



PENSIONS, BENEFITS AND SOCIAL SECURITY SECTION (PBSS)

Minutes of the 13th Meeting of the Committee held on Saturday 9 October 2010 from 15:30 to 18:00 hrs at the Le Méridien, Vienna

1. Introductions and Apologies

See listing at the end of these minutes.

2. Adoption of Agenda

The agenda was adopted. If time allowed, the section brochure and reporting to the Executive Committee might be added.

3. Minutes

The minutes of the 12th meeting of the Committee, held on Friday 5 March 2010 in Cape Town, were considered and approved, subject to the change of the date from 2010 to 2011 in section 5.3. The IAA Secretariat would be requested to update the website with the final minutes (MdT).

4. Matters arising from minutes

It was noted that these would all be covered in the rest of the agenda.

5. Future Colloquia, Meetings, Conferences or Seminars

5.1. ICA, held in Cape Town, March 2010

CD noted that the congress had been very successful in many respects. The PBSS sessions were well attended. CD thanked the South African colleagues for a well-run congress.

5.2. PBSS Colloquium in the UK in 2011

Deborah Cooper was the chair of the Local Organising Committee (LOC) responsible for the event in the UK. She gave feedback regarding progress made:

- The dates were confirmed as 25 – 27 September 2011.
- The venue was confirmed to be the Royal College of Physicians of Edinburgh.
- Dinner was booked at Mansfield Traquair on 26 September.
- Breakeven would be 120 delegates, although the venue could accommodate up to 200.
- The colloquium was supported and financially underwritten by the UK profession.
- They estimated the fees to be £775 for registrations before 24/6/2011 for members, and £875 for non-members. For registrations after 24/6/2011 a further £100 would be added. The academic rate would be £350, and partners would pay £85.
- Registration would be open from January 2011.

- The program would start on 25 September with a committee meeting and lunch at 13:00, and would end on 27 September at 16:00. The IAA Committee meetings in Zagreb would start on 29 September.
- Various hotels had been block-booked, with a wide range of prices. The PBSS had no obligation to take up the rooms, and delegates would make their own reservations directly with the hotels.
- The LOC is trying to get sponsorships, which might bring the price down. The fees shown above assumed no sponsorships.
- The Committee discussed potential plenary keynote speakers. Philip Shier (Chair of Groupe Consultatif Pensions Committee) had confirmed. Lord Turner (Chairman of FSA) was to be invited. However, it was noted that his position might have changed by the time of the colloquium. Even so, he would be very suitable, having been in the thick of many developments and the head of the Pensions Commission reviewing the UK social security and pensions system under the previous government. The LOC were also considering a speaker from the Netherlands. The Dutch system was looked upon as quite flexible, balancing the risks between the employer and employee quite well, although it had still encountered some problems with the financial crisis. Doug Andrew would send details of a Dutch pensions expert that he had met. Henk van Broekhoven and Eduard Ponds could also be asked for contacts. Lord Hutton, who is heading up the review of public sector pensions in the UK, was also being considered.
- Marketing would be the responsibility of the LOC, together with the UK profession and assisted by the IAA secretariat. List-servers, web-sites and local bodies would be used.
- All papers were likely to be in English, and there would be no translation facilities.
- The LOC had a timeline which they are following. The project was managed by Pamela Attieh-Durant from the Events Department of the Institute and Faculty of Actuaries.
- JS noted that the JSCPA would encourage young actuaries to write papers.
- There would soon be a call for speakers, and thereafter a call for papers.

5.3. Plans for Joint Section Colloquium in 2012

It was confirmed that the joint colloquium between PBSS, IACA and IAAHS would be held in the Sheraton Hotel in Hong Kong from 6 – 9 May 2012. The same structure that was used in Boston would again be used, i.e. we would rely on each section to put together their part. The Chairs were to discuss the arrangements. The financial risk was normally carried by the LOC. However, given the size of the Hong Kong organization, the IACA section had agreed to step in as underwriter of the risk.

5.4. Other developments

We also needed to identify possible hosts for 2013. There was a suggestion from AFIR to arrange something in conjunction with them. Given the developments in the ERM space, the committee agreed with this proposal. Ideally the colloquium should rotate between Europe and the rest of the world, and hence it was appropriate that the 2013 Colloquium should be held in Europe. France was mentioned as a possible host country.

6. Finances and membership

JS gave verbal feedback, as he had not been able to finalise the report for the meeting. The assets as at 30 June 2010 were CAD 7223, some CAD 1700 more than last year. Based on dues received, the membership was estimated at 395. The dues were currently CAD 50, having increased in January 2010. CD would raise the issue in the Section Chairs meeting, and would suggest that dues be increased to CAD 60 from 2012.

JS would distribute the final figures to the committee once ready. The IAA (Denise) had requested JS to draft a budget for 2011. JS, in conjunction with CD, would draft a budget and send to other committee members for approval. This was a new requirement from our auditors.

On a related matter, CD noted that he was updating the PBSS input to the Strategic Plan, following a request from Nicole Seguin. It covered how our objectives were fitting into the overall strategic plan. None of it required any finances, and it was more a compliance issue of ticking the right boxes.

7. Membership of the Committee

7.1. Chairman, vice-chairman, secretary

CD noted that the IAA appointed 2 members to the committee, i.e. the chairs of the Social Security Committee (Rob Brown), and Pensions and Employee Benefits Committee (Esko Kivisaari, soon to be replaced by Gary Hibbard). As for the remaining 12 members, there was one position due to become vacant next year, with Tadashi Nakada completing a four year term. It was not known whether he would want to seek re-election. The terms of 4 members who would not be eligible for re-election would end in 2012, as well as the terms of 5 members that would be eligible for re-election. This was potentially problematic, having consequences for continuity. It would be useful if the terms of officers could be extended by a further 2 years. Some flexibility was needed.

There was a general view that it was good to have some turnover, since it might imply more active members. Longer terms were not accepted. It was considered to create a new position, i.e. that of past-chairman (an additional 2 years as an ex officio non-elected member of the committee). This would aid continuity.

7.2. Consideration of changing of rules

CL presented potential changes to the rules, and explained the background to these proposals. It was part of a process to review a number of the IAA governance documents. Following a discussion, it was decided:

- Not to remove the category observer members
- Specify that the term “actuary” includes associate members (i.e. all those for whom the local organizations paid membership to the IAA)
- Student members would fall under the observer category
- To add “and paid their dues” to Article 5(a)
- Replace benefactor members by donor members.
- Not to delete Article 6(e), but that it should be reworded to specifically refer to ordinary members.
- To consider including the position of past-chairman
- That if someone replaces another member he/she would serve for a period of 4 years (and not only for the remaining term).
- Replace “most senior Committee member” in Article 14(a) by “an IAA appointed member”.
- Delete internal auditors in Article 15
- It was felt that the proposed 10 month restriction in Article 12 was too long. EK felt that it was necessary to have such a rule.

CD would further discuss the rules at the Section Chairs' meeting. Once approved by the PBSS committee, it would be presented to the Executive Committee for review, whereafter it will be presented for adoption at the AGM in October 2011, and then a week later to Council for ratification.

8. Committee work plans and interaction with IAA Committees

It had been proposed that the Sections should have the right to nominate a non-voting delegate to relevant Committees, in our case the Pensions and Employee Benefits Committee and the Social Security Committee. We already had the Chairman of these two Committees as our IAA delegates, which was in line with the proposals.

9. Cooperation with ISSA, ILO and other organizations

9.1. ISSA Technical Seminar in Montevideo, Uruguay on 27-28 April 2010

CD had attended this seminar and chaired a number of sessions.

9.2. ISSA World Social Security Forum in Cape Town, 29 November – 4 December 2010.

Desmond Smith would represent IAA. MdT would also attend. Florian Léger shared some information regarding the Forum. The range of topics to be covered included Governance, Demographics, Extension of Coverage and a Special Session on Africa. They expected more than 1000 delegates to attend. The more IAA delegates there are, the happier they would be.

Florian also shared some future plans. This included:

- A project on Asset-Liability modeling.
- Undertaking a survey on actuarial reporting (amongst members in health, pensions, unemployment, etc)
- Looking at actuarial aspects of healthcare financing.
- A Forum to be held in Berlin in 2012. There could be conflicts with our joint colloquium, as well as with the IAA meetings in Los Angeles, but Florian was trying to resolve the situation. CD suggested that we should share our dates with each other well in advance to prevent such conflicts as far as possible.

This World Social Security Forum would be an excellent opportunity to engage with ISSA. MdT was likely to attend. Unfortunately, due to other responsibilities, CD would not be able to attend.

10. Website and information exchange

10.1. Virtual library

CL presented the design of the virtual library on the web-site. He was busy considering putting the documents in a central repository, together with the papers on the monthly reading list. One could then search by author, by topic etc. There would then be links from the virtual library to selected papers in the repository. It was decided to go live with what we have, and that one could then continue working on future developments.

A suggestion box for members was also discussed. All PBSS members could then suggest papers to be added. An automatic e-mail would be sent to a member of the committee, who would decide whether to accept the paper or not. It was felt that such a filter process was needed.

CD invited committee members to submit more papers for the library. It was again confirmed that the library would be available for PBSS members only. The index would be made available to all, so that non-members might see the value of membership. CL would create the necessary access restrictions.

10.2. Monthly reading list

The monthly reading list was alive and well. GR was looking into putting the list in an Access database. This would enable various searches. It was considered to be a very useful exercise.

10.3. Webinar

There was no progress, mainly because there were no volunteers to drive the issue. CD suggested that a task force be formed to work on this. DC noted that she would not mind being involved. She noted that the speaker needed to be very well prepared seeing that there was no contact with the audience. It was noted that the SOA was organising one soon, and we might piggy-back on that. AG mentioned that the IASB was to issue new statements soon, and that would be a very relevant topic. It could help the IAA in our discussions with the IASB.

It was also noted that the life and health Sections were organising webinars in respectively December and November.

11. Task forces and working groups

11.1. Population Issues Working Group

This group had been established. There were 23 members from 12 countries. They were still looking for a member from Asia. Since there was only one African representative, MdT would approach a South African to join. All of the communication was via electronic media. Specific issues that the group was considering were population, ageing, longevity and migration. They were considering the financial impact of these as opposed to the actual incidence rates.

11.2. ERM Task Force

This was chaired by Malcolm Campbell. The IAA was trying to focus on future strategy, and this emerging practice area was considered to be very important.

12. Other business

CD noted that he was busy revising the Sections Brochure. There were not too many issues for PBSS, but he would nevertheless distribute the revised pages to members for comment.

13. Next Meeting

The next meeting of the PBSS Committee would be held in Sydney, during the IAA meetings in April 2011, most likely at 15.30 on Wednesday 6 April.

Chris Daykin
Chairman, PBSS
11 October 2010

Attendance Register

Meeting of
IAA Pension, Benefits and Social Security Section
Saturday, 9 October 2010
Vienna, Austria

	Name	Attendance	Date appointed	Date re-elected	End of term	Date in position
Chairman	Chris Daykin	Yes	4/11/2004	8/5/2008	5/2012	
Vice-Chairman	Vacant					
Secretary	Marius du Toit	Yes	8/5/2008		5/2012	
Treasurer	Junichi Sakamoto	Yes	4/11/2004	8/5/2008	5/2012	
	Doug Andrews	Yes, by teleconference	7/3/2010		3/2014	
	Ken Buffin	Yes	8/5/2008		5/2012	
	Alvaro Castro	Apology	7/3/2010		3/2014	
	Tadashi Nakada	Apology	20/5/2007		5/2011	
	Alf Gohdes	Yes	4/11/2004	8/5/2008	5/2012	
	Deborah Cooper	Yes	8/5/2008		5/2012	
	Rodrigo Ibarra	Apology	8/5/2008		5/2012	
	Geoff Rashbrooke	Apology	8/5/2008		5/2012	
	Eduard Ponds	Apology	4/11/2004	8/5/2008	5/2012	
IAA delegate	Esko Kivilahti	Yes				
	Robert Brown	Yes				
Observers	Gary Hibbard	UK Actuarial Profession (organizing committee for 2011 Colloquium)				
Invitees	Christian Levac	IAA Secretariat				
	Florian Leger	ISSA Secretariat				