



SOCIETY OF ACTUARIES

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Canadian Institute asks for explanation of Dussault's firing

Bernard Dussault was dismissed by Canada's superintendent of financial institutions, John Palmer, in late August from the position of chief government actuary and chief actuary for the Canada Pension Plan (CPP), the Canadian equivalent of the U.S. old-age survivors disability income portion of the Social Security system. The reasons cited by Palmer in a September news conference were described as management issues, unrelated to Dussault's actuarial work.

Dussault was fired as he was preparing a CPP statutory actuarial report, which is produced every three years and projects 100 years into the future. The CPP report is scheduled for release at the end of the year. A consulting actuary has been employed to complete the work and finalize the report.

On behalf of the CIA's leadership, Canadian Institute of Actuaries President Peter Morse issued a call for

an explanation from the government after the news of Dussault's departure became public in September.

In a Sept. 21 news release issued by the CIA, Morse stated, "The CIA is concerned at the possibility that Mr. Dussault might have been dismissed because of his independence. Various newspaper reports and statements in parliament had suggested that the firing may have occurred because the results of the CPP valuation could be embarrassing to the government.

The news release continued, "To uphold the public interest, the role of actuaries must not be compromised by undue influences, and this is particularly true for an actuary holding a vital responsibility to the public such as that held by Mr. Dussault. The Insurance Companies Act provisions providing protection to the appointed actuary of an insurance company in similar circumstances attests to the importance

of this principle."

The news release is posted on the CIA Web site, at www.actuaries.ca/information/pressreleases.

Since Dussault's termination, the CIA has been asked by Superintendent Palmer to conduct a "practice review" of the Office of the Superintendent of Financial Institution's Actuarial Services Division, which previously reported to Dussault. The CIA is considering the role it can fulfill in this situation, since there is no precedent for the institute conducting and issuing a public review of the work of an actuary or group of actuaries. In addition to conducting the valuation of the CPP, the Actuarial Services Division conducts statutory actuarial valuations of the Public Service Pension Plan and separate plans covering the armed forces, Royal Canadian Mounted Police, members of parliament, and federal judges.

Actuaries take next step to make profession global

The International Actuarial Association (IAA) has taken a second significant step toward establishing global standards for actuaries. It has approved education guidelines and a syllabus for internationally recognized actuarial qualifications.

As business becomes increasingly global, the guidelines are designed to improve international portability and increase uniformity of practices among the world's actuaries.

In June, the IAA made its first breakthrough in establishing a global actuarial profession. It restructured itself to become a worldwide organization of actuarial associations rather than individual members. This action helped create a single voice for the profession internationally. The IAA represents at least 95% of the world's actuaries.

The IAA will require member associations to match the criteria in the syllabus in order to be granted "full member" status, starting in 2005.

To receive a copy of the IAA Education Guidelines and Syllabus, a current copy of the IAA Bulletin, or more information about the IAA, visit the Web site at www.actuaries.org or contact: IAA Secretariat, 360 Albert Street, Suite 820, Ottawa, Ontario, Canada, K1R 7X7 (phone: 613-236-0886; fax: 613-236-1386; e-mail: secretariat@actuaries.org).