



Lessons from the UK

Naar een nieuw pensioenstelsel,
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- UK Pillars 1 and 2 - 1979, 1999 and 2019;
- Automatic enrolment and NEST;
- Challenges ahead;
- Lessons learned.

A look back on UK pension provision 1979-99

	1979		1999	
	Pillar 1	Pillar 2	Pillar 1	Pillar 2
Top half Private Sector	Good	Good	OK	OK
Bottom half Private Sector	Good	Unsatisfactory	OK	Unsatisfactory
Public Sector	Good	Good	OK	Good

- Unsatisfactory
- OK
- Good

And ahead... - 1999 - 2019

	1999		2019	
	Pillar 1	Pillar 2	Pillar 1	Pillar 2
Top half Private Sector	OK	Good	Good	Good
Bottom half Private Sector	OK	Unsatisfactory	Good	Good
Public Sector	OK	Good	Good	Good

- Unsatisfactory
- OK
- Good

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Automatic enrolment and the power of inertia

Default

Do nothing
and you're
in

So far

92%

are in

Post-Turner

70%
are in

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Why NEST?



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Automatic enrolment and future challenges

The initial implementation of automatic enrolment can be considered a success, but there are plenty of challenges still to address:

**Scheme
quality**

Adequacy

**From DC
pot to
retirement
income**

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Lessons learned - 1

- - build consensus
- - develop policy with strong evidence
- - maintain consensus
- - assign tasks to people with relevant skills
- - be clear and simple
- - Maintain consensus some more

Lessons learned - 2

- rein in enthusiasts for change
 - especially as you try to implement
- do a bit more on the consensus
- rinse and repeat

Thank you!



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