



SOCIETY OF ACTUARIES

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Chairperson's Corner

by Anne M. Button

During the past few months, the Pension Section Council has taken the beginning steps of our new project, Retirement 20/20. In addition to our announcement postcard, which you have all received, we have sponsored a number of activities that are related to Retirement 20/20.

At the beginning of May, we held our symposium, Re-envisioning Work and Retirement in the 21st Century, where 12 papers were presented. I had the privilege of being one of the discussants and found the symposium very interesting with many well thought out theses related to retirement. The topics were varied and ranged from "Social Security, Medicare: Removing the Disincentives for Long Careers" by Gopi Shah, John Shoven and Sita Slavov, which examined how aspects of the current structure of Social Security discourage people from having longer careers to more specific proposals related to the structure of retirement plans such as "A Mercer Perspective—The Retirement Shares Plan: A Breakthrough in Retirement Plan Design" presented by Don Fuerst which outlines a new approach using a variable annuity retirement plan that allows the participants to determine how much risk they're willing to bear.

All these papers were well received and generated much commentary from the audience. The authors are currently finalizing their papers for publication before year-end. We'll be sure to let you know when they're available.

I also attended the first SOA/CCA Employee Benefit Spring Meeting in Dallas at the end of May. This jointly sponsored meeting was an opportunity for the CCA and SOA to work together and bring a different educational experience to our members. This meeting was structured as a series of seminars covering six selected topics in depth plus some individual sessions with important hot topics (e.g. late-breaking developments). The seminars ranged from enterprise risk management to the future of pensions and were generally well received by attendees. I was particularly taken by the session lead by Anna Rappaport, which highlighted the discussion of retirees' attitudes with actual clips from focus groups of retirees that were part of a study designed by the Council's Post-Retirement Needs and Risks Committee. We're currently exploring with the CCA ways to make the spring 2007 meeting even better.

In the middle of June, the Pension Section Council met to plan for the upcoming Retirement 20/20 kick-off conference "Building the Foundation for New Retirement Systems" as well as develop a communication plan to keep our Web site updated and spread the word about Retirement 20/20. The kick-off conference, scheduled for September 28-29 in Washington, D.C., is designed to bring together actuaries, economists, demographers and others who focus on retirement to discuss the foundational questions for 21st century retirement systems. Specifically, panelists and audiences will consider the needs, risks and roles among the key stakeholders in the retirement system. Our goal is to ask the right questions to set the stage for the next phase of Retirement 20/20.

A week after that meeting, I attended the Board of Governors meeting, where I presented the Council's business plan for Retirement 20/20 and our request to the Board to provide the Council with additional staff support and matching funds for 2007. We asked for staff support in project management and marketing as well as in matching funds up to \$25,000. We were very pleased that the Board agreed to support us in this endeavor. We'll be working within the council and reaching out to other Councils in our Retirement 20/20 efforts. This was an excellent outcome.

The Council has been concerned about the decline of the defined benefit plan and our response has been the development of the Retirement 20/20 initiative. The Council also alerted the Board to what has been happening with a "Lost Jobs for Pension Actuaries" issue brief, which was reviewed by the Board at the same meeting. At the June meeting the Board voted to commission a backgrounder so it can better understand and respond to this important strategic issue.

We are still doing our best to deliver ongoing services to you including bringing you educational webcasts, sessions at the annual meeting as well as additional research to support you.

Please e-mail me at anbutton@deloitte.com with any comments you have about any work of the Council. ♦



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