

# **Northern Territory Legislative Assembly Members Superannuation Fund**

## **Actuarial Review as at 30 June 2016**

**July 2016**

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## **1. Introduction**

I have been asked to perform an actuarial review of the Legislative Assembly Members Superannuation Scheme (LAMS) as at 30 June 2016 by Sarah Rummery, the Commissioner of Superannuation. The previous review was conducted by me as at 30 June 2013, and was dated 16 August 2013.

This report complies with relevant parts of Professional Standard 400 of the Institute of Actuaries of Australia.

## **2. Background**

The scheme started on 23 September 1979. LAMS is an “exempt public sector superannuation scheme”, but complies with the spirit of SIS legislation. The scheme was closed to new entrants several years ago. No significant legislative changes occurred during the triennium since the last review.

Details of current benefits are summarised in Appendix 1, and are set out in the Legislative Assembly Members Superannuation Fund Act.

The scheme is funded and the Territory makes contributions based on actuarial recommendations. Members contribute 11.5% of their basic and additional salaries.

Tax is paid on investment income and employer contributions, but that part of investment income that is earned on assets supporting current pension liabilities is exempt from tax. Death and ill-health benefits are self-insured which is appropriate.

Some current members of the scheme have accrued surcharge debts. Surcharge tax no longer applies to further benefit accruals, but the existing debts will remain until the members exit from service. At this point the scheme is liable to pay the surcharge amounts to the ATO, and member pension benefits are reduced as a means of recovering the surcharge debts.

### 3. Data and Membership

I have been provided with the following data:

- details of contributors at 30 June 2016, including histories of additional salary;
- details of member and reversionary pensioners and contingent pensioners at 30 June 2016;
- similar data for each year since 30 June 2013; and
- financial statements for 2013, 2014 and 2015, and draft financial statements for 2016.

There were two current contributors as at 30 June, down from four three years ago. Both have already qualified for a pension, with service durations of about 15 years each. Both have past periods with additional salaries, and one is currently receiving additional salary.

Basic salary for members (and hence the level of pension for pensioners) has increased from \$138,953 on 1 July 2013 to \$153,312 on 30 June 2016, an annual rate of increase of 3.3%. This is slightly below the expected rate of increase of 4.5% per annum.

Additional salaries have grown faster than basic salaries, due to a realignment of pay relativities during 2015/16. This flows through to a slightly higher liability for additional salary pensions, compared to the growth based on basic salary movements alone.

The number of pensioners has increased in recent years as follows:

Date	Member	Spouse/FL	Total
1992	1	1	2
1995	3	2	5
1998	8	2	10
2001	17	2	19
2004	18	3	21
2007	23	2	25
2010	28	1	29
2013	31	3	34
2016	33	4	37

During the review period there were three new pensioners (two retiring members and one new family law pensioner) and no deaths or other cessations. Also the spouses of 3 former members who commuted pensions continue to have contingent pension rights under previous legislation.

With the maturing of the scheme and the increase in the tendency to take at least part of the benefits in pension form over the last decade the number of pensioners has increased considerably. Both contributors that exited between 2013 and 2016 opted to receive most benefit as pension, with 13% of original pension commuted.

The pensioners are still quite young and pensions will still be payable for a long time, even after the current contributors have exited from service.

#### 4. Accounts and Investments

Revenue accounts and investment returns for the last 15 years are set out below. I have shown 15 years to demonstrate the volatility in this small scheme, particularly for investment returns and lump sum payments. The 2015/16 figures are taken from draft accounts supplied to me by Teresa Rynski on 15 July 2016.

##### *Summary of Income Statements 2001 – 2016 (\$000)*

	2001-04 \$000	2004-07 \$000	2007-10 \$000	2010-13 \$000	2013/14 \$000	2014/15 \$000	2015/16 \$000
Initial balance	33,212	37,144	55,986	46,739	56,599	63,814	68,384
Plus							
Member conts	1049	1,012	697	475	68	44	37
Territory conts	8200	6,657	7,327	4,200	2,000	2,000	1,000
Interest/asset appreciation	2928	19,136	-8,302	13,910	8,550	6,452	29
Less							
Pensions	3693	4,961	6,931	8,297	3,327	3,609	3,952
Lump sums	2550	1,874	1,970	806	111	370	474
Expenses	18	47	9	13	7	7	10
Taxation	1240	1,007	541	42	24	-7	585
Surcharge	745	73	-482	-433	-66	-53	2
Final balance	37,144	55,986	46,739	56,599	63,814	68,384	64,428

Investment rates of return over the last three financial years have been 15.2%, 10.3% and 0.0% after tax. The time-weighted compound average return for the last three years has been 8.3% per annum, and for the last fifteen years it has been 5.3% per annum.

Apart from investment returns, lump sums have been the biggest variable in the income statement. In future, the only lump sums will be commutations of pensions at pension or reversionary pension commencement, and few lump sums are now expected.

##### *Fund Balance Sheet (\$000)*

	2007 \$000	2010 \$000	2013 \$000	2016 \$000
Assets				
Cash	158	456	223	263
Investments	56,880	46,659	56,619	64,825
Tax asset	46	139	-	-
Liabilities				
Surcharge	929	448	215	97
Tax & other sundry	169	-183	28	563
Net Assets*	55,986	46,989	56,599	64,428

\*The surcharge liability in the above summaries reflects movements in the amount of liability to the ATO. The surcharge provision is not really a liability of the scheme since it will be met by reductions in benefits payable to members, apart from a small fraction that may be needed in respect of the 15% cap. Arguably, the assets should be adjusted to take into account this situation. However surcharge liability is only \$0.1M at 2016. Given the very small difference, I have used the asset figure from accounts unadjusted as the net assets available to pay benefits at this valuation.

## Investments

At 2016 the investments of the fund with MLC were split 75/25 between “growth” assets (shares and property investments) and “defensive” assets (fixed interest), all of which are valued at market value. The investment allocation is summarised in the table below. There was also a small cash holding in addition to the investments. The investment allocation has shifted from 70/30 at 2013, meaning the fund is now taking on slightly more risk in the expectation of a higher return.

### *Investment Allocation for LAMS*

Class	2013 (%)	2016 (%)
Australian shares	31%	29%
Global shares (unhedged)	23%	23%
Global shares (currency-hedged)	12%	12%
Property securities	4%	4%
Low-correlation strategy		5%
Debt securities & cash	30%	27%
Total	100.0%	100%

The liabilities of the fund are expected to be broadly linked to Australian inflation, and so it is beneficial for the assets of the fund to also be linked to inflation to reduce volatility in the overall funding position. Growth-type assets (equities and property) are generally considered as suitable inflation hedges, while providing higher returns than bonds. However historical data suggests that correlations between equity returns and inflation, while positive, are low. The benefit of growth-type investments is therefore not in their inflation-linkage, but in their higher expected returns over the long term. The benefit of international equities in this context is their diversification benefits, which should reduce the volatility of total returns in the long term.

The investment performance objectives for the fund’s MLC investments are:

*“To maximise investment returns, subject to:*

- *A high probability that the net investment return will exceed the increase in the CPI over five-year rolling periods by at least 3% pa*
- *Limit the probability of a negative annual return to four in every twenty years, on average.”*

The objectives above are sensible. The overall investment strategy appears reasonable for a fund with long-term liabilities that are linked to wage inflation.

## 5. Valuation Assumptions

Both economic and demographic assumptions are required in order to estimate the amounts and values of future cash payments.

### Economic assumptions

In order to assess the values of future payments it is necessary to allow for the likely extent of future salary increases and also to discount future amounts back to a present date value. NT Treasury currently assumes salary growth of 3.0% for 2016/17 and 4.0% per annum thereafter, and a CPI growth rate of 2.0% per annum. These assumptions are consistent with external forecasts, and I am satisfied that these are reasonable assumptions for valuation purposes for this scheme. I have adopted 4.0% per annum, but with a lower rate of 3.0% in 2016/17, as the wage and pension growth assumption at this valuation. The long term wage and CPI assumptions are both reduced by 0.5% from the 2013 triennial review, from 4.5% and 2.5% pa respectively.

The fund has investments in a range of growth assets, and is close to fully funded. Therefore I have used an asset-based net-of-tax discount rate of 6.5% per annum, which is broadly consistent with long term trends for assets of this type in Australia. This is reduced from 7.0% pa at the 2013 triennial review.

Note that the discount rate required for reporting under AASB119 is based on the applicable Commonwealth bond rate at the valuation date. The implied rate at 30 June 2016 was 2.0% pa, and this discount rate has been used for Territory annual financial reporting purposes, separately supplied to NTSO. However, for a funded scheme such as LAMS, it is appropriate when considering funding to recognise the fact that the scheme's assets will most likely earn a higher rate than the risk free bond rate. As a result the figures shown in this report, which are based on a discount rate of 6.5%, do not correspond to those supplied for AASB119 annual financial reporting purposes.

Promotional salary increases only occur if an existing contributor has a change in office. I have assumed that the current level of additional salary for each contributor will remain constant as a proportion of basic salary for future years.

### Demographic assumptions

These assumptions relate to the members of the scheme – ages at entry, rates of exit, spouse details, mortality rates as pensioners, etc. Assumptions are made based on the very limited scheme experience and more general information. Details of the assumptions adopted are summarised in Appendix 2.

#### *Contributory exit rates*

Exit at an election is the primary cause of exit from this scheme. The contributory membership has decreased to the point where statistical modelling of experience is becoming less meaningful, and more consideration can be given to specific circumstances. At 30 June 2016 there were two contributors, both of whom have qualified for a pension. I have maintained the previously developed age and service based retirement decrements, including

an explicit election-related decrement of 40% at the expected 2016 election and in each subsequent fourth year when elections are due.

Ill-health retirement and death in service only incur an additional benefit within the first 8 years of membership. As all contributors now have more than 8 years of service there is no need to allow for future ill-health retirement within the scheme.

No contributors died in service during the last 15 years. In practice contributors will tend to retire if they become ill, so deaths in service can be expected to be rare, and at much lower levels than underlying population mortality rates. I have ignored any potential future deaths while in service in this valuation on grounds of materiality.

#### *Pensioner mortality*

There is no reliable scheme mortality experience, so I have relied on the latest population mortality tables, the Australian Government Actuary's Australian Life Tables 2010-12 for males and females, as the pensioner mortality rates. I have also incorporated allowance for mortality improvements from 2011 for pensioners at the 25-year rates of improvement set out in the Australian Life Tables 2010-12. I have adopted an assumption of 95% of those rates to allow for the slightly better average health of pensioners that have had a commutation option (those in poor health will tend to take a lump sum when it is available). The mortality rates have been updated from the population table used in the previous valuation (Australian Life Tables 2005-07), and are based on the latest published tables from the Australian Government Actuary. The new rates are slightly higher than those from the previous table (after allowing for assumed population mortality improvements) and so liability results are slightly lower using the new rates.

#### *Commutation*

Liability results for contributors are sensitive to the proportion of pension commuted because the value of a pension at commencement is much higher than the alternative commuted lump sum. Recent experience is sparse, but longer term experience suggests that a low proportion of available pension can be expected to be commuted at pension commencement, for both contributory exits and new spouse reversions. I have assumed that 15% of future pensions will be commuted when eligible to do so. This applies to member and spouse pensions at commencement of pension.

#### *Proportions married and age differences between pensioners and their spouses*

I have assumed that female spouses are three years younger than their male partner up to age 60, with a gradually increasing age difference thereafter. I have adopted proportions married at death which are 80% at age 60, reducing gradually to 40% at age 90, and further thereafter.

## 6. Valuation Method

Each contributor's expected future benefits (including reversionary benefits) are projected using the assumed decrement rates and rates of salary increase. These future payments have then been discounted to the valuation date using the assumed discount rate.

The liability for future benefits payable to current contributors is split between past and future service by apportioning the accrual of benefit over the period between entry and the attainment of 18 years' service, when the maximum pension percentage is achieved. Once the maximum benefit accrual is reached, the benefit is considered to be fully accrued. This apportionment method is consistent with the requirements of paragraph 67 of AASB119 and is the proportionate method of Professional Standard 402.

Current pensioners' expected future benefits (and reversionary benefits) are projected in the same way as for current members, using assumed mortality rates, proportions married and future salary increases. The whole liability for each pensioner is an accrued liability.

## 7. Valuation Results

Accrued and future liabilities at 30 June 2016, as well as at the 2013 review, are shown below. 2016 results are based on an asset-based discount rate of 6.5% pa.

	Value at 2013 \$M 7% discount	Value at 2016 \$M 6.5% discount
Contributors		
Past	8.314	<b>5.509</b>
Future	2.514	<b>0.563</b>
Pensioners	63.125	<b>71.480</b>
<b>Total Liability</b>	<b>73.953</b>	<b>77.552</b>
Past Service Liability	71.439	<b>76.989</b>
<i>Less</i>		
Net Assets Available to Pay Benefits	56.814	<b>64.428</b>
<b>Unfunded Employer Past Service Liability</b>	<b>14.625</b>	<b>12.561</b>
Future Service Liability	2.514	<b>0.563</b>
<i>Less</i>		
Future member contributions	0.476	<b>0.094</b>
<b>Unfunded Employer Future Service Liability</b>	<b>2.038</b>	<b>0.469</b>

Based on the current valuation results, the present value of future required employer contributions is \$13.0 million, or \$15.3 million after grossing up for the contributions tax that must be paid.

Vested benefits at 30 June 2016 were \$78.3M assuming current contributors do not commute any pension to lump sum on pension commencement, or a slightly lower amount with commutations. The level of vested benefits indicates the liability of the scheme for all members, if all current contributors were to leave on the valuation date. The vested liability for contributors is slightly greater than the accrued liability. This is a relatively uncommon



situation which may require an increase in the accrued liability in some circumstances where solvency is a concern. I am satisfied that in the current context solvency is not a concern, so I have not increased the accrued liability to the level of vested benefits.

The accrued liability has increased from \$71.4M to \$77.0M on the triennial valuation basis in the last three years. The expected liability as at 2016, from the 2013 valuation, was \$79.5M. The progression from 2013 to 2016 is as follows:

Liability at 2013	\$71.4M
Expected liability at 2016	\$79.5M
Actuarial basis change - lower discount rate	+\$5.2M
Actuarial basis change - lower salary escalation	-\$5.9M
Actuarial basis change – changed mortality	-\$0.6M
Lower basic salary growth than expected 2013-16	-\$2.5M
Higher additional salary growth than expected 2013-16	+\$0.3M
Other experience variations	+\$1.0M
Actual liability at 2016	\$77.0M

The “other” experience variations is primarily related to lower pensioner deaths than expected. There were about 2 expected pensioner deaths in the last three years, compared to zero actual deaths, and so the liability now is slightly higher than expected.

#### *Projected payments and accrued liabilities*

The table below sets out expected future payments in each financial year and expected accrued liabilities and membership at the end of each year. All dollar amounts are expressed in nominal dollars of the projection year, and are shown in \$million.

	Projected benefit payments	Projected accrued liability	Number of contributors	Number of pensioners	
2016		\$77.0M	2.0	40.0	2016
2017	\$4.2M	\$78.7M	0.9	39.4	2017
2018	\$4.2M	\$79.7M	0.8	38.8	2018
2019	\$4.3M	\$80.5M	0.7	38.2	2019
2020	\$4.5M	\$81.1M	0.6	37.5	2020
2021	\$4.8M	\$81.5M	0.2	36.8	2021
2022	\$4.9M	\$81.7M	0.2	36.0	2022
2023	\$5.0M	\$81.8M	0.1	35.2	2023
2024	\$5.2M	\$81.7M	0.1	34.4	2024
2025	\$5.4M	\$81.5M	0.0	33.5	2025
2026	\$5.5M	\$81.1M	0.0	32.6	2026
2027	\$5.7M	\$80.5M	0.0	31.6	2027
2028	\$5.8M	\$79.7M	0.0	30.6	2028
2029	\$6.0M	\$78.7M	0.0	29.5	2029
2030	\$6.1M	\$77.5M	0.0	28.4	2030
2035	\$6.6M	\$68.6M	0.0	22.1	2035
2040	\$6.4M	\$55.5M	0.0	15.6	2040
2045	\$5.6M	\$40.6M	0.0	10.0	2045
2050	\$4.4M	\$26.5M	0.0	5.9	2050
2055	\$3.0M	\$15.3M	0.0	3.2	2055
2060	\$1.8M	\$7.5M	0.0	1.7	2060

The scheme is closed to new members, and so the liability is expected to continue to be fairly stable in the short to medium term, but to decrease in the longer term as contributors become pensioners, and then the remaining cohort of pensioners gradually ages and reduces.

*Sensitivity of valuation results to assumptions*

The liability as at 30 June 2016 set out above is a best estimate, but is based on many assumptions about future conditions. There is a range of possible outcomes, depending on the actual course of events. Below are the most significant sensitivities of the valuation result to different outcomes:

- For contributors who leave with pension entitlement, the choice of pension or lump sum is an important determinant of the employer liability. The pension option is more expensive for the employer. The valuation assumes that 15% of commencing pension will be commuted to lump sum. If the proportion commuted was instead 30% the accrued employer liability would **decrease by \$0.5M, or 0.7%**.
- The economic assumptions regarding future investment returns and future salary growth are broad assumptions which are intended to be appropriate over the long term. The liability is very sensitive to the long term economic assumptions because of the very long average term to payment of pension liabilities, associated with the young age profile of current and prospective pensioners. The valuation assumes a valuation interest rate which is 2.5% higher than the salary growth rate in the long term. If this gap was decreased by 1.0% to 1.5% (e.g. via a 4% salary growth rate and a 5.5% long term investment return rate) the liability would **increase by \$10.7M or 13.9%**.
- Mortality rates determine the persistence of payments into the future. If mortality rates were increased by 10%, liability would **decrease by \$1.4M or about 1.8%**.

Other assumptions such as proportions married and age differences for pensioners, or exit rates for contributors, are much less important in determining the overall liability.

## 8. Funding Considerations

The governing Act of the scheme sets out, in Section 8, the requirements of the actuary in respect of funding at triennial reviews:

*8(3) When the actuary has completed an investigation of the Fund under this section he or she shall report to the Trustee Board the result of his or her investigation and shall certify to the Minister the amount that, in addition to any other moneys payable into the Fund (including any interim advances which, before the completion of the investigation, have been paid into the Fund, or which he or she has, under subsection (4), certified should be paid into the Fund) should, in his or her opinion, be paid into the Fund in respect of each financial year during the period of 25 years following the completion of that investigation to enable the Fund to meet its liabilities.*

There is no specific requirement that this scheme aim for or achieve full funding of liabilities at any point in time. As such, there is no single contribution rate that may be considered “correct”, or that I would preferentially recommend. Below is a discussion of some relevant factors in arriving at a suitable employer contribution.

The scheme is funded by member contributions and employer contributions. The future member contributions for the remaining 2 contributors are now a small part of the overall scheme finances. The employer contributions are made with an implicit guarantee that contributions can be made as necessary to fund liabilities.

Over-funding of the scheme is not desirable, and so it may be sensible to set a funding target which leaves the scheme well-funded but not fully-funded. A sensible target for assets may be 70-85% of liabilities over time. Currently assets are around 84% of liabilities.

As determined above, the current estimate of total future employer contributions required is \$13.0M or \$15.3M when contributions tax is included. Because the scheme is now closed and the number of contributors is dwindling, the salary base for contributions is not relevant for funding the outstanding liability. I think that a contribution rate based on either a fixed or indexed dollar amount would be preferable.

The actual employer contribution adopted will reflect a number of issues, including:

- the current contribution regime;
- the urgency with which any particular funding target is to be pursued;
- attitudes towards the risk of over-funding;
- the perceived possibility of future investment and other experience being better or worse than assumed;
- current cash flow requirements in the NT budget;
- considerations of intergenerational equity, where any deferral of contributions results in a transfer of cash costs from one generation of taxpayers to a later generation.

The chart below shows the impact on assets of different employer contribution scenarios, and compares projected assets to accrued liabilities over time.

*Chart 1: LAMS projected liability (bars) and asset (lines) balances on various contribution scenarios, values are inflated dollars of the projection year. Liabilities and projected assets are determined assuming 6.5% investment return and 4% long term salary growth per annum*

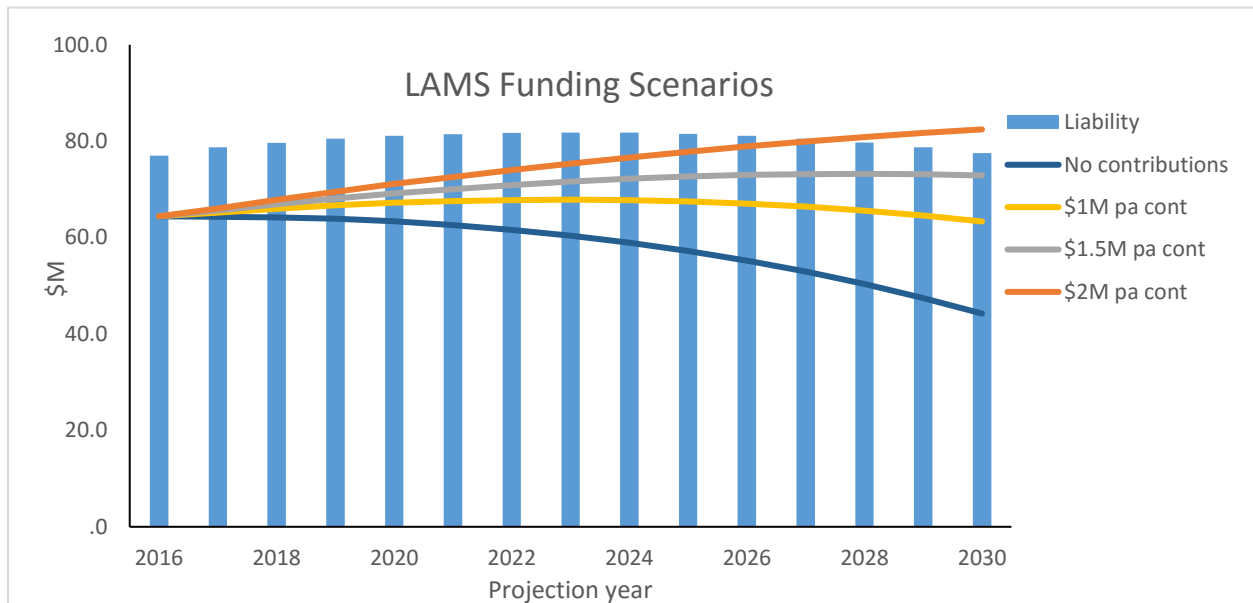


Chart 1 above shows that with no future contributions the level of funding will drop slowly over the next decade, although the scheme will still have ample assets to enable benefits to be paid as they become due until 2030. At contribution levels over about \$1M per annum the funding level is projected to gradually rise. A fixed contribution rate of \$2M per annum will see full funding in about 2027, after which further contributions would result in a surplus. A fixed contribution of \$1.5M per annum will see the level of funding rise slowly from the current level, with full funding and cessation of employer contributions in about 2033. Note that once full funding is achieved there is no further accruing cost and so no further need (on the valuation assumptions) to make employer contributions.

The biggest variable now facing the scheme is the future investment earnings of the assets. The funding plan should, in light of investment volatility, be thought of as a working process to be adjusted with circumstances, rather than a fixed approach. On balance I recommend that employer contributions to the Fund continue at a rate of \$1M per annum until 2030. However there is much room for flexibility and rates between zero and \$2M per annum would be reasonable in the medium term, depending on the particular funding objectives. In any case, the contribution rate should be adjusted to reflect changing circumstances over time.

#### SIS Regulation 9.32 statement

In accordance with Regulation 9.32 of the SIS Regulations, I state that the fund has assets available to pay benefits of \$64.4M at 30 June 2016. I recommend that the employer contribution be at \$1M per annum over the next three years, although annual contributions ranging from zero to \$2M per annum would also be reasonable. The assets and funding are adequate, having regard to the guarantee of benefit funding provided by the Territory.

## 9. Summary and Recommendations

Based on the assumptions set out in this review the accrued liability at 30 June 2016 is \$77.0M, and benefit payments in upcoming years are expected to climb slowly from about \$4.2M in 2016/17. The number of contributors will decline, while the number of pensioners will decline slowly in coming years.

I recommend that employer contributions to the Fund continue at a long term rate of \$1M per annum. Rates between zero and \$2M per annum would be reasonable in the medium term, depending on the particular funding objectives.

I recommend that the next triennial review be carried out as at 30 June 2019.



John Rawsthorne  
Actuary  
26 July 2016

## Appendix 1: Benefit Design

This benefit summary only outlines the main benefits and is not a substitute for the LAMS Act.

**Contributions:** Members contribute 11.5% of basic and additional salary. Basic salary contributions cease after 20 years, and additional salary contributions can be suspended.

**Pension benefits:** Members are eligible for pensions after being elected 3 times and completing 8 years of membership or on ill-health. The pension in respect of basic salary is calculated as 50% of salary after eight years of service, plus 3% for each extra year of service, to a maximum of 80% of basic salary. An office-holder addition is calculated as 6.25% of additional office salaries, to a limit of 80% of the salary for the highest position attained.

Pensions are indexed to changes in basic salary, and may be commuted using a factor of 10 for ages up to 65 and reduced factors thereafter.

On ill-health before 8 years the pension is calculated as if the member had completed 8 years.

**Withdrawal:** Members who leave without being eligible for pensions get 2.5 times their own contributions accumulated with interest.

**Death:** On the death of a member or former member a spouse receives 5/6ths of the pension the member was receiving or would have received on ill-health. Spouses may commute pensions using the higher of the basis used for members and 2.5 times the member accumulation.

On the death of a member without a spouse orphans receive a percentage of what would have been paid to a spouse - 1 child 45%, 2 children 80%, 3 children 90% and 4 or more children 100%. They may instead elect to receive 2.5 times the member accumulation, which is also the amount paid to the estate if there are no dependents.

## Appendix 2: Demographic Assumptions

### *Contributors*

Age	Age-based Retirement	Duration	Duration-based Retirement
60	0.0750	14	0.060
61	0.0825	15	0.065
62	0.0900	16	0.070
63	0.0975	17	0.080
64	0.1050	18	0.100
65	0.1150	19	0.150
66	0.1200	20	0.150
67	0.1300	21	0.150
68	0.1400	22	0.200
69	0.1500	23	0.200
70	1.0000	24	1.000

- Males and females have the same in-service demographic assumptions;
- The age based retirement rates are only used when members have more than 8 years' service, and are then added to the duration-based retirement rates;
- In addition to age- and service-based retirement decrements, 40% of members are assumed to exit at the election due in 2016 and each subsequent election;
- Members are assumed to commute 15% of pension at pension commencement.

### *Pensioners and Spouses*

Age	Death of Male	Death of Female	Proportion married	Rate of Mort Improvement
50	0.0027	0.0017	0.80	0.026
55	0.0042	0.0025	0.80	0.028
60	0.0063	0.0038	0.80	0.029
65	0.0100	0.0059	0.79	0.029
70	0.0159	0.0098	0.77	0.028
75	0.0274	0.0172	0.72	0.025
80	0.0493	0.0315	0.63	0.021
85	0.0887	0.0631	0.54	0.016
90	0.1532	0.1217	0.40	0.011
95	0.2354	0.2078	0.26	0.007

\* mortality shown above is 95% of ALT2010-12

- Spouses are assumed to be 4 years younger than pensioners up to age 90, after which they are assumed to be 5 years younger.