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**RTE Business News – Morning Ireland
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Transcript:

Conor Brophy: New research from Irish Life shows low rates of pension coverage in the private sector, an over reliance on cash deposits and highlights the fact that only two out of five adults say they've ever invested money before. Gerry Hassett is managing director of Irish Life Retail. Gerry, is part of this, and I note particularly that 25% of Irish people say they keep their wealth in cash – that's double the rate in the UK – is a lot of that just risk aversion following what's happened here since 2008?

Gerry Hassett: I think it is risk aversion, and I think it's inertia, frankly. I think people feel that maybe it's a risk free option, but with deposit rates at the moment at an all-time low and Government bond rates at an all-time low, it's not a risk free decision anymore. I think savers and investors are going to have to look more widely. Irish people typically hold two-three times as much in cash as, for example, people in the UK.

Conor Brophy: In terms of pension coverage, again your figure – 50% in the private sector – means obviously, half of people have little or no pension coverage at all other than the state pension. The Minister for Social Protection has plans that may include some sort of mandatory pension scheme; what's the industry view on that?

Gerry Hassett: Well, there is a pensions time bomb, and we do need to increase coverage in Ireland – the OECD report coverage pointed that out. We are at 50%, and the international norm is anywhere between 75% and 90%. We need to do something, and I think that we would work constructively with the Minister to come up with the right solution for Ireland.

Conor Brophy: In terms of universal pension coverage though, I imagine that's something that would be welcomed by the industry because of the possibility to earn fees and commissions that clearly you are not earning from people who don't have private pensions at the moment.

Gerry Hassett: I think it's a much more complex thing than that. We want to have a vibrant retirement planning market in Ireland, and I think there's a whole series of issues including the state pension in there but we will work constructively with the government on this.

Conor Brophy: Gerry Hassett, thank you very much.

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