



SOCIETY OF ACTUARIES

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## CANADIAN INSTITUTE ON CONTINUING EDUCATION

by Donald Fischer

At its October meeting in Winnipeg, the Canadian Institute of Actuaries held a session on how the C.I.A. can contribute to continuing education.

The members attending this session expressed concern that actuaries were in many cases restricting the roles they could play in the life insurance industry. It was felt that many actuaries were not expanding their knowledge once they had attained acceptance as an actuary through actuarial exam requirements.

Suggestions were made as to how the C.I.A. could encourage further education. One method was the use of reading lists. It was felt that these reading lists should include both actuarial and non-actuarial topics. It was considered necessary to include any information that would assist the actuary in his management role.

The biggest problem of the reading list is that it has a tendency to expand in length past the point where it is really useful. It appeared that it would be necessary that this list not be limited in topic, but that it definitely be limited to the highest quality articles. Any member of the C.I.A. who found a particularly interesting and useful article would submit it to be included on the reading list. The first suggestion was therefore to participate in establishing periodic lists of the highest quality and greatest breadth of subject material.

Another suggestion was the use of a periodic publication of the nature of *The Actuary*.

The opinion seemed to be that the actuary must recognize the changing nature of the insurance industry. It was felt the actuary must redefine his role;

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To All Our Readers,  
A Happy New Year!  
*The Editors*

## THE STATE OF THE SOCIETY TODAY

by Gathings Stewart

*Editor's note: President Moorhead had requested Gathings Stewart to close the Society's Denver meeting with a quick summary. Gath's lighthearted verse delivered in response to this request brought down the house. The Actuary reproduces excerpts below, but we cannot (alas) reproduce the sparkling delivery which delighted the audience.*

*Copies of the complete text may be obtained from the poet.*

\* \* \* \*

It's Colorado—one thousand strong,  
With a hundred new Fellows joining the throng!  
A hundred new Fellows with charming spouses.  
And baby sitters at their houses.

\* \* \* \*

The state of the Society? Now? Today?  
The President asks and what do you say?  
You answer him with some impressions  
About our program and general sessions.

Expressing opinions and alternate routes,  
And other things where some have doubts.

An annual budget in the black  
To save the Treasurer's aching back.

About pollution and social roles,  
Long range planning and ultimate goals.  
Indexed products and adjusted earnings,  
Product development and other yearnings.

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## THE NEW WISCONSIN INSURANCE CODE

by George H. Davis

Proposed changes in certain important provisions of the Wisconsin Insurance Code should be of great interest and concern to actuaries working directly or indirectly for life insurance companies. These changes are contained in a recently released draft of one chapter of the new code.

The Wisconsin Legislature in 1965 created the Insurance Laws Revision Committee, to prepare a revision of the Wisconsin Insurance Code. The Committee is composed of members of both houses of the Legislature, the Commissioner of Insurance, and representatives of the public. The work of preparing the code has been delegated to a staff headed by Spencer L. Kimball, Dean of the School of Law of the University of Wisconsin, and Herbert S. Denenberg, Professor of Insurance at the University of Pennsylvania.

Public statements and articles by Professors Kimball and Denenberg indicate that the Committee regards its assignment as requiring a thoroughgoing revision of the Wisconsin Code and that it intends to retain provisions and approaches of the present code only when it is firmly convinced of their validity. Professors Kimball and Denenberg appear to feel that considerable portions of the existing insurance laws of Wisconsin and also of other states have been developed somewhat haphazardly and that those should now be regarded as obsolete. They indicate a clear intention to develop new provisions and approaches in many areas but only after thorough research.

The work of the code revision has proceeded by the preparation of drafts of

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## State of the Society

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And always presenting available facts  
Instead of impressions and debatable  
acts.

\* \* \* \*

The State of the Society? Now? Today?  
The President asks and what do you say?  
You answer him with many thanks  
For all of his merry, happy pranks.

\* \* \* \*

The progress made throughout the year!  
Jack's faithful guidance always near.  
Now he passes on the gavel—  
And lets our future plans unravel.

And wishes luck to Ed Lancaster.  
He will not lead us to disaster,  
He'll handle well the future fires,  
Supported by our Robert Myers.

Our final thanks unto the staff.  
Without them we can't take this gaff.  
But with them all, including Barry,  
Future burdens we can carry,  
And come again with greetings sweet,  
The very next time that we meet!

## Wisconsin Code

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holder is entitled to share in the assets attributable to the class of policies to which his policy belongs." This is certainly a novel approach, although there seems no reason to suppose that it is intended to change radically the regulation of nonforfeiture benefits. The section contains certain other provisions corresponding to parts of the standard nonforfeiture law, such as the requirement for an explanation of the basis of calculation of benefits and a provision specifying which benefit is automatic.

The Insurance Laws Revision Committee is far behind in the schedule laid out by its staff when it started its work. In addition to Chapter 623, several more chapters have been released as drafts and are currently being reviewed and commented upon. Some of these are closer to the final draft for introduction in the Legislature than is Chapter 623, which is only in the first draft stage. Although the draft is worded so as to contemplate its becoming effective at the beginning of 1972, it appears that there is substantial doubt that effort will be made to put it into final draft form for introduction and enactment in 1971.

## 1971 EXAMINATION CHANGES

The 1971 examinations edition of the *Requirements for Admission* booklet incorporated a number of changes of interest to actuarial students.

To ease the problem of obtaining suitable examination accommodations on college campuses, the Parts 1 and 2 examinations have been switched from Wednesday to Thursday and will be given on May 13 and Nov. 4. This change, plus the fact that Election Day in the U. S. falls in examination week, has resulted in day changes for the other examinations as well. For example, Part 3 will be given on Tuesday, May 11 and Wednesday, Nov. 3. A complete schedule appears in the *Requirements for Admission* booklet. Except for Part 2, which begins at 1:30 P.M. local time, all examinations begin at 9:00 A.M. local time.

The subject of Risk Theory has been transferred from Part 10I to Part 5, effective with the 1971 examinations. This transfer will not involve any part credit arrangements. A notice as to the Part 3 change from Finite Differences to Numerical Analysis appeared in the October issue of *The Actuary*. Part 5 students will be happy to know that the material on Sources and Characteristics will in 1971 be considerably reduced.

Students are advised to read the pertinent sections of the new *Requirements for Admission* booklet.

A new expanded edition of the booklet, *Preliminary Actuarial Examinations*, is now available. Reprinted in the booklet are complete, unexpurgated, recently given examinations for Parts 1 and 2.

Examination fees and study note charges have been increased for 1971 to help defray increased costs. Remittances must be in U. S. dollars or an equivalent amount in Canadian dollars. The new fee schedule is as follows:

Examination Part	Examination Fees	Study Note Service Charges	
		Complete Sets	Revisions Only
1, 2	\$ 9.00	Not applicable	
3	12.50	\$2.50	No charge
4	25.00	2.50	\$1.25
5-8	25.00	7.50	2.50
9, 10	30.00	10.00	3.50

Late registration for Parts 3-10 will be \$25 for each examination.

## Canadian Institute

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that he must decide to get more and more out of the supporting role of calculating premium rates, that he take the incentive, and move into all fields of management as a leader.

In many cases an actuary feels that because he had achieved recognition as an actuary and was able to tack F.S.A. to the back of his name, he can sit back, play his divine role, and ignore all progress around him. Such an actuary has to open his eyes and accept the fact that his F.S.A. is not going to guarantee him a continuing position in high level management. He must recognize that there is high quality talent in various fields and from various educational backgrounds.

It is time to start Part XI of the actuarial training program. That is, it is

time to achieve further technical education and training in many areas. This is where a company training program should enter the picture. This is where actuarial meetings should be of greater benefit. Perhaps the C.I.A. can improve the educational usefulness of its meetings by preparing various reports, instead of just outlines, on the subjects to be covered. This would give attending members an opportunity to develop ideas and criticisms before the meeting and enable the discussion to develop faster and to cover the subject more completely.

There was agreement that the present actuarial exam requirements should only guarantee a junior executive level, and that it is a "must" that the C.I.A. attempt to contribute in as many ways as possible to the continuing education of the actuary.