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CANADIAN INSTITUTE AND THE ALTERNATE ROUTE

by L. Blake Fewster

The concept of the Alternate Route to obtain credit for the first five examinations of the Society of Actuaries is of special interest to members of the Canadian Institute of Actuaries, 80% of whom qualify by passing the Society examinations.

An interesting and stimulating discussion on the Alternate Route was held at the annual meeting of the Institute in Ottawa on June 12, 1970. The discussion was led by a panel composed of James L. Clare and Ernest R. Vogt along with special guests, Stephen G. Kellison and Julius Vogel. Julius and Ernie presented arguments in favour of the Alternate Route proposal and Steve and Jim presented arguments against the proposal.

Julius Vogel, who is Chairman of the American Academy of Actuaries committee on the Alternate Route, outlined the work of his committee and reported that all of its members favour the adoption of the Alternate Route for the long-term good of the actuarial profession. He mentioned that the most important and also most difficult task involved in implementing the Alternate Route would be the accrediting of colleges and determining the required courses for alternate route qualification. He did, however, feel that the Alternate Route would encourage development and dissemination of new concepts and techniques in actuarial science by removing some of the constraint necessary in the present Society examinations which must be designed for students with a wide variety of backgrounds. The Alternate Route could enhance the role of colleges in actuarial education and would encourage more students to become actuaries.

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CUMMING AND GOING

The authorities who take notice of the mastheads of periodic publications and any earnest students of the masthead of *The Actuary* since its inception will notice that this is the first issue in which the name of John B. Cumming is missing from the list of Editors. Pressure of other duties has led Jack to resign from the Editorial Board much to the regret of his colleagues.

The Editors have more to do than merely wield a blue pencil and in the early days the non-blue-pencil duties were even greater. To these and to his emendatory tasks Jack Cumming brought enthusiasm and skill in good measure and his continued help has contributed in great degree to the success of the Newsletter. The Society and *The Actuary* are both greatly in his debt and we gladly take this opportunity to say "Thank You." □

THE NUMBERING UNITED STATES CENSUS 1970

by Dwight K. Bartlett, III

Results of the 1970 Census of the United States are now being compiled and will be available shortly. In general, the information available will be summary enumerations rather than basic data, although there will also be Public Use Sample files giving basic data concerning characteristics of people and households individually on a 1% sample basis. These files will be made available on magnetic tape in the latter part of 1971.

The summary records will enumerate the population according to a variety of characteristics including age, sex, race, occupation, education, marital status, income. There will also be enumerations with respect to housing characteristics such as number of units at the

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CANADIAN REGULATION OF PENSION PLANS

(Report prepared by Frank M. Kleiler for the U.S. Dept. of Labor)

by Laurence E. Coward

An observer of the United States legislative machinery who is not well informed on its workings can only be filled with wonder at the tortuous manner in which the United States makes its laws. Painstaking research combines with naked lobbying; authoritative discussion goes hand in hand with emotional propaganda; thorough staff work is accompanied by political jockeying. Proposals for legislation to regulate private pension plans have been in this pressure cooker for some four years. Currently at least five pension bills are pending in Washington. Front runners are the Dent bill, the Javits bill, and an Administration bill supported by the Department of Labor.

Frank M. Kleiler, Director of the Office of Labor Management and Welfare Pension Reports, United States Department of Labor, was given a special assignment to survey the Canadian pension scene, in particular the Pension Benefits Acts in force in four provinces and the Pension Benefits Standards Act of the Government of Canada. He visited Canada during October and November 1969 and interviewed dozens of officials, actuaries and other interested parties. His comprehensive report was designed to be useful as background information to policy planners in the United States.

Mr. Kleiler's report surveys the history and present functioning of employer pension plans, the Old Age Security Act, the Canada (Quebec) Pension Plan, the Pension Benefits Acts, Canadian Government Annuities, Profit Sharing Plans and the Income Tax Act in relation to pensions. It also includes inter-

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Alternate Route

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Steve Kellison, who holds the Chair of Actuarial Science at the University of Nebraska, was in sympathy with some of the motivation behind the Alternate Route proposal. However, he felt that a movement away from our high and uniform standards was more serious than the small amount of rigidity in an up-to-date syllabus. Also he suggested that we would greatly increase our commitment to education and examinations by creating something that would be used by only a small number of students. He went on that there is at present a severe shortage of actuaries engaged in teaching and that possible non-accreditation of certain actuarial programs would pose a threat to their continued existence.

Ernie Vogt, Professor and Head of the Department of Actuarial and Business Mathematics at the University of Manitoba, favoured permitting and encouraging some of the universities in Canada to play a more direct and important role in educating actuaries. Some of Ernie's views have already appeared in the May 1970 edition of *The Actuary*. While he admitted that a mere passing grade in a university course is below the level of understanding required for actuarial exams, he felt that "A" or "B" grade students should satisfy the necessary standards and that the additional drill necessary to pass actuarial examinations, which place so much emphasis on speed, is of doubtful purpose. In summary, he envisaged the possibility of giving full accreditation to a small number of Canadian universities and partial accreditation for certain parts at other universities, with students who complete the requirements of the first five parts either by the alternate or traditional routes being admitted as students of the Canadian Institute of Actuaries (in Canada no real professional recognition is given until a person achieves Fellowship standing in the Canadian Institute of Actuaries).

Jim Clare, who has been a long time member of the Society's Education and Examination Committee, opposed the Alternate Route and felt that it was not necessary to have an Alternate Route in order to achieve improvement in actuarial education. He favoured the anonymity and uniformity of standards at-

So You're Good at Math!

The announcement in our April 1970 issue of the Price Schedule for the booklet has brought to the Society's office a flood of orders for 0 booklets at 10¢ each. (Some of the orders did not include the 10¢.)

We are glad to find our readers taking advantage of this remarkable offer. For those unconvinced of the tremendous bargain may we point out that

One (1) booklet has 12 pages

No (0) booklet has 2031 pages

"Such an opportunity may not occur again."

tained through the Society's present system which may not be possible with the Alternate Route. If one of the purposes of the Alternate Route is to cut down substantially on the subjects examined by the Society in Parts 1 and 2, that problem could be solved directly by eliminating those subjects from the Society's syllabus rather than rushing into the Alternate Route.

Both Jim and Steve referred to the proposal of joint sponsorship of examinations by all actuarial bodies in North America and felt that further work in this area would be preferable to attempting to solve the severe problems they see associated with Alternate Route.

There was the suggestion that the Alternate Route concept is an inevitable development at least to some degree as it has been in the legal and medical professions. Others felt that too much emphasis in a university on specific actuarial courses would tend to produce technicians rather than persons with a well-rounded education. This point may be of particular concern in Canada where most university actuarial education is concentrated at the under-graduate level.

Editor's Note: As Society members are aware, this important subject of the Alternate Route is to be discussed at the Denver meeting. A complete transcript of the presentation at that meeting will be sent to all Society members immediately and thereafter the columns of The Actuary will be open to comments from the members. □

The Numbering

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address, presence of telephone, kitchen facilities, other utilities, value, vacancy status, etc. In addition, there will be some joint population-housing reports. The enumerations for other than basic items will be based on 20, 15 or 5% samples since not everyone was asked to answer all the questions.

The data will be available in a variety of forms including printed reports, magnetic computer tapes, microfilm, and microfiche. However, persons interested in serious use of the data for research purposes will probably find the summary records on magnetic tape most suitable. Tapes were tentatively scheduled to be available beginning in August, 1970 with the complete set available by the end of 1971. Inquiries about the tapes should be addressed to Chief, Central Users' Service, Bureau of the Census, Washington, D. C., 20233.

The Life Insurance Agency Management Association is having prepared for use by member companies special tapes of the data in a form particularly suited for life insurance marketing research. Inquiries should be addressed to Alfred G. Whitney, Director of Market Research, LIAMA, 170 Sigourney Street, Hartford, Connecticut, 06105.

The Bureau of the Census is already planning for future censuses. Currently being considered by Congress is a bill which would provide for a census in 1975 which would probably be more limited in the types of data it would attempt to collect but which would at least update the age, sex and race enumerations by geographical subdivisions. The interim census is needed for practically any serious use of official vital statistics. For example, no reliable life tables can be constructed for subdivisions of the United States between censuses.

Those supporting this legislation should notify their Congressmen.

The Bureau is also giving thought to the 1980 Census. It is glad to entertain suggestions concerning the items of data collected in the census. In designing the census the Bureau must, however, be mindful of the mandatory nature of the census. Data collected must therefore clearly be useful in implementing the public welfare. Address suggestions and questions about the census to: Director, Bureau of the Census, U.S. Department of Commerce, Wash., D. C. 20233. □