



SOCIETY OF ACTUARIES

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The topic of the competition was pension plans. In a nutshell, Ketch-Up Factory initiated a pension plan redesign exercise to align their defined-benefit plan with their objectives. In the preliminary round, students were asked to comment on the use of funding relief measures and to submit a proposal to assist Ketch-Up Factory in the redesign exercise. In the final round, Ketch-Up Factory merged with the Fry High organization to form Fried Tomatoe. Students were asked to deliver a presentation to the board of directors of Fried Tomatoe to assist them in making a decision with respect to the pension plan to offer their employees after the merger, recognizing the objectives of the merged organization.

Nine teams, comprised of four or five participants each, registered for the competition. Three teams made it to the finals:

- University of Waterloo
- University of Toronto
- Joint team from McMaster University and University of Calgary.

The joint team from McMaster and Calgary won the competition. Congratulations to winners Jeff Bowman, Justine Chiasson, Trevor Gary, Michael Gee and Siddhesh Pawar, for their understanding of the case, their team work and their well-articulated presentation.

Thank you to all contestants for their enthusiasm and eagerness to learn. Many thanks, too, to all of the organizers of the event, including ASNA President Lambert Leduc, and to all attendees for creating this amazing gathering of actuaries and future actuaries! 

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SOLUTIONS FOR ADDRESSING LONGER LIFE EXPECTANCIES IN RETIREMENT

BY R. DALE HALL



Early this year, the Society of Actuaries (SOA) collaborated with organizations from around the globe to host the triennial Living to 100 Symposium in Orlando. The symposium is a global gathering of actuaries, demographers, physicians, academics, gerontologists, economists, financial planners, researchers and other professionals to discuss the latest ideas, initiatives and research on aging and increased longevity. The symposium covered a broad range of research and presentations on our worldwide aging population, including mortality improvements, longevity risk, social insurance and societal challenges as a result of longer life span.

Several sessions focused on ways businesses work with the growing numbers of aging employees and customers. While there seems to be acceptance and recognition that people are living longer, big gaps still remain in how society has adapted to longer life. Workplace retirement consultant Sally Hass discussed the evolving definition of retirement, as well as the term “reHirement” for those wanting to be employed after retiring from their original jobs. She noted that flexibility is needed and can come in many creative forms. Older individuals may be offered different job options and compensation after retirement. For example, if an individual was in executive management at an architectural firm during his formal working years, he may be offered a job as a consultant to an architectural design team. The key is flexibility and a willingness to pursue new options. Employers are also looking to establish work programs where future retirees help train new generations of workers.

Some employers additionally look to offer special programs to accommodate the interests of older workers in a way that serves their business needs well. There can be legal uncertainties and challenges, however, which may arise in part to age discrimination legislation and the regulations developed to protect older workers. The sponsoring organizations of the Living to 100 Symposium look forward to more research to understand to what extent current regulations may deter programs and practices that would support opportunities for older workers.

Similarly, many industries are seeing dramatic shifts due to the aging population. Customer bases are changing for many products, older people are seeking new and unique services, and, at the same time, they are also becoming part of the workforce providing the products and solutions. Panels discussed the future of employment and key economic

drivers such as housing and the financial services industry. The symposium also included discussions around innovations with retirement income products and insights on annuitization strategies. Anna Rappaport, FSA, MAAA, chair of the SOA's Committee on Post-Retirement Needs and Risks, presented a paper documenting how changes in life spans have far outstripped changes in retirement plans, leading to much longer periods of retirement. She called for increasing adoption of different work options for people nearing and in retirement, and for higher retirement ages.

Cindy Hounsell of the Women's Institute for a Secure Retirement (WISER) provided some insights on the population explosion coming for people 65 and older over the next 40 years. She provided insights into the growing demand for suitable housing that attends to physical mobility issues. Panelists also

discussed the growing network of local aging communities that help older community members, and alternative options like cohousing and home modification programs to help people remain living in their homes in the elder years.

In my years as a practicing actuary in the insurance industry, it was rare to come across an SOA meeting where you would find a diverse mix of academics, physicians, actuaries, demographers and researchers from various professions in one setting. The Living to 100 Symposium, however, succeeded in bringing these wide areas together to contemplate not only the challenges of an aging population, but also to share ideas for building the solutions needed for the future. **A**

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