To: Michael Noonan TD, Minister for Finance

29th May 2015

Re: Government Pensions Levy

Dear Minister,

I am writing to you yet again on behalf of the members of the ESB Retired Staff Association regarding the Government Pensions Levy and the impact that this levy has had and will have into the future on those members.

There has been much publicity in the media regarding the Minister for Public Expenditure & Reform’s engagement with Public Service Unions to discuss the reversal of pay cuts and pensions levy for Public Servants yet there has been little said about the €2 billion that the levy on private pensions has contributed to the Exchequer in the last 4 years. To put that amount in perspective, it would be more than what the Property Tax and Water Charges combined would yield in a similar period. This was the greatest “smash and grab” raid by the Government in the history of the State on the savings of pensioners, one of the most vulnerable sectors of society, a sector that does not have a “voice” or access to Government as Public Sector Unions do.

The only publicity that the Levy of private pensions has received is the fact that it is being abolished at the end of 2015. Many TD’s are heralding the end of the Pensions Levy but unfortunately the effects of this Levy on members of Private Pension Schemes will be life-long. The assets of Pensions Schemes have been permanently reduced as a direct consequence of the Levy resulting in members pensions being significantly reduced by Trustees to recover the cost of the Levy. These reductions in pensions will be for the members lifetime so there will be a constant reminder for pensioners on their monthly payslip. When a member dies – as a married person – the spouse is then burdened with this unfair Levy. As far as pensioners are concerned this Governments legacy will be the Pensions Levy and other Budgetary measures that targeted the elderly, such as the abolition of the Telephone Allowance and the Bereavement Grant.

I put it to you, Minister, that in light of the continuing economic recovery that restoration of this Levy should be given serious consideration and Pension Schemes be reimbursed with the amounts confiscated from their Funds. Members of Private Pension Schemes may not have a “voice” or access to Government Ministers but they do have a vote, and, in the absence of any plans to restore the assets of Pension Funds, I expect that a clear message will be sent through the ballot box.

Yours sincerely

**Tony Collins**

**Chairman National Executive**

**ESB Retired Staff Association**

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