

**DRV-Booklet**

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**What do Self Employed People know about their Old Age Security? Vast Uncertainty about Principle Safeguarding and Individual Involvement in Pension Security Systems – A Closer look at the Micro Census**

Author: Prof. Dr. Uwe Fachinger

Location: Vechta

Goal of a study that was founded by the FNA in 2016 was to identify and calculate the amount of insured-, and uninsured self employed persons that would be available in the micro census 2013. This data was available due to voluntary disclosure of this group of people, and thus it was possible to determine, how many of this group were actively aware of their future old age pension situation. This discussion is all the more important, as the amount of pensioners from this group specifically will be considered poor. This is owed to the fact of a non existing old age security scheme for these people. Certain antagonists argument that a mandatory pension scheme for all self employed persons will take away from the traditional freedoms this group has always had. It begs to ask the question though, if missing knowledge of old age security scheme's will relegate this. Empirical data has shown that the majority of self employed people have no clue how to prepare for old age security. The underlying study examines and shows that it is necessary to implement a mandatory pension scheme for self employed persons, or to integrate them into existing old age security programs.

## **Sponsored Occupational and Individual Provisions for Old Age – Results of a Survey on the Topic of Old Age Provisions 2015**

Authors: Dr. Steffen Walther, Dr. Susanne Blancke,  
Jochen Heckmann and Dr. Thorsten Heien  
Locations: Berlin and Munich

The Federal Ministry of Social and Labor Affairs tasked the company TNS Infratest Sozialforschung 2015 with creating a survey on the topic of Old Age Provisions 2015 (AV 2015). The survey was conducted in writing, and 10 992 insured people between the ages of 25 and 65 were surveyed. One goal was to determine the amount of mandatory and private provisioning each surveyed person has acquired. This also took into account how well each person was informed about their specific provisions (i. e. yearly insurance updates, written statements, etc.). In total the survey showed that about 70 percent of the surveyed people had an additional private old age provision. This either in the form of an occupational old age pension, or a “Riester” pension. The survey showed though, that especially people without a professional qualification, or non-Germans still don’t have enough provisions for retirement.

## **Capital Covered Occupational Retirement Provisions During Low Interest Periods, Lessons from Switzerland**

Authors: Prof. Dr. Yvonne Seiler Zimmermann and  
Prof. Dr. Heinz Zimmermann  
Locations: Zug and Basel

In times of low interest rates, is it better to have a capital covered retirement scheme versus a cost sharing retirement scheme? Is it even possible to finance such a system, and to what cost? These questions are discussed on the basis of the Swiss occupational

retirement scheme (BVG). The article aims to examine the different capital covered systems and calculations, based on various scenarios of low interest returns, or risk free returns. The article shows that especially young people can hardly identify the pitfalls of these calculation schemes, as they are mostly intransparent.

**Adaptation of Old Age Security Systems to a Changing Market Field – an International Comparison Using the Countries Sweden, Netherlands and Denmark**

Author: Prof. Dr. Karen M. Anderson  
Location: Southampton

This article examines the recent changes and advances in Old Age Security Systems in the countries of Sweden (tiered pension system), then Netherlands and Denmark. All three systems have a mandatory, federal pension system which is financed through taxes or dues. These systems are all additionally supported by capital covered private, or occupational pension provisions. Even though the multiple tier system is favored, this article will show the difficulties that can arise with such a system, in times of changing international markets and political changes.