



REFERENCE LIST

March 2013

Finnish pension fund-Defined benefit administration

October 2012- CEM Benchmarking Inc.

In order to get a fresh international view of the Finnish pension system, the Finnish Centre for Pensions decided in 2011 to commission an independent evaluation study of the Finnish pension scheme. The purpose of the evaluation was to get a forward-looking external view of the Finnish pension system from an international perspective, including recommendations.

The evaluation focuses on the following issues:

1. The adequacy of pensions and the financial sustainability of the system
2. The policy design of the Finnish earnings-related pension scheme
3. Governance issues in the earnings-related pension scheme

http://www.etk.fi/fi/gateway/PTARGS_0_2712_3107_1598_4609_43/http%3B/content.etk.fi%3B7087/publishedcontent/publish/etk/fi/fi/sis%C3%A4lt%C3%B6sivut/el%C3%A4kej%C3%A4rjestelm%C3%A4t/kansainv%C3%A4linen_vertailu/suomi_vertailussa/cem_finnish_pension_fund_final_for_publication.pdf)

State and Local Pension Costs: Pre-Crisis, Post-Crisis, and Post-Reform

March 2013-Center for Retirement Research at Boston College

This study examines the long-term effects of pension reforms on employer costs and on state budgets for a sample of 32 plans in 15 states.

The results show:

- for most plans, the reforms fully offset or more than offset the impact of the financial crisis on the sponsors' costs.
- for the sample as a whole, pension costs as a share of state-local budgets are projected to eventually fall below pre-crisis levels.

A few caveats: the projections assume that the reforms stick, that plan sponsors consistently make their required payments, and that they earn expected returns.

<http://crr.bc.edu/briefs/state-and-local-pension-costs-pre-crisis-post-crisis-and-post-reform/>)

Video: Pension Problems Can Be Fixed

March 2013-Center for Retirement Research at Boston College

A Canadian pension plan for government workers has produced a terrific video about the financial problems facing western countries' retirement systems. Anyone interested in the security of future generations should watch.

[\(http://squaredawayblog.bc.edu/squared-away/video-pension-problems-can-be-fixed/\)](http://squaredawayblog.bc.edu/squared-away/video-pension-problems-can-be-fixed/)

Future Retirees Don't Grasp Health Costs

March 2013-Center for Retirement Research at Boston College

More than half of baby boomers and Generation Xers do not realize how much they are likely to pay out of their own pockets for medical bills after they retire.

The good news is that Medicare pays roughly 60 percent of retirees' total costs. The bad news is that they have to somehow cover the other 40 percent, which is particularly expensive for those who live longer (women).

[\(http://squaredawayblog.bc.edu/squared-away/future-retirees-don%E2%80%99t-grasp-health-costs/\)](http://squaredawayblog.bc.edu/squared-away/future-retirees-don%E2%80%99t-grasp-health-costs/)

Wisconsin's Public Pension Works to Spread the Cheddar

March 2013-Institutional Investor, Inc.

Wisconsin, the Midwestern U.S. state best known for cheese and beer, has the best-designed and best-governed pension system in the country.

The Wisconsin Retirement System's ability to balance employer and employee gains and losses has sheltered the state from the pension problems that are running rampant elsewhere.

Neighbor Illinois has only about 45 percent of the assets needed to meet future pension liabilities in its state employees', teachers' and university systems, while in total, U.S. public pensions have a \$757 billion underfunding hole.

How did Wisconsin do it? *Institutional Investor* Senior Writer Fran Denmark has the full, feature-length story

<http://www.institutionalinvestor.com/Article.aspx?ArticleID=3166909&LS=EMS801091#.UVMLmleRcU4>

Subsidies vs. Nudges: Which Policies Increase Saving the Most?

March 2013-Center for Retirement Research at Boston College

To encourage retirement saving, policymakers use two types of tools: tax subsidies and automatic contributions.

Both tools are effective at increasing retirement saving, but such increases could simply be offset by a reduction in a household's non-retirement saving.

A recent study, using Danish data, addresses this issue:

- A revision in the Danish tax subsidy led to a change in retirement saving, but it was almost fully offset by a change in non-retirement saving.
- In contrast, automatic contributions boosted retirement saving with only a small impact on non-retirement saving.

[\(http://crr.bc.edu/briefs/subsidies-vs-nudges-which-policies-increase-saving-the-most/\)](http://crr.bc.edu/briefs/subsidies-vs-nudges-which-policies-increase-saving-the-most/)

Social Security Financial Projections: Uncertainty and Sensitivity

March 2013-Buffin Partners Inc. Economic Investment and Actuarial Research

The results of long-range financial projections for a Social Security system are inherently uncertain since they depend on complex models that contain estimates of future demographic and economic factors that are projected over a period of years.

This edition, discusses the problems associated with projections for Social Security with a particular emphasis on the projections of future mortality rates.

http://www.buffinpartners.com/Commentary_2010_12.pdf

Administrative Expenses in Statutory and Occupational Pension Schemes: A Cross-country Comparison

February 2013- Finnish Centre for Pensions

The survey reviews the administrative expenses of the statutory and occupational pension schemes, i.e. so-called Pillar 1 and Pillar 2 schemes in Denmark, Germany, the Netherlands, Norway, Sweden and Switzerland as well as in Finland. By administrative expenses is meant operating expenses and investment management expenses. The survey focuses on operating expenses. The data used is from the years 2010 and 2011 which are the latest comprehensive statistical years available.

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