

What is a fair pension
system?

Here opinions differ
wildly, at least in
Sweden

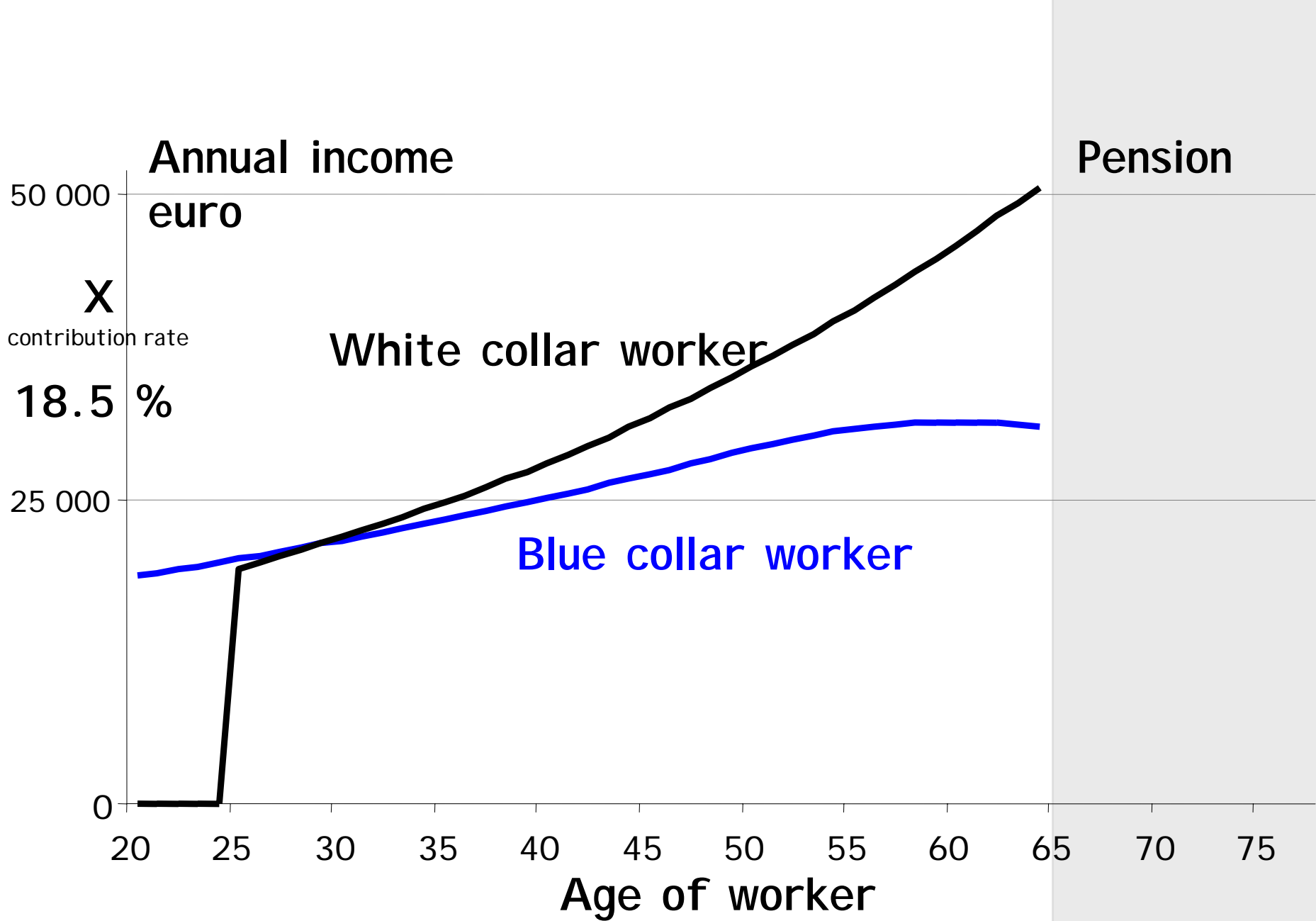
Some of many possible, definitions of a fair pension system:

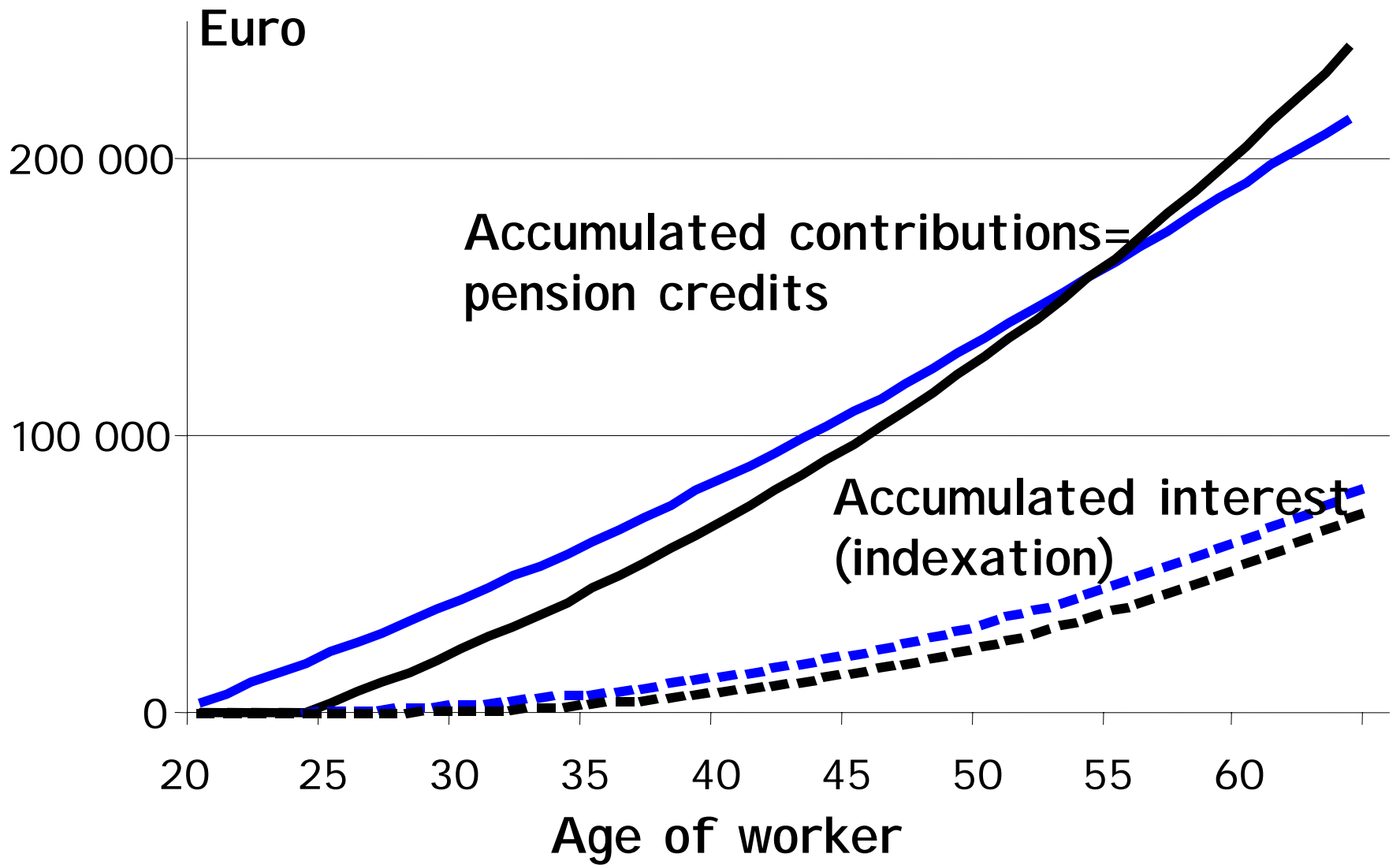
1. Same pension for all
2. Same replacement rate for all
3. Same ratio of expected benefits over contributions for all

Calculated at what discount rate? Discount with average income growth, always!

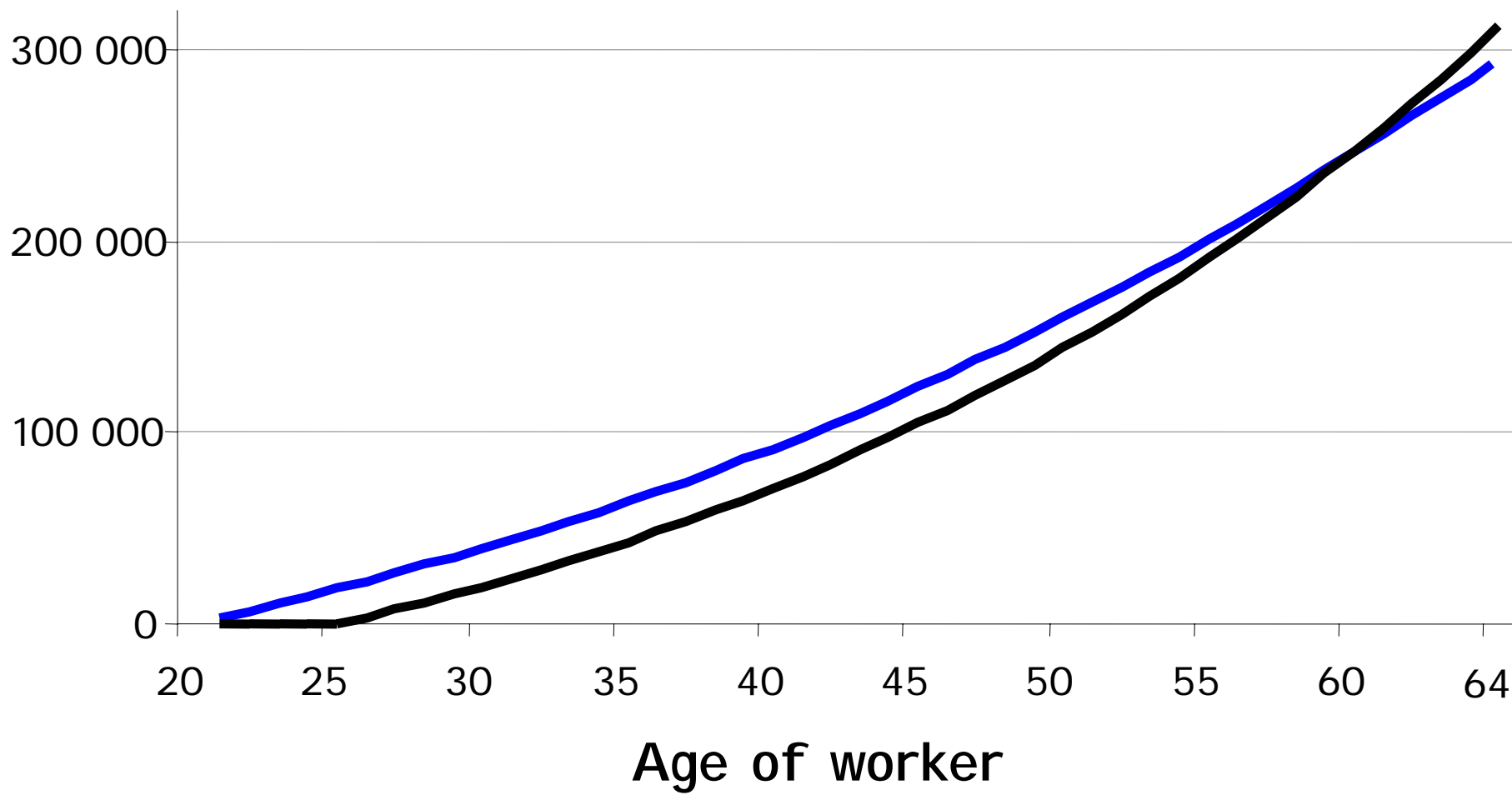
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Every contribution, for every insured,
has the same expected value





Notional Capital, i.e. accumulated contributions & interest (indexation), euro



Remember this image?

The amount on the notional account, SEK

