



REFERENCE LIST

December 2016

Retirement Isn't Always Fair

December 2016- Center for Retirement Research at Boston College

More than half of older Americans with the lowest socioeconomic status can expect to face an income gap if they retire when they're planning to.

That finding is from a study by the Center for Retirement Research, which supports this blog. The researchers quantified and compared the gaps in the retirement preparedness of more than 3,000 older U.S. households, grouped by four levels of educational attainment.

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Longevity Risk Management and Shareholder Value for a Life Annuity Business

December 2016- ASTIN Bulletin Vol.47 Issue 1

The life annuity business is heavily exposed to longevity risk. Risk transfer solutions are not yet fully developed, and when available they are expensive. A significant part of the risk must therefore be retained by the life insurer. So far, most of the research work on longevity risk has been mainly concerned with capital requirements and specific risk transfer solutions. However, the impact of longevity risk on shareholder value also deserves attention. While it is commonly accepted that a market-consistent valuation should be performed in this respect, the definition of a fair shareholder value for a life insurance business is not trivial. In this paper, we develop a multi-period market-consistent shareholder value model for a life annuity business.

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Workplace-Linked Pensions for an Aging Demographic

December 2016- The Pension Research Council

Pensions and population aging intersect in two ways. First, demographic change threatens the sustainability of traditional pay-as-you-go social security pensions, leaving workplace-linked pensions with a greater role in retirement provision. Second, as the Baby Boom generation enters retirement, new challenges arise around its retirement support. This chapter reviews some of the implications of population aging for workplace pensions in this new environment, outlines market considerations important for workplace-related pension design for the future, and discusses how governments can create an environment supportive of workplace-related pensions, should they wish to do so. We conclude that workplace-linked retirement saving systems will be asked to do even more than in the past, given the financial stress that pay-as-you-go government-run Social Security plans are confronting in the face of an aging demographic. This will require further product innovation and additional research.

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Removing the Legal Impediments to Offering Lifetime Annuities in Pension Plans

December 2016- The Pension Research Council

Longevity risk--the risk of outliving one's retirement savings--is probably the greatest risk facing current and future retirees in the United States. At present, for example, a 65-year-old man has a 50 percent chance of living to age 82 and a 20 percent chance of living to age 89, and a 65-year-old woman has a 50 percent chance of living to age 85 and a 20 percent chance of living to age 92. The joint life expectancy of a 65-year-old couple is even more remarkable: there is a 50 percent chance that at least one 65-year-old spouse will live to age 88 and a 30 percent chance that at least one will live to 92. In short, many individuals and couples will need to plan for the possibility of retirements that can last for 30 years or more.

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How We Run Our Money: Unilever Dutch Pension Funds

December 2016- Investment and Pensions Europe

*Rob Kragten (left), CEO, and Michael Kaal (right), director of finance and risk at the Unilever Dutch pension funds, tell Carlo Svaluto Moreolo about risk management and collective defined contribution*The Netherlands has spent years debating how to modernise its solidarity-based occupational pension system. When a nationwide debate closed earlier this year, the government began contemplating reform. The revised model is likely to contain defined benefit (DB) blended with defined contribution (DC).

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Design of Funded Private Pensions Needs to be Improved

December 2016- Organization for Economic Cooperation and Development (OECD)

Pension systems are changing in response to the challenges they face. Funded Pension arrangements, in particular defined contribution ones, are playing a growing role in complementing retirement income from public sources in OECD countries and worldwide. However, their design needs to be improved, according to a new OECD report. The 2016 OECD Pensions Outlook analyses how the pensions landscapes is changing in the face of challenges that include ageing populations, the fallout from the financial and economic crisis, and the current environment of low economic and low returns.

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German Social Ministry Unveils Comprehensive Pension-System Reform

December 2016- Investment and Pensions Europe

German social and labor affairs minister Andrea Nahles has presented her proposal for the comprehensive reform of the country's pension system. German newspapers and talk shows have already begun to debate the government's proposals in earnest, but, so far, they have focused almost solely on the first-pillar system, a fact lamented by industry expert Heribert Karch. In a blog, Karch – a board member at MetallRente and chairman of the board at occupational pensions association aba – questioned the absence of occupational pensions from the debate.

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A Portfolio Approach to Retirement

December 2016- Society of Actuaries

With the decline of traditional pensions, many older workers and retirees urgently need to decide how to make their retirement generate income that lasts for the rest of their lives. With retirements that can last 20 to 30 years or more, this is indeed a daunting challenge for those fortunate enough to have significant savings by the time they retire.

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Retiree's Tax Puzzle: Pay Now or Later?

December 2016- Center for Retirement Research at Boston College

The majority of retirees pay no federal taxes. But taxes should be a concern for retirees who have retirement savings. That's because the money they take out of their retirement accounts for living expenses will be treated as federal taxable income. It's difficult enough to figure out how much money to withdraw – and when. Taxes are a separate but related issue.

In this blog, we interviewed Michael Kitces, a well-known financial adviser and partner with a Maryland financial firm, who writes the "Nerd's Eye View" blog. He discusses the basics of navigating the tax code. The challenge facing retirees is to make tax decisions today that will minimize taxes now and in the future.

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Thinking About the Future of Retirement

December 2016- Society of Actuaries

The United States has shifted to a primarily defined contribution (DC) environment for pensions. Many defined benefit (DB) plans are frozen and being phased out. This essay will focus on actions that can improve the future, assuming a DC world, and provide suggestions about how actuaries can assist. If we think about what would make a good system, then we can work together to move closer to it. Where we will arrive is the result of the actions and interactions of individuals, advisers, financial services organizations, employee benefit plan sponsors and policymakers. This essay about the future of retirement will focus on retirement ages, how we retire and retirement risks.

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Mortality Differences Across Socioeconomic Groups and Their Implications for Pension Outcomes

December 2016- OECD's Working Party of Private Pensions

The document DAF/AS/PEN/WD(2015)13 presented to the WPPP in December 2015 showed evidence of large differences in life expectancies across socioeconomic groups and discussed the implications these differences could have for pensions and annuity providers. These differences in mortality are evident in all countries where data is available and across all socioeconomic indicators assessed: education, income and occupation. Furthermore, evidence in several countries also indicates that these differences may be increasing over time, with higher socioeconomic groups gaining more years in life expectancy than lower socioeconomic groups.

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State Auto-Ira Programs: The Keys to Financial Self-Sufficiency

December 2016- Society of Actuaries

Very few workers save for retirement unless their employer offers them a retirement plan, typically a 401(k). But only about half of all private sector workers currently has access to such plans. In the absence of federal action to close this coverage gap, several states have stepped in. California, Connecticut, Illinois, Maryland, and Oregon have passed laws that will require employers without a plan to automatically enroll their workers in a state-sponsored program of Individual Retirement Accounts ("auto-IRAs"). These programs would be administered by private sector companies, with oversight by the state.

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Milliman Analysis: Corporate Pension Funded Status Improved by \$71 billion in November

December 2016- Employee Benefit Research Institute

November's gain the largest of 2016 and third straight month of deficit reduction. The funded status of the 100 largest corporate defined benefit pension plans improved by \$71 billion during November as measured by the Milliman 100 Pension Funding Index (PFI).

This month's funded status boost was the largest of 2016. The deficit fell to \$340 billion due to interest rate gains experienced during November and has fallen by \$117 billion since August 31. As of November 30, the funded ratio increased to 80.3% from 77.2% at the end of October. Coincidentally, a funded ratio of at least 80% was last measured on December 31, 2015, at 81.7%.

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Neuromarketing: Cerebral Pension Matters

December 2016- Investment and Pensions Europe

What happens when you put members in an MRI scanner? The Dutch pension provider APG has done just that. Gail Moss outlines how understanding the subconscious and intuitive neural processes that affect decision-making can benefit pension providers and members

At a glance

- Consumers say they like choice in pensions but then often prefer to have their pension automatically arranged.
- Neuromarketing is a technique that shows how consumers subconsciously feel about pension choice.
- Consumer choices are influenced by the provider's choice architecture.
- The use of defaults by providers can reduce the insecurity in choice-making.

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UPCOMING EVENTS

Living to 100

Date: 4-6 January, 2011. Orlando, Florida

LIVING to 100 is a research effort which includes a triennial international research symposium. Sponsored by the Society of Actuaries, the symposium brings together thought leaders from around the world to share ideas and knowledge on aging, increases in survival rates and the resulting increase in aging populations together with its implications to social, financial, retirement and health care systems. The symposium also examines possible solutions to the challenges and opportunities created.

[For More Information](#)

PBSS/IACA Colloquium Cancun 2017

Date: 4-7 June, 2017. Cancun, Mexico

Come join your friends and peers from around the world for the **Pension Benefits and Social Security (PBSS) Colloquium**, to be held on June 4th-7th in the Caribbean paradise of Cancun in the CasaMagna Marriott Cancun Resort. Actuaries and non-actuaries from all disciplines involved with technical and social aspects of Pensions and Social Security are encouraged to participate. The PBSS 2017 Scientific Committee is assembling a preliminary agenda with key issues facing today's public and private concerns on the sustainability of pensions and social security.

Click [here](#) to see the list of topics for the Call for Papers.

[For More Information](#)

31st International Congress of Actuaries (ICA Berlin 2018)

Date: 4-8 June, 2018. Berlin, Germany

Like no other metropolis in Europe, Germany's capital Berlin symbolizes the breakdown of old structures and the opening of a new era of understanding and cooperation. The unique atmosphere of a city that has re-invented itself in recent decades, invites you to be an integral part of an inspiring and vibrant International Congress of Actuaries in 2018. Feel the spirit of colleagues working together at the event with no cultural or geographical barriers. Experience new concepts for the exchange of knowledge and ideas offered by the technical capabilities of the 21st century – anytime and anywhere.

You can also see [here](#) the list of pensions topics.

[For More Information](#)

