



## **Press Release**

**26 August 2024**

**More than four in five adults in Ireland support Government's plans for Auto-enrolment (AE)**

**More women than men disagree with workers being automatically signed up to new scheme**

**Almost 1 in 2 believe that it will take some time before the public recognise the benefits of the scheme**

There is strong support for the Government's planned retirement savings system, with more than four in five (82pc) Irish adults describing the scheme as positive and more than one in three (36pc) describing it as a "fantastic initiative that will be of great benefit to workers".

This is according to a new survey<sup>1</sup> of 1000 adults nationwide by Royal London Ireland, one of Ireland's leading life insurance and pensions companies.

Highlights from the survey, which explored attitudes towards AE, which the Government plans to launch early next year, include:

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<sup>1</sup> Of 1,000 adults in Ireland nationwide carried out by IReach  
[www.royallondon.ie](http://www.royallondon.ie)

- Almost half (46pc) of respondents think AE is a good initiative but foresee some pushback in the beginning – before workers come to realise the benefits of the system.
- While most people in all age categories support AE, those aged 55+ are most inclined to do so (88pc in favour), possibly because they recognise more than any other age group the importance of having financial provisions in place when you are approaching retirement. There was also strong support for AE amongst 25-34 years olds, with 85pc of this age group in favour of the initiative. (See Table 2 in *Appendix*)
- Support for the Government’s planned AE system is slightly up on last year. A survey conducted by Royal London Ireland in 2023 found that 79pc viewed AE in a positive light. This compares to 82pc this year. (See Table 3 in *Appendix*)
- Almost one in five (18pc) don’t support the scheme, with almost one in ten (9pc) believing that workers should not be automatically signed up for it – instead feeling that if an individual wants a pension, they will set it up themselves. Women are more inclined than men to disagree with workers being automatically signed up for AE (11pc versus 8pc).
- Just 4pc of those asked do not believe that AE will work.

Commenting on the survey findings, **Mark Reilly, Pensions Proposition Lead in Royal London Ireland**, said:

*“The Government may be glad to hear that the majority of adults in Ireland are supportive of the planned auto-enrolment system. Approximately 800,000 workers<sup>2</sup> are expected to be enrolled into auto-enrolment when it is up and running - so the rollout of the system will affect a huge number of people.*

*It is worrying that a recent CSO report<sup>3</sup> found that of workers with no occupational pension from their current employment, four in five are not aware of the Government’s plans for AE. This suggests that more needs to be done to boost awareness of the scheme – and indeed, greater awareness and*

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<sup>2</sup> As per [Department of Social Protection press release](#) of April 2024

<sup>3</sup> As per [CSO Pension Coverage 2023 report](#), published in late February 2024

*understanding of the benefits could help assuage the misgivings held by those not in favour of the scheme.*

*Since AE was introduced in the UK in 2012, more than 10.7 million people have started saving for their pensions and the proportion of women saving into a workplace pension jumped by about 50pc<sup>4</sup>. AE has the potential to substantially increase pension coverage in Ireland and could make a huge difference to the financial situation of many people in retirement.”*

Mr Reilly added:

*“An interesting insight from this survey is that it’s women more than men that are against the idea of workers being automatically signed up to it. Yet arguably women could benefit more from inclusion in the scheme. It’s widely accepted that women are underprovided for when it comes to retirement provisions – with the latest official figures showing that a woman’s pension is on average 35pc less than a man’s<sup>5</sup>. Given that AE could bring more women than men into the pension savings net, it could do a lot to improve the financial situation of women in retirement. There are however some inflexibilities around AE which if addressed, would allow the scheme to achieve its true potential in this regard.*

*For example, the contributions that can be made to an AE pension are fixed and there are no plans currently to allow people to make additional contributions.*

*If AE doesn’t easily facilitate the ability of women to increase pension contributions during periods they are working – so they can make up for any time lost saving into a pension, women could be in a worse position under AE than would be the case for those with private pensions which allow them to vary their pensions contributions.*

*Other workers who have fallen behind on pension savings for various reasons – whether that be lack of access to a work pension or affordability issues – could also benefit from the ability to top up their contributions to their AE scheme.*

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<sup>4</sup> As per [release from Department of Work and Pensions in the UK](#)

<sup>5</sup> As per ESRI [‘Gender, pensions and income in retirement’](#) report, published in September 2019

*Another drawback of AE is that those working part-time and earning less than €20,000, perhaps because of caring responsibilities, won't be automatically enrolled. While these people will be able to opt-in at any time when the scheme commences, it is important that this message is communicated to them as otherwise this cohort of workers could be excluded from the benefits of the scheme.*

Currently, almost a third (32pc) of workers have no private pension coverage and will therefore be depending only on the State pension in retirement<sup>6</sup>.

Mr Reilly added:

*"It is imperative that private pension coverage in Ireland is improved – otherwise, a significant portion of the population could struggle financially when they reach retirement. AE should help boost pension coverage here and therefore has the potential to be a hugely positive initiative – particularly if inflexibilities around the scheme are addressed.*

*We still have a long way to go when it comes to retirement planning awareness and education in this country. Findings from another survey we recently undertook showed that seven in ten (71pc) people believe that Ireland should follow in the footsteps of Australia and introduce a regular retirement standard benchmark that would allow people better understand the amount of money they will need when they retire, as well as how much they should be saving through their pension to achieve that target at a given point in time.*

*Two in five (40pc) said they would support such a benchmark because they have 'no idea' how much money they would need to have in their pension pot in order to retire comfortably - or how much they should save to achieve that. All stakeholders in the industry must listen to the feedback, to ensure that the rollout of AE and any other pension developments are successful in doing what they set out to do."*

- ENDS -

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<sup>6</sup> As per [CSO Pension Coverage](#) report, published in February 2024

Notes to editors

About Royal London Ireland:

Royal London Ireland has a history of protecting its policyholders and their families, and it is committed to continue to do so for a long time to come. Our businesses heritage in Ireland is almost 200 years starting when the Caledonian Insurance Company's first office opened on Dame Street, Dublin 2 in 1824. Today, Royal London Ireland is owned by The Royal London Mutual Insurance Society Limited – the UK's largest mutual life insurance, pensions and investment company, and in the top 30 mutuals globally, with assets under management of €197 billion, 8.5 million policies in force, and over 4,400 employees. Figures quoted are as at 30 June 2024.

Royal London Ireland's office is based at 47-49 St Stephen's Green, Dublin 2.

Appendix

**2024 Royal London Ireland Auto-Enrolment Survey**

**Table 1**

|  |     |
|--|-----|
| The Government is expected to introduce auto-enrolment in 2025. Under auto-enrolment, workers aged between 23 and 60 who earn more than €20,000 a year that don't currently have a company pension will be automatically signed up to a pension plan co-funded by their employer, the workers and the State. All workers can leave the pension plan at any stage if they wish. Which of the following best describes your views on this? (Select all that apply) |     |
| I think it's a fantastic initiative and will be of great benefit to workers  | 36% |
| I think it's a good initiative. I think people might not welcome it initially but will see the benefit in the long run.  | 46% |
| I don't think it's a good initiative. I don't believe workers should be automatically signed up for anything – if they want a pension they will set it up themselves   | 9%  |
| I don't think it will work   | 4%  |

|   |    |
|---|----|
| I don't think the State should be co-funding this | 5% |
|---|----|

Table 2

| Introduction of Auto-Enrolment in 2025  |                      |      |        |       |       |       |       |     |        |                  |         |                   |      |      |
|---|----------------------|------|--------|-------|-------|-------|-------|-----|--------|------------------|---------|-------------------|------|------|
| The Government is expected to introduce autoenrolment in 2025. Under autoenrolment, workers aged between 23 and 60 who earn more than €20,000 a year that don't currently have a company pension will be automatically signed up to a pension plan funded by their employer, the workers and the State. All workers can leave the pension plan at any stage if they wish. Which of the following best describes your views on this? |                      |      |        |       |       |       |       |     |        |                  |         |                   |      |      |
| Cell content:<br>Column%  | What gender are you? |      |        | Age   |       |       |       |     | Region |                  |         |                   | SES  |      |
|   | Total                | Male | Female | 18-24 | 25-34 | 35-44 | 45-54 | 55+ | Dublin | Rest of Leinster | Munster | Connacht + Ulster | ABC1 | C2DE |
| Sample Size   | 1000                 | 489  | 511    | 110   | 185   | 209   | 175   | 321 | 287    | 263              | 272     | 178               | 539  | 461  |
| I think it's a fantastic initiative and will be of great benefit to workers   | 36%                  | 37%  | 34%    | 45%   | 29%   | 42%   | 32%   | 35% | 34%    | 41%              | 36%     | 31%               | 38%  | 33%  |
| I think it's a good initiative. I think people might not welcome it initially but will see the benefit in the long run  | 46%                  | 44%  | 48%    | 35%   | 56%   | 37%   | 40%   | 53% | 45%    | 38%              | 51%     | 52%               | 46%  | 46%  |
| I don't think it's a good initiative. I don't believe workers should be automatically signed up for anything – if they want a pension they will set it up themselves  | 9%                   | 8%   | 11%    | 8%    | 11%   | 12%   | 12%   | 5%  | 9%     | 12%              | 7%      | 9%                | 8%   | 11%  |
| I don't think it will work  | 4%                   | 4%   | 5%     | 8%    | 1%    | 7%    | 4%    | 4%  | 3%     | 6%               | 3%      | 6%                | 5%   | 4%   |
| I don't think the State should be co-funding this   | 5%                   | 6%   | 3%     | 4%    | 3%    | 2%    | 12%   | 3%  | 9%     | 3%               | 3%      | 2%                | 3%   | 6%   |

Q: The Government is expected to introduce auto-enrolment in 2025. Under auto-enrolment, workers aged between 23 and 60 who earn more than €20,000 a year that don't currently have a company pension will be automatically signed up to a pension plan co-funded by their employer, the workers and the State. All workers can leave the pension plan at any stage if they wish. Which of the following best describes your views on this? (Single select, n=1000).

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Table 3

More than 4 in 5 (82%, up 3%) think the government auto-opt-in pension scheme is a positive thing. More than 1 in 3 (36%, up 1%) describe it as a fantastic initiative that will be of great benefit to workers.

