



A Broader View – Global issues

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Common issues in the four corners of the world



Solvency

Governance



Adequacy

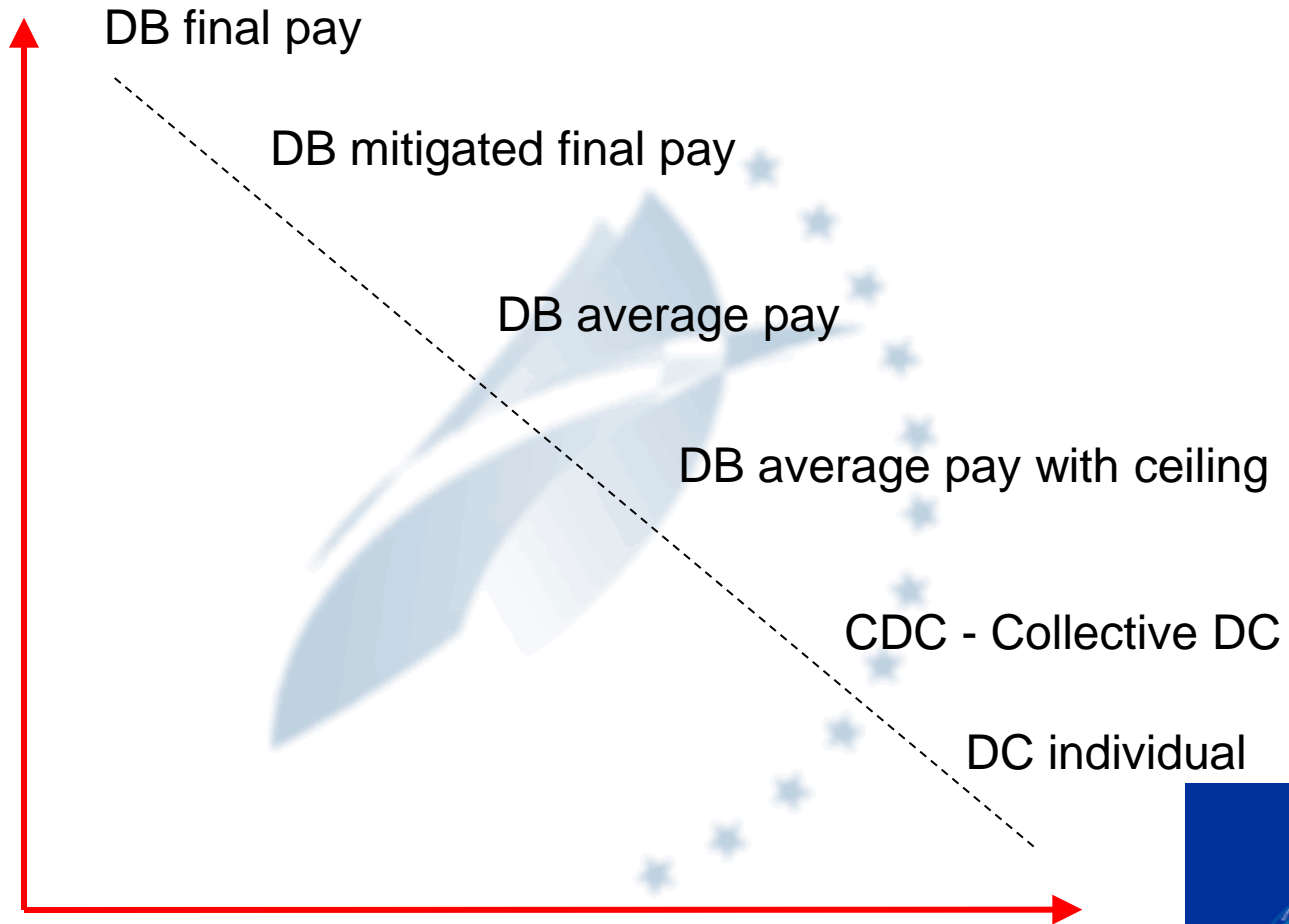
Sustainability





Global trend to shift the risks to the employees

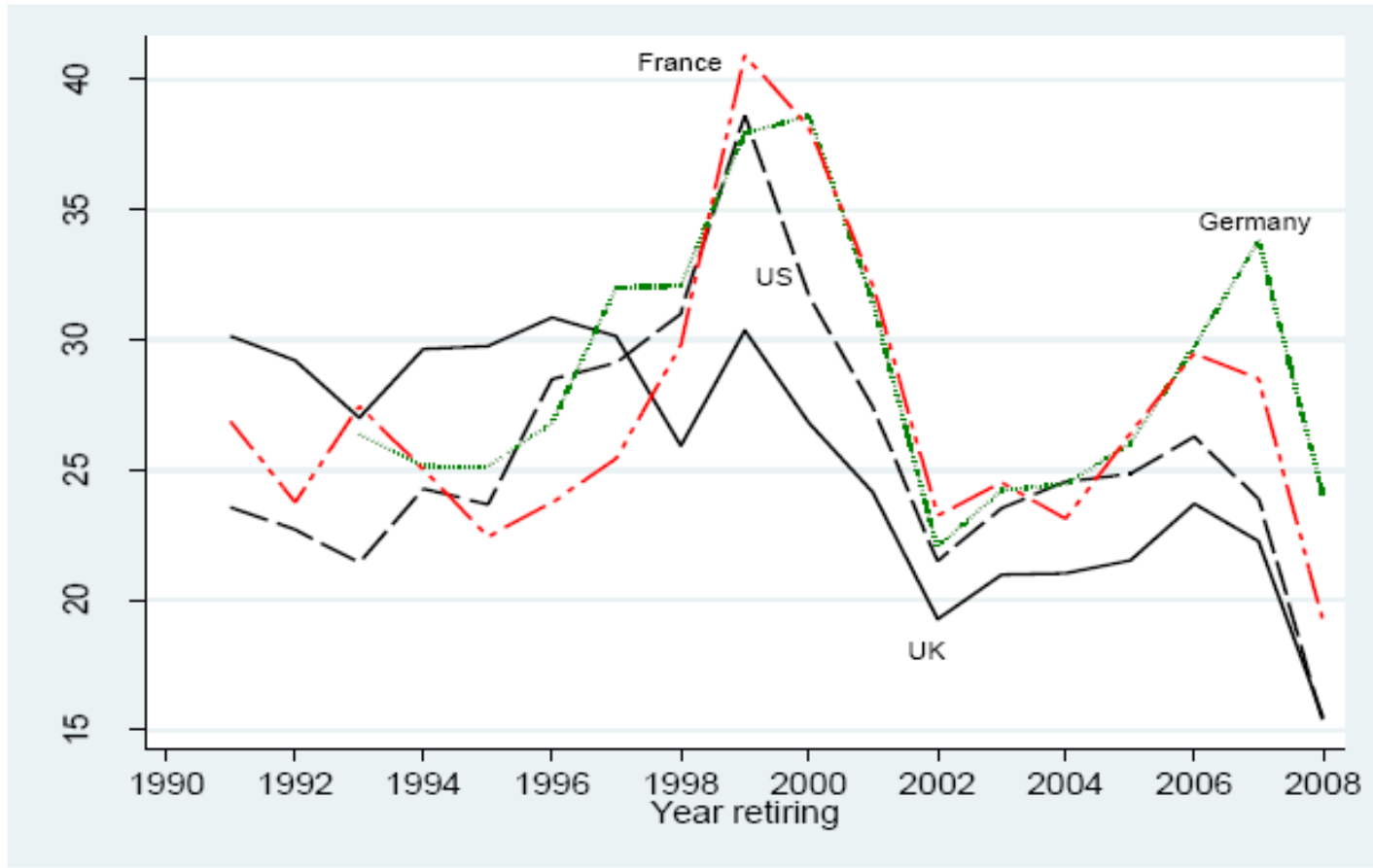
Risk employer



Risk employee



Volatility in DC makes them unsustainable for people and the society



Source: OECD calculations Notes: The impact of the timing of retirement on retirement income is measured by the ratio of retirement income to the last salary (*i.e.* replacement rate). The exercise assumes that individuals enter the workforce at age 25, works steadily for 40 years and retire at age 65. They contribute 5 percent of wages each year to a pension account investing 60% in equities and 40% in bonds. Additionally, the exercise assumes that wages growth 2 percent annually in real terms. It uses each country major equity index to measure returns on equities and the returns on long-term government bonds to measure returns on fixed income investments. Finally, in order to calculate replacement rates, the exercise assumes that at retirement individuals buy an annuity. The annuity payment is determined by the value of assets accumulated at retirement, life expectancy set at 20 years, and the long-term riskless interest rate prevailing at the time of retirement.



Protocol on co-operation Let's work together!

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A CONSORTIUM OF
ADVOCATES FOR WORKER BENEFIT SECURITY





Common subjects of interest for all of us

- Protection and promotion of good quality pension and health plans.
 - We are the defenders of DB!
- Solvency
- Governance
- Training of trustees
- Information to plan members
- Demographic changes at its effects
- Investment issues
- Health reforms
- Etc...

