

**NOTES OF A CONFERENCE CALL OF
THE SOCIAL SECURITY SUB-COMMITTEE
HELD AT 11.00 HRS CEST ON FRIDAY 13 JULY 2018**

Participants:

Chris Daykin (Chair) – UK
Séverine Arnold – Switzerland
David Bogataj – Slovenia
Maria Economou – Greece
Rafaello Marcelloni – Italy
Marianna Papamichail - Greece
Tibor Párniczky – Hungary
Ismo Risku – Finland
Costas Stavrakis – Cyprus
John Woodall – United Kingdom

Apologies:

Peter Gatenby – UK

1. Opening of the meeting and adoption of the agenda

Chris opened the meeting and the agenda was adopted.

2. Notes of meeting held in Warsaw on 3 May 2018

The notes of the previous meeting were confirmed.

3. Report of ‘Pension Adequacy in a Changing Society Conference’ on 2 July 2018

The Chairman and Maria Economou (as Chair of the Adequacy Task Force) had attended this conference to represent the AAE at the invitation of DG Employment. It had been a worthwhile and inspiring day and Chris had circulated a note highlighting some of the main themes, which would be helpful in focussing the coverage of the upcoming AAE paper as regards adequacy aspects.

4. Report of meeting with DG Employment on 3 July 2018

The Chairman, together with Falco Valkenburg and Gábor Borza (as Vice Chair of the Pensions Committee) had met with DG Employment on the day after the Pension Adequacy Conference. A note of that meeting had been circulated prior to the call. These meetings are useful for maintaining contact between the AAE and DG Employment on a regular basis, covering topics relevant to the Pensions Committee as well as the Social Security Sub-committee.

5. Task Force on Adequacy of Pensions

Maria reported on a variety of projects on which members of the Task Force on Adequacy are working, some of which may be suitable for presentation and discussion at the face to face meeting of the SSSC in Utrecht on 20 September as part of the Annual Meetings of the AAE. David, Rafaello,

Tibor and Marianna may have work to present. In the meantime Maria would be drafting the section of our paper on adequacy aspects, for discussion initially by the task force at the beginning of September.

6. Preparation of response to the Ageing Report 2018

The Ageing Report 2018 had been published at the end of May. The projections of pension costs were more favourable from a sustainability perspective than those in the Ageing Report 2015, with cash-flow projections falling slightly from 11.2% to 11.0% of GDP for the EU by 2070 after rising a little at the mid-point of 2040. However, the costs for a number of member states are still projected to increase by 2 or 3 percentage points of GDP for pensions and costs for health care and long-term care are projected to increase for most countries. Costas offered to supply a link to the country-specific European Semester recommendations¹. Chris would draft our response by the end of August. David offered to contribute some material for commenting on the long-term care projections and it was hoped that Peter Gatenby, who had not been able to join this call, would draft some material on the health care projections. There would be a section evaluating pension reforms carried out or planned and Tibor offered to contribute to this. We should also have a section commenting on the Table 29 disclosures of pension liabilities and discussing the different approach of the cash-flow projections in The Ageing Report in order to provide a more meaningful assessment of sustainability. The aim would be to have a draft of the sustainability sections of the paper available for an SSSC conference call at the beginning of September before the Utrecht meeting.

7. Pension liabilities in national accounts (Table 29 disclosures)

Costas reported that he had now received 8 responses to his questionnaire on the Table 29 disclosures and was expecting another shortly. Eurostat had agreed to cooperate in making available their contacts but only after the end 2017 disclosures had all been published. Around 22 of 28 countries had already published their results and it was expected that the rest would be published by early September, whereupon Eurostat would be able to publish a summary. It was agreed to send out the questionnaire again through the AAE, including the Pensions Committee as well as SSSC and the Task Force on Projections and Methodology. We were still expecting Eurostat to organise a seminar in October or November to discuss the Table 29 disclosure exercise, to which the AAE would be invited.

8. Report of IAA/ILO/ISSA Social Security Forum in Berlin on 3 June 2018

Costas and the Chairman had participated on behalf of the AAE in the Forum, which is an annual event, usually held in Geneva. Many of the topics on our agenda were also considered there. The discussions on disclosure of pension liabilities in national accounts would also involve the IAA talking to the IMF and World Bank when the IAA meetings are held in Washington DC in May 2019.

9. Mortality Task Force

David asked if a Chairman for the Task Force on Mortality had been identified and put himself forward to be considered for the position. Raffaello also offered to contribute to the work of the Mortality Task Force in relation to mortality of injured workers.

10. Future meetings

A conference call would be scheduled for early September and a face to face meeting in Utrecht on the morning of 20 September (subject to someone other than Chris taking the chair, as he would not be able to come to Utrecht).

¹ [2018 European Semester: Country Specific Recommendations / Commission Recommendations](#)

The plan would be to set up meetings with DG Ecfm and DG Employment once we had published our paper in the autumn and there may be other opportunities to promote our work with MEPs and other audiences.

Chris Daykin
Chairman, Social Security Sub-committee
Actuarial Association of Europe