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Life on Tiny Islands

by Jill Hoffman

Being born on a cold winter's day in Saskatoon, Canada, did not prepare me for a life as an actuary. It did, perhaps, give me the longing to live in the tropics.

I completed my fellowship in 2001 and after getting married in 2002, I received a call from one of my clients in the Caribbean, asking if I would consider moving to the Bahamas. The decision is not as easy as one would think. Moving away from your friends and family is difficult, but living abroad was something my husband and I always wanted to do. Plus, my client (soon to be my new boss) kept checking the weather report in Toronto before calling me, so that he would call on the coldest, snowiest winter days. So, I quit consulting and went to work for a Bahamian-owned insurance company.

Life in the Bahamas was good. You can't beat the sub-tropical climate, blue skies and clear water. Work presented an interesting and challenging atmosphere.

The Bahamas is a very Christian society, and it claims the most churches per capita. It would not be unusual to start a meeting with a prayer, and I'll always remember a sign posted in the washroom, "Don't steal the Lysol. Remember, God is watching."



Nassau

While we were in the Bahamas, we experienced two hurricanes, both in 2004: Hurricane Frances and Hurricane Jeanne. Hurricane Frances came closer to the island, and because we were living on a point, surrounded by the sea on three sides, we decided to bunker down

at the Radisson Hotel. This was a fun time because all of our neighbors were there, the bar was open and the hotel had a generator for electricity. During Hurricane Jeanne, we stayed home and had full power until the hurricane passed us. Then the power went out, but only for an hour. The capital city of Nassau was spared, but northern Bahamas was not as lucky.

The population of the Bahamas is about 300,000. This means that everyone either knows each other or is related somehow. It would not be uncommon at the company Christmas party, when all the agent offices from across the islands would get together, to overhear a conversation that two people would find out that they are second or third cousins. There was a real feeling of family, not only in the company, but on the entire island.

But life wasn't all about the beach; work had to be done. Some outsiders to the Caribbean might think that life there is quite laid back, but it is a different story for those who work and live there. Filing deadlines are still filing deadlines. Agents are still agents.

The Bahamas, while not having a prescribed method for calculating reserves, informally followed the Canadian methodology. However, following some of the methods was difficult at times. We would have to find ways to make Canadian interest rate scenarios appropriate for the Bahamas marketplace. Most mortgages and loans were tied to the prime rate, which was set by the government. This rate, while it tended to be stable, could change overnight, without warning, and affect the value of your asset portfolio immediately. Trying to do asset-liability matching was difficult because the Bahamas Stock Exchange (BISX) was an illiquid market, to say the least. At the time of writing this article, there are fewer than 20 companies listed. For trading to take place, the investment manager practically had to find an individual who was willing to sell or buy.

One good thing though, was we didn't have to worry about corporate tax (beyond premium tax) and there is no individual income tax. Living with no income tax was nice. Coming from Canada and seeing my first paycheck with only \$50 taken out for the national Social Security scheme made my eyeballs pop out like Bugs Bunny.

However, the lack of income tax was eaten up by the cost of living. The Bahamian dollar is tied one-to-one with the U.S. dollar, and milk cost more than \$7 per gallon. Getting fresh produce was hit or miss at times. It was difficult to plan meals because you had to go with what was fresh in the store at the time. Bahamians have a long-standing tradition of taking a 50-minute flight to Miami and bringing a cooler to stock up on food from the United States.



Singapore

But all good things must come to an end. After spending four years in the Bahamas, wanderlust struck again, and an opportunity to live on another island presented itself.

This time, the island was in

Southeast Asia. So, after many deliberations, we packed up our family and moved to Singapore.

We had been told that Singapore is "Asia lite," and in some ways, it is. It is a beautiful, green city with a thriving economy. It possesses the charm of Asia, particularly in the cuisine, but also has all the conveniences of North America and Europe. The climate has been described as having two seasons: hot and humid and very hot and very humid. We have only been here since May, but this is proving to be true.

I'm still learning about the Southeast Asian insurance market. The office I work in covers Singapore, Malaysia, Thailand, Philippines, Taiwan and Indonesia. These are all very different markets that are in various stages of development.

Being an expatriate has certainly been an enriching experience for me. Besides the challenges at work, you have new challenges at home. Moving around the world is a time-consuming, expensive (even if you have a moving allowance, you'll still need to buy new ketchup), but worthwhile experience. The expatriate communities around the world are close-knit, and you will find yourself making friends with people from all over the world. This is great, because when you are on vacation, you'll always have a place to stay!

However, to make the expatriate experience work for you, you need to have a supportive spouse. More often than not, your spouse will not be able to find employment abroad, either due to opportunities or government regulations. If your spouse is used to working, this will be a big change for him or her, much more so than for you. Remember, you get to leave the house every day, and talk with other people. Your spouse will not have this opportunity, particularly in the beginning, or if you are living somewhere where you don't speak the local language.

But, the positives outweigh the negatives. For those of you who work in international divisions of global companies, but in your local home office, I recommend that you ask for a two-year transfer. Your professional and personal life will be the richer for the experience.

If I ever get homesick for cold winter's night, Saskatoon is only a plane ride away. □



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