
PENSIONS COUNCIL

Meeting on, Thursday 21st February at 3.00pm
Verschoyle House, 28/30 Lower Mount Street, Dublin 2

Attendance: Jim Murray
Conor McGinn
Brendan Kennedy
Shane Whelan
Brendan Keenan
Sinead Ryan
Helen McDonald

Apologies: Kirstie Flynn
Sandra Rockett
Roma Burke

Also present: Alice Kearns (Secretariat)
Brian Purcell (DEASP)
Anne Nolan (ESRI)
Seamus McGuinness (ESRI)
Bertrand Maître (ESRI)
Adele Whelan (ESRI)

Minutes

1. Adoption of agenda

Chairman Jim Murray requested to add the items below to the agenda. These were agreed by the Council.

- Discuss the reply from Minister Doherty regarding the Council's submissions to the IDPRTG Consultation, the Pension Authority's consultation on master trusts, and the work carried out on automatic enrolment.
- Membership of the Pensions Council in general, including Marie Louise Delahunty's resignation from her position in Central Bank and the Council. Jim Murray also noted that the advertisement regarding the appointment of new Council Members would shortly be published on the State Boards website.
- Helen informed the Council of her departure from the Council at the end of March due to an internal transfer within the DEASP.
- Jim Murray noted that the Council should consider the succession of Members and the management of their transition.

2. No new conflict of interest

No new conflicts of interest were declared.

3. Approval of draft minutes

The minutes of the meeting held on Thursday 17 January were approved with changes to Items 7, 8 and 9. Shane Whelan requested that the minutes include detail regarding an end of year report on the Council and that Council members agreed to this suggestion.

4. To Do List from previous meeting

Final changes to the Council's opinion on Master Trusts

Jim Murray circulated this to Members.

Brendan Kennedy to circulate Colm Fagan's paper to the Council

Brendan Kennedy circulated this report to Member's on Thursday 21 February.

Council to consider questions for the ESRI regarding their research before next meeting

This item was discussed under Item 5.

Council to prepare an opinion on the ESRI report before publication

This item was noted.

Council to consider sustainability of the Pensions Council and evaluation of the Council's work.

This item was noted to be discussed at a later meeting.

The Council's work programme 2019 to include investment strategy and to focus on gender, auto enrolment and costs.

This item was noted to be discussed at a later meeting.

The Council to review Pensions Authority codes during or prior to public consultation

The Council plan to review the Pensions Authority codes over the next few months.

5. Presentation of Gender Study

The representatives of the ESRI presented their study in three parts; The Gender Gap in Retirement Incomes; Poverty in the Older Population; Gender Differences in Financial Decision-Making. Any related discussion is noted below:

The Gender Gap in Retirement Incomes

- In relation to Slide 21, Adele Whelan noted that women 'downgrade' or lose continuity on their pension contributions when they re-enter the workforce after maternity or other care leave, or on a part-time basis. The ESRI also noted that the gap also depends on an average working year when calculating retirement incomes. Seamus McGuinness also noted that women might not have the same level of access to a pension scheme as men.
- In relation to the 'unexplained' factors in the Gender Gap, Seamus Poverty in the Older Population
- The ESRI noted that they used data from the TILDA Longitudinal Study in examining this area.
- Anne Nolan noted as an addendum that migration history has an impact on those entitled to the contributory and non-contributory pension.
- Asset wealth, in relation to the non-contributory pension, was taken into account for this study.

Gender Differences in Financial Decision-Making

- In relation to Slide 47, Anne Nolan clarified that the percentages in the table relating to 'couples' could refer to same sex or family members living together.
- In discussing the findings, Shane Whelan noted that the presentation of the inequality between men and women in decision-making needs substantial evidence. Anne Nolan noted that this is a common finding in international research, adding that social environments and experience affects financial literacy in general.
- Brendan Keenan noted that risk preferences are also important.
- Sinead Ryan noted that the findings are important in terms of the implementation of Auto Enrolment.
- For Slide 45, Brendan Kennedy noted that the financial literacy scores in both women and men were low.

6. Publication of Gender study

Anne Nolan noted that they would need to revise the papers, and then look at disseminating the papers possibly via a conference or joint event with the Pensions Authority, inviting government departments to present their findings. The Chairman stressed that the Council must be fully involved, with the ESRI in the initial publication of the reports but of course the Institute could disseminate the reports in

different ways after the initial publication.

In relation to publication, the ESRI noted that all outputs are peer reviewed before publication. They suggested that they would publish the three papers separately as academic papers and have them available as working papers before peer review. The Council discussed the format of the publication but no decisions were reached. Anne Nolan noted that the CCPC had published a paper in relation to financial capability last year but the focus was not on gender specifically. Sinead Ryan noted in advising the Minister regarding pensions, the research needs to engage the public to highlight issues in financial literacy and enhance the public's knowledge in this area.

Sinead Ryan agreed to continue to act as liaison with the ESRI on behalf of the Council.

7. Work Programme 2019

Progress on Auto-Enrolment (AE) within the Department

Helen McDonald provided the following updates to the Council:

- Due to a mobility policy that requires Principal Officers to transfer every 3-4 years, Robert Nicholson has been replaced by Roshin Sen, in the Auto Enrolment section.
- Helen will transfer roles and be replaced by Alan Flynn in the Department at the end of March. Roshin Sen will replace Helen McDonald on the Council will attend the meeting with Helen on 21 March.
- The Public Consultations process has concluded. These were held in Dublin, Galway and Cork. 10 submissions were received and the response has been positive.
- The Pensions Authority will be engaging with focus groups in March and will then report to Government.
- There is a programme board of senior civil servants for AE that meets quarterly.
- Helen McDonald informed the Council that she has applied for research funding on behalf of the Council and she advised that the Council should decide very soon on what research areas they wish to examine for 2019. She also suggested that the Council should look at decumulation in relation to AE, Council members agreed.

Colm Fagan report on AE:

It was agreed that the Council should discuss this report and decide when Colm

Fagan should present his report to the Council.

Roma Burke and Tony Gilhawley paper on Private Pension Tax Relief

The Council agreed to invite Roma and Tony to present their paper at the April or May meeting, depending on their availability.

8. Any Other Business

Jim Murray asked Council members if they could gather data regarding the recent increase of the State Pension and its impact on the purchasing of AMRFs and ARFs. Council Members stated that no data was available regarding this matter.

9. Next Meeting – Thursday 21st March 2019 at 3.00pm.

The next meeting will be held on Thursday 21 March 2019 at 3pm at Verschoyle House.

10. To-do list

- Council members to discuss Colm Fagan's paper on Auto- Enrolment ALL
- Jim Murray to invite Roma Burke and Tony Gilhawley to present to the Council at the April/May meeting JM
- Members to discuss Council succession of Council Members ALL
- Research focus for 2019 ALL