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"Sections and Divisions" Ideas

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Those opposed were very concerned about "splintering" of the Society, inconsistency with reorganization efforts, increased bureaucracy, possible reduction in career mobility, loss of the "general" nature of the Society and failure to cover the needs of Canadians and members with corporate or general interests.

Would you join?

We tabulated the responses to the "willingness to join" questions by the characteristics of the respondents. For both Sections and Divisions, very little difference by characteristic was observed except where it might logically be expected—Fellows and Associates provided almost identical responses, for example, but "Life Insurance" actuaries expressed less interest in Pension Sections than did "Pension" actuaries.

Over 300 respondents expressed willingness to join each of the "actuarial functions" Sections listed, ranging from a high of 1,025 for "Individual Life Insurance" to a low of 316 for "Actuarial Testimony." The "non-functional" Sections elicited a somewhat lower positive response, with a high of 506 members expressing interest in "Stock Life Insurance Companies" and a low of 73 in "Teachers."

The first questions on the concept of Divisions were intended to find out which of several alternative "breakdowns" might be most appealing. The most popular (with 1,066 favoring) was the three-way breakdown into (1) Individual Life and Individual Health, (2) Pensions, and (3) Group Life and Group Health. Under such a breakdown, 1,010 members indicated willingness to join the "Individual" Division, 951 would join "Pensions," and 739 would join "Group."

On the question about whether Divisions should have specific representation, 44% of you favored it, 13% opposed, 38% were unsure and 5% didn't answer. By characteristic, the "Yes" response ranged from 54% for Pension Consulting actuaries to 26% for university-employed. For almost all other characteristics, the percentages were in the 40's.

If you are interested in obtaining details on these tabulations, please write to Daphne D. Bartlett.

The Task Force thanks all of you who took the time to respond. The results were valuable in framing our recommendations to the Board of Governors. At its October meeting, the Board asked us to proceed with development of the concept of Sections, while maintaining the current broad and flexible character of the Society. We will be reporting to you again on our progress.

Task Force on Special Interests

SOCIETY SEMINARS & SYMPOSIA

First half 1980

Topics for second half will appear in our next issue

When	*What*	*Where*	*Length*
Feb. - March	Pension Plan Terminations	Washington, Chicago, Denver	1 day
Feb. - March	Mergers, Acquisitions & Spinoffs	Washington, Chicago, Denver	1 day
March	*On mortality	Chicago	2 days
March	Ret. Plan Val'n & Funding	Washington, Chicago, Denver	2 days
April	Distribution of Surplus	Hartford, right after Society meeting	1½ days

*Jointly sponsored by the Association of Life Insurance Medical Directors, the Home Office Life Underwriters Association and the Society.

1979 RESEARCH CONFERENCE

by Stuart Klugman

On Sept. 6-8, 1979 a small but lively group of actuaries met at the University of Iowa for the Fourteenth Annual Actuarial Research Conference. The topic was statistical estimation; the emphasis was on robust procedures. The theme was replacement of old methods by new (or occasionally older) approaches.

Bob Hogg and Russ Lenth opened with a teaching session on robust methods. They argued that least squares should be replaced by "psis of relief" (robust loss functions due to Huber, Hampel, Andrews, et al.). That afternoon, Stuart Klugman demonstrated that mortality can be estimated more efficiently by using lives instead of amounts, even when the objective is to reflect financial loss. The day closed with Don Jones showing that even a robust generalization of moving weighted-average graduation formulas could not improve this generally poor method.

On the second day, Aaron Tenenbein (with Irwin Vanderhoof) developed generalizations of Gompertz' Law to select and ultimate tables. Don Schuette de-linearized his thinking to perform a Whittaker-Henderson graduation using minimum maximation absolute value loss for smoothness, and summed absolute values for fit. Bob Miller (with Jim Hickman) discussed bivariate Bayesian methods. They echoed Jones' and Schuette's earlier remarks that the measure used to evaluate smoothness greatly influences choice of method.

Thomas Herzog and Ed Seligman promoted analysis of contingency tables by log linear models with fit measured by an information criterion. Tom gave examples from FHA mortgage defaults while Ed looked at disability claim terminations.

On the final morning, Bill DuMouchel gave a method for modifying territorial relatives for automobile insurance by accounting for travel between territories. Finally, Bill Bailey (with Bruce Nickerson) presented an empirical Bayes approach to calculating reserves for claims unreported and claims in course of payment.

These papers will appear in ARCH. The 1980 conference is set for Penn State University; its topic will be pensions and other life income benefits. □