



**INTERNATIONAL ACTUARIAL ASSOCIATION**  
**Population Issues Working Group**  
**Minutes of meeting in Cape Town, November 20, 2016**

**Attendees:**

**Delegates:** Assia Billig, chair; Sam Gutterman, co-vice-chair, Morteza Aalabaf-Sabaghi, Richard Deville, Ted Goldman, Stuart Leckie

**Observers in attendance:** Ayse Arik; Rob Brown, Christian Levac, Olivier Cabrignac, Heather Jerbi

**On the phone:** Yair Babad, John Martin

1. New members were introduced: Theodore Goldman (US), Georgina Hemmings (Australia), Stuart Leckie (Hong Kong).
2. Christian Levac explained that he had been contacted by a US News & World Report reporter who asked for information on end-of-life care. However, subsequent correspondence indicated that the reporter is more interested in the safety-net systems around the world. Christian will contact the Social Security Committee regarding this inquiry. No actions are required from the PWIG.
3. Minutes of the St Petersburg meeting were approved.
4. Report from the Geneva Social Security and Labour Policy Discussion Forum was discussed
  - a. Adrian Gallop attended the meeting
  - b. The main conclusion drawn from the meeting was that the PWIG papers are too long for effective communication with policy makers. It would be helpful to have a shorter point-form version to be distributed to FMAs.
    - i. The following was provided by Yair after the meeting. These points were not discussed at the meeting due to the poor connection. The WG may wish to discuss it further at the next meeting or a during conference call

`` The issue of the length of the papers is really important, and we do not address it well. Partly, because we have not determined our audience prior to starting writing (in contrast to how we write many academic papers and reports). I suggest that we (1) start each project (including the Inequality coming one) with an identification of the intended audience, and mark each section with its intended audience (some sections may be directed to multi-audiences, and they may have to be written appropriately with several versions); (2) identify in advance the marketing channels and PR (e.g., reports, articles, presentations, videos, etc.), as they affect the amount

of effort we should provide; (3) make sure that our results (in all versions and formats) are available on the internet; and (4) be ready to prepare multiple versions of our work.”

- b. Adrian volunteered to prepare such a short summary on the LTC paper.
  - c. Sam suggested that for all papers we prepare a short summary not longer than 12 pages as well as 3-5 minutes video.
  - d. The length will be determined depending on who is the intended audience of such summaries. Such summary will be prepared and distributed to member organizations; they can select which points are most relevant to their situation.
  - e. Ted Goldman agreed to prepare a summary for our retirement age paper.
5. The PWIG work plan was discussed
- a. Assia presented the main points of the plan and the WG`s budget.
  - b. The budget is allocated to the attendance of the Social Security and Labour Policy Discussion Forum and to the promotion of the LTC paper
  - c. A survey with respect to the utilization of the Retirement Age and LTC papers by member organizations will be conducted. It was decided that it would be better to incorporate these questions to the survey that will be sent to members by the Professional Committee. Martin will lead this action.
6. Discussion of the paper on long-term care. Sam lead the discussion.
- a. He said that he had received some comments following the distribution of the final draft. He will incorporate these comments into the final version.
  - b. Sam further stated that he is not comfortable with how the country case studies are incorporated in the paper.
    - a. It was suggested that the relationship between the issues discussed elsewhere should be included in each case study, where possible.
  - c. Morteza suggested that the paper needs to address in more detail work done by charities. Sam will address this issue in the final paper.
  - d. The preparation of one page summaries of the country case studies was suggested: it should probably be in the Appendix. Sam will consider how this could be done.
  - e. Sam said that he will integrate any remaining comments by mid-December. Then the paper will be exposed again for 2 weeks at the most. The next step will be approval by the Scientific Committee.
    - a. Marketing of the paper was discussed
      - i. The presentation on LTC at the ISSA World Social Security Forum in Panama drew on the PWIG draft LTC report content;
      - ii. Webcast sponsored by the Health Section;

- iii. Possible webcasts sponsored by the Canadian Institute of Actuaries and by the American Academy of Actuaries;
  - iv. Possible presentation at the LTCi conference in March;
  - v. Summary as well as slides could be distributed to member organizations for their use.
7. Further marketing of the Retirement Age paper was discussed including
- a. Summary to be prepared by Ted and the presentation made by Assia at the PBSS colloquium will be distributed to member organizations.
8. Discussion on the proposed outline of the paper on the actuarial aspects of the inequality
- a. Yair said that the question of income being the main determinant of inequality was not mentioned in the paper. Assia pointed out that this is reflected in the “socio-economic” determinant of inequality in the draft outline.
  - b. Morteza suggested that the number of inequality issues to be addressed should be narrowed.
  - c. Assia would like to focus more on Chapter 2 and 3 (assumptions and products). Chapter 1 on definitions and the determinants (more general discussion) should be quite brief. She mentioned that a lot has been written on the overall topic of inequality, so in order to bring value, we should focus on how inequality impacts on the work done by actuaries (e.g. life expectancy and impact on health programs)
  - d. It was agreed that the paper should be factual and not political. Rob suggested that the data should be analysed to show the impacts of inequality, but political statements should be avoided.
  - e. Sam said the while the inequality within most countries has increased, the global inequality globally for all countries combined has decreased due to the rise of such economies like China and India. Assia said that this definitely should be discussed in the paper; however, the discussion should be brief since global inequality doesn't have a direct impact on actuarial work.
  - f. Sam further said that it is very important to define what we mean by inequality, e.g., income, wealth and health.
  - g. It was mentioned that some inequality is inevitable in a capitalistic economic system. The issue is the resulting degree of the inequality.
  - h. The inclusion of countries' case studies was discussed. It was suggested that countries' experience would add value if they are used to illustrate key points of the report.
  - i. The question of what are the actuarial aspects of inequality was raised. Assia pointed out that examples are differences in life expectancy, access to health programs, insurance, and social security programs.

- j. It was suggested that Social Security Committee as well as Microinsurance and Mortality working groups may be interested in participating in this project.
  - k. The legal aspect of inequality should be addressed as well (e.g. immigration status)
  - l. Assia will prepare an updated outline and will distribute it to the group for final comments. She will also ask for suggestions regarding relevant sources of information and volunteer drafters.
  - m. Stuart volunteered to write a case study on China.
  - n. Yair volunteered to write a case study on Israel
  - o. Yair has provided comments on inequality project after the meeting (due to poor connection during the meeting). These points were distributed to WG members and will be considered during the drafting.
  - p. It was suggested that we should present this paper at the International Congress of Actuaries in Berlin.
  - q. The final outline will be sent to the Scientific Committee for their review.
  - r. The timeline for the project is 1 year, but it may take longer due to the complexity of the topic.
9. Discussion of the choice of the project to be addressed after the inequality project
- a. The Scientific Committee indicated that a project on the optimal size of the population will not be approved.
  - b. The list of possible projects was distributed prior to the meeting.
  - c. Assia indicated that it would be good if we address wider population segments and not only elderly (the topic of last two papers).
  - d. The following projects were identified as being preferred:
    - i. Migration
    - ii. Life-cycle savings
    - iii. Housing ownership and retirement outcome – possibly a shorter paper.
  - e. It was decided that Migration will be the next major project after inequality. Assia will ask Georgina to start working on an outline of that paper to be presented at the Budapest meeting.
  - f. Housing ownership and retirement income project can be prepared in parallel. Assia will ask Martin to prepare an outline for discussion at the Budapest meeting.
  - g. Ted proposed other possible topics:
    - i. Financial resources and financial education
    - ii. Behavioural science: asking people to solve problems that they do not have time and resources to solve

- iii. Impact of technology on employment. Yair has strongly supported this topic and proposed to expand it to "Technology Impact on Society and Its Life Style (culture, economic, education, inequality, wealth, expectations for the future, etc.)".

10. Other Business:

- a. Organization of the joint PWIG and MWG seminar in Budapest
- b. Presentation of ISSA Demographic megatrends by Simon Brimblecombe at the WG's next meeting.

11. The next face-to-face meeting will be held in Budapest, Hungary — 19-23 April 2017