

## **PREDICTION OF THE BASIC PENSION OF GOVERNMENT EMPLOYEES BASED ON ARMA MODEL**

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### **ABSTRACT**

To predict the future short-term trend of the basic pension of the employees in China's government institutions, to calculate the replacement rate of the social average salary of the pension, and to use the ARMA model to predict the analysis. The results show that the ARMA model can get more accurate prediction results. Based on the relevant actual data, it is expected that the replacement rate of the average salary of the pension of the organs and institutions in China will gradually decrease year by year with the upper limit of 0.7915 in 2018, and the value will be stable between 0.6 and 0.7.

**Keywords:** ARMA model; Pension replacement rate; Time series analysis.