

**DRV-Booklet**

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**Expert dialogue on gender-equitable reforms in old-age provision on 29 November 2019 in Berlin**

Conference Contributions

**Expert dialogue on gender-equitable reforms in old-age provision**

Authors: Dr. Dina Frommert, Dr. Ulrike Spangenberg

Location: Berlin

The intensive discussion, especially in 2019, on the introduction and design of a basic pension has highlighted the need to establish a balanced old-age provision scheme to guarantee the livelihood of pensioners. However valid the discussion about appropriate and adequate old-age provision in view of the gender pension gap of 53 percent – especially for women – may be, the strong focus on the basic pension prevents us from considering other options for achieving gender-equitable pension provision. For this reason, an expert dialogue on gender-equitable reforms in old-age provision was held in November 2019 by the German Women Lawyers Association (Deutscher Juristinnenbund, djb) and the Research Network on Old-Age Provision (Forschungsnetzwerk Alterssicherung, FNA) of the Deutsche Rentenversicherung Bund (German Federal Pension Insurance). The aim of the event was to initiate an expert discussion on areas of activity, problems and solution strategies with regard to gender-equitable old-age provision which goes beyond the basic pension that has now been approved.

## **Life courses and retirement income of women by marital status – Results from SHARE-RV**

Authors: Prof. Dr. Katja Möhring, Andreas Weiland,  
Babette Bühler, Klara Kuhn  
Location: Mannheim

Based on data from SHARE-RV, this contribution examines the life courses and retirement income of women in Germany. SHARE-RV merges administrative data of the German pension insurance scheme (Scientific Use Files of insurance record samples and existing pensions of insured customers) and the German data of the Survey of Health, Ageing and Retirement in Europe (SHARE). Our analysis focuses on the comparison by marital status as well as between the birth cohorts from 1925 to 1950 and from 1951 to 1965. We consider individual income and household income in order to draw conclusions about the redistribution within households. Our results show significant differences between individual income and household income in some cases, this especially concerns married women and proves the high significance of redistribution in the context of couples. Widowed women have the highest median individual income in the older cohort, and divorced women in the younger cohort. The latter, however, have the lowest household income and thus face the highest risk of poverty. In addition, the cohort comparison shows a lower variance of income in the older cohort, which indicates a smoothing of income distribution in the retirement phase.

## **Gender pension gap and social elements in the multi-pillar system**

Author: Dr. Dina Frommert

Location: Berlin

The following contribution examines how changes in old-age provision affect a multi-pillar system in relation to the gender pension gap. To this end, entitlements to pension benefits are divided into subsets, and gender-related differences are considered. The analyses are based on data from the Life Courses and Old-Age Provision Study (Lebensverläufe und Altersvorsorge, LeA), which contains information on entitlements in all pension systems. It becomes apparent that social elements in the statutory pension insurance can significantly mitigate the differences (which are still large) resulting from employment histories. Social elements are not very common in supplementary pension provision, and the gender pension gap in these systems is correspondingly larger. Overall, a decreasing significance of the statutory pension insurance in the total income *ceteris paribus* leads to the fact that the gender pension gap in relation to all personal old-age income will close less quickly in the future.

## **Basic pension: milestone or stumbling block? – Objectives and instruments of genuinely gender-equitable old-age provision**

Authors: Doris Armbruster, Dr. Christine Fuchsloch

Locations: Potsdam, Schleswig

The basic pension is a good opportunity to launch a genuine discussion about the necessary structural features of gender-equitable old-age provision. Why do so many women in old age still only have pension entitlements below the basic pension level and what would have to change? The authors point out negative

developments and plead for more courageous fundamental structural changes, not only in the field of statutory pension insurance. They do not see basic pension as a milestone for a gender-appropriate old-age provision, but it is not a stumbling block either if it marks the beginning of more courageous pension reforms in the future.

### **Basic pension versus allowances in the basic social security system**

Author: Dr. Judith Kerschbaumer

Location: Berlin

The project for a basic pension had started with great expectations, but it took numerous attempts over three legislative periods before it finally reached the legislative procedure and now has a good chance of getting passed. The question is how the goal of the coalition agreement to reward the life performance of people who have worked for many years will be implemented: either by revaluation of contributions in the statutory pension insurance scheme (Gesetzliche Rentenversicherung, GRV) or by granting higher benefits in old age through allowances in the subordinated and means-tested basic security system. The draft basic pension law now provides for a hybrid of both systems. This contribution examines the question of whether original objectives have been achieved. It demonstrates how Germany has solved the problem of small pensions in the past and how the situation compares internationally.

## **Flexible pension entitlements: A possible element in further developing gender-equitable old-age provision**

Author: Dr. Reinhold Thiede

Location: Berlin

The Flexible Entitlements Model was developed at the end of the 1990s. However, it can still provide productive impulses for further development of old-age provision, also with regard to strengthening the independent pension provision of women.

## **Fiscal options for gender-equitable old-age provision**

Author: Dr. Ulrike Spangenberg

Location: Berlin

Taxes have become increasingly important for old-age provision since 2002, on the one hand through greater tax incentives for supplementary pension provision and on the other hand through downstream taxation of pensions. The associated financial burdens and relief, however, have a very different effect on women and men, often to the disadvantage of women, in particular due to income differences and differences in employment structures. Equality-oriented old-age provision must therefore also take into account the gender-related effects of tax relief during the contribution and savings accumulation phase as well as the taxation of benefits during the pay-out phase.

### **The German Pension Insurance as a critical infrastructure**

Author: Dr. Michael Stegmann  
Location: Würzburg

The German Pension Insurance was classified as a critical infrastructure by the legislature. This is associated with specific obligations. The essay describes what is to be understood by critical infrastructure and which obligations arise from it. Furthermore, it outlines which business processes of the German Pension Insurance have been defined as critical services. In this context, the German Pension Insurance defines itself as an inter-institutional infrastructure. The presentation also points out which measures need to be taken and which regulations are necessary to prove this to the Federal Office for Information Security (Bundesamt für die Sicherheit in der Informationstechnik, BSI). The current situation in the Corona pandemic is also addressed in this contribution.

### **Digitised public administration – Challenges and possible solutions for leadership and cooperation**

Authors: Judith Beile, Doreen Molnár  
Locations: Hamburg, Berlin

Digitalisation sets the framework for the transformation that is currently taking place in public administration. It is responsible for profound changes and, like any change, brings with it opportunities and uncertainties – on the part of managers as well as employees. This article deals with this transformation process. It outlines challenges and presents projects that are aimed at developing possible solutions and putting them into practice. The focus is on the

INQA project “Leadership in the Digitised Administration” (FührDiV – Führung in der digitalisierten Verwaltung) funded by the Federal Ministry of Labour and Social Affairs (Bundesministerium für Arbeit und Soziales, BMAS), in which new forms of leadership, cooperation and participation were tested. A separate section is dedicated to agile forms of work, as this topic has been discussed for some time by many authorities and tested on the basis of various approaches beyond the project “FührDiV”. Finally, tools and offers of the New Quality of Work Initiative (Initiative Neue Qualität der Arbeit, INQA) on the design of digitalisation processes and further development of management and corporate culture in the administration are presented. The experiences and tools presented here are intended to support administrations in the transformation process initiated by digitalisation – even if there is no off-the-shelf solution, as each organisation faces specific challenges: Experiences from other organisations can be helpful in shaping one's own process. The findings and tools which are presented here are impulses and offers that can be used by all public administrative institutions.

### **The replacement rate as indicator – (Literature) overview and problem outline**

Author: Benjamin Belz

Location: Vechta

One of the central objectives of old-age provision systems is to secure or maintain living standards. Various parties use the replacement rate as an indicator in order to make statements on maintaining the standard of living during the transition to retirement. In simplified terms, this seemingly simple indicator puts income in the retirement phase in relation to income in the employment phase. This illustrates the income situation or income changes during the transition period from the employment phase to the retirement phase.

However, there is no clear or uniform definition of the replacement rate. Instead, differently defined replacement rates are used by various actors from politics, consulting and science – as a result the replacement rate is not a clearly defined indicator but a generic term for a large number of highly different indicators. Against this background, this article presents the variety of different replacement rates mentioned in the relevant literature and shows the range of indicators that actually lie behind the generic term replacement rate. Finally, some of the resulting consequences and challenges for pension policy are outlined.

### **With the “Quota 100”, the Italian pension legislator deviates from the right path**

Author: Edoardo D’Alfonso Masarié

Location: Regensburg

At the suggestion of the populist government which held office from 2018 to 2019, the Italian legislator decided to grant a pension to some long-term insured persons at the age of 62 and to lessen the effects of some of the rigid regulations of the 2011 pension reform on a temporary basis. Despite some changes in the coalition and the return of the social democratic PD to the government in late summer 2019, these measures were not repealed. However, their implementation is not only expensive, but typically favours older employees with a solid career at the expense of current contributors and taxpayers as even government statistics show. The amendment in 2019 resulting from the coalition agreement in 2018 thus only created a pre-election gift for individual cohorts (the “Quota 100”) and once again missed the opportunity to refrain from seeing the consideration of demographic change and the protection of long-term and especially long-term insured as opposites.