

## **Responding to longer life expectancies**

Consumer Finance Symposium

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### **Products of the past**



**do they have a future?**

## **Superannuation: managing the drawdown phase**

- [V]ariability in the age of death...makes it virtually impossible for a person to manage their own superannuation drawdown in an optimal manner

*Super System Review: Final Report, Part Two ("Cooper Review"), p. 198*

## **In-built protection one:**

### **Age Pension provides an income guarantee**

- As long as the Age Pension continues to provide a longevity insurance safety net, it is not necessary to impose a requirement that people invest in additional insurance

*Australia's Future Tax System: Report to the Treasurer, Part Two ("Henry Review"), p. 121*

**In-built protection two:  
Housing as a form of longevity insurance**

- Accessing the equity in the family home is another way people may choose to achieve a higher standard of living in retirement and to protect against longevity risk

*Australia's Future Tax System: Report to the Treasurer, Part Two ("Henry Review"), p. 120*

**Product development idea:  
Longevity risk pooling products**

- [C]ollective mechanism...designed to equitably re-distribute the unspent savings of those participants who die before reaching their average life expectancy to those who outlive the average

*Super System Review: Final Report, Part Two ("Cooper Review"), p. 201*