

DEFEND THE STATE PENSION



 **older &
bolder**

THE STATE PENSION IS UNDER THREAT

The State Pension and associated supports form a crucial safety net that we all contribute towards and rely on. This safety net has never been more important than it is in the difficult times we're living through today.

Last year, thousands of older people from across Ireland campaigned successfully against cuts to the State Pension. But now, as Budget 2011 approaches, the State Pension is again under threat.

We should not have to fight this battle again and again.

That's why Older & Bolder wants all political parties to make a long term commitment to a fair and secure State Pension.

WHY THE STATE PENSION MUST BE DEFENDED

1. It represents security and trust

The State Pension is a fundamental cornerstone of our society which we should all be able to rely on. We all contribute towards this basic lifeline, not just through PRSI and income taxes but also through the essential roles we play in our families and communities.

Today's older people not only supported their parents' generation but also provided for the education and health needs of those of working age today. And older people continue to contribute: volunteering, caring for partners, caring for grandchildren, running local community organisations and groups. These contributions, though unpaid, have enormous value; if not made voluntarily, they would cost the State many millions of euro.

We make these contributions - financial and otherwise - in the trust that we ourselves will receive support on retirement when we most need it.

We've more than kept our side of the deal. We're relying on the Government to continue to honour theirs.

2. It's a fair use of public money

The State Pension is a fair and equitable use of public money.

€4.3 billion is the annual cost of funding the State Pension.

- Without this payment 84% of older people are at risk of poverty.
- For the majority of older people, social transfers, including the State Pension, are their only or main source of income
- €3 billion is the annual cost of providing public support to the Private Pension system.

- 80% of tax relief benefits go to the top 20% of earners.
- Currently high earners receive tax relief at a higher rate than those on lower incomes.

One recent proposal to reform the private pension system suggests standardising tax relief on private pensions at 33%. The ESRI estimated that such a measure would yield savings of €1bn which could be applied to sustain State Pension levels. Surely this is the kind of pension reform that the Government should be looking to implement, rather than targeting the State Pension?

Furthermore, billions of euro have been taken from the National Pension Reserve Fund to re-capitalise Anglo Irish Bank and Bank of Ireland. This is not what the National Pensions Reserve Fund was designed for - it was designed to increase the long-term sustainability of the State Pension system and to provide security for all our futures. We must ensure that this goal is safeguarded.

3. It's a vital support

The reality is that most of us do already, or will some day, need the State Pension to live with dignity and independence.

- Fewer than half of all private sector workers have company pensions. And losses of up to 38% in Irish private pensions mean that more people than ever will be relying on the State Pension in the future.
- In 2007, 73% of older people were dependent on social transfers, including the State Pension, for three-quarters or more of their household income.
- The State Pension protects 84% of older people aged 64-75 and 89% of those over 75 against risk of poverty.
- The improvements in State Pension rates from 2000 to 2006 have been of real benefit to those in the lowest income brackets.
- Recent changes which narrowed the gap between the contributory and non-contributory State Pension have been particularly effective in combating income poverty amongst older women.

4. It is already being eroded

The real value of the State Pension has been eroded in recent time.

The loss of the Christmas Bonus represented a 2% income cut for those receiving the State Pension.

And further erosion of the real value of the State Pension is happening through new and additional costs such as carbon tax, dental charges, and prescription charges.

Any cuts to associated supports like Household Benefits, Fuel Allowance, Community Care or Local Transport would further erode the value of the State Pension.

Of those receiving the contributory State Pension, just over half (52%) receive the full rate while the remainder receive a reduced rate. Indeed 24% of those in receipt of the contributory State Pension receive less than €150 per week and 10% receive less than €100 per week.

**WHAT YOU CAN
DO TO DEFEND THE
STATE PENSION**

Join Older & Bolder in campaigning for a long term commitment to a fair and secure State Pension system for all, now and in the future.

Make your mark

Sign and return our Postcard Petition to Government – and ask others to sign too. **Receive campaign information on your mobile!**

Text ACT followed by your full name and send to 51444

(text charged at your standard network rates).

Speak up

Write, call or email your TDs. Let them know your views on the State Pension. Contact details for TDs offices can be found at www.oireachtas.ie - or you can contact us here at Older & Bolder for a list of local representatives.

Take action together (November 4th/5th/6th)

In the first week of November, join people from across the country and pay a visit to your local TDs. Most TDs hold regular clinics in their constituencies, often at the weekends, which are open to everyone. Visit alone or as part of a group, let your TD know why you want them to defend the State Pension.

Spread the word

This is an issue that affects everyone. Ask your friends and family to join our campaign. Bring a petition sheet along to local events, or organise an event of your own. All postcards and petitions should be returned to Older & Bolder by November 17th.

Watch our new film – and pass it on!

This October, Older & Bolder is launching a powerful short film about the State Pension and what it means to older people. You will be able to view the film on our website at www.olderandbolder.ie - please forward it to your family, friends, colleagues and public representatives.

Contact us for further information and copies of our campaign materials.

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Older & Bolder is an alliance of eight organisations in the age sector in Ireland. Our shared vision is of an Ireland where everyone can live and die with confidence and dignity as equal, respected and involved members of society.



THE IRISH SENIOR CITIZENS
PARLIAMENT
VOICE OF THE ELDERLY

