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EDITORIAL

We introduce herewith the first issue of *The Actuary*, the newsletter of the Society.

Our purpose is to bring to our readers actuarial and allied professional news while such news is fresh, to draw attention to items of general or particular interest to actuaries, and to help bring the members of the Society in closer touch with Society affairs.

A large, and growing larger, membership presents problems of communication not solved completely by meetings, important though these are. Because of the numbers in attendance, meetings acquire formality, rigidity, and sometimes frigidity. *The Actuary* will, we hope, provide the necessary antidote.

To the best of our ability, our columns will contain material of general interest, remembering that there are many facets to the actuarial profession. We might have invented a Latin motto - - -

"Actuarius sum et nihil actuarium a me alienum puto"

(I am an actuary and anything affecting actuaries interests me)

Since we do not have the resources of a news agency, we must rely upon our readers to keep the Editors well informed. The Actuarial Clubs throughout the United States and Canada have been invited to contribute news of their meetings, including digests of papers presented. We would be glad to receive from our readers original articles for possible publication.

Letters to the Editor will be more than welcome. Such letters may cover current topics, items discussed at Society meetings and, indeed, any items that the author would like brought to the notice of his colleagues.

In particular, the Editors extend this invitation for comments and contributions to members of our sister organizations — The Casualty Actuarial Society, the Conference of Actuaries in Public Practice, and the Fraternal Actuarial Association. Perhaps our colleagues overseas would also favor us with their thoughts on occasion. We are not limited to four pages — given enough material we will expand.

Finally, we are glad to acknowledge our debt to Ralph Edwards, whose initiative in starting *The Actuarial Record* brought home to the Society and to the Editors the need for a publication such as this. He has been especially helpful in our efforts to launch this new publication.

To All Our Readers, Greetings.

—A.C.W.

FROM CANADA

At the February meeting of the Canadian Institute of Actuaries, one of the topics discussed was the 1966 amendment to the Old Age Security Act and whether any changes in the Canada and Quebec Pension Plans were desirable. Since the progress of Social Security in Canada has followed a different path from that in the United States, an outline of the benefits now available may be helpful.

The Old Age Security Act provided originally a monthly benefit of \$40 to all Canadians age 70 or over. This benefit has been increased to \$75 per month and the qualifying age is gradually being lowered to reach age 65 in 1970. The 1966 amendment will add \$30 per month to all beneficiaries with no appreciable other income. These "social welfare" benefits are supported by income taxes.

The Canada and Quebec Pension Plans are similar and are wage-related pension plans supported by contributions from the employee and the employer. As a practical matter they omit casual and migratory workers, etc. The contribution from an employee is 1.8% of the excess of the yearly income (up to \$5,000) over \$600, and an equal amount is contributed by the employer.

The pension commencing at age 65 will be 25% of the average earnings since age 18, subject to certain adjustments for variations in annual income and not counting any year for more than \$5,000. The full pension, however, does not go into effect until 1976. The retiree in 1967 will get 1/10th of the pension income; the retiree in 1968 gets 2/10ths, and so on until 1976 when retirees get the full pension.

There have been criticisms of the plans, of the delay in paying the full pension, of the exclusion of individuals already retired or disabled, and of the apparent inequities between low paid and high paid employees. Some of these criticisms may be justified, but the proponents of Social Security are not always clear about the distinction between plans for pensions and plans for social welfare.