

Association of eircom Pensioners

(Established January 2014)

Inaugural Report 2014

Postal Address
The Hon. Secretary
Association of eircom Pensioners
c/o eircom Superannuation Division
Leitrim House
67/68 Upper Stephen Street
Dublin 8

The Inaugural Meeting of the Association of eircom Pensioners will be held on August 14, 2014 at 2 o'clock in the eircom Head Office, 1 Heuston South Quarter, St. John's Road, Dublin 8. The usual refreshments will be served before the meeting from 1 o'clock.

You are cordially invited to attend

Standing order report No. 1

1. Agenda for inaugural meeting:
2. Address of welcome by- Seamus Browne, the Chairperson Steering Committee
3. Silent Prayer in Honour of deceased members
4. Address by Guest Speaker – Mr Jim Foley, Group Pensions Director eircom Limited
5. Hon. Secretary's Report
6. Motions

Standing order report No. 2

1. Election of Committee
2. Open Forum
3. Closing Address by the Chairperson

A large attendance of members is requested



Denis J. Fahey
Hon. Secretary (pro tem)

Important Note:

All motions for discussion at the Annual Meeting should be given in writing to the Hon. Secretary by Tuesday July 25, 2014.

Transport to 1 Heuston South Quarter:

Take the Luas from Abbey Street Lower to Heuston Station. The eircom Head Office is only 100 metres from the Heuston Station stop.

This is a great opportunity for pensioners to see the new eircom Head Office on what was the historical site of the St. John's Road Factory Depot.

Hon. Secretary's Report to Inaugural Meeting

Having inherited, democratically, the mantle in March 2013 from outgoing Hon. Secretary, Tommy Commons it was head-down and "get-on with it". Tommy, having served nine years in the position, had become a household name during that time and in doing so also succeeded in increasing the membership to an all time high of 4,973. During this time he witnessed a stagnation of the membership in the umbrella organisation - RCPSA. For a number of years past the membership of the RCPSA has remained at approximately 11,000, while the membership of eircom Group increased steadily as illustrated in the table below. This demonstrates that both An Post and Civil Service membership had decreased allowing for natural reductions. One wonders why the thousands of retired/retiring civil servants choose not to join the RCPSA?

New Membership of the Retired Civil and Public Servants Association (RCPSA) January to June 2013

	Civil Servants	An Post	eircom
January	3	0	29
February	9	0	31
March	9	0	36
April	11	1	25
May	0	0	34
June	1	0	25
Totals	33	1	180

eircom Pensioners were represented at all twelve RCPSA meetings during 2013. Our esteemed colleague, Martin Lalor (RIP) the then Treasurer of the eircom Branch and Treasurer of the RCPSA became ill earlier in the year and died in July 2013. The eircom committee held its own regular six meetings which were always well attended.

However, it became more and more frustrating as time went on and in September, it became apparent that we were not getting the recognition/appreciation that we felt we deserved at the RCPSA Council despite our best efforts. This resulted in the eircom Branch setting up of a sub-committee to examine the "fit for purpose" of the structures under which the eircom Committee representatives functioned at the RCPSA (Council) level.

During the past year we record the passing of some ninety pensioner, two of whom were serving committee members. Martin Lalor, a long standing and loyal member also served as treasurer of the Branch (RCPSA) and the Council over the years. More recently, Prionnsias (Frank) O'Gallcobhair who served on the committee and represented Dublin pensioners for over twenty years died on Monday July 7, 2014, may they both rest in peace.

Sub-committee report:

The sub-committee under the guidance of Seamus Browne, Margaret Duggan, Frank Kavanagh, Tommy Commons, Pat Doyle and Denis Fahey (all eircom Council Members) set about addressing the brief assigned. One of the first things undertaken was an in-depth review of representation at all levels under the prevailing structure & rules. This review resulted in the sub-committee giving a report back to the eircom Committee with a recommendation that we conduct research of our membership to gauge if there would be an appetite for an autonomous organisation that would accommodate all three categories of eircom pensioners/retirees.

A circular was developed so as to eliminate any misgivings that pensioners may have for the whole idea. This circular was printed and distributed to all existing eircom members of the RCPSA with a return date of February 4th, 2014. The use of the FREEPOST service proved to be a great benefit. Despite the Christmas post and other elements it wasn't long before it was realised that the level of response and queries reached an all time high in the last week of January 2014. A team of five volunteers from the committee processed the applications and it was realised that we had close on 2,500 applications. Today we have close on 3,500.

Buoyed up with this enthusiasm the eircom Committee decide to break ranks with the RCPSA for numerous reasons, the most salient are as follows:-

1. eircom is 31 years left the Civil Service and we have no identity with the Civil Service today.
2. The rules didn't permit eircom Officers represent its members at any level particularly politically.
3. The level of Honoraria paid to Officers of the RCPSA and other officials despite objections from eircom Council members. (up to €10,000 in some cases) It almost cancelled out our pensioners total membership fees.
4. The eircom committee ran its administration in a very frugal manner and always had to beg the RCPSA for funds.

5. Every Council meeting had difficulty with the manner of recording the minutes to the extent, that considerable time was spent correcting same. One set of minutes was held over to be corrected two months later by the eircom members.
6. The formation of an Alliance with other Public Service Groups - Yet eircom and An Post members are not allowed participate in the Alliance - even our pre '84 members whom the Council consider to be Civil Servants. The first notification of the Alliance was at the January 16th 2013 Council meeting, although it was in operation previous to this date and eircom Council Members were aware of this from other sources.
7. Refusal to record the level of Honoraria enjoyed by the officers in the Council meeting minutes. Failure to give a written record of the payments to the eircom Secretary although this was promised on more than one occasion at Council meetings. (Honoraria were allocated to Civil Service members in November each year).
8. Failure by the Council to properly recognise the organisational and financial contributions of the eircom members and the eircom Company over the years. Last October the Council members including the President claimed that they knew nothing about this although he and others were at previous Council meetings where this was discussed and later recorder in the Council minutes.
9. Two extra Civil Service members were co-opted to the Council without prior agreement of the Council in June 2013.
10. The bulldozing through of the Universal Social Charges motion for 2013 AGM despite being objected to by eircom members at two Council meeting and the AGM - but yet no account was taken of our objections.

Association of eircom Pensioners:

January 15th, 2014 we parted company for the above reasons. The RCPSA then set about issuing an unsigned rebuttal of our action which caused major confusion with our pensioners. A further advantage of the committee's action is the major awareness generated that an organisation now exist that will be exclusively representative of all eircom pensioners.

Hereunder is a factual table that shows the former membership base of the RCPSA in mid January 2013 and the projections that can be expected. (shaded)

Organisation	Members	Yield in Euros	Members	Yield in Euros
An Post	1,067	€5,335	1,067	€5,335
Pay Master Gen.	4,942	€24,710	4,942	€24,710
eircom	4,973	€24,865	1,973	€9,865
IAARPA	95	€475	95	€475
Others	16	€80	16	€80
Total	11,093	€55,465	8,093	€40,465
Less			3,000	€15,000

Hereunder is a table of potential membership.

Type of retiree	Totals
Deferred pensioners	7,065
Pensioners post and pre 1984	7,632
Potential membership	14,697
Allow for 50% to affiliate by 2016	7,349
Association of eircom Pensioners	3,000
Minimum membership	10,349

This level of membership will require astute management and appropriate representation. It is envisaged that we revert to the old Telecom Eireann District structure as outlined at per rule 11 on page 5. Having spoken to a large number of new members it is reasonable to expect a level of co-operation that will make for a very constructive national organisation that will be two pronged - a business element and a social element. The latter element promoted through social interaction – bridge clubs, golf societies, social clubs, policy group, media group etc., etc., over time the membership will drive this agenda by active participation locally.

Motions:**Universal Social Charge:**

1. This Inaugural Meeting of the Association of eircom Pensioners calls on the Minister for Finance to exempt persons over 80 years of age from the Universal Social Charge.

Pension Levy:

2. This Inaugural Meeting of the Association of eircom Pensioners calls on the incoming officers to make representations to the Minister for Finance to discontinue the Pension Levy after 2015 and when the national economic position improves to refund the monies collected to the various funds.

Local Property Tax:

3. This Inaugural Meeting of the Association of eircom Pensioners calls on the incoming Officers to make representations to the Minister for Finance to exempt pensioners with income less than €50,000 per annum from the Local Property Tax on their main residence.

Income Tax:

4. The Association of eircom Pensioners calls on the Minister for Finance to reduce the income tax take on earnings under €50,000 per annum by 10% in the October 2014 budget.

Medical Card:

5. The Association of eircom Pensioners calls on the Minister for Finance to restore the full medical card to all pensioners over 70 years.

**Rules of the Association of eircom Pensioners
Established August 2014**

1. The Association shall be called "The Association of eircom Pensioners" (AEP).
2. The objectives of the Association shall be to advise and assist members on matters of concern to them on eircom and State pension issues, social protection, taxation, security etc. The Association will also make representations at Ministerial and Government level and make pre-budget submissions on behalf of our members.
3. Membership of the Association shall be open to all persons who have retired from the Telecommunication's Branch of the Department of P&T, Telecom Eireann, eircom Limited and will include pensioners and deferred pensioners
4. The Annual subscription shall be €5 per annum. This shall be payable to the Honorary Treasurer of the Association in February each year by deduction from pension under arrangement with Mercers as agents for the Trustees or alternatively by Financial Institution Standing Order at the time of joining the Association and at the same time in subsequent years.
5. The Association shall be managed by a Chairman, Honorary Secretary, Honorary Treasurer and a Committee of at least 10 other members but no more than twenty other members. All Officers and Committee members shall be paid up members. The Association Committee may appoint Officers to fill vacancies should they arise during the year and may co-opt members to the Committee in addition to those elected at the Annual Meeting. The quorum for Committee meetings shall be eight, one of whom shall be an Officer.
6. The Association Committee shall normally meet in Dublin every two months or more frequently if the Chairman decides that this is warranted.
7. The Association shall hold an Annual Meeting in Dublin in March or April each year to which all members of the Association will be invited and given 10 days' notice. All Officers and Committee members shall retire at the Annual Meeting and shall be eligible for election if they so desire. Candidates for election must be willing to serve and must be proposed and seconded.
8. The Committee shall be empowered to pay the expenses incurred by Committee members in conducting the business of the Association and to fix and pay Honoraria as appropriate.
9. Motions including motions involving changes of rules must be submitted to the Honorary Secretary in writing before the 1st March for discussion at the Annual Meeting. Motions other than motions requiring a change of rules may be passed by a simple majority. Motions calling for a change of rules may only be passed by a two thirds majority of members present and voting at the Annual Meeting.
10. The Association will be non political and non sectarian.
11. The Association shall endeavour to set up Organisational Centres based on former Telecom Eireann Districts where we have a predominance of members with Centres in Waterford, Cork, Limerick,

Galway, Sligo, Portlaoise, Drogheda, Castlebar, Athlone, and Mullingar with four Centres in Dublin based on former work areas of Operator Services, Telephone Contracts, Engineering and Clerical. The main functions of all Centres should be to recruit new members and to keep members informed of developments. The Centres should also endeavour to have a social function.

The eircom No. 2 Pension Fund and the eircom Superannuation Fund

The eircom No. 2 Pension Fund

This Fund was established in December 1999 when the Minister for Finance provided an advance funding contribution of approximately €1.02B in respect of his liability to provide for the pre-vesting day pension payments for staff who transferred from the former Department of Post and Telegraphs to Telecom Eireann on the 1st January 1984. The Telecom Eireann/eircom Superannuation (Amendment) Scheme 1999 provides that the Minister, in addition to the Trustees, will cause periodic investigations of the Fund to be carried out and if the solvency of the Plan is threatened pay any additional contributions recommended by the investigation. In particular it provides that “the Minister for Finance” shall in any event immediately pay to the Trustees any amount which they immediately require in order to discharge the Specified Benefits as they fall due.

The net assets of the Fund at year ended 31st March 2013 were €457.832m which is a decrease of €19.917m. Withdrawals for the period totalled €66.795m, the Pension levy €2.719 m, and the return on investment was €49.597m.

The eircom Superannuation Fund

During the past 12 months a measure of stability has returned to the world financial markets. A return on the fund’s investments of 12.7% was achieved leaving the fund €302.67m stronger at year end after all payments have been made.

This Fund is financed by contributions from eircom as the plan sponsor and the members who are still in Company employment. Under the 2010 Defined Benefit Pension Accord, the Company contributed for the three years to December 31, 2013 an annual minimum of €20m with the employees contributing 5.3% of pensionable earnings, in addition to their contribution to the Spouses’ and Children’s Scheme of 1.5%. The Actuary has advised that the assets at the end of March 2013 were adequate to meet the Minimum Funding Standard.

The value of the Fund’s assets at the 31st March 2013 was €3.141billion up €302.7m from the 31st March 2012. Withdrawals totalled €71.411m, the Pension levy €17.099m and the net return on investment was €360.014m

New Risk Reserve Requirements

As part of the Social Welfare and Pensions Bill 2012, a revised funding standard and new risk reserve requirements have been introduced for defined benefit schemes. The Fund is reviewing the implication of the new risk reserve requirements which will be fully introduced over a number of years.

Finance Bill May 2011 Pensions Levy:

Section 4 of the Finance (No2) Bill provides for a temporary levy on pension scheme assets. An annual 0.6% stamp duty levy is applied to the value of the assets under management for the four years 2011 to 2014. The eircom No 2 Pension Fund paid out €3.138m during the year ending 31st March 2012 and a further €2.7m during the year ending 31st March 2013 with a further €4.9m approx. due over the remaining two years. The effect of the Levy payment will be to bring forward the expected date when the Fund falls to a value at which the Minister will be required under the Superannuation scheme provisions to meet the ongoing Fund liabilities arising.

The eircom Superannuation Fund paid out €15.9m during the year ending the 31st March 2012 and a further €17.099m during year ending 31st March 2013 with a further €38m approx. in the remaining two years.

The Minister for Finance in his budget speech of the 5th Dec 2012 confirmed that the Levy would cease after the four year period. However the Minister for Finance in his budget speech of the 15th October 2013 increased the Levy to 0.75% an increase of 0.15% for 2014 and the new levy of 0.15% will continue to year 2015 with no specific commitment to end it then. The Minister said the new “tax” will provide funds to

continue support for the job creation programme. It will also “make provision for the potential state liabilities which may emerge from pre-existing or future pension fund difficulties”.

The Trustees of both Funds wrote to all members on December 14, 2011 advising that this tax imposed on the scheme by the legislation has been deducted from the pension funds and may have to be recovered from members by reduction of benefits in the future.

eircom Superannuation Funds 2011, 2012, 2013

Fund	ROI	Outflow	Net Assets
No. 2 Fund	2011 €22m	2011 €66m	2011 €532m
	2012 €15m	2012 €67m	2012 €478m
	2013 €50m	2013 €67m	2013 €458m
Superannuation Fund	2011 €81m	2011 €67m	2011 €2655m
	2012 €236m	2012 €69m	2012 €2839m
	2013 €360m	2013 €71m	2013 €3142m

Combined eircom Superannuation Funds

2011	€ 3.187 B
2012	€ 3.317 B
2013	€ 3.600 B

The eircom pensioners appreciate the efforts and achievements of the eircom, the eircom Superannuation Division, the Boards of Trustees and all concerned in maintaining the Funds in such a strong state in a very difficult financial climate.

eServices and Communications Credit Union Ltd:

The dedicated Credit Union for eircom Staff and Pensioners and their families held its Annual General Meeting on Tuesday 10th December 2013. After a very good year the Board of Directors were able to recommend a dividend on shares of 2.75% and this was added to members savings shortly afterwards in order to avoid the increased D.I.R. Tax agreed in the **2013 budget** being deducted from the dividend. A rebate of 10% was agreed on interest **paid on loans** for 2012 / 2013.

To comply with Central Bank recommendations to all Credit Unions a major restructuring of the Board of the Credit Union was made with five new Directors elected.

Members are urged NOT to reduce their shares or savings if possible so that the member’s estate may qualify for the maximum amount of benefit.

Members may apply for a loan that is equal to or within their shares at a preferential interest rate of 4.8% rather than withdraw their shares or savings.

Members may contact the Credit Union by ringing 01 679 2344 or by accessing www.esccu.ie. A member of staff of the Credit Union will be available to address our Inaugural Meeting and answer member’s questions.

Association of eircom Pensioners

Application Form

Type 1

Dear Hon. Secretary

I wish to apply for membership of the Association of eircom Pensioners. I have completed my Standing Order arrangements for deduction of my annual subscription of €5-00. This payment may be revised in accordance with any alteration in the rate of subscription determined in accordance with the rules of the Association.

I recognise that:

The ultimate responsibility for ensuring that this Standing Order is in fact been made rests with me and that no other person or body accepts this responsibility.

(Signed) _____ Date _____ Pension No _____

Official Name (BLOCK CAPITALS) _____

Home Address (BLOCK CAPITALS) _____

Tel No. _____ / Mobile _____ EMAIL: _____

Return to: The Hon. Secretary, Association of eircom Pensioners, c/o eircom Superannuation Division, 67/68 Upper Stephen Street, Dublin 8.

CUT HERE

Application Form

Type 2

eircom Superannuation Division

I authorise the deduction from my pension the sum of €5.00 a year in respect of my subscription to the Association of eircom Pensioners. This deduction may be revised in accordance with any alteration in the rate of subscription determined in accordance with the rules of the Association.

I recognise that:

- a. These deductions are being made solely as a convenience to me and may be terminated at any time
- b. The ultimate responsibility for ensuring that the deductions have in fact been made rests with me and that no other person or body accepts this responsibility.

(Signed) _____ Date _____ Pension No _____

Official Name (BLOCK CAPITALS) _____

Home Address (BLOCK CAPITALS) _____

Tel No. _____ Mobile _____ EMAIL: _____

Return to: The Hon. Secretary, Association of eircom Pensioners, c/o eircom Superannuation Division, 67/68 Upper Stephen Street, Dublin 8.

Association of eircom Pensioners - Steering Committee

Position	Name	Address	Phone	Mobile
Hon. Chairman	Seamus Browne	Drumraney, Athlone, Co. Westmeath	0906485182	0872393355
Hon. V. Chair	Margaret Duggan	68 Grace Park Meadows, D9	018319297	0851744742
Hon. Sec	Denis Fahey	Curranstown, Poulmucka, Clonmel	0526135130	0872793290
Hon. Treasurer	Frank Kavanagh	172 Balally Drive, Dundrum, D16	012956279	0872571276
Dublin	Mary Dowling	4 St Enda's Pk, Rathfarnham, D14	014933511	0879630845
	Jim McNicholas	32 The Crescent, Mill Brook Lawns D24		0872558784
	Willie Barton	51 Carrickmount Ave., D14	012980314	0876799494
	Amelia (Amy) Hourie	62 Balally Park, Dundrum D16	012955285	0872256167
Provinces	Tommy Commons	Rockmarshall, Jenkinstown, Dundalk	0429376136	0872444376
	Pat O'Shaughnessy	15 Ashleigh Heights, Drogheda	0419836089	0872562650
	Jim Keegan	Loyola, Carraroe, Sligo	0719160022	0851403081
	Hugh O'Brien	18 Oaklands Dr, Greystones, Limerick City	061454022	0876718634
	Peter Kenny	13 Lough Atalia Ave, Renmore Galway	091755747	0876816101
	Sean O'Callaghan	Allolee, 56 Park Court, Ballyvolone, Cork	0214504721	0879934029
	Gerry P. Lavelle	Coarse Park Hse. Dereenmish, Castlebar, Co Mayo	0949024356	0860211803
	Pat Doyle	Hanover Cross, Blackbog, Carlow	0599132233	0872459950

The above listing is the current steering committee contact details. The information gleaned from member's applications forms is currently being processed and is ongoing work. Members are encouraged to respond to all forms of communication e.g. email, texts and standard post as it will be used to disseminate information in the coming weeks and months. (For local area information contact your representative listed above)

Our website is a "work in progress". It will evolve as we develop our Association and will be up and running by our AGM in March 2015. Your assistance in furnishing timely information for publishing would be very much appreciated. An editorial group will determine the appropriateness of material for publishing on our website

Deceased members:

The Steering Committee acknowledges the monthly notification from the Superannuation Division of deceased members. In that regard we have **given** an undertaking that we will advise the Division of the demise of any eircom pensioner that we are made aware of. This information is to be communicated centrally through the **Association** Secretary. We have to confirm the specific details on the **www.rip.ie** website before relaying the details. All members are earnestly asked to co-operate with this sensitive initiative.

Thanks:

It would be remiss of me not to acknowledge the support and co-operation that I received from my fellow Officers and Committee and Sub-committee during this past year.

A sincere thanks to my predecessor, Tommy Commons, whose enthusiasm, is infectious.

I also acknowledge the wonderful encouragement that I received from members and potential members throughout the country during this transitional period. I will be relying on your encouragement when we progress with the formation of the District structures, which has already commenced.

I acknowledge the work of Brian McCann, Fund Administrator and his team in the Superannuation Division in accommodating **our** meetings and his tolerance in dealing with our short-comings during the setting up of our Association of eircom Pensioners. This is very much appreciated.

Special Note:

Those eircom Pensioners who remained with the RCPSA will have had no eircom Member's Annual Meeting in 2014 and because of a motion passed at the 2014; AGM of the RCPSA will have their annual subscriptions increased by 100% to €10-00