



SOCIETY OF ACTUARIES

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CIA hosts the 24th ICA in Montreal

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It has been 35 years since the International Actuarial Association (IAA) met on the North American continent. The Canadian Institute of Actuaries (CIA) made up for it when they welcomed 1,425 actuaries from 49 countries to the 24th International Congress of Actuaries (ICA) in Montreal, June 1-5, 1992. Organizers and IAA leaders arranged discussion sessions on 100 papers on the theme, "Mastering the Uncertain." CIA hosts, Canadian insurance companies, and consultants offered social events such as receptions and dinners and tour opportunities to experience the sights and culture of the host country. This is only the third time IAA has met in North America, the other times being New York in 1903 and a joint meeting in Toronto and New York in 1957.

Europeans, who founded the association in 1895, traditionally have dominated attendance at ICA meetings. North American actuaries, however, increasingly benefit from membership and participation. As greater interdependence among all nations affects financial and social problems in each country, these international meetings play an important role for actuaries who share the same actuarial principles and concerns the world over. Valuable friendships and contacts with actuaries outside the usual North American actuarial format and setting also broaden each person's horizon.

The IAA recently has met every four years in one of the 65 countries of its members and member organizations. In 1988, the meeting was in Helsinki, Finland. The next two meetings will be on the 100th anniversaries of original meetings sites in Brussels (1995), then in London (1998). The 2001 or 2002 meeting will be in Mexico.

The IAA created two specialized sections that meet in years between ICA meetings: ASTIN (Actuarial Studies in Non-Life Insurance), with its next meeting in Cambridge, England, in 1993, and AFIR (Actuarial Approach for Financial Risks), with its 1993 meeting in Rome, Italy.

It was mentioned at the meeting



CIA President Paul McCrossan welcomes ICA participants to Canada.

that there are 20,000 actuaries in the world. Well over half are in Canada and the United States. IAA membership is 6,100 individuals, with about one-fourth from North America. The table below breaks down IAA membership and ICA attendance for the 18 countries with the greatest number of IAA members. As you can see, North American IAA members' attendance was lower than one might expect, considering the location.

Admittedly, ICA's format is more academic and formal than Society of

Actuaries' meetings. The opening ceremony included an address by the president of the IAA, André Lamens of Belgium, and talks on the theme of the congress by Marie-Josée Drouin, director of the Hudson Institute, and Thomas d'Aquino, chairman and CEO of the Business Council on National Issues. A special session on "The Actuary of the Future" gave the results of detailed surveys on the changing actuarial roles in the various countries. Future issues of *The*



IAA Vice President Claude Genest acted as president of the International Congress of Actuaries in Montreal.

Country	Number of IAA Members	Number of Montreal Attendees	% of Members Attending
United States	1,118	99	9%
United Kingdom	825	198	24%
Germany	559	65	12%
Canada	469	148	32%
France	419	65	16%
Japan	405	87	21%
Australia	239	62	26%
Netherlands	195	47	24%
Switzerland	187	51	27%
Austria	145	15	10%
Spain	130	18	14%
Ireland	127	20	16%
Norway	125	59	47%
Belgium	125	30	24%
Denmark	116	38	33%
Finland	107	57	53%
Sweden	102	42	41%
Italy	101	39	39%



President Don Sondergeld (center), representing the SOA at the ICA (with wife Mary), exchanges ideas with an international colleague, Kazuhiko Sakakihara, Fellow of the Institute of Actuaries in Japan.

Actuary will feature information from this survey.

An education session indicated that the British Institute is revising its syllabus to remove legislative and tax details to a continuing education route to permit future qualification by specialty area. Europeans are working toward a more uniform qualification process through the Groupe Consultatif of the E.E.C. At the congress, the IAA established an education fund for promoting actuarial education and research in developing countries. Later in June, the SOA Board approved \$50,000 in matching funds for this program. Some of these funds are being used to fund the University of Warsaw actuarial summer school and

expenses of these students from Siberia and Russia.

In March 1990, the IAA requested scientific papers be submitted on the meeting theme, "Mastering the Uncertain." It received almost 100 papers, many from SOA members, which were printed in five volumes for study before the meeting. A sixth volume to be printed after the meeting will include other material presented in Montreal.

Meeting sessions typically included presentations of a summary of several papers by the chairman of the scientific committee for each category of papers, with opportunities for short remarks on the subjects by the authors and other attendees. These

summaries, as well as detailed information on all the papers, are available from the Society of Actuaries' library. The papers are printed in the six-volume *Transactions of the International Congress of Actuaries*.

With the call for papers, IAA announced a contest with a prize to be awarded for the most constructive paper which described professional challenges combining finance and probabilities beyond those that now exist within the actuarial profession, a category titled, "New Challenges Facing 21st Century Actuaries." Of the eight papers submitted, three were from North American members:

- "The Actuary in Cyberspace," by Faye Albert and Irwin T. Vanderhoof of the United States
- "Actuarial Counseling — A New Role," by John M. Bragg of the United States
- "Challenges from Without — Actuaries and the Law," by Michael Cohen of Canada

A. D. Wilkie of the United Kingdom with "Stochastic Investment Models for 21st Century Actuaries," and Bruno Massonnet of France with "La garantie chômage d'un contrat de prêt" shared the prize.

North American members' papers discussed at the ICA

Volume 1

18 papers categorized. "Significant Changes in Financial Markets." North American member contributions included: "On Discounting when Rates of Return Are Random," by Daniel Dufresne of Canada; "Aspects of Interest Rate Models," by Keith P. Sharp of Canada; and "An Actuarial Layman's Guide to Building Stochastic Interest Rate Generators," by James A. Tilley of the United States.

Volume 2

22 papers categorized. "Optimization Criteria for the Long Term Surplus Level from Total Risk Point of View or How Much is Enough." The North American member contribution was "An Analysis of the Adequacy of Loss Reserves in Canada," by Robert L. Brown and Harry H. Panjer.

Volume 3

20 papers categorized. "Emerging Challenges of Risk Classification and Analysis." North American member contributions included: "Actuarial Opportunities in Genetic Testing," by Robert L. Collett; and "Negative Binomial or Poisson Inverse-Gaussian," by Jean Lemaire, both of the United States.

Volume 4

22 papers categorized. "The Challenge of an Aging Population." North American member contributions included: "Pay-as-you-go Funding Stability: An Age of Eligibility Model," by Robert L. Brown of Canada; "L'impact du vieillissement de la population québécoise sur le coût des programmes publics de retraite," by Philippe Joncas, Pierre Plamondon, and Martin Bernard of Canada; "Vieillesse de la population et

soins de santé," by Denis Latulippe of Canada; "Components of Population Aging and Their Effect on Social Security Programs," by Robert J. Myers of the United States; and "The Role of the Actuary in Defining Public Policy Implications of an Aging Society," by Anna M. Rappaport of the United States.

Volume 5

8 papers submitted for the contest with the three North American member entries listed previously and 26 national reports on the status of the actuarial profession and organizations in each country.