



PENSIONS, BENEFITS AND SOCIAL SECURITY SECTION (PBSS)

**Minutes of the 21st Committee Meeting of the PBSS Section
held on Wednesday 10 September 2014 from 16:00 to 18:10 hrs
at the Millennium Gloucester Hotel, London.**

1. Welcome and Apologies

The Chairman (Marius Du Toit) welcomed everybody to the meeting. Eight PBSS Committee members attended the meeting (including one member on the phone. See the table on page 6). Apologies were received from Mr Christopher Daykin, Mr Geoffrey Rashbrooke and Mr Brij Sharma.

2. Presentation on the Oslo Colloquium to be held on June 2015 by Ms Gunn Albertsen

MdT suggested to start with the presentation by Ms Gunn Albertsen on the Oslo Colloquium planned for next year. Ms Gunn Albertsen, who is the chair of the organizing committee of the Oslo Colloquium, made presentation as follows:

Since the Washington Congress in April 2014, we have included the IACA section in the Colloquium. We have changed the scientific committee and, with relation to PBSS, included Mr Florian Leger in the scientific committee. With regard to the call for papers, our schedule is: abstracts not later than 31st of January, the notice of acceptance not later than 28th of February, and full papers not later than 31st of March 2015. We expect to show the scientific program at the end of February. We expect at least one speaker talking about the Norwegian system. We plan two best paper prizes, one for the PBSS section and one for the Life section, and we are asking IACA for the same offer.

As for the promotion of the Colloquium, we have been trying to reach as many actuaries as possible, including a stand at the 2014 Washington Congress, an article in the IAA newsletter, a paper in the Scandinavian Actuarial Journal and a presentation at a meeting of the Actuarial Association of Europe. We expect more than 200 participants.

We have got several sponsors: the main sponsor is SCOR (Sweden Re), gold sponsors are Hannover Re, Swiss Re and Milliman and two Norwegian companies, and five silver sponsors. We are now working on finalizing the registration procedure and the amount of registration fee.

With regard to social programs, we are planning a reception on Monday at the city hall in Oslo. On Tuesday, after lunch, we are planning to visit two places in Oslo. One is Vigeland Park, which is an outdoor park with many statues. Another place is the Munch Museum. In the evening of Tuesday, we are planning a gala dinner at Gamle Logen, which is a very famous place built in 1836. The hotel is in the downtown in Oslo and the venues of the reception and the gala dinner are both very close to the hotel. The weather in Oslo in June is usually nice, no snow but sometimes it could be rainy.

As for the schedule of the next Committee meeting and the AGM, Gunn suggested to hold them in the evening or in the morning during the period of the Colloquium. MdT mentioned the possibility of holding a Committee meeting in the early morning of Wednesday. As for the registration fee, MdT said that section members should pay lower fees than non-section members, and the difference should be at least twice the annual due of the section, i.e., CA\$100.

3. Adoption of Agenda

MdT briefly discussed the agenda of the Committee meeting. An item “micro pensions” was proposed by Mr Gary Hibbard. It was added to the agenda.

4. Approval of the minutes of the last committee meeting held on Sunday, 30 March 2014 from 14:00 to 16:00 hours at the Washington Marriott Wardman Park Hotel, Washington, DC

No comments were made and the minutes were approved without change.

5. Publications and webinars

5.1 ASTIN Bulletin

MdT reported that the scientific committee of IAA looks hesitant to approve another publication and raised a lot of questions. MdT posed a question whether the magazine would be a section magazine or an IAA magazine and mentioned the concern of the ASTIN section that if we had another magazine then members of PBSS or other sections would not support ASTIN Bulletin any more. Mr Abraham Hernández Pacheco reminded that the starting point of consideration was the concern of not having enough practical papers published on pension and social security. Based on this starting point of the discussion, various ideas were proposed, including referring to journals of actuarial associations around the world, exploring articles written in non-English languages, using existing materials for getting the magazine started, and choosing topics coming from country perspectives since underlying issues are very similar, etc. MdT summarized the discussion and said that he would discuss the issue at the section chair’s meeting.

5.2 Webinars

MdT expressed his appreciation for PEBC’s continued support to hold webinars and invited a volunteer from the PBSS committee to be the main liaison from PBSS. Gary said we had 2 webinars presented by Ms Mary Hardy (on market consistent valuation of cash balance plans) and Mr Rob Brown (on defined ambition plans from the Canadian perspective), obtaining about 20 participants respectively.

Gary remarked the participation is restricted to the members of relevant sections since it is part of the benefits of being a member of the sections, while paying attention whether there are any opportunities to advertise the advantages of joining the sections. Abraham said it might be enough if PBSS could enhance its own brand and its popularity by sponsoring a webinar, even if the membership was not restricted to the members of PBSS. MdT raised two questions; how to get more members registered for the webinars and how to add other people to open webinars. Gary pointed out that you could download webinars at any time after the event.

Gary said there were many topics and we should select topics with international interests. He added that the best option of webinars would be a kind of balance and raised papers such as “Measures of Retirement Benefit Adequacy”, which is a report about modelling retirement benefit adequacy from the individual perspective and linking the measurement to the needs and objectives of different stakeholder groups. He said that although this paper uses US centric data, you could understand how to apply stochastic modelling techniques.

Gary raised possible subjects of webinars for the next year. One subject would be the IAS19 revised in 2011, with the possibility of inviting somebody from the IASB. ISAPs would also be a subject of webinars. IOPS is running a project on the role of actuaries in supervision and it might be converted to a webinar. Gary said there would be many opportunities to utilise the relationship of IAA with other supranational bodies.

6. Future Colloquia, Meetings, Conferences or Seminars

6.1 2015 Colloquium – Oslo, Norway, 07 – 10 June 2015

This agenda point was already picked up at the beginning of the Committee meeting.

6.2 2016 Colloquium – Newfoundland, Canada, 27 – 30 June 2016

Carl said there had not been opportunities to discuss business aspects of the Colloquium, but Adam had been very active about putting things forward. According to Carl, most of the planning so far were choosing days and choosing a hotel and so on. The organising committee would meet on Friday. It was also reported that the scientific committee had not been set up yet.

6.3 2017 Colloquium – Mexico, 2017

Abraham reported that he had a meeting with the Colegio Nacional de Actuarios (CONAC), the Mexican Actuarial Association and their Pension Actuaries Section. He said that they were all enthusiastic about the 2017 Colloquium, but he did raise some concerns. First concern was that it might be a PBSS only meeting. However, it would not be the first case; for instance, we had PBSS only meetings in Edinburgh and Helsinki. Second concern was security concerns about Mexico. Abraham pointed out that both Mexico City and Cancún are very safe places, as is most of the country. Original idea was to hold a Colloquium with IACA in 2017 and MdT said he would encourage other sections to join. It was proposed to look for the possibility of bringing in other bodies, such as ISSA, ILO, IMF, WB, OECD, etc., since the Colloquium is still three years ahead.

Note: After the Committee meeting, some sections invited PBSS to hold a joint colloquium at Panama. However, it was decided to hold a Colloquium in Mexico in 2017 even if it became a PBSS only meeting, as a conclusion of the exchanges of E-mails among the Committee members

6.4 31st ICA – Berlin, Germany, 04 – 08 June 2018

Abraham volunteered for a member of the scientific committee of the 31st ICA if Florian was not available. MdT expressed his appreciation to the willingness of Abraham and the proposal was accepted.

7. Finance report

7.1 Half-year financial statements

Firstly, Carl explained the first six-month 2014 financial statements of PBSS. He said he did not find anything out of ordinary but he found a couple of expenses he wanted to make sure whether they were allocated properly. For instance, the expense of Bulletins was quite high and it might be an error. There would be a section treasurers meeting and if there were any issues they would be discussed at the meeting. MdT pointed out there should be another outstanding costs of CA\$6,000 paid to the IAA bursary fund and Carl commented that they had not made it through the statement yet.

Secondly, Carl said it was required to submit the budget for 2015 by the end of November. He said he would prepare the budget by conservatively forecasting the revenues and the expenses. Gary proposed to set up some budget item for publishing a new magazine in 2015 to demonstrate seriousness of the proposal of the PBSS Committee. MdT agreed and said he would raise the issue at the section chairs' meeting.

Thirdly, Carl mentioned the situation about the cost recovery from IAA for covering the administration costs. He said we considered the issue a little bit at the Washington meeting. He said based on the information he got from the finance people of IAA, in 2015 the cost of IAA administration would be CA\$27 per member whereas our commitment was CA\$22 per member. They would like to get it closer to the actual cost. Carl said last year in Washington there was an agreement that CA\$21 or CA\$22 per member, subject to finding out more about what exactly is the overhead administration costs. Carl said unfortunately there had been a trend of cost increase more than 10% per year and the biggest item of the administration costs was salaries. Carl added that right now some efforts were made to outsource the finances to an outside company. MdT emphasized we should limit the percentage of the administration cost, for example 40% of dues.

As for the item "initiatives", Abraham proposed to do something to advertise the PBSS section for expanding the membership and to advertise the colloquiums, etc., although he had no answer about what to do. MdT reminded that PBSS is the only section with increasing trend of the membership.

Abraham proposed the idea of having a stand of PBSS at the SOA meeting and advertising what PBSS is doing. However, no conclusion was reached about the issue.

8. Membership and constitution

8.1 PBSS

This agenda point was picked up during the previous agenda points above.

8.2 Corporate membership

MdT reported that the interest of the JSCPA on the corporate membership initially came from Tadashi Nakada and our consideration had been started from then, but current leadership of the JSCPA made it clear that they did not want the treatment. MdT said we should keep it open to formal proposals of other associations. MdT added that one thing we should be careful would be whether it is a formal request or not. Abraham said it was a bit surprising but it was no problem at all and added it certainly pointed out some issues that we had not paid enough attention, for instance, voting procedures for this members, etc. Mr Nobuhiro Shimizu said there should be some explicit rules on association's applying the corporate membership to PBSS, to protect the interests of PBSS in the event of the leadership change in the applying association.

8.3 Committee membership election at the AGM to be held on June 2015

MdT reported that the three members' term would end in 2015, they are, Abraham, Florian and Nobu.

Gary noted that at the previous election only two nominations (one from a qualified actuary and one from a student) had been received for the then two vacancies. Although that was convenient, he felt that it was potentially of concern. A higher number of nominations may indicate deeper interest in the work of the Section and, with that, a broader range of views and ideas on how to develop the Section. Gary also raised the election process and alignment of the rules governing elections across the Sections. Abraham said these matters should be discussed at the section chairs' meeting. MdT said he agreed that with changing the rules so that students would not be eligible for committee membership

9. Cooperation with supranational organisations

MdT asked information about any developments with regard to relationships with supranational organizations other than ILO, ISSA and OECD. Gary said IAA wants to get back to much closer to the World Bank and the relationship with the WB is improving. He also said debates are still going on about whether we should have formal relationship with the International Federation of Accountants, with which IAA needs many MOUs, and PEBC always kept an eye on IMF, which has many work areas and interests similar to the WB. MdT questioned whether sections should be involved since it might duplicate matters. Gary said it would be natural since an organization has many different moving parts.

10. Website and information exchange

It was noted that the reference list was updated regularly, and minutes of meetings added.

11. Any other business

MdT picked up the agenda of "micro pensions" proposed by Gary. Gary explained that he received an E-mail, which was sent to Mr Tom Terry, Mr Esko Kivisaari, MdT and himself. It was a brochure, sent through an Indian profession, announcing the "first international advanced reflected training and education program on micro pensions" to be held in December this year in India. Gary said the concept of micro pensions was the same as that of micro insurance. Abraham said he was researching a lot about micro pensions and trying to start up a project on it. Gary suggested anyone interested in the matter to participate the program. He added that the actuarial profession would be interested in engaging in the business and it might be an interest area of PBSS.

12. Next meeting

MdT said that the next PBSS meeting is in Oslo next year.

13. Close

There being no further business, the Chairman closed the meeting, and thanked all for their attendance, including Mr Jack Mack who attended the meeting via telephone.

Marius Du Toit
Chairman, PBSS
September 2014

Attendance Register
Meeting of IAA PBSS Section Committee
Sunday, 10 September 2014
London, UK

	Name	Country	Attendance	Date appointed	Date re-elected	End of term
Honorary Chair	Christopher Daykin	UK	No	3/2014	-	-
Chairman	Marius Michiel Du Toit	South Africa	Yes	5/2008	5/2012	5/2016
Vice Chairman	Abraham Hernández Pacheco	Mexico	Yes	9/2011		9/2015
Secretary	Nobuhiro Shimizu	Japan	Yes	9/2011		9/2015
Treasurer	Carl Hansen	Guernsey	Yes	3/2010	3/2014	3/2018
	Brij Bushan	India	No	3/2014		3/2018
	Douglas Carey	USA	Yes	5/2012		5/2016
	Florian Leger	France	No	9/2011		9/2015
	Geoffrey Rashbrooke	New Zealand	No	5/2008	5/2012	5/2016
	Jack Mack	Hong Kong	On the phone	3/2014		3/2018
	Klaus Heubeck	Germany	No	5/2012		5/2016
	Rodrigo Ibarra-Jarrin	Ecuador	Yes	5/2008	5/2012	5/2016
	Wenliang Wang	China	No	5/2012		5/2016
IAA delegate	Gary Hibbard	UK	Yes	-	-	-
	Junichi Sakamoto	Japan	Yes	-	-	-