

**Private Pensions and Income Security in Old Age:
An Uncertain Future**
November 15-17, 2006

By all measures our private pension system is in difficulty. One estimate suggests that at the end of 2005 there were significant funding shortfalls in about three quarters of the traditional defined benefit pension plans that fall under federal jurisdiction in Canada. Warnings and calls for reform have come from many quarters including the Governor of the Bank of Canada and the Superintendent of Financial Institutions. Yet it appears at this time that neither the federal government nor most provincial governments have plans for pension reform. Since most private pension benefits are not guaranteed, the failure of firms to meet their pension obligations jeopardizes the income security of both current and future retirees. The situation is broadly similar elsewhere.

The purpose of this conference is to bring together researchers, those who design and manage pension plans, and those responsible for pension policy, both from Canada and abroad, to discuss how vulnerable the current system is, to identify possible directions of reform, and to consider how to implement them. We focus attention on issues relating to income security in retirement, and especially on the role of private pension plans. Our particular interest relates to the situation in Canada, but many problems are in common and experience elsewhere is of obvious relevance in providing guidance and informing decision making here. Among the topics that we address:

The private pension system: challenges and possible responses

- Declining coverage in occupational pension plans
- Funding problems in occupational pension plans, and the role of government guarantees
- Increasing shifts from defined benefit to defined contribution plans and their implications for individual risks

The retirement income system: current challenges and future prospects

- The changing roles of public and private pensions in income replacement
- Poverty in old age, especially among vulnerable groups
- Trends in the level, security, and distribution of retirement incomes

The international reform experience in other countries

- Designs of multi-pillar systems (e.g., US, UK, Netherlands, Sweden, Italy, Australia)
- Changes in public pension provision (e.g., notional defined contribution systems)
- Changes in private pension regulation

The conference is organized by the SEDAP (Social and Economic Dimensions of an Aging Population) Research Program, which is centred at McMaster University, with the active support of two federal government agencies – Human Resources and Social Development Canada and the Policy Research Initiative – and the Institute of Insurance and Pension Research at the University of Waterloo.

The conference organizers are: Robert Brown (University of Waterloo), Jeff Carr (PRI), Martin Hering (McMaster University), Mario Jametti (York University), Gordon Lenjosek (HRSDC), Byron

Spencer (McMaster University)

SEDAP receives major support from the Social Sciences and Humanities Research Council of Canada under the terms of its Major Collaborative Research Initiative.

<p align="center">Private Pensions and Income Security in Old Age: An Uncertain Future The Joey and Toby Tanenbaum Pavilion, Art Gallery of Hamilton</p> <p align="center"><i>Preliminary Program</i></p>		
Nov 15	<p>Opening Session – 6:00 pm Welcome: Byron Spencer, Economics, McMaster Chair: William Scarth, Economics, McMaster University</p>	<p><i>William Robson</i>, President & CEO, CD Howe Institute, Keynote Address</p>
Nov 16	<p>Continental breakfast – 8:00 am</p>	
1	<p>How vulnerable are private pensions? Is there a funding crisis?</p> <p>8:45 - 10:45</p> <p>Chair: Steve Bonnar, Principal, Towers Perrin</p>	<p><i>Jack Selody</i>, Advisor to the Governor, Bank of Canada <i>Karen Badgerow-Croteau</i>, Managing Director, Private Pension Plans Division, Office of the Superintendent of Financial Institutions <i>Bob Baldwin</i>, former Director of Research, Canadian Labour Congress <i>James Pesando</i>, Economics, University of Toronto</p>
2	<p>What should the regulations say? What should the regulators do?</p> <p>11:00 - 12:30</p> <p>Chair: Bruce Macnaughton, Director, Pension and Income Security Branch, Ontario Ministry of Finance</p>	<p><i>Michael Orszag</i>, Head of Research, Watson Wyatt Worldwide; Research Chair, International Network of Pension Regulators and Supervisors <i>John Por</i>, President, Cortex Applied Research Inc. <i>David Gordon</i>, Deputy Superintendent, Pensions, Financial Services Commission of Ontario <i>Diane Lafleur</i>, Director, Financial Sector Division, Finance Canada</p>
3	<p>Lunch – 12:30</p> <p>Chair: Peter Hicks, Executive Director, Strategic Analysis, Audit and Evaluation Branch, HRSDC</p>	<p><i>Keith Ambachtsheer</i>, Director, Rotman International Centre for Pension Management, University of Toronto, <i>Why we need a pension revolution</i></p>
4	<p>Income security in old age I: Where are we now? How secure is the future?</p> <p>2:00 - 3:30</p> <p>Chair: Bob Baldwin, former Director of Research, Canadian Labour Congress</p>	<p><i>Kevin Milligan</i>, Economics, University of British Columbia <i>Jean-Claude Ménard</i>, Chief Actuary, Office of the Superintendent of Financial Institutions Canada <i>Susann Rohwedder</i>, Economist, RAND <i>Michael Veall</i>, Economics, McMaster University</p>

5	<p>Income security in old age II: Where are we now? How secure is the future?</p> <p>4:00 - 5:30</p> <p>Chair: Bob Baldwin, former Director of Research, Canadian Labour Congress</p>	<p><i>Geoff Rowe and Michael Wolfson</i>, Statistics Canada <i>René Morissette</i>, Assistant Director, Business Labour and Market Analysis, Statistics Canada <i>Tom Crossley</i>, Economics, McMaster University and University of Cambridge <i>Michael Baker</i>, Economics, University of Toronto</p>
6	<p>Dinner – 6:00</p> <p>Chair: Tom Crossley, Economics, McMaster University and University of Cambridge</p>	<p><i>Richard Disney</i>, Economics, University of Nottingham, <i>Encouraging saving for retirement through pension reform</i></p>
Nov 17	continental breakfast – 8:00 am	
7	<p>Reforming pensions: Why is it so hard to make improvements?</p> <p>8:45 - 10:45</p> <p>Chair: Martin Hering, Political Science and Health Aging and Society, McMaster University</p>	<p><i>Kent Weaver</i>, Public Policy Institute, Georgetown University <i>Keith Banting</i>, School of Policy Studies and Department of Political Studies, Queen's University <i>Cliff Halliwell</i>, Director General, Strategic Policy Research, Strategic Analysis, Audit and Evaluation Branch, Human Resources and Social Development Canada <i>Bruce Macnaughton</i>, Director, Pension and Income Security Branch, Ontario Ministry of Finance <i>Joel Harden</i>, National Representative (Research), Canadian Labour Congress</p>
8	<p>International perspectives on income security in old age</p> <p>11:00 - 12:30</p> <p>Chair: Mario Jametti, Economics, York University</p>	<p><i>Garry Barrett</i>, Economics, University of New South Wales <i>Michael Hurd</i>, Director, RAND Center for the Study of Aging <i>Martin Hering & Michael Kpessa</i>, Political Science, McMaster University</p>
9	<p>Lunch – 12:30</p> <p>Chair: Martin Dooley, Economics, McMaster University</p>	<p><i>Robert Willis</i>, Economics, University of Michigan, Director, Health and Retirement Study, <i>The Future of Retirement</i></p>
10	<p>Major on-going problems: What are the policy options?</p> <p>2:00 - 3:45</p> <p>Chair: Brian FitzGerald, President, Canadian Institute of Actuaries</p>	<p><i>Ken Georgetti</i>, President, Canadian Labour Congress <i>Jack Selody</i>, Advisor to the Governor, Bank of Canada <i>William Robson</i>, President & CEO, CD Howe Institute <i>Malcolm Hamilton</i>, Worldwide Partner, Mercer Human Resource Consulting</p>