

Chairman sets out IAPF Policy at sombre Annual Dinner



Chairman Patrick Burke addressing the Annual Dinner

The Chairman's sombre message at the IAPF Annual Dinner last month clearly reflected the mood of the 200 invited attendees; pensions funds are in serious trouble, Patrick Burke said, and government needs to take urgent action to address the policy views of the Association.

Sharply scaled back from previous Annual Dinner celebrations, the meeting, which was also addressed by the Minister for Social and Family Affairs Mary Hanafin, TD, was told that with hundreds of businesses forecast to fold in the next 12 months and "over 125,000 private sector employees losing the jobs...urgent action is required to protect the benefits of members within our pensions system."

Addressing the Minister, Mr Burke said that while IAPF had welcomed the decision to expand the administrative provisions of the Funding Standard for defined benefit

schemes, "on the legislative front, much, much more remains to be done." He then outlined the proposals - "akin to an Examinership for pensions" - that IAPF and the Society of Actuaries have submitted for consideration (see Cover Story, page 8).

Mr Burke also addressed the pressing difficulties being faced by members in defined contribution schemes, saying that while the need for higher contributions remains, it "is an even greater challenge in the current environment, following significant losses being experienced." He also called again for there to be greater flexibility in the extension of ARF options for DC pension members.

Referring to Corporate Governance, to which the Minister also referred in her brief, notes-free speech to the Annual Dinner, Mr Burke also suggested that "we have a history of not tackling malfeasance and this

mistake has enabled a culture to develop which puts our country's good names at risk" and which must be addressed with stronger and better public, internal and external enforcement. (The Minister noted that as a consequence of poor regulation, the only people "more hated" in Ireland today than politicians "are bankers and others working in financial services").

Ending on a positive note, the Chairman also reminded the Minister of the appetite "within Irish pension schemes to support Government bond issuances...which might be linked to Irish inflation and be of sufficiently long duration to match our pension liabilities.

"In these challenging times we are happy to exploit any funding opportunities which suit the Government's need for capital, and our course, our requirements for liability matching." 