



Cumann na nIAR-Oifigeach Coimisiúna

Association of Retired Commissioned Officers  
*Camaraderie Through Service*

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01 February, 2021

Mrs Jacqi McCrum,  
Secretary-General,  
Department of Defence

**PUBLIC SECTOR PAY AGREEMENTS**

**APPLICATION - MILITARY PENSIONS IN PAYMENT**

*Secretary - General,*

**Reference:** A. ARCO's Submission to Minister of Public Expenditure and Reform, dated 20 November, 2020, copied to Minister of Defence and Foreign Affairs.

1. **Public Service Stability Agreement 2018 – 2020 (June 2017)**. ARCO is fully aware of the provision that when alignment is achieved between pre and post end-February 2012 pensioners, pay increases will continue to benefit pensions in payment. However, it has come to ARCO's attention that in cases where such is the case, the final increase of 2% to annualised salaries, effective from 01 October 2020 under the 2018 - 2020 Agreement, has yet to be reflected in some military pensions in payments.
2. **2020 Public Service Agreement (Building Momentum)**
  - a. Since the Public Service Pensions Act 2012, the Minister for Public Expenditure and Reform has the power to introduce regulations to remove the parity link between military pensions in payment and salaries of serving colleagues. While primary legislation would not be required, any such regulations would need to pass a resolution of both Houses of the Oireachtas.
  - b. Apparently, the 2020 Public Service Agreement (Building Momentum) prescribes for post FEMPI pay increases, rather than pay restoration. Accordingly, the parity link has a new significance than that which prevailed in the last 10 years.

- c. ARCO now understands that the Minister for Public Expenditure and Reform has recently confirmed the parity links between personnel in receipt of public sector pensions and those still serving in their former grade or group, will be maintained during the current Public Servicer Pay Agreement, due to expire on 21 December, 2022.
3. **Request for Information**. Accordingly, in order to inform its membership, ARCO would appreciate information regarding:
- a. The mechanisms by which Defence Forces personnel who retired prior to February 2012, and whose annual military pensions (excluding PSPR) is now less than the equivalent rank or grade, will receive the 2% increase in their respective military pensions in payment, accruing from 01 October 2020, and
  - b. Confirmation that the increases accruing from the 2021 – 2022 Public Service Pay Agreement (Building Momentum) will be reflected in military pensions in payment: 1% on both 01 October 2021 and 01 October 2022, with perhaps an additional 1% arising from sectorial deals.

Should you require further clarification on the matters raised above, please don't hesitate to contact me.

*Sincerely,  
Col A. Pakenham*

**Brigadier-General Paul Pakenham (Retd)**

**President**

**The Association of Retired Commissioned Officers**

**Distribution for Information**

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