

Biennial Convention 2009

Go for Gold

19–22 April 2009 • Sydney



Institute of Actuaries of Australia



Title – Future longevity research

James Collier



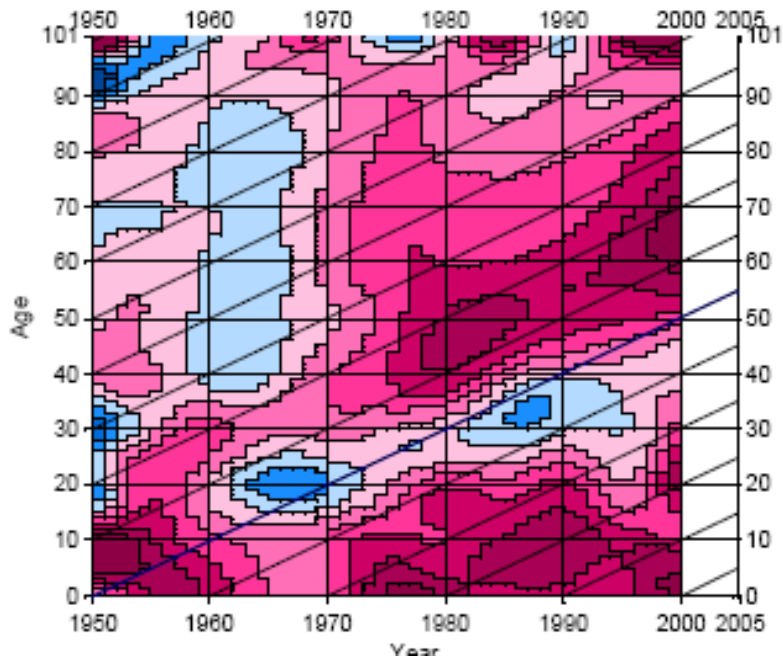
Longevity - a global problem

- Increase in proportion of aged
- Is our mortality like those of other countries?

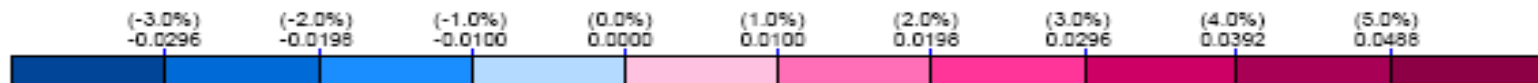
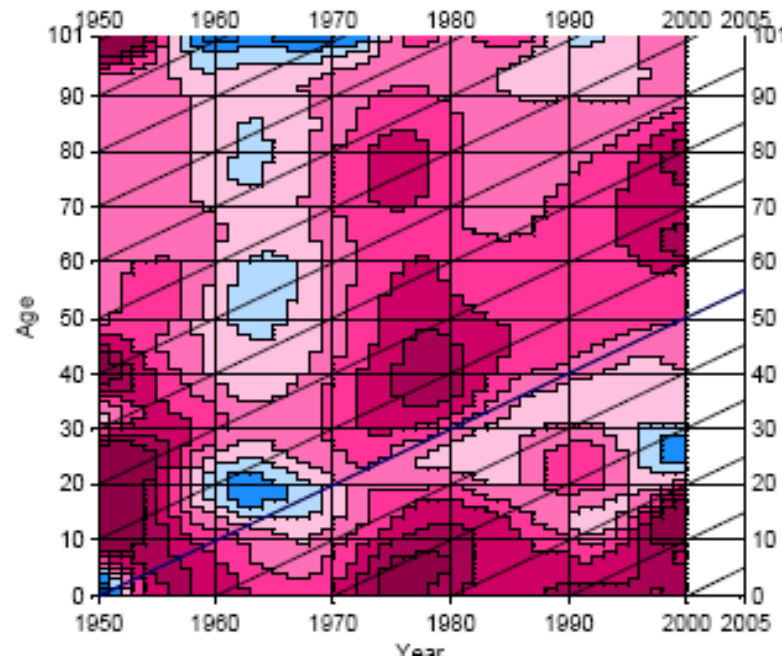


Longevity - a global problem

Australia, Males



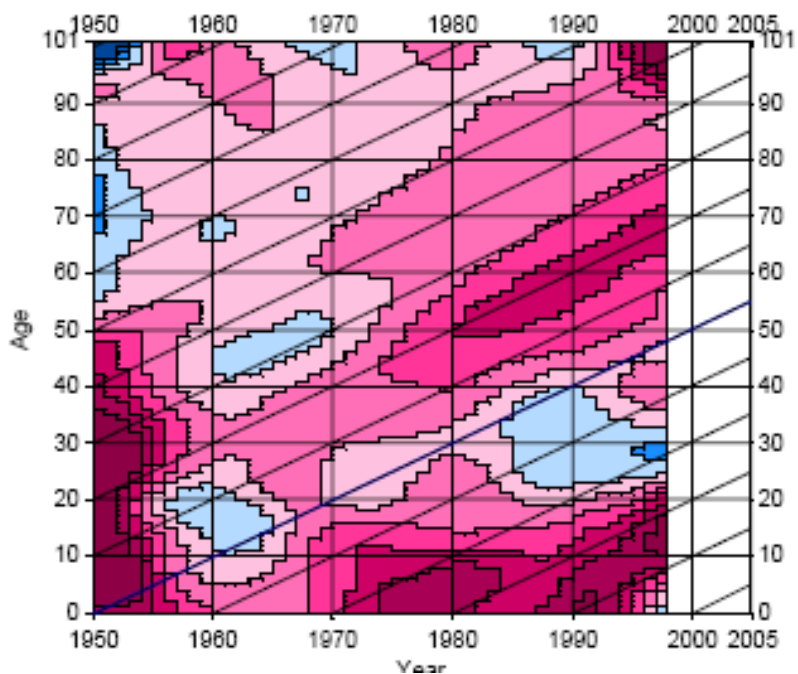
Australia, Females



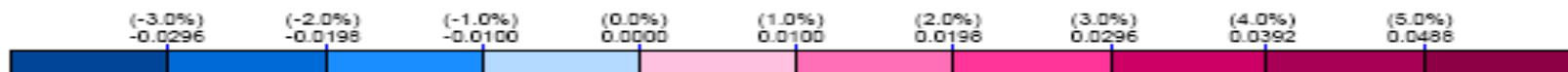
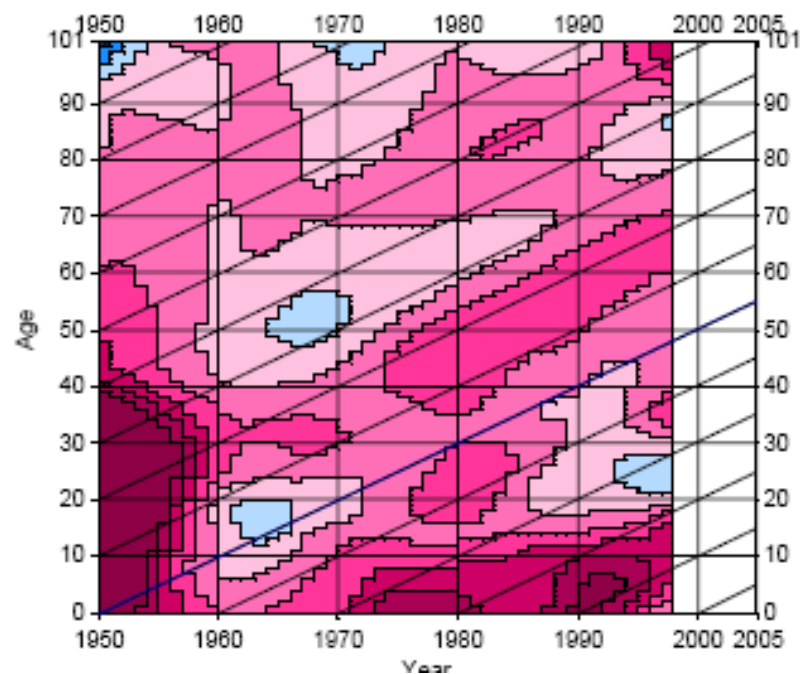


Longevity - a global problem

England & Wales, Males



England & Wales, Females





Longevity in Australia

- Population tables
- Annuitant tables
- Overseas tables
- Mercers experience study



Australian retirement products

- Allocated pensions
- Lifetime and term annuities
- Product innovations



Issues in the Australian market

- Risks: longevity, investment and income level
- Market issues: inadequate appreciation, knowledge and awareness of these risks.



Australia - way forward?

- protect downside;
- combine capital protection, upside participation and income generation;
- facilitate a shift into more aggressive asset allocations; and
- allow adoption of guarantees into existing product offerings, such as allocated pensions



Other markets

- Pensions
- Annuities
- Allocated pensions
- Reverse mortgages
- Variable annuities
- Mortality bonds, swaps, futures



The way forward

- Overseas tables
- Existing Australian
- Retired person experience study
- Stratified life table