SPC by other means, generally by contributing to an occupational or private/personal pension. In my view, it is important that the state encourages and facilitates this, as even if the SPC were to reach the (perhaps unrealistic) target of 50% of average industrial earnings, most workers who earn around or in excess of the average would wish for a retirement income greater than half of this amount.

The current tax incentive for people to contribute towards an occupational or private pension (tax relief on their contributions, at their marginal rate of tax) is very favorable towards lower and middle-income workers, who may enter the higher rate of tax at relatively low levels of earnings, while working, and therefore get the relief at the higher rate. However, once retired, on a lower income, they are likely to pay tax on their pension at the lower rate. For higher earners, who get tax relief at the higher rate, but then pay tax on their pension at the higher rate, it is simply deferred taxation as the tax relief they received while working will be at the same rate as the tax they pay when retired (assuming no major change in the tax rates in the meantime).

In my view, this particular tax relief is a good incentive for all employees (and self-employed workers) to save for their retirement and should not be discontinued. It is often criticised as being 'over-generous', or 'too costly for the taxpayer' but this seems to be a short-term view which ignores the fact that tax will be paid in the longer term by the recipient of the pension for which they are saving. The fact that employers' pension contributions, made on behalf of their employees, are similarly tax-relieved, is seldom a matter of criticism, thankfully. Otherwise occupational pension schemes would probably be in even more difficulty than is currently the case.

However, despite the long-standing tax incentive, not all workers are yet members of supplementary pension schemes, of whatever kind. A further incentive, or some form of encouragement, is clearly needed in order to ensure that everyone is able to supplement the state pension scheme, which will not be providing the entire workforce with income-related pensions for the foreseeable future.

In Ireland, detailed research and analysis was carried out in the mid-2000s, by the Pensions Board, on the question of mandatory, or automatic, enrolment of all workers into some kind of pension arrangement. A Report on this was published in 2006 but the recommendations were not implemented. At that time, only in Australia had the government begun to introduce auto-enrolment; but since then, a number of other countries including New Zealand and the UK have done so. In recent years, work on this has been reactivated in Ireland, but implementation has been slowed down again and in recent months the pandemic has been blamed for this.
However, I would argue that auto-enrolment is an essential part of building a truly inclusive pensions system in Ireland, ensuring that everyone is covered by some form of pension arrangement which will supplement the state pension and give them an income in retirement which bears a reasonable relationship to their pre-retirement income. This should be combined with a massive campaign to encourage people to start saving early in life – preferably from birth, in my view!

In the early 2000s, SIPTU suggested that this could be started by giving every baby a once-off increase in Child Benefit which could be used to start a pension fund to which parents, grandparents and others could contribute (within strict limits), as well as the state. Later, the grown-up child could start contributing, as well as their employer and the state.

More recently, in an interesting article in the Irish Times, (Business Opinion, April 12, 2020) Chris Johns put figures on a similar idea, suggesting that every baby be given €5,500 to be invested in a pension fund. He estimated that such an investment would produce the equivalent of the state pension by the time of the person's retirement. Not only that, but it would have the wider effect of reducing income inequality in the future.

During last year's negotiations on Government formation and a possible Programme for Government, I took the liberty of writing (on May 27) to the three Party Leaders and others involved in the discussions, suggesting that in relation to pensions they might look beyond the one issue of the State Pension Age and take the opportunity to review some of the other major pension issues that we face at present:

"Over the years, the standard response to increasing longevity has been to say that there is 'no alternative' the raising the pension age. But there is! Start pension contributions earlier! Get everyone making them sooner! Incentivise this better and more imaginatively; calculate the required contributions more realistically; build in more flexibility for people, both in the public and private sector; and, in the case of funded schemes, ensure that pension funds are used for purposes that are socially and environmentally progressive."

I then went on to talk about 'baby pensions' and the figures Chris Johns had produced, suggesting that the pension funds that could be started early in life should be safely and securely invested "in sustainable and eco-friendly Irish industries such as forestry, organic fruit and vegetables, carbon-neutral energy production, eco-tourism, etc. - thus combining the immediate interests of all Ireland's current citizens and taxpayers with the future interests of all its newest citizens."

SUMMARY

Basically, these remain my views: that what we need is a radical and well-thought-out plan for future pensions development, as part of a comprehensive policy to address the pressing issues facing us.

The question of what the State Pension Age should be can't be looked at in isolation from the broader picture. It has to be considered in conjunction with the so-called 'Normal Retirement Age' (NRA) in both public and private sector employments, with greater flexibility in both. (A good start on this has been made in parts of the public sector and remaining employments should follow suit.)

Making an interim payment during the 'gap year' between 65 (still the NRA in so many employments) and the SPA is only an interim solution and not wholly satisfactory (although the recent removal of the requirement to be 'actively seeking employment' during that time is welcome). What's needed is for employment contracts to be more flexible in relation to retirement ages and for arbitrary retirement ages to be outlawed, unless objectively justified by reference to occupational or other factors. This would make for better co-ordination between state and other pensions.

In addition to the Contributory State Pension (SPC) bearing a reasonable relationship to average earnings and attracting regular increases as appropriate, all workers should have the opportunity to supplement the SPC throughout their working life. Ideally, this could start very early in life, before one's working life begins and perhaps even at birth; but in any event, arrangements for auto-enrolment should include provision for this to begin from the time of people's first employment, perhaps from age 18, to give maximum opportunity for flexibility later in life, e.g. time out of the workforce, early retirement, etc. And provision must be made for certain types of work, such as caring for young, elderly or disabled dependents, to be classed as insurable and therefore pensionable.

Finally, in relation to financing the State Pension, I believe that an element of funding is essential if PRSI contributions are to be kept at reasonable levels (although some increases may be inevitable in the short term). The relevant calculations should be done again, although obviously the effects of the pandemic make this difficult, to say the least. But whatever they reveal, I doubt if the need for a fund can be avoided. It should be created urgently, and imaginatively, so that in addition to people accepting the need for further state and other borrowing, they may also be inspired to invest some of their savings in it, in return for reasonable long-term returns and the satisfaction of knowing that the investment is secure, eco-friendly and of benefit to both current citizens and future pensioners.

[redacted]
28.2.21.

Appendix 1 – Budget 2021 and Pensions (published in the [redacted], November 2020).

Also attached: Summary of Main Points in the above Submission to Pensions Commission.

SUBMISSION TO THE PENSIONS COMMISSION – SUMMARY OF MAIN POINTS
-
By [redacted], 28.2.21.

- What we need most, in relation to the Contributory State Pension (SPC) are equity, adequacy, clarity and certainty – combined with an element of flexibility. We also need security and sustainability, which means financing it properly into the future.

- Achieving equity means ensuring that all 'insured workers', who have paid PRSI contributions for some or all of their working lives, qualify for the SPC – and this must include some workers who for various reasons are not currently included, e.g. certain care workers, as well as migrant workers in certain industries, and various workers classed as 'self-employed' (e.g. artists, actors, taxi-drivers and others not covered fully for PRSI).

- Ensuring adequacy means that the SPC must bear a reasonable relationship to average pre-retirement earnings and this has yet to be satisfactorily measured and agreed;

- Clarity and certainty about the SPC is essential and has been lacking in recent years; many people have been confused or unsure about the age at which the SPC is payable and whether this may change, to their detriment, in the future;

- Flexibility around the age at which the SPC is payable – this means enabling some people to draw it early (at an actuarially reduced rate, provided that this leaves them with a total income that will be adequate in later years) and others to draw the SPC later (e.g. if they wish to continue working and/or paying PRSI contributions so as to increase their SPC to a maximum of the full rate);

- Essential to this flexibility is a change in the 'Normal Retirement Age' (NRA) in the labour market generally. The present situation, whereby most private sector employments have a standard NRA of 65, creates the problem of the 'gap year' for large numbers of workers, if the State Pension Age is 66 as at present. New legislation should be introduced to reverse the current situation, so that the standard NRA, in most private sector employments, is the same as the SPA, i.e. 66. In cases where there is 'objective justification' for an earlier age, e.g. because of the nature of the work, this should of course be allowed, as long as adequate provision is made for the payment of an earlier pension.

- Good progress has been made on this type of flexibility in parts of the public service, with provision for people to work up to the age of 70 if they wish. This flexibility should now be extended to other parts of the public service (except where there is 'objective justification' for an earlier pension age).

- As regards the sustainability of the national pensions system: raising the SPA is not the answer, as (a) the savings are not substantial, if a Benefit is to be paid during the 'gap year' until the person reaches the SPA, (if the latter is to remains at 66); and (b) if the Benefit remains at a lower rate than the SPC, people with full PRSI contributions will be disadvantaged (and people with fewer contributions will be disadvantaged to a lesser extent, or perhaps not at all, thus creating an anomaly between these groups). Raising the general NRA to the same level as the SPA will reduce such anomalies somewhat, but may not eliminate them entirely for all groups.

- The main measures for ensuring real sustainability are twofold; but first, proper costings of likely future pension costs must be done, taking account of all the relevant demographic, labour force and other relevant trends – not just people living longer and healthier lives, but also working beyond traditional retirement ages and thus contributing to fiscal, economic, social, cultural and other aspects of society. When the projections and costings are complete, the two main ways of financing future costs and ensuring sustainability can be assessed.

- The two possible 'legs' to the future financing of SPCs are (1) adjusting the levels of PRSI contributions, by employers, employees, the self-employed and the state; and (2) re-establishing the National Pensions Reserve Fund (NPRF), i.e. re-introducing an element of funding to the Social Insurance Fund. In my view, both will be needed as it's likely that even if the NPRF were to be re-established immediately, it may not have time to build up sufficiently to meet the likely increase in costs that will arise in the relatively near future.

- On the question of funding the SPC: this was one of the issues analysed by the Pensions Board in a Report published in 1998, which recommended (inter alia) the urgent establishment of a NPRF so as to smooth out the big bulge in costs that was predicted to arise in the mid-2020s. At that time, we estimated that if this was not done, the cost of the SPC would rise from 4% of GNP to 8% and would necessitate unacceptably large increases in the rates of PRSI.

- The NPRF was established in 2001 and was building up nicely, until the 2008-11 banking crisis, when it was raided to bail out the banks. Its remains became the Strategic Investment Fund, but then this was watered down to become the relatively small 'Rainy Day Fund'. Neither had any connection to funding pensions. Much of this Fund was then spent, over the years, most recently in the context of the 2021 'pandemic Budget' - a good use, but of no direct benefit to future pensioners.

- There could be no better time than now to re-establish the NPRF, if we are to avoid very large increases in future rates of PRSI, or the even more unacceptable alternative of cutting the pension rates. (Even major increases in the SPA would not be sufficient to meet future costs, if people were to be paid reasonable amounts during those 'gap years'.) However, there should be no further delays as already there are predictions of an early end to 'free money', with increases in interest rates predicted in 2-3 years or even less.

- Re-establishing the NPRF, with imaginative illustrations of the benefits for workers, future pensioners and society as a whole, could not only serve to minimise future increases in PRSI, but also serve as a good investment outlet for many households and individuals who have built up savings during the pandemic (and may be paying banks and credit unions for the privilege of holding their money). It could also be a good prospect for many other investors seeking sustainable and worthwhile investment outlets with good, safe, medium- and long-term returns, as the Fund should highlight its policy of investing in sustainable industries such as forestry, horticulture, wind energy and just transition measures in relation to climate change. Already many European and international pension funds are seeking 'green' investment of this kind, so such a fund could well attract investment from beyond our own borders.

- Similarly, auto-enrolment should not be further delayed. The pandemic has been used as an excuse, but in fact the Pensions Board recommended it back in 2006 and the more recent 'Pensions Roadmap' spelt out how to implement it. Enabling people to join a pension scheme at an early stage of their working life, by automatically enrolling them, is an essential part of increasing pensions coverage and much needed. I have been arguing for many years that it could and should be done even before a person starts work – preferably at birth! The state could give a once-off increase in Child Benefit, then parents, grandparents and others could make contributions (within strict limits) and later, employers and the grown-up child could also contribute to building up what started as a 'baby pension'.

- More recently, (Irish Times, 12.2.2020), Chris Johns put figures on a similar idea, suggesting that every baby be given €5,500 to be invested in a pension fund. He estimated that this would produce the equivalent of the State Pension by the time the person retired. Not only this, but it would also have the wider effect of reducing income inequality in the future.

- Finally, on the question of inter-generational solidarity, there is currently talk of this breaking down if younger generations of workers 'keep having to pay more and more' to support an increasing number of pensioners, who form a growing proportion of the population - especially if their pensions keep increasing. This over-simplistic view generally ignores the fact that pensioners on the full SPC will have paid the full PRSI contributions; and these will have contributed to the pension costs of the pensioners who went before them. It also ignores the fact that there are other ways of financing the growing cost of future pensions than merely raising PRSI contribution levels (or general taxation) – namely, pre-funding an element of the SPC, by building up an adequate National Pensions Reserve Fund.

- For all these reasons, to do with solidarity and sustainability, as well as achieving adequacy and equity, I believe that the way forward in relation to the State Pension is to introduce auto-enrolment and re-establish the NPRF at the earliest opportunity, while explaining clearly how these measures, along with the suggested legislative changes, will serve to secure a pension system that will provide adequate incomes for all pensioners in the future.

[redacted]

28.2.21.

BUDGET 2021 AND PENSIONS

Some pensioners may have felt disappointed that Budget 2021 failed to increase the State Pension, but will have welcomed the increases in the Fuel Allowance (up €3.50 to €28 p.w.) and the Living Alone Allowance (up €5 to €19 p.w.) - especially for those who get both, a total of €47. The survival of the Christmas Bonus, and its extension to other welfare recipients, was also welcome.

There have been complaints that for many pensioners, this took no account of the increase in living costs, but in fact the Consumer Price Index actually fell by 1.2% in the year ending September 2020. However inadequate some of us may think the level of the State Pension may be, in the current context at least it has been protected, unlike the incomes of so many others at present

Those with occupational and supplementary pensions may have more cause for worry, as many such pension funds could be suffering from a combination of low-interest returns to their fund and perhaps a fall in contribution income, depending on which sector of the economy they are in and what job losses have been suffered. There is a danger that pension funds in this category may consider reducing benefits at some stage. But most will start by first reducing the future benefits of serving staff, rather than existing pensioners, on the basis that younger members of the scheme will hopefully have an opportunity to increase their earnings and future pensions by the time they retire, unlike existing pensioners

In fact, future pensioners should now be seen as a major object of concern. And not only for the reasons above. Stalling or postponing the raising of the State Pension age, and talking about setting up a Pensions Commission (which was promised months ago, in the Programme for Government), could turn out to be a totally inadequate response to a future crisis, unless there is a will to make very major, radical and early reforms

The new Commission needs to be set up urgently; and needs to hit the ground running, having first studied three of the most important Reports already produced on the future of pensions in Ireland. The one on Mandatory Pensions (2006) dealt comprehensively with auto-enrolment before the term was widely known and only Australia had tried it. The one on Public Service Pensions (2001) recommended, inter alia, the introduction of an element of funding so as to give public servants some flexibility around retirement ages, etc. And the one on National Pensions Policy (1998) suggested a significant and specific level of funding for social insurance pensions, so as to smooth out the big bulge in the cost of state pensions which was anticipated in the mid-2020s.

The National Pensions Reserve Fund was eventually set up in 2001 and was building up nicely, until it was raided in order to bail out the banks during the 2008-11 crisis. The remnants of the NPRF later became the Strategic Investment Fund; and the SIF was then watered-down into the 'Rainy Day Fund'. It was never returned to future pensioners. And now, the last €1.6 billion of that fund has been used up as part of Budget 2021.

Whatever about the wisdom or necessity of that, what's now urgently needed is the re-establishment of a strictly-earmarked National Pensions Fund. Money is cheap at present – in fact, virtually free – and thankfully much has been borrowed for Budget 2021. There should be no hesitation about also borrowing, quickly, to set up a new pensions fund while money is so cheap. Moreover, some households have been accumulating some of their income due to the current restrictions and may well be happy to invest in a well-run pension fund that gives them a modest return, instead of paying the banks to mind their savings.

The other 'leg' needed, to get future pensions up and running, is the urgent introduction of auto-enrolment, combined with a massive campaign to encourage people to start saving for pensions
early in life (preferably from birth!). If, as suggested by SIPTU in the early 'noughties, a substantial once-off increase in Child Benefit could be used to kick-start 'baby pensions', however small, these could be built up over the person's lifetime and could obviate the need to keep on raising the pension age. It would also help to reduce income inequality in the future, another important social objective.

This is a time for assessing worthwhile past proposals, using present predictions and resources to improve on them, and thereby building a better future for pensioners and society as a whole. The urgency of short-term actions must not blind us to the concurrent need for long-term planning and actions.

[redacted] 13.10.20.

Individual Submission 118
02/03/2021

Pension
Hi I do not want the pension age raising,I would like to enjoy the latter years of my life without having to work or haven to go on welfare,I will have paid my dues by then,why do ordinary people always have to suffer also if the Government paid back into the pension fund that they raided to pay off the banks.
Rgds,
[redacted]

Individual Submission 119
02/03/2021

I have worked all my life and will be 65 in October, I worked in a low grade in the civil service and my pension is very small, I will be dependent on my old age pension, and I have paid all my working life in good and bad times in this country, and I feel I have paid for my pension,and I also feel it is wrong to put people who worked on low income all their working life into poverty by delaying their pension, I feel I will have nothing to look forward to in my retirement but poverty, after working since I left school, please take my story into account as there are thousands Of people like me, and I think we deserve better treatment in our retirement, after all we gave this country our life working to keep it going.

Regards

[redacted]

Individual Submission 120
08/03/2021

Dear Pension Commission!

Please use the only link available now I have provided below from the web archive to compare what was said and proposed then and what is now.

My Submission:

1) Upcoming pensioners

Here is some info obtained in http://web.archive.org/web/20171025144454/https://www.welfare.ie/en/downloads/nationalpensionsframework_en.pdf and it seems to me the Government do non follow to the National Pensions Framework they proposed and published over a decade ago and now playing tricks with TCA from 30 years total contributions required for full State Contributory Pension kept widely known to public up to late 2018,and now 40 years

TCA suddenly emerged from nowhere without public consultation and secretly kept under the carpet and away from Irish Media, and the link to the aforementioned initial Framework is not available on Gov.ie or welfare.ie or Citizeninfo.ie, all traces disappeared. You can use the link I provided for the consideration.

I have copy- paste for you the mentioned 30 Years TCA from the Framework mentioned above:
3.3 Introducing a 'Total Contributions' approach to State Pension (Contributory) In order to qualify for State Pension (Contributory), a person must have a set number of paid contributions (currently 260) and satisfy the average contributions test. In 1997, the Government passed legislation to provide for an increase in the minimum number of paid contributions for State Pension (Contributory) from 260 to 520 for persons who reach 66 on or after 6 April 2012

As outlined above, from 6 April 2012, a person will be required to have paid 520 contributions in order to qualify for State Pension (Contributory). Under the new „total contributions approach", this is the level at which the minimum rate of State Pension (Contributory) will be payable (i.e. 10/30ths – or one third – of the maximum rate). A person will accumulate 1/30th of a pension for each year of contributions up to a maximum of 30/30ths .

The introduction of the total contributions approach at this stage would, as a result, see a reduction in the levels at which pensions are paid. Accordingly, the Government has decided that implementation of this measure will not take place until 2020 when the social insurance reforms undertaken from 1974 will be evident in the records of those who will then be reaching pension age. The existing „average contributions" regime will continue for persons reaching state pension age prior to 2020.

And here is the copy-paste from Gov.ie website now:

Yearly contribution average	**Aggregated contributions method**	Rate of weekly payment from March 2019**
48 contributions or more	2,080 contributions or more	€248.30 (aged 66 and under 80)
48 contributions or more	2,080 contributions or more	€258.30 (aged 80 and over)

As you can see the trick from 30 years TCA (520*3=1560=30 years TCA) now became 40 Years TCA (520*4=2080=40 years TCA)

This is blatant discrimination to working people and making poverty trap for generations as nobody can accumulate from 10 Years or 520 to 40 years or 2080 TCA from 6 April 2012 to 2020.

How an ordinary worker can make 30 or even 40 years TCA over 8 years?

Please, point this out to Government and ask them to adhere to previously established/proposed 30 Years TCA ,even this is unbelievable goal for anyone to accumulate given the timeframe for this.

Pension Age must not be increased from 66 and must be reversed to 65 as it was before and any increase should commence from 2030 at earliest.

TCA of 30 years would be the maximum for Contributory Pension and 1/30th for every year worked should apply up to a maximum of 30/30ths as mentioned above by the then Governments' Framework.

2) Future pensioners

Commence Auto-enrolment scheme ASAP, use of general taxations for pension fund, introduce additional taxation if necessary to top up the funds.

3) Current pensioners

Non-Contributory pension for carers should be treated/deemed as Contributory as Carers are saving State up to 20 Billion Euro and earned the pension providing hard work 24/7 and deprived for any opportunity to accumulate PRSI as they are housebound to provide and dedicate full time care and attention for people they are caring for.

4) Those who provide long-term care for most of their working age lives

It was many years mentioned by Carers Association in Ireland and by many TDs that Carers are the one and only group who work hard to earn their CA or CB as they are saving State up to 20 Billion Euro a year, so this is the right time for State to step in and Recognize the hard work and savings done for the State by the Carers and to give the Carers same rights and same pensions as Contributory pensioners have, so no means tests and no limit to 2 weeks holiday a year as it stands for all recipients from DEASP. Carers have earned same rights as Contributory Pensioners have!

Please advise the Government that 20 Billion a year is more than enough to recognize that Carers were wrongly forgotten and treated differently and overlooked for State Pension Contributory as Contributions were made by them 24/7 every day, every year ,every decade!

P.S. If it possible, please reply and confirm that you have received my submission and will consider reasonable points I have submitted.

I see the subject for Pension Reforms is a "hot potato "for politicians, but for them they secured lavish arrangements for early retirements and golden handshake and have multiple times bigger salaries and pensions. And the only way to make our voices heard is GE as it was in 2020 and planned increase in the pension age to 67 this year and to 68 in 2028 was halted by voters in the 2020 general election.

Opposition and voters are watching the next step from the Government's Coalition upon Pensions Commission's report and myself hoping that established Pensions Commission was not created to" release the steam from the boiler" and to buy a time for the Coalition, but to carefully consider the subject and eliminate all discriminations which were made.

One example for consideration from real life:
[redacted], came to Ireland from Ukraine in 2001,have worked less than 11 years, turned 65 and retired before March 2012,have have had before residential permit and upon retirement got Irish Citizenship, had Ukrainian

pension from 60 Years, and got full Contributory Pension and left Ireland for good and now lives in Ukraine having 2 pensions.

Same person with same working life starting from 2001 @ 40 years age in Ireland now will have to work till 2042 according to new 2080 TCA and will turn by then 81 year old to get same pension as the mentioned Alexander?

Something utterly and completely wrong in this, is not it?

Please, advise the Government do not discriminate people with TCA for 30-40 years as it is not feasible and contradicts with the expectations for pensions from people who started working in Ireland in 2001 and then it was only 5 years contributions made by people who came @ 60 years old to Ireland and worked 5 years ,turned 65 and got in 2006 or later full State Contributory pension and subsequently left Ireland for good have had two pensions from Ireland and theirs homeland.

It is not people's fault it is Government's fault that allowed this to happen in the past and now discrimination on Contributory Pension entitlements resurfaced as aforementioned example and in my submission to Commission for consideration.

Regards, Irish Citizen from June 2010,

[redacted]