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Pensions: Government will not back law giving retirees right to challenge 'pension raids'

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4–5 minutes

The Government has refused to endorse proposed laws to give retired people greater rights against “raids” to their [pension schemes](#).

[First proposed five years ago](#) by then People Before Profit TD Bríd Smith, the proposed legislation would enable retired persons negotiate with their former employers when their [pension schemes](#) may be impacted by changes that would affect their accrued benefits, when trade unions are in talks with employers.

It would also provide retirees with new rights in relation to collective

bargaining, allowing them to be a party in negotiations that would impact their pensions, and allow them to seek redress at the [Workplace Relations Commission](#).

The move was backed by groups such as the Alliance of Retired Public Servants and the Semi-State Retired Staff Association.

The latter group said: “This proposed bill represents a most important step forward for the rights of retired employees.

“For some years now, we have lobbied for such a change to rectify the injustice of former employees having effectively no voice in regard to their own pensions.”

Why the bill needs 'money message'

For a private members bill that will involve public expenditure, it cannot progress to the committee stage unless the Government issues a ‘money message’ supporting this spending.

If the Government refuses to provide that, it would essentially veto the bill from progressing to become legislation.

However, granting a money message doesn’t necessarily mean a bill will pass either, as it still has to be voted on and passed by a majority while also being subject to amendments.

'Significant implications' to bill

The Department of Enterprise has now said the minister will not recommend the money message to Government, as the proposed bill carries “significant legal, structural, operational, and financial implications”.

It also claimed the legislation would “substantially affect the core architecture of the State’s industrial relations”.

It said Ireland’s industrial relations framework is built on a long-established relationship between workers and employers.

By inserting a third party — namely retirees — it could create “significant disharmony” in the industrial relations system.

“The bill would significantly expand the WRC’s statutory remit,” it said. “This is likely to lead to longer waiting times and additional pressure on backlogs, necessitating increased staffing across the WRC, including administration staff, adjudicators, industrial relations officers and others.”

“The separation of powers between trustees and employers has been deliberately put in place by the State over many years to safeguard the rights of retired workers to their pension funds and to provide independent and transparent governance of these funds.”

It said that if the relationship between retired workers and trustees were replaced by a direct relationship with former employers, it would require major changes to the entire pension system and necessitate removal of a number of the safeguards.

People Before Profit TD Paul Murphy hit out at the Government for its move, saying it was putting the brakes on the bill at an early stage so it didn't have to vote against a measure for pensioners in a Dáil vote later.

“We thought it would be considered at committee stage and that was a positive step, but this puts a stop to that now,” Mr Murphy said.

“What it's saying is they are opposed to pensioners having the rights to consultation before their pension funds are raided.

“They know pensioners are a very engaged group of people. They should pay a significant price for this, that's why they're doing it in an underhand way.”

- You can see the progress of the Industrial Relations (Provisions in Respect of Pension Entitlements of Retired Workers) Bill 2021 [here, on Oireachtas.ie](https://www.oireachtas.ie/en/bills/2021/ir-provisions-in-respect-of-pension-entitlements-of-retired-workers/).

