

**DRV-Booklet**

**DRV-Number: 1/2018**

## **Critical Decisions for Pension Policies – The Coalition Agreements and Necessities of Pension Policies**

Author: Prof. Dr. Franz Ruland

Location: Munich

On the 07<sup>th</sup> of February 2018, the CDU/ CSU and SPD, after long deliberations, decided on a mutual coalition agreement. This agreement still has to pass through the various party caucuses of the CDU and pass a member vote within the SPD. Only then can the outcome of a possible big coalition be expected. Thus, it is unsure if the pension policies which have been decided upon, will actually come to bare during the 19<sup>th</sup> legislature period. Should on the other hand, the big coalition not come together, then there will be more question marks as to how pension policies will implement. There are several important policy changes that have to be dealt with. This article aims to identify which changes these are, and if the coalition agreement can effectively grab a hold of these.

### **Transition of Retirement Income**

Authors: Dr. Dina Frommert and PD Dr. Ralf K. Himmelreicher

Location: Berlin

In the following article, the retirement income of people aged 60 to 69 and residing in Germany, will be examined. The currently available results are based on three surveys of the study “Alterssicherung in Deutschland” (Old Age Security in Germany –

short ASID), which compiled data in the years 2003, 2007 and 2011. Using this data, it is possible to determine the different sources of retirement income, and thus identify how much weight the different forms of income have for specific groups of retirees. A comparison between the amount of retirement income between men and women in West- and East Germany shows that the Gender Pension Gap is sufficiently higher in the west, compared to eastern Germany, especially when the amount of retirement income is lower. When examining the composition of these income groups, it is evident that people with higher monthly pension income, invest more into their supplementary retirement income than people with a lower pension income. If these low-income groups have tried to accrue additional retirement income, then it's mostly through private pension policies. These though have relative low payout rates. If this process is examined closer, then certain trends can be viewed. Trends which show uneven tendencies. Especially in East Germany, there is a trend to more employer based supplementary pension plans, thus clearly showing a decline in private pension policies.

### **Low Pension Risk Despite Long Term Insurance – Identifying the Role of Social Balance in the Mandatory Pension Scheme**

Authors: Prof. Dr. Martin Brussig, Dominik Postels and  
Lina Zink

Location: Duisburg

Past proposals for pension reforms always had the goal of reducing the risk of low pension income. Different political parties and associations aimed to develop concepts how this could be implemented. They defined terms and conditions, concessions really, that would safe guard a guaranteed pension income over the welfare rate, if certain conditions were met. These procedures remind us that the principle of equivalence is leading. The fact though that there

seems to be a need to an upward revaluation shows that social elements are still a strong factor in the mandatory pension scheme. The following article aims to show which factors help develop low pensions and rather, which factors or procedures can help raise pensions. Especially the role of social balancing will be examined more closely.

### **Challenges of Digital Work in the Public Sector – The Dimensions of Work, Values and Competence as a Tool for Managerial Skills to Preserve Employability**

Authors: Maria-Elisabeth Kionke and Prof. Dr. Christina Stecker  
Location: Berlin

The furthering digitalization of work processes, the aging work force and the concepts of “Arbeiten 4.0” (Work 4.0) are termed as mega trends. These trends are huge challenges for both employers and employees in the public sector. Due to the complexity of this, and the demand for action, the article aims to examine the different levels of these challenges in the public sector. New forms of work structuring need open spaces for individual considerations, and a comfortable confidence base. This will allow for the development of new methods and social competence. In order to highlight this, the article will use the three pillars of work dimension, work values and work competence to show the needed leadership skills which ultimately should lead to the retention of working abilities. The ultimate goal is to create an environment which will foster incentives to safe guard the retention of working abilities in times where an aging work force and further digitalization of work process create new challenges to both public employers and employees.

## **Statutory Pension Adjustments – Statistical Review of Cases Under the Most Recent Laws**

Authors: Dr. Michael Stegmann and Ulrich Bieber

Locations: Würzburg and Bonn

The first part of this article aims to examine the general outline of the statutory pension adjustment laws, as influenced in the mandatory pension scheme. Its original intentions and the newly introduced structural changes in 2009. The second part of the article aims to examine the empirical data about divorces and pension adjustments, using available data of the Federal Office of Statistics and the statutory pension carriers.