



Institute
and Faculty
of Actuaries

EU Referendum

- Why are we doing this?
- State of play and key issues
- IFoA activities
- Discussion / Q&A

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Why get involved?

Public interest role

- A better informed public
- Don't take sides

Raise the profile of actuaries and the IFoA

- Experience of the Scottish independence debate
- Our approach was commended
- Led to more contacts with government at all levels

About the IFoA

Vision

“To serve the public by ensuring that where there is uncertainty of future outcomes, actuaries are trusted and sought after for their valued analysis and authority”

Public Affairs objective

“The Institute and Faculty will seek to do more to inform debate on issues where it can contribute to the quality of public debate and meet its public interest duties”

State of Play - regulatory process

- EU Referendum Bill
- Who can vote?
- When can we vote?



Referendum Question:

“Should the United Kingdom remain a member of the European Union or leave the European Union?”

State of Play – negotiation process

Set of arrangements, which will come into effect if the UK votes to remain in the EU on 23 June

Economic Governance; Those outside the Eurozone

- No discrimination
- No euro bailouts
- Keep own financial supervision / prudential regulation
- Visibility on Eurozone talks
- Differ from “Single Rulebook”
- If UK thinks principles overridden: EU Council debate

Competitiveness

- Continue Single Market integration
- Expand Free Trade Agreements
- “Feasible burden reduction targets in key sectors”
- Examine if legislation is proportionate and at the right level

Sovereignty

- “UK not committed to further political integration”
- “Ever closer union no legal basis
- ‘Red Card’ allowing national parliaments to object legislation

Migration / access to welfare

Emergency break

- UK can restrict EU migrants’ in-work benefits 4 years
- Applicable immediately, for an initial seven years

Child benefits

- Children outside the UK: indexed to local living standard
- All member states are allowed to do this

Out-of-work benefits

- UK can deny access, if they don’t have a job
- Ability to deport migrants if they haven’t found

State of Play – key issues

- *Britain Stronger In Europe vs Vote Leave & Leave.EU*
- Trade & Finance
- Identity / Sovereignty
- What does Europe think?

State of Play – key issues Ireland - UK

- Uncertainty in the short run (UK's 2-year negotiation process)
- Impacts to €1bn a week trade between UK - Ireland?
- Foreign Direct Investment into Ireland
 - Influx of cash?
 - Influx of labour?
- Positive for Irish companies reporting in sterling but earnings in euro
- Reintroduction of Duty Free? (good for ferries)
- Less free movement of passengers (Tourism)
- Border issues NI - Republic?

EU Scenarios – Financial Services Perspective

	Access to Single Market	Access to Fin. Serv. Market	influence on EU-reform	Pay into EU-budget	Set own trade policy	Set own financial policy
Remain In	Yes	Yes	Yes	Yes	No	No
'Norway'	Yes	No	No	Yes	Yes	Yes
'Switzerland'	Yes	No	No	No	Yes	Yes
'Turkey'	Partial	No	No	No	Yes	Yes
'South Korea'	No	No	No	No	Yes	Yes
'WTO'	No	No	No	No	Yes	Yes

IFoA activities

- **WHY?**

- Provide thought leadership
- Inform policy debate, based on evidence, with actuarial expertise
- Help voters make informed decision

WHAT and WHEN?

- EU Working Party agreed research: ➔ End of April / Begin May
 - Immigration / State Pension
- Dialogue with IFoA members ➔ 13 Regional Group meetings, ± 700 members
- Organise national events in 2016 ➔ National events in Edinburgh and London

EU Referendum – questions and discussion

- *What are key issues for you?*
- *What are your main concerns?*
- *What do you think about debates current going on?*
- *Will it impact the actuarial profession, commercially?*
- *What would you like the IFoA to do?*

Keep up to date with IFoA's news and weekly round-ups on the EU Referendum:

<http://www.actuaries.org.uk/news-and-insights/public-affairs-and-policy/eu-referendum>