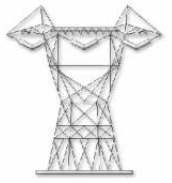


ESB Cork Retired Staff Association



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Cork Branch ESB RSA

Election Special News Letter

Dear Member,

As we are all aware a general election is now just weeks away and as pensioners or as former employees on VS we are all aware of the host of austerity measures imposed on us over the last number of years. On top of government imposed spending cuts and tax increases, government also imposed a pension levy on all private pension funds.

The 2010 pension agreement negotiated between ESB, and Unions representing only serving staff, introduced new pension scheme rules which enabled a pension freeze to be imposed by the trustees until 31st Dec 2018. The only members of the pension scheme who were given a vote were serving staff. All other members of the scheme, pensioners and those who had left ESB on voluntary severance, were excluded from the ballot.

A majority of these pensioners served and built the company into the organization it is today.

In addition to this pension freeze, new government legislation permitted trustees to *reduce* pensions in payment, after which the trustees of our own pension fund reduced our pensions for the rest of our lives to offset the effect of the government pension levy. This pension cut was imposed on pensioners who have no way of defending their incomes through the normal industrial relations channels open to serving staff.

As pensioners we need to take some action in defense of our incomes (in most cases our only income – since most retirees are not eligible for the state pension) and standard of living.

The impending general election gives each of you an opportunity to lobby all election candidates in your constituency – please, do not let this opportunity pass.

The RSA is politically neutral and are NOT

FOR ATTENTION - ALL CANVASSERS



You ask me to remember you when casting my vote. Be assured I will **NEVER FORGET** the present FG/Labour Government. How could I? They raided our pension fund, leaving a large hole in it. I will be reminded of this fact every month, on receipt of my pension slip, for the rest of my life, and that of my spouse if I pre-decease her/him as we pay our “levy” to try in vain to replenish our own pension fund.

A LIFE SENTENCE !!

recommending support for any one political party. We do however need to lobby our politicians in the coming election as after the election we are at the mercy of a government, who care little for pensioners, given recent trends.

Government Austerity Measures

The Table “*Summary of New Taxes, Increased Taxes, New Charges, Reduced Tax Allowances, Reduced Benefits and Abolished Benefits.*” summaries most but not all of the austerity measures which you have suffered over the past 8 years and which have reduced your spending power.

Budget 2016 has provided for a small reduction in USC and a €3 per week increase in the state pension, for those of you who are eligible for it, during 2016 and a restoration of 75% of the Christmas bonus from Dec 2015.

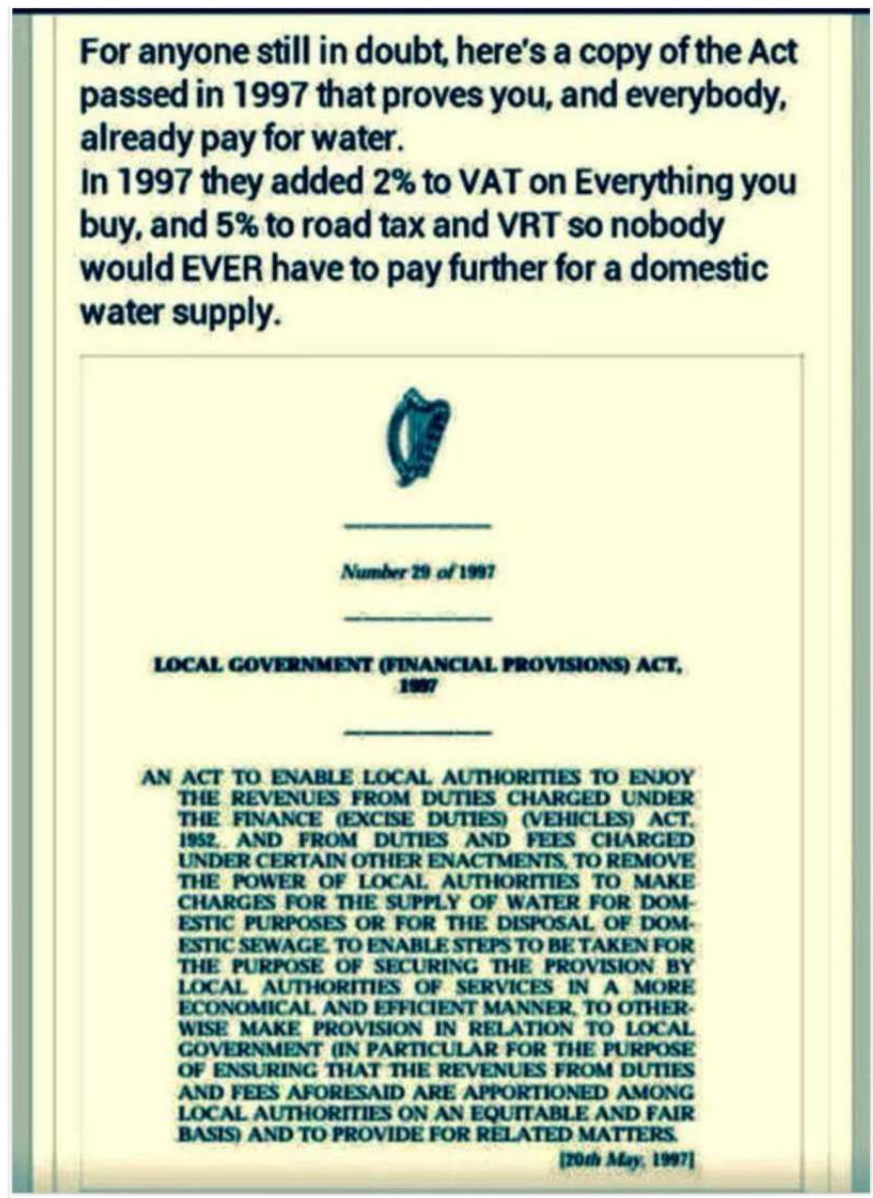
Summary of New Taxes, Increased Taxes, New Charges, Reduced Tax Allowances, Reduced Benefits and Abolished Benefits

New	Universal Social Charge (USC)
	Pension Levy (taken from your pension fund 2012 to 2016)
	Property Tax
	<small>New Charges</small> <small>Property Charges</small>
	Insurance levy 2% (Quinn) on top of pre-existing 3% levy.
	Solid Fuel Carbon Tax
Increased	VAT up from 21% to 23%
	Car TAX (engine capacity tax up by 7.5% in 2013; CO2 tax up by typically 10% to 24%)
	DIRT increased to 41%, + 4% PRSI if under 66.
	Prescription Charges up from 50c to €2.50
	Drugs Payment Scheme Threshold raised to €144/month
	Cost of public bed to private patient up from €75 to €815/day
	Fair Deal Nursing Home Scheme cost increased by 50% to 7.5% of assets + 80% income
Reduced	Tax Relief capped on Medical Insurance
	Free Electricity Allowance (units) reduced by 25% from Sept 2011. In 2013 the units allowance was replaced by a cash sum of €35.
	Income threshold for over 70s medical card reduced to <ul style="list-style-type: none"> · €500 per week (single) and · €900 per week single/married
	Fuel allowance reduced
	Respite Care Grant reduced by €325/year from 2012 to 2015
	Housing Aid, Housing Adaption, Mobility Aids grants, Hearing aid grants
Abolished	Telephone allowance abolished in 2014 (€26/month/€310/year).
	Waivers for waste collection eliminated through privatisation
	Bereavement grant of €850 (abolished from Jan 2014)
	All dental and optical benefits except dental exam.
	Christmas bonus from 2009. Bonus of 25% paid in Dec 2014, and 75% in Dec 2015.
Restricted	From Jan 2014 pension age increased to 66; transition pension abolished and replaced by job seekers allowance.

Questions for candidates in the forthcoming general election.

ESB Retired Staff Association asks you to raise some or all of the following issues with election candidates

- 1 What is your view of the demand by ESB Pensioners to be permitted full participation through their own representatives as of legal right in any Employer/Union forum where their occupational pension scheme is under discussion.
- 2 What would you propose doing if such participation is refused to pensioners?
- 3 Pensioners cannot access the State's Industrial Relation Machinery in respect of any proposed changes to their occupational pension scheme. What is your view on pensioners being able to refer pension issues to the State's Industrial Relation Machinery and what are you willing to do to bring this about?
- 4 As a result of ESB/Unions Agreement in 2010 ESB pensioners had unilateral adverse changes imposed on them without their consent which was not even sought either by ESB or its Unions. Should these changes be unwound and what support would you propose to give ESB pensioners to achieve this?
- 5 What support will you give concerning the refunding of the Pension Levy over a number of years in line with the return of pension deductions to Public Service Pensioners, currently underway?



When people rob banks they go to jail



When banks rob people they get bonuses.

ESB Pensioners demanding Right to Participate in any discussions affecting members of the ESB DB Pension Scheme.

1. From a position where
 - pensions-in-payment to retired staff could not be reduced and
 - pensions were indexed to current salary levels of serving staff

ESB, and its Unions representing only serving staff, negotiated changes to the ESB DB Pension Scheme in 2010. Those changes affected serving staff and also seriously affected pensioners who had been totally excluded from the negotiations and whose views were not considered by the negotiating parties.

As a result

- Pensions are no longer indexed to current salaries of serving staff. They are instead indexed to inflation but subject to an annual fund solvency test. Any inflationary increase is dependent on the solvency test being met and, if paid is capped at 4% irrespective of higher inflation rates.
- Pensioners have not received a pension

increase since 1st Jan 2009 and do not expect to be paid an increase before 1st Jan 2019, if even then.

- Where a pension increase is not applied in any year, no compensatory increase will be applied in subsequent years irrespective of how well the fund performs in future years. This means pensions can only fall in value over time and any loss in value is permanent.
2. Government introduced changes in pension legislation which enabled Pension Fund Trustees to reduce pensions in payment. This the Trustees have already done to offset the cost to the fund of the government Pension Levy. Trustees could do so again for other reasons not connected with government tax impositions. Pensioners and Serving Staff are both defined in legislation as members of the ESB DB Pension Scheme. In any future discussions on this pension scheme, *all members*, whether retired or serving, need to be parties to those discussions *as of right*. The continued exclusion of retired staff from such discussions cannot be justified. ESB RSA is working gain a place for pensions at the table when pensions and the ESB DB Pension Scheme is being discussed.