
PENSIONS COUNCIL

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

Attendance: Jim Murray
Brendan Keenan
Brendan Kennedy
Helen McDonald
Kirstie Flynn
Conor McGinn
Shane Whelan
Sandra Rockett

Apologies: Sinead Ryan
Roma Burke

Also present: Alice Kearns (Secretariat)
Brian Purcell (DEASP)

Minutes

1. Adoption of agenda

No additional items were added to the agenda.

2. No new conflict of interest

No new conflicts of interest were declared.

3. Approval of draft minutes

There were no amendments to the minutes of the meeting on Thursday 21 February 2019.

4. To Do List from previous meeting

Invite Roma and Tony Gilhawley to present paper on taxation to Council

The Council agreed to invite Roma and Tony to present their paper on taxation to the Council at the meeting on Thursday 20 June 2019.

Discuss transition to new Council, including an “end of term” report

This item was discussed under Item 6.

Prepare research proposals for 2019.

This item was discussed under Item 6.

5. Follow-up to Gender Study

Publication

Policy proposals

Chairman Jim Murray asked Members for their viewpoint regarding the publication of the gender study. Council members discussed the public and media perception of the paper's conclusions, in particular how the Council are associated with its publication. Shane Whelan argued that the international literature in this area does not support the conclusion that the gender gap in Pensions Provision is linked to financial literacy; he suggested that socialization is a factor to be considered. Jim Murray noted the 'unexplained' gap between the genders in financial literacy highlighted in the study. Council members discussed the size of the dataset and questions used to conduct the study; the conclusions reached and associated variables including decisions based on financial risk, education and context of the study. In particular, the members questioned the study's link between numeracy and pensions coverage. The members also discussed the study's impact on AE in terms of its potential coverage and taking into account factors such as credits for women out of the workforce due to caring responsibilities, e.g. voluntary contributions. In addition, members noted that AE should be flexible to allow for changing circumstances in jobs and family status in terms of fund preservation. Brendan Keenan noted that the ESRI do not have any findings in terms of policy implications.

The ESRI were to produce an amended report in the light of discussions at the Council and this updated version should be reviewed carefully in order to prepare the Council's reaction to and presentation of the Report.

6. Research Programme 2019

The Council members discussed the research programme for 2019 and by implication the Work Programme for the remainder of the Council's term. While no final position was taken the following areas were identified as subjects for further work/research.

Item 1: Provision of appropriate pensions 'advice':

it was agreed that pensions and prospective pensioners would need more and better advice and/or information before and during enrolment and before and on retirement. The position of older ARF pensioners should also be considered here, particularly in the context of the Fair Deal scheme. The Council could consider the role of various

operators in this process, including public bodies and NGOs, employers, master trusts and other pension providers, the CPA, trustees and the providers/promoters of post-retirement and decumulation services.

Those who might not be an appropriate source of advice might at least have a defined and regulated role in providing information.

One issue of special significance was that of providing information on the various fund options within the new AE system.

Perhaps most urgent was the need to devise effective communication strategies on the new AE system before it was launched.

It was suggested also that the Council develop views on investment strategy, default funds and risk in the new system.

Shane Whelan noted that a death in service or critical illness benefit should be considered in order to attract the public to AE.

Item 3: End of term Pensions Council evaluation

Jim Murray noted that importance of reviewing the Council's work to date in order to inform the work of future Councils. An internal survey conducted last year indicated that most non-departmental Members would not stay on the Council for another term. Helen McDonald questioned the suggestion that an external body should review the Council's work. Brendan Kennedy noted that the Council is set up to work collaboratively with the DEASP and that the Department should look into reviewing the Council's work to date. Shane Whelan noted that there were a number of important discussions that did not reach the Minister and that an end of term report would be important for the future Council. Council members agreed to set aside 15 minutes at every meeting to consider the end of term report, including the possibility of a review of the Council by a body other than the Council itself.

7. Decumulation

This item was not discussed.

8. Work Programme 2019

This item was discussed in Item 6.

9. Any Other Business

The Chairman suggested that the Council should consider changing the current Quorum from 6 members to 50% of the membership at the time of a meeting, subject to a set minimum of members attending the meeting. The Council members agreed, and the issue would be put to the Council formally at the next meeting.

Helen McDonald informed the Council that Alan Flynn will replace her as representative from the DEASP and Roshin Sen will replace Robert Nicholson in the Auto Enrolment section of the Department.

Helen McDonald informed the Council that the Department has written to the Central Bank regarding the replacement of Marie Louise Delahunty as a member on the Council.

10. Next Meeting – Thursday 25th April 2019 at 3.00pm.

The next meeting will be held on Thursday 25 April 2019 at 3pm at Verschoyle House.

11. To-do list

- Council to consider the publication of the Gender Study ALL
- Jim Murray to invite comments from Council Members regarding the ESRI draft papers JM/ALL
- Jim Murray to liaise with Sinead Ryan regarding publication of Gender Study JM/SR
- Quorum to be changed for Council meetings JM/ALL
- Jim Murray to invite Tony Gilhawley and Roma Burke to present their paper at the meeting on 20 June 2019 JM
- Jim Murray to review applications for Council appointment via State Boards JM
- Brian Purcell and Alice Kearns to review Council opinions, responses to consultations and noteworthy meetings BP/AK
- Council members to consider end of term report for 15 mins at future meetings ALL