

Letters to the Editor: Minister should resolve what he termed 'the raid on private pensions'

Irish Senior Citizens' Parliament asks if Michael McGrath will reconsider his opposition to the Industrial Relations (Provisions in Respect of Pension Entitlements to Retired Workers) Bill 2021



In 2015, now Finance Minister Michael McGrath said: 'The raid on private pensions has added to the difficulties of many pension schemes already struggling to pay the benefits pensioners are entitled to.' Picture: Brian Lawless/PA

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May 1 marked the opening of the Bealtaine Festival, which, its website tells us, is an “arts initiative, funded by the Arts Council and the HSE”. Throughout the month we are promised “an expansive line-up of performances and activities championing generational interdependence and diversity”.

The Irish Senior Citizens' Parliament (ISCP) welcomes this annual celebration of ageing as a positive and active phase of life.

Unfortunately, there's a dark underbelly to the State's laudable promotion of generational interdependence: the longstanding discrimination against occupational pensioners enshrined in the Industrial Relations Act of 1946.

The legislation excludes pensioners' representative associations such as those penning this letter from the negotiating table when occupational pensioners' wages in retirement are being effectively determined by government policy or by employers and unions. As a result, following the economic crash of 2008, tens of

thousands of semi-state pensioners have endured pay freezes for over a decade and, in some cases, 10% to 20% cuts which have not been refunded, even partially. Overall, there's no evidence of pay restoration along the lines that have applied to most of the active workforce.

When the organisations we represent in the ISCP canvassed TDs of all parties to address this discrimination, only one, Bríd Smith of People Before Profit, tabled a private members' bill.

In 2023 her Industrial Relations (Provisions in Respect of Pension Entitlements to Retired Workers) Bill 2021 was supported by all opposition parties after the ISCP outlined to the Oireachtas committee on enterprise, trade and employment the reality of how this injustice was impacting our members. But it is still bogged down at an Oireachtas committee. Meanwhile, we're aware of many pensioners who have been enduring poverty, particularly in the past two years which have been dominated by the cost of living crisis.

In 2011, while most of our members were still in employment, they wore the green jersey when the troika was in town and paid Michael Noonan's pension fund levy of 0.6%-0.75%. And not for the four years the same minister had promised it would last, but five. Add to that part of the same deduction is still being imposed on many pensioners' payslips.

In opposition, in late 2015, Michael McGrath, now finance minister, said of his predecessor's levy: "The raid on private pensions has added to the difficulties of many pension schemes already struggling to pay the benefits pensioners are entitled to."

In light of this, will Mr McGrath reconsider his opposition to Bríd Smith's bill? And will he recompense the very many pensioners whose basic pensions have been set at the level they were pegged at when they were paying the Noonan levy?

Susan Shaw, Irish Senior Citizens' Parliament

John Nugent, National Federation of Pensioners' Associations

Eileen Sweeney, Retired Aviation Staff Association RASA

Ann Walsh, Retired Semi-State Association

Tony Collins, ESB Retired Staff Association

Joe Little, RTÉ Retired Staff Association