



SOCIETY OF ACTUARIES

Article from:

The Actuary

April 1980 – Volume 14, No. 4



The Actuary

The Newsletter of the Society of Actuaries

VOLUME 14, No. 4

APRIL, 1980

NEW MORTALITY TABLES K(M) AND K(F)

by Michael G. Reilly

Ed. Note: This article describes the mortality tables that our Board of Governors is recommending to the NAIC as successors to the 1958 CSO Table — see 2(A) of "Summary of Non-Routine Business" in this issue. Mr. Reilly, though not a member of Charles A. Ormsby's special committee that constructed these tables, is on the staff of Committee Vice-Chairman Joseph C. Sibigroth.

Need for a Successor to the 1958 CSO Table

Appointed in June 1976 to investigate the need for new valuation mortality tables, the Special Committee determined that mortality of insured lives has improved significantly in the more than twenty years since the exposure period of the 1958 CSO Table. Continued use of the 1958 CSO Table produces life insurance reserves and minimum cash values higher than those based on a table reflecting current mortality levels and has created serious deficiency reserve problems.

The 1958 CSO Table generally represented male mortality with a three-year age setback assumed for females to reflect their lower mortality experience. The Committee developed separate male and female tables because there are significant mortality differences by sex (intercompany experience indicates female to male mortality ratios of 60%), which could not accurately be reflected by an age setback. More female mortality experience is currently available giving greater credibility to a separate female table.

Constructing the New Basic Tables

The new tables are based on intercompany experience between 1970 and

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LINDEN N. COLE, DIRECTOR OF EDUCATION

We cordially welcome Linden Cole, F.S.A. 1963, to the key staff post of Director of Education. He tells us that until now he's been a "one employer" actuary, in New Jersey at Mutual Benefit Life. He has had 15 years experience on the Education & Examination Committee, having worked his way up, as he puts it, through the Part 7 hierarchy to Multiple Choice Editor and Part Chairman, then for several years as Education Vice-Chairman and Education Chairman.

Mr. Cole's post was established in 1977, and occupied with distinction by Warren R. Adams. Says Mr. Cole, as he considers the educational scene: "We all know there are limits to how much volunteers can find time to accomplish; with staff support though, the E & E Committee can do the intensive thinking and planning its members wanted to do all along. Witness the excellent program of seminars started during Warren Adams' term.

"With nearly 375 Fellows in the E & E and the Continuing Education Committees, it is obvious that the Society's education efforts will continue to depend on our members' volunteer efforts. Our staff must help their work in such a way that we can respond with all deliberate speed to the inevitable changing needs and new demands upon us. I am honored to be asked to work full-time with our fine volunteers." □

Actuarial Meetings

April 22, Actuaries Club of Philadelphia
May 8, Baltimore Actuaries Club
May 20, Chicago Actuarial Club
May 22, Actuarial Club of Indianapolis

NEBRASKA ROLES AND ETHICS SURVEY

Ed. Note: This, the first of two articles, is a summary of material furnished by Warren R. Luckner. The full survey is available from Prof. Luckner at his address in the Year Book.

The Actuarial Science Program at University of Nebraska includes a course on Actuarial Roles and Ethics. In 1978 the students in this class sent a questionnaire to 265 persons, mostly alumni of the Program, aimed at finding out how actuaries see themselves, and to what extent ethical questions have impinged upon them. This article gives answers by 61 Fellows — 60 F.S.A.'s and one F.C.A.S.

What 61 Fellows Said: Roles

Ques.: Do you consider yourself a professional?

Ans.: Yes, 58; No. 3. Most of the Yes responders cited the body of knowledge and skills called for, or the educational standards. Eighteen mentioned the standards of professional conduct. Of the three No's, one said, "Haven't enough responsibility"; one, "Am doing other than actuarial work"; the third regards himself as a "businessman with technical expertise."

Ques.: Which (of five given choices) best describes the current market for new actuarial students?

Ans.: No Fellow picked unreservedly the top category offered (wide open, no problem getting a job). The majority checked, in nearly equal numbers, the second choice (very good, but need an exam or two), or the third (good, but tightening up somewhat). Six supported the fourth category (fair, has tightened up considerably), and there was one

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