

## MINUTES OF THE SOCIAL SECURITY SUB-COMMITTEE

ON THURSDAY OCTOBER 6TH, 2022 FROM 09.00-12.30 CEST

The Participants list of the SSSC meeting can be found at the end of the document as Annex 0.1.

### 1. Opening of the meeting and adoption of the agenda

Maria opened the meeting welcoming the participants and introducing the new chair of the TF Methodology & Projections, Mr Mark Lee. She informed the SSSC members that Costas, because of work commitments, asked to step down from his position as chairperson and remain in the TF as member.

The agenda was adopted.

### 2. Notes about the Committee's progress

Maria said that the main item of the committee in 2022 was the publication of the discussion paper that took place on May 30<sup>th</sup>. The paper was presented on June 2<sup>nd</sup> on the European Congress of Actuaries – ECA in Madrid and an article about it was written for The European Actuary issue on June 1<sup>st</sup>. Maria had also the opportunity to present the paper in the summer school of the University of Economics and Business in Greece in September.

Maria informed the participants about her proposal Social Security to be listed as a separate section in the AAE site "Where do actuaries work".

### 3. Presentations

- a) Raffaello Marcelloni : "Workers' protection in Italy - Inail Information Heritage"
- b) Daniela Martini: "Workers' protection in Italy - Inail insurance benefits"
- c) Meeri Kesälä: "Financing disability pensions – the Finnish experience"

The SSSC colleagues Daniela, Meeri and Raffaello made a presentation on the above topics highlighting their experience on these subjects.

### 4. Adding the topic of the Social Security to the Core Syllabus

Maria referred briefly to the draft questionnaire regarding the Social Security – SS education in the Member States. She informed the participants about the responses and the latest update she received from John on the ILO involvement in the SS educational activities. Maria pointed out the importance of adding the Social Security topic in the

syllabus in terms that it will confirm that Social Security Actuaries should be "fully qualified actuaries". Apart from the above she referred to the Committee's discussion item in July: "it's worth exploring the possibility of offering as well this specific education to the non-actuaries who work in the Social Security field in the Member States. This will be considered as a kind of certificate confirming their expertise in this area. This qualification might place them in a different paid scale".

David said that in Slovenia there are two exams for the candidate actuaries: One in Social Security and one in Public Finances.

Tibor said that in Hungary Social Security is part of the Economics' Public finances and budgeting education; there is however also a separate facultative course on social security.

Daniela said that in Italy it is included in the education syllabus in the university.

Meeri said that in Finland in addition to a master's degree in mathematics the candidate actuaries must take four exams for the Ministry of Social Affairs and Health: two in mathematics, one in legislation and one in accounting. Meeri clarified that Social Security refers in many different fields of science as in law, in business, in social science.

Mark said that in Ireland they follow the UK, IFOA syllabus. The pay-as-you-go financing method of social security pensions is worth special attention in the AAE syllabus

Yves said that in Belgium Social Security is not given as a separate course, but is included in a course on 'Pensions', both in the Flemish university as in the universities in the French speaking part. This is mostly a step-up to explaining the occupational pension systems. One French speaking university mentions in its course programme to tackle 'demographic elements'.

In Austria It is obligatory to attend a course which covers the 3 parts of Social Security (Pension, Health and accident insurance for employees). This course gives a good survey on the benefits and the history of the 3 insurances. Especially how it is embedded in the law.

Richard said that in France Social Security is not treated as a separate topic but some aspects of social security are covered by the core syllabus.

Maria said that in Greece Social Security is discussed as a separate topic in the course of Pensions offered to the candidate actuaries by the Hellenic Actuarial Society.

Jeroen said that in the Netherlands the SS topic is in the education syllabus for actuaries.

Maria proposed to prepare a list of specific topics that could be added in the syllabus. The SSSC's proposal should be then submitted to the chairperson of the Education Committee for further discussion.

The participants agreed and two items were proposed:

- Funding of Social Security schemes
- The demographics in Social Security

David said that is important to consider the migration scenario and the non-migration scenario, as migration will become the key parameter regarding the sustainability of Social Security in Europe.

Tibor mentioned that under demography for social security actuaries it is also important to discuss different career patterns and socio-economic groups in general, to better understand the Ageing Report and the Pension Adequacy Report.

Tatiana pointed out the importance of demographics. This is missing, she said, when considering the population growth. What is the trend in every country?

Meeri said that demographics is crucial when examining the sustainability of Social Security.

It was agreed that Maria will prepare a draft text including the above and will circulate it for further discussion.

## **5. Organizing a Forum with the participation of social security professionals / experts**

Maria referred briefly to the committee's discussions about organizing a forum with the participation of social security professionals. She pointed out the effort that should be paid by the committee to translate it into reality and thus all necessary steps towards this target as well as a timeline should be very clearly set. Maria mentioned to the participants the invitation from the Spanish Association to hold it in Madrid on June 2023.

The SSSC must decide on the following:

- What will be the discussions' topics.
- Who to invite
- The date that the Forum will take place
- If this event will be a face to face or a hybrid event

The participants agreed to invite all professionals who work in the ministries (labour and finance), in the governmental institutes, the pension funds, as well as colleagues from international organisations. It was also proposed to invite European Commission experts and representatives from trade unions and employers' associations.

Maria asked everyone to make a list of the colleagues who is thinking to invite.

Among the proposed topics were mentioned: The challenges the Social Security is facing (it was also mentioned to examine the risk to a country of the breakdown down of the

Euro), the affordability of Social Security systems, the difficulties of the pension funds because of the high inflation rates.

It was agreed that, in principle, the selected discussion topics should be more general in order to make it easier for the professionals to accept the invitation; *for a quite specialized topic there is a high possibility that either one may deny the invitation thinking that he/she has not enough knowledge for participating.*

Maria will prepare a draft list of possible topics and will circulate it for further discussion.

## **6. Task Force Methodology and Projections / chairperson Mr Stavrakis**

Contribution of the TF in the forum organization

This item was skipped as the chairperson changed before the committee meeting.

## **7. Task Force Mortality / chairperson Mr Bogataj**

Contribution of the TF in the forum organization

David gave an update on mortality pattern. He pointed out that according to the recent trends this pattern seems very strange. As he said the excess mortality is increasing and the reason behind it is not clarified yet.

Gabor asked if it is possibly because of the two Covid years.

David replied that because of the years considered for these comparisons the reason of the “two Covid years” is not behind this pattern

David confirmed that he is working on the paper regarding long term care.

## **8. Task Force on Adequacy of Pensions / chairperson Mr Parniczky**

Contribution of the TF in the forum organization

Tibor made a presentation about Mapping Adequacy/Soc-Sec Systems risks; “Risk Mapping Social Security Pension Systems” This topic was an introduction to a discussion about establishing a SS Adequacy and sustainability risk framework.

## **9. Additional items you may wish to discuss**

Jeroen informed the SSSC colleagues that he changed job; he became an alderman. Because of this he cannot continue participating actively in the SSSC. Jeroen thanked all colleagues for their collaboration and said that he might participate in a future committee meeting.

## **10. Future meetings**

### **10.1** Conference call early December

It was confirmed that a conference call will take place in December for further discussion on the topics 4 and 5.

### **10.2** April 20, 2022, in conjunction with the AAE Spring Meetings in Bratislava, Slovakia.

## **11. Close of the meeting**

Maria thanked the participants for their attendance and their contribution to the discussion.

## Annex 01

### Participants SSSC

#### AAE Meetings, in Rome October 6 2022

	First name	Family name	Country	Nominating association	Role
1	Florian	Moyzisch	Austria	Aktuarvereinigung Österreichs	Delegate
2	Yves	Brys	Belgium	IA\ BE	Delegate
3	Tatiana	Bitunska	Bulgaria	Bulgarian Actuarial Society	Chair Pensions Committee
4	Meeri	Kesälä	Finland	Suomen Aktuaariyhdistys	Delegate
5	Richard	Deville	France	Institut des Actuaire	Observer
6	Maria	Economou	Greece	Hellenic Actuarial Society	Chair SSSC
7	Tibor	Parniczky	Hungary	Magyar Aktuárius Társaság	Chair TF Adequacy
8	Mark	Lee	Ireland	Society of Actuaries in Ireland	Chair TF Methodology and Projections
9	Raffaello	Marcelloni	Italy	Istituto Italiano degli Attuari & Consiglio Nazionale degli Attuari (ISOA)	Observer
10	Daniela	Martini	Italy	Istituto Italiano degli Attuari & Consiglio Nazionale degli Attuari (ISOA)	Observer
11	Cinzia	Ferrara	Italy	Istituto Italiano degli Attuari & Consiglio Nazionale degli Attuari (ISOA)	Delegate
12	Jeroen	Van den Bosch	The Netherlands	Koninklijk actuariel genootschap	Delegate
13	David	Bogataj	Slovenia	Slovensko Aktuarsko društvo	Chair TF Mortality

#### Apologies:

	First name	Family name	Country	Nominating association	Role
1	Costas	Stavrakis	Cyprus	Cyprus Association of Actuaries	Former Chair TF Methodology & Projections
2	John	Woodall	France	Institute and Faculty of Actuaries	Delegate
3	Bernd	Muemken	Germany	Deutsche Aktuarvereinigung	Observer
4	Thilo	Volz	Germany	Deutsche Aktuarvereinigung	Observer
5	Katja	Jucht	Germany	Deutsche Aktuarvereinigung	Delegate
6	Bogustawa	Wolniewicz-Niemiec	Poland	Polskie Stowarzyszenie Aktuaruszy	Delegate
7	Gregorio	Gil de Rozas	Spain	Instituto de Actuarios Españoles	Delegate

8	Chris	Daykin	United Kingdom	Institute and Faculty of Actuaries	Delegate
---	-------	--------	----------------	------------------------------------	----------