



## Society of Actuaries in Ireland

Press Release  
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### Actuarial conference hears from pension and housing experts

- *Workers should be able to borrow from their pensions savings to fund home purchase*
- *Projected unfunded shortfall of €5.5bn per annum for the Social Insurance Fund and the public sector pension bill in 2025*
- *Automatic pension enrolment is to be welcomed but should include appropriate flexibility*
- *Housing problem must be addressed from the bottom up, not top down, and Government policy should aim at reducing property prices so that buyers are not so indebted*

Workers should be able to borrow from their pensions savings to fund the purchase of their homes, leading pensions actuary Roma Burke told a conference in Dublin this morning (Thursday Nov 8).

Speaking at the Society of Actuaries in Ireland President's Conference, Ms Burke said, "Once money goes into a pension pot, we do not see it again for a very long time. It is untouchable and inaccessible. So, what if you were able to set up a straightforward long-term savings account? You put money in, your employer might put some money in and you benefit from tax reliefs on the contributions and investment returns. Is that not a defined contribution pension scheme? Yes, it is, but unlike the traditional pension savings scheme, I am proposing that you could have the option to access a part of it to deal with the major lifetime milestones, such as home purchase."

Ms Burke told the conference that a key aspect of ensuring equity between generations is how we manage our unfunded national pension systems. In this regard, she expressed concern that the unfunded shortfall for the Social Insurance Fund and the public sector pension bill in 2025 is projected to be €5.5bn pa and this will increase to €10.9bn pa in 2035.

Discussing the Government's proposed automatic pension enrolment scheme, Ms Burke said, "The introduction of Auto Enrolment is to be welcomed as a means of expanding the adequacy of pension coverage in Ireland. The Scheme proposes personal contributions of 6% of gross earnings, however, this 6% is out of net pay. This means that if you are a single person earning the average fulltime wage of just

over €46k per year, your take-home pay of €668 per week will reduce by €53, or close to 8% of your net take-home pay. There is no middle ground - after the initial run-in period, it will be the full contribution or nothing. There does not seem to be any supports for those who might like to save, but save less.”

Tom Dunne, Head of School of Surveying & Construction Management, DIT, told the Society of Actuaries’ conference:

“For much of the 20th century, a home-owning paradigm prevailed, supported by public policy through tax breaks, grants and planning and underpinned by directly provided social housing. The paradigm is no longer appropriate and unless the policy approach to housing is changed, mass home ownership will not be sustainable, given changes in economic relations and society.

Changes to public policy are needed and approaches to the private rented and social housing sectors will have to evolve. Thinking about housing and policy formation needs to move away from residential capitalism and the current crisis must be solved from the bottom up by the direct provision of social housing. Government policy should aim at reducing property prices so that borrowers are not so indebted.”

The Society of Actuaries in Ireland President’s Conference “*Towards a Fairer Future: Health, Housing, Pensions - Finding Sustainable Solutions*” took place in Dublin on Thursday morning. Actuary Aisling Kennedy addressed “The sustainability of Ireland’s health system in a changing demographic environment.”

President of the Society of Actuaries in Ireland, Maurice Whyms, stated, “The Society is pleased to provide a platform for discussion on the key areas of Health, Housing and Pensions. The Actuarial profession is well placed to contribute to the development of solutions in each of these areas which are sustainable and which appropriately balance the needs of current and future generations.”

**ENDS**

***The views expressed are those of the presenters and not necessarily of the Society of Actuaries in Ireland or of their employers.***

**For enquiries please contact:**

Society of Actuaries in Ireland: (01) 6040020 : [info@actuaries.ie](mailto:info@actuaries.ie)

Michael Moloney: (087) 258 7264 : [mail@setanta.ie](mailto:mail@setanta.ie)

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### ***Society of Actuaries in Ireland***

*The Society of Actuaries in Ireland is the professional body for actuaries practising in Ireland. Actuaries provide advice on and relevant solutions for financial, business and societal issues involving uncertain future events. Most of the Society’s members work in the financial services industry, and members of the profession hold statutory or regulated roles relating to the financial management of pension schemes and insurance companies. The Society seeks to make an impartial contribution to public debate on social policy and public interest matters where an actuarial perspective can add value.*