

THE SOCIETY OF ACTUARIES IN IRELAND

Press Release

9 August 2006

Actuaries Welcome Report on Supplementary Pensions

The Society of Actuaries in Ireland welcomes the publication of the Pensions Board Report on Supplementary Pensions in Ireland as a valuable contribution to developing the debate on the subject of mandatory pensions in particular.

The issues involved affect all sections of Irish society. Any decisions arrived at will have long lasting financial and social effects. The report provides valuable analysis of the technical aspects of the implementation of different forms of mandatory pension schemes. There are many different views among the social partners, and within the Society of Actuaries itself, on the difficult decisions that need to be made.

In particular the Society of Actuaries views the suggestion in the report to increase the Basic State Pension to a level of 40% of National Average Earnings as a welcome and constructive target given the efficiency, universality and comprehensive nature of the existing State system. However, issues such as funding of State pensions, conditions to qualify for benefit, integration with existing occupational pension schemes and many other related matters all need to be considered. It also appears that it would be difficult to integrate the recommended mandatory supplementary pension scheme with existing pension coverage.

The Society will collate the views of all its members who have significant experience in this area as well as pointing to the experience of actuaries in other countries.

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Society of Actuaries in Ireland

The Society of Actuaries in Ireland is the professional body for actuaries practising in Ireland, many of whom work in the pensions and life assurance industries. The Society aims to develop the role and understanding of the actuarial profession and to enhance its reputation, in particular for serving the public interest.