

UNIVERSITY OF NEW SOUTH WALES

School of Economics

Actuarial Studies

ECON3114/ECON5114/ACTL3005/ACTL5002

SUPERANNUATION AND RETIREMENT BENEFITS

Session 2, 2006

Introduction

This course is about the economics and finance of retirement – ‘superannuation’ translates literally as ‘over-years’. Reference will be made to retirement income provision around the world, with special reference to current Australian practice.

After completing this course you will have mastered the bulk of the complex terminology surrounding the field of superannuation, will understand the superannuation industry and the regulations that govern it, and will have a sound grasp of the leading economic and financial principles underlying the efficient accumulation and rundown of retirement savings.

1. Teaching Staff

Lecturer in charge: Dr Hazel Bateman

h.bateman@unsw.edu.au

Ph: 9385 3096

Location: John Goodsell Rm 109

Consultation Hours: Wednesday 10-11am.

2. Information about the course

2.1 Units of credit and class hours

Superannuation and Retirement Benefits is worth 6 units of credit.

There are two (2) hours of lectures and a one (1) hour tutorial class each week.

Lectures start in week 1 and tutorials commence in week 2.

2.2 Lecture/tutorial times and locations

Group	Day	Time	Location
Lecture	Wednesday	1400-1600	Elect Eng 418
Tutorial 1	Wednesday	1100-1200	John Goodsell LG23
Tutorial 2	Wednesday	1600-1700	Elect Eng 418

2.4 Relationship of this course with other courses

If you are enrolled in ACTL3005 or ECON3114, the prerequisites are ECON1101 and ECON1203. ACTL3005/ECON3114 are part of the BCom and BEc degrees. ECON3114 is a recommended course in the Financial Economics specialisation.

If you are enrolled in ACTL5002 or ECON5114, the prerequisites are ACTL5107 and ACTL5101 OR ECON5103 and ECON5203. ACTL5002/ECON5114 are part of the MCom degree and may be taken as part of prescribed PhD coursework.

2.5 Approach to learning and teaching

The philosophy underpinning this course and its Teaching and Learning Strategies (see 3.3 below) are based on 'Guidelines on Learning that Inform Teaching at UNSW'. These guidelines may be viewed at: www.guidelinesonlearning.unsw.edu.au

The broad approach to teaching and learning in Superannuation and Retirement Benefits is to combine institutional analysis, theoretical analysis and practical examples, to provide students with a solid understanding of current retirement income arrangements. The mix of lectures and tutorials, theoretical and applied readings and varied program of assessment allow students to engage through listening, reading, research, reflection, presentation and discussion. With appropriate guidance, students are encouraged to take responsibility for their own learning.

3. Course aims and outcomes

3.1 Course aims

The aim of this course is to provide a solid understanding of the institutional, theoretical and practical aspects of retirement benefits and superannuation, both in Australia and internationally.

3.2 Student learning outcomes

By the end of this course, students should be able to understand, explain and critique:

- current demographic trends and their impact on retirement income provision;
- alternative forms of retirement income provision and their effectiveness in for individual retirees and the economy as a whole;
- historical developments of Australian retirement income policies including - the age pension, occupational superannuation, the superannuation guarantee and other forms of provision for retirement;
- the structure and performance of the Australian superannuation industry, the role of industry regulators (APRA and ASIC) and the associated regulations;
- the lifecycle saving model and its impact on saving and asset allocation over the lifecycle;
- the pros, cons and issues associated with increasing 'choice' of superannuation fund and investment strategy;
- the taxation and regulation of superannuation contributions, earnings and benefits;
- the retirement decision and alternative forms of retirement benefits;
- the impact of ageing populations and alternative forms of retirement income arrangements on the macroeconomy and financial markets; and
- current policy issues, in Australia and internationally.

3.3 Teaching and learning strategies

The examinable content of this course is defined by the content of the lectures, the designated readings and the questions discussed in tutorials.

4. Student Responsibilities and Workload

4.1 Workload

It is expected that you will spend at least **ten hours** per week studying this course. This time should be made up of reading the prescribed readings, working on tutorial problems and preparing for other assessments.

Over-commitment has been a cause of failure for many students. You should take the required workload into account when planning how to balance study with employment and other activities.

4.2 Attendance

Your regular and punctual attendance at lectures and tutorials is expected in this course. **University regulations indicate that if students attend less than eighty per cent of scheduled classes they may be refused final assessment.**

Your assessment for Macroeconomics 1 includes a tutorial participation mark. You are required to attend and participate in the class discussion in at least 10 tutorials.

4.3 General conduct and behaviour

You are expected to conduct yourself with consideration and respect for the needs of your fellow students and teaching staff. Conduct which unduly disrupts or interferes with a class, such as the use of mobile phones, is not acceptable and students may be asked to leave the class. More information on student conduct is available at: www.my.unsw.edu.au

4.4 Keeping informed

You should take note of all announcements made in lectures, tutorials or on the Superannuation and Retirement Benefits web site. **You should check 'Announcements' on the Superannuation and Retirement Benefits website at least once a week.** From time to time, the University will send important

announcements to your university e-mail address without providing you with a paper copy. You will be deemed to have received this information, so check your student email account regularly.

You must ensure that you are correctly enrolled. The last day to discontinue without financial penalty is 31 August 2006 and the last day to discontinue without academic penalty is 15 September. The final examinations period falls between 10 November and 28 November. **No early exams are possible.**

5. Assessment

5.1 Formal requirements

In order to pass this course, you must:

- achieve a composite mark of at least 50 (out of 100); and
- make a satisfactory attempt at all assessment tasks (see below).
(The Lecturer-in-Charge will be responsible for deeming 'satisfactory').

5.2 Assessment details

The examinable content of this course is defined by the content of the lectures, the designated readings and the questions discussed in tutorials.

Assessment	Due date	Weight
Tutorial Assessment – Article Reviews	Throughout	20%
Assignment	Week 12	20%
Final Examination	Exam period	60%
TOTAL		100%

Tutorial Assessment: Article Reviews (Weight of 20% total mark)

The purpose of the article reviews are to test your ability to understand and communicate theoretical and institutional issues associated with superannuation and retirement benefits in both written and oral form.

Students will be required to write TWO article reviews from any of the review articles on the reading list. The complete set of review articles will be posted on the Superannuation and Retirement Benefits website or handed out in class. The article review should comprise a summary plus appraisal. Students will be required to present a 10-minute (three-overhead) summary of the articles they have reviewed. Articles will be allocated on a first-come first-served basis. Type your review, and keep a copy. Hand in your review within three weeks of your class presentation. Each article review accounts for 10% of the total mark in this course.

Assignment (Weight of 20% total mark)

The purpose of the assignment is to test your ability to research and write a report on an issue of interest in the area of superannuation and retirement benefits.

Students will be required to submit a written assignment of around 2000 words. Topics will be circulated within the first few weeks of classes and posted to the Superannuation and Retirement Benefits website.

The written assignment is due at the end of Week 12 (Friday 20 October).

Final Examination (Weight of 60% total mark)

The purpose of the Final Exam is to assess your understanding of all material presented in the course, and your ability to communicate this in writing.

The Final Exam will be of 2 hours duration. It will comprise both short answer and essay questions and will cover the entire course.

The Final Exam will be held in the University examination period (10 November to 28 November). Further information on the content of the Final Exam will be provided towards the end of session.

5.3 Special consideration and supplementary exams

A supplementary Final Exam *may* be offered to students who failed to attend the Final Exam for medical reasons, or whose performance during the Final Exam has been severely affected by illness, or other extraordinary circumstances that can be documented by the student. Supplementary examinations are not offered as a matter of course. The following conditions *must* be fulfilled before such an application to sit for a supplementary Final Exam will be considered:

- (i) The student's performance during the session (based on the student's Tutorial Assessment mark and Assignment mark) must be deemed to be at a satisfactory level by the Lecturer-in-Charge; and
- (ii) The student has applied for special consideration which is made through Student Central within 3 days of the Final Exam, and the application is supported with full documentation.

Notes:

- *If* a supplementary examination is granted, the format of that examination will be similar to that of the Final Exam.
- Students who are granted a supplementary examination will be advised of the date of the supplementary exam as soon as possible, and students have the responsibility to be available to sit for the supplementary exam on the date specified.
- Employment obligations or holiday plans are no excuse for absence and no further supplementary exam will be offered.
- Students who are not granted a supplementary exam after applying for one will not be notified.

6. Academic Honesty and Plagiarism

The University regards plagiarism as a form of academic misconduct, and has very strict rules regarding plagiarism. For full information regarding policies, penalties and information to help you avoid plagiarism see:

<http://www.lc.unsw.edu.au/plagiarism/>

Plagiarism is the presentation of the thoughts or work of another as one's own.* Examples include:

- direct duplication of the thoughts or work of another, including by copying work, or knowingly permitting it to be copied. This includes copying material, ideas or concepts from a book, article, report or other written document (whether published or unpublished), composition, artwork, design, drawing, circuitry, computer program or software, web site, Internet, other electronic resource, or another person's assignment without appropriate acknowledgement;
- paraphrasing another person's work with very minor changes keeping the meaning, form and/or progression of ideas of the original;
- piecing together sections of the work of others into a new whole;
- presenting an assessment item as independent work when it has been produced in whole or part in collusion with other people, for example, another student or a tutor; and,
- claiming credit for a proportion a work contributed to a group assessment item that is greater than that actually contributed.†

Submitting an assessment item that has already been submitted for academic credit elsewhere may also be considered plagiarism.

The inclusion of the thoughts or work of another with attribution appropriate to the academic discipline does *not* amount to plagiarism.

Students are reminded of their Rights and Responsibilities in respect of plagiarism, as set out in the University Undergraduate and Postgraduate Handbooks, and are encouraged to seek advice from academic staff whenever necessary to ensure they avoid plagiarism in all its forms.

The Learning Centre website is the central University online resource for staff and student information on plagiarism and academic honesty. It can be located at:

www.lc.unsw.edu.au/plagiarism

The Learning Centre also provides substantial educational written materials, workshops, and tutorials to aid students, for example, in:

- correct referencing practices;
- paraphrasing, summarising, essay writing, and time management;
- appropriate use of, and attribution for, a range of materials including text, images, formulae and concepts.

Individual assistance is available on request from The Learning Centre.

Students are also reminded that careful time management is an important part of study and one of the identified causes of plagiarism is poor time management. Students should allow sufficient time for research, drafting, and the proper referencing of sources in preparing all assessment items.

* Based on that proposed to the University of Newcastle by the St James Ethics Centre. Used with kind permission from the University of Newcastle

† Adapted with kind permission from the University of Melbourne.

7. Student Resources

7.1 Superannuation and Retirement Benefits website

The course website may be found among others of your courses at:

<http://vista.elearning.unsw.edu.au>.

Copies of papers and articles on the reading list (but not books) will be progressively added to the course website.

Students should consult the Superannuation and Retirement Benefits website at least once a week as it contains important information about the course. It will be assumed that all students have seen any notice posted on the course website.

7.2 Textbook and Readings

The main **textbook** for this course is:

Either CCH Master Superannuation Guide (2006/07) or CCH Master Financial Planning Guide (2006/07). Both are due out next week. I will let you know which is the better text to buy. Please note: this differs from the CCH Financial Planning Guide 2006/07, which may have been listed as the required text in an alternative publication.

Other useful references include:

- Bateman H, J Piggott and G Kingston (2001), *Forced Saving: Mandating Private Retirement Incomes*, Cambridge University Press.
- World Bank (1994), *Averting the Old Age Crisis – Policies to Protect the Old and Promote Growth*, Oxford University Press.
- Holzmann R and R Hinz (2005), *Old Age Income Support in the 21st Century*, The World Bank, Washington.
- Davis E P (1995), *Pension Funds, Retirement Income Security and Capital Markets: An International Perspective*, Clarendon Press, Oxford.

Useful web sites include:

ASFA - <http://www.superannuation.asn.au/>

Australian Treasury - <http://www.treasury.gov.au/content/superannuation.asp>

Australian Prudential Regulatory Authority – <http://www.apra.gov.au/>

Australian Securities and Investment Commission – <http://www.asic.gov.au>
Centre for Retirement Research (Boston College) - <http://www.bc.edu/centers/crr/>
Centre for Pensions and Superannuation - <http://www.cps.unsw.edu.au>
Department of Family and Community Services - <http://www.facs.gov.au/>
Industry Funds Forum - <http://www.industryfunds.org.au/>
Institute of Actuaries - <http://www.actuaries.asn.au/>
Investment and Financial Services Association - <http://www.ifsa.com.au/>
OECD – <http://www.oecd.org/>
Pension Research Council - <http://prc.wharton.upenn.edu/prc/prc.html>
Pensions Institute - <http://www.pensions-institute.org/>
World Bank Pensions Primer - <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTSOCIALPROTECTION/EXTPENSIO NS/0,,contentMDK:20579507~menuPK:396273~pagePK:148956~piPK:216618~theSitePK:396253,00.html>

7.3 Other resources, support and information

The School of Economics, the Faculty of Commerce and Economics and the University provide a wide range of support services for students, including learning and study support, counselling support, library training and support services, disability support services.

Faculty of Commerce and Economics (FCE) learning support

EDUCATION DEVELOPMENT UNIT

Additional learning support, tailored to the needs of FCE students, is available from the Education Development Unit (EDU) in the Faculty. The EDU offers a range of services for FCE students including:

- Academic skills workshops run throughout the session;
- Printed and on-line study skills resources e.g. referencing guide, report writing and exam preparation;
- A drop-in resource centre containing books and audio visual material that may be borrowed;
- A limited consultation service for students with individual or small group learning needs.

More information about the EDU services including on-line resources, workshop details and consultation request forms are available from the EDU website.

The EDU contact details are as follows:

<http://education.fce.unsw.edu.au>; Location: Room 2039, Level 2 Quadrangle Building

EDU services are free and confidential and are available to students of the Faculty of Commerce and Economics.

Other UNSW Support

UNSW LEARNING CENTRE

In addition to the EDU services, the UNSW Learning Centre provides academic skills support services for students. The Learning Centre is located on Level 2 of the Library and can be contacted by Phone: 9385 3890 or through their website: www.lc.unsw.edu.au .

UNSW COUNSELLING SERVICE

Students experiencing problems of an academic or personal nature are encouraged to contact the Counselling Service at UNSW. This service is free and confidential and run by professional counsellors. The Counselling Service is located on Level 2, Quadrangle East Wing, and can be contact on 9385 5418.

EQUITY AND DIVERSITY UNIT

Those students who have a disability that requires some adjustment in their teaching and learning environment are encouraged to discuss their study needs with the Lecturer in Charge or with the Equity Officer (Disability) prior to, or at the commencement of, their course. The Equity and Diversity Unit can be contacted through 93854734 or www.equity.unsw.edu.au/disabil.html .

OCCUPATIONAL HEALTH AND SAFETY

Students should be aware of Faculty Occupational Health and Safety policies and expectations. See

www2.fce.unsw.edu.au/nps/servlet/portalservice?GI_ID=SystemLoggedOutInheritableArea&maxWnd= Staff Info OHS

8. Continual Course Improvement

Each year feedback is sought from students and other stakeholders about the courses offered in the School. UNSW's Course and Teaching Evaluation and Improvement (CATEI) Process is one of the ways in which student evaluative feedback is gathered. Continual improvements are made based on this feedback.

See (http://www.ltu.unsw.edu.au/ref4-5-1_catei_process.cfm).

We take student feedback and evaluations very seriously and respond to comments and suggestions made by students.

Lecture Outline and References

The CCH publications (either the Master Superannuation Guide or the Master Financial Planning Guide will be available in early August), I will update page numbers when the publications are available.

All references will either be placed on the website or made available in hard copy.

(*) denotes articles which you should read.

Week 1: Introduction – Population Ageing and Saving for Retirement

*Bateman, Kingston and Piggott (2001), *Forced Saving: Mandating Private Retirement Incomes*, Cambridge University Press: Chapter 1.

*Productivity Commission (2005), 'Economic Implications of an Ageing Australia', April 2005. <http://www.pc.gov.au/study/ageing/finalreport/index.html> (read Executive Summary)

*Bloom D (2006), Global Demography: Fact, Force and Future, presented to the RBA conference Demography and Financial Markets, July 2006. <http://www.rba.gov.au/PublicationsAndResearch/Conferences/2006/bloom.pdf>

World Bank (1994), *Averting the Old Age Crisis* (Overview and Chapter 1): 1-48.

Holzmann R and R Hinz (2005), Old Age Income Support in the 21st Century: An International Perspective on Pension Systems and Reform, Introduction and Executive Summary.

Review Articles:

Bodie, Z. (1990), 'Pensions as Retirement Income Insurance', *Journal of Economic Literature*, 38: 28-49.

Diamond P (1977), 'A Framework for Social Security Analysis', *Journal of Public Economics*, 8(3): 275-98.

Week 2: Alternative Models of Retirement Income Provision - Does it matter which type of pension system you have?

*Bateman, Kingston and Piggott (2001), *Forced Saving: Mandating Private Retirement Income*: Chapters 1 & 3.

*Holzmann R and R Hinz (2005), Old Age Income Support in the 21st Century: An International Perspective on Pension Systems and Reform, Introduction and Chapters 5 and 6.

World Bank (1994), *Averting the Old Age Crisis*, Chapter 3.

Orszag P and J Stiglitz, (2001), 'Rethinking Pension Reform: Ten Myths about Social Security Systems', in R Holzmann and J Stiglitz (eds), *New Ideas about Old Age Security: Toward Sustainable Pension Systems in the 21st Century*, Chapter 1: 17-56.

Holzman R, James E, Borsch-Supan A, Diamond P, Valdes-Prieto S (2001), 'Comments on Rethinking Pension Reform: Ten Myths about Social Security Systems by Peter Orszag and Joseph Stiglitz, in R Holzmann and J Stiglitz (eds), *New Ideas about Old Age Security: Toward Sustainable Pension Systems in the 21st Century*, Chapter 2: 57-89

Review articles:

Bodie Z, A J Marcus and R C Merton (1988), 'Defined Benefit versus Defined Contribution Pension Plans: What are the Real Trade-offs', in Bodie Z, J Shoven and A Wise (ed), *Pensions in the US Economy*, University of Chicago Press: 139-62.

Blake D (2000), 'Does it Matter What Type of Pension System You Have?' *Economic Journal*, 110: 46-81.

Week 3: Retirement Incomes in Australia 1

*Bateman H, 'Retirement Income Policy for an Ageing Australia', *Economic and Labour Relations Review*, January 2005: 284-308.

*Treasury, 2006 Budget Papers: A Plan to Simplify and Streamline Superannuation

<http://www.budget.gov.au/2006-07/overview2/download/overview2.pdf>

Detailed outline

http://simplersuper.treasury.gov.au/documents/outline/download/simpler_super.pdf.

Review Articles.

Bingham C and G Rothman (2005), Incentives to save more in superannuation, paper presented to the Thirteenth Colloquium of Superannuation Researchers, University of New South Wales, 4 & 5 July 2005, ,
http://rim.treasury.gov.au/content/pdf/CP05_01.pdf

Mitchell D, A Harding, F Gruen (1994), 'Targeting Welfare', *The Economic Record*, September, 315-40.

Kelly, S and A. Harding. (2004), 'Funding the Retirement of the Baby Boomers', *Agenda* 11: 99-112.

Week 4: Retirement Incomes in Australia 2

*Bateman H, 'Retirement Income Policy for an Ageing Australia', *Economic and Labour Relations Review*, January 2005: 284-308.

*Bateman H (2002), 'Retirement Income Strategy in Australia', *Economic Analysis and Policy*, 32(1): 49-70.

APRA, Superannuation Trends - latest

<http://www.apra.gov.au/Statistics/Superannuation-Institutions-Statistics.cfm>

Sherry N (2006), *Superannuation – A Higher Retirement Income in a Simpler and Safer System*, Discussion Paper released by Senator Nick Sherry, Shadow Minister for Superannuation and Intergenerational Finance, Banking and Financial Services, 10th April 2006.

Review Articles:

Ablett J and H Bateman (2000), 'Compulsory Superannuation and Australian Generational Accounts', *Economic Analysis and Policy*, March 2000: 33-48.

Harding A (2005), 'Analysing Australia's Ageing Population: A Demographic Picture'. <http://www.natsem.canberra.edu.au/publication.jsp?titleID=CP0512>

Week 5: Saving and Investment over the Lifecycle 1

*Bateman, Kingston and Piggott (2001), *Forced Saving: Mandating Private Retirement Incomes*: Chapter 4.

*Bodie Z, R C Merton and W F Samuelson (1992), 'Labour Supply Flexibility and Portfolio Choice in a Life Cycle Model', *Journal of Dynamics and Control*, 16, 427-49.

Bodie Z (2002), *Life Cycle Finance in Theory and in Practice*, Boston University School of Management Working Paper #2002-02.

<http://www.bbk.ac.uk/res/pi/wp/wp0208.pdf>

Review Articles:

Kingston G, J Piggott and H Bateman (1992), 'Customised Investment Strategies for Accumulations Superannuation', in Davis K and I Harper (eds), *Superannuation and the Australian Financial System*: 136-56.

Viceira, L. (2001), "Optimal portfolio choice for long horizon investors with non-tradeable labor income", *Journal of Finance*, 43-73.

Week 6: Saving and Investment over the Lifecycle 2

*Bateman, Kingston and Piggott (2001), *Forced Saving: Mandating Private Retirement Incomes*: Chapter 4.

*Venti S F (2006), 'Choice, Behaviour and Retirement Saving', in *The Oxford Handbook of Pensions and Retirement Income*, edited by G Clark, A Munnell and M Orszag, Oxford University Press.

The Retirement Security Project (2005), *The Automatic 401(k): A Simple Way to Strengthen Retirement Savings*, No. 2005-1.

Pensions Commission (2005), *A New Pension Settlement for the Twenty-first Century*.

Pension Policy Institute (2005), *KiwiSaver: another lesson from New Zealand?* PPI Briefing Note Number 21.

Review Articles:

Thaler R and S Benartzi (2004), 'Save More Tomorrow: Using Behavioural Economics to Increase Employee Saving', *Journal of Political Economy*, 112(S1): S164-S187.

Treasury (2004), *A More Flexible and Adaptable Retirement Income System*, February 2004, Canberra.

Cronqvist H and R Thaler (2004), 'Design Choices in Privatised Social Security Systems: learning from the Swedish Experience', *American Economic Review Papers and Proceedings* 94(2): 424-428.

Week 7: Taxation

*Bateman, Kingston and Piggott (2001), *Forced Saving: Mandating Private Retirement Incomes*, Cambridge University Press: Chapter 6.

*Treasury, 2006 Budget Papers: A Plan to Simplify and Streamline Superannuation

<http://www.budget.gov.au/2006-07/overview2/download/overview2.pdf>

Detailed outline

http://simplersuper.treasury.gov.au/documents/outline/download/simpler_super.pdf

*World Bank Pensions Primer – *Taxation: The Tax Treatment of Funded Pensions*.

[http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/a55ad4c21ab60f5b8525679e00714165/\\$FILE/N%20taxation%20v3.pdf](http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/a55ad4c21ab60f5b8525679e00714165/$FILE/N%20taxation%20v3.pdf)

Treasury (2005), Tax Expenditures Statement 2005.

<http://www.treasury.gov.au/contentitem.asp?NavId=&ContentID=1052>

Review Articles:

Doyle S, G Kingston and J Piggott (1999), 'Taxing Super', *Australian Economic Review*, 32: 207-218.

Clark, R. and E. Wolper (1997), "Pension Tax Expenditures: Magnitude, Distribution and Economic Effects", in Schieber and Shoven (eds) *Public Policy Toward Pensions*, MIT Press.

Week 8: Regulation and Prudential Supervision

*To be included – papers from APRA and ASIC

Bateman H and J Piggott (1997). *Private Pensions in OECD Countries – Australia*, OECD, Paris: Chapter 4.

APRA (2001), *Options for Improving the Safety of Superannuation, Issues Paper*.
<http://www.treasury.gov.au/contentlist.asp>

*World Bank Pensions Primer – *Supervision: Building Public Confidence in Mandatory Funded Pensions*.
[http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/9aed8389a2cf8486852567970072f3e2/\\$FILE/nsuper.pdf](http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/9aed8389a2cf8486852567970072f3e2/$FILE/nsuper.pdf)

*World Bank Pensions Primer – *Portfolio Limits: Pension Investment Restrictions Compromise Fund Performance*.
[http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/002d25ec0442a77a8525691b0048f3c1/\\$FILE/N%20portfolio%20v5.pdf](http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/002d25ec0442a77a8525691b0048f3c1/$FILE/N%20portfolio%20v5.pdf)

Davis E P (1995), *Pension Funds, Retirement Income Security and Capital Markets: An International Perspective*, Chapter 5: 91-126.

Review Articles:

E Philip Davis (2001), *The Regulation of Funded Pensions – a case study of the United Kingdom*, Financial Services Authority.
<http://www.fsa.gov.uk/pubs/occpapers/op15.pdf>

Hinz R and A Mataoanu (2005), 'Pension Supervision: Understanding International Practice and Country Context', Social Protection Discussion Paper No. 0524, The World Bank.
<http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/0524.pdf>

Ferris S (2006), Ansett's superannuation fund: a case study in insolvency, forthcoming in H.Bateman (ed), *Retirement Provision in Scary Markets*, Edward Elgar (forthcoming September 2006).

Week 9: Retirement and Retirement Benefits

*Bateman, Kingston and Piggott (2001), *Forced Saving: Mandating Private Retirement Incomes*, Cambridge University Press: Chapter 5.

*World Bank Pensions Primer – *Annuities: Regulating Withdrawals from Individual Pension Accounts*.

[http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/1b9bb079e6b112fa852568900071be6b/\\$FILE/N%20annuities22000.pdf](http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/1b9bb079e6b112fa852568900071be6b/$FILE/N%20annuities22000.pdf)

*World Bank Pensions Primer – *Retirement: Can Pension Reform Reverse the Trend to Earlier Retirement?*

[http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/60cd9b776f1024db852568710054ffc/\\$FILE/N%20retirement%20v2.pdf](http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/60cd9b776f1024db852568710054ffc/$FILE/N%20retirement%20v2.pdf)

*Kingston, G. (2001), “Efficient Timing of Retirement”, *Review of Economic Dynamics* 3, 831-840.

Review Articles:

Bateman, H., G. Kingston and S. Thorp, “Financial Engineering for Australian Annuitants”, forthcoming in H. Bateman (ed.), *Retirement Provision in Scary Markets*. Edward Elgar, forthcoming September 2006.

Mitchell, O.S. and G. Fields (1984), “The Economic of Retirement Behavior”, *Journal of Labor Economics* 2, 84-105.

Mitchell O S and D McCarthy, International Adverse Selection in Life Insurance and Annuities. <http://prc.wharton.upenn.edu/prc/PRC/WP/WP2002-8.pdf>

Doyle S, O S Mitchell and J Piggott, Annuity Values in Defined Contribution Retirement Systems: The Case of Singapore and Australia. NBER Working Paper W8091, January 2001.

<http://www.economics.unsw.edu.au/CPS/DP/cpsdp0202.pdf>

Formica A and G Kingston (1991), ‘Inflation Insurance for Australian Annuitants’, *Australian Journal of Management*.

Hurd, M., & Rohwedder, S., (2003), “The Retirement-Consumption Puzzle: Anticipated and Actual Declines in Spending at Retirement”, NBER Working Paper #9586. Available at www.nber.org.

Week 10: The Superannuation/Pensions industry – Performance Measurement and Administration Costs and Charges

*Bateman, Kingston and Piggott (2001), *Forced Saving: Mandating Private Retirement Incomes*, Cambridge University Press: Chapter 7.

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