

**IAA COUNCIL MEETING
EDINBURGH, NOVEMBER 19, 2006
REPORT OF THE PRESIDENT
JEAN-LOUIS MASSÉ**

Bonjour :

Voici un bref rapport de mes activités depuis notre dernière réunion. Comme vous tous, j'ai participé à notre congrès de Paris. Nous aurons un rapport du comité organisateur plus tard à l'ordre du jour, mais je voudrais profiter de cette occasion pour réitérer, cette fois au nom du Conseil, nos plus sincères félicitations et remerciements à toute l'équipe impliquée dans l'organisation et plus particulièrement à monsieur Jean Berthon, notre président 1998-1999, qui en a été l'âme directrice. Mon cher Jean, merci pour ces merveilleux souvenirs de ce congrès qui resteront gravés dans notre mémoire. Merci pour votre généreuse participation à la vie active de notre association.

A week after the congress ended, I was vacationing in Paris when I was informed that our president-elect Peter Clark had passed away suddenly. I traveled to the UK to represent the IAA at his funeral. A memorial service was arranged on Wednesday, November 15 in London and many of us were able to attend. I would like to take this opportunity to thank the family and the Institute of Actuaries for arranging this memorial service. In memory of our colleague and good friend Peter, may I ask you to stand for a minute of silence.

Later in the summer, I accepted an invitation to attend the meeting of the Society of Actuaries of China in Chongqing on September 27–29. Earlier that week, I was also invited in meetings with the CIRC non-life officials in Beijing and master students in the actuarial program of a local university. Based on discussions with Chinese officials, some in Paris, some during the summer and others in China in September, I am convinced that China is very interested in joining our ranks as soon as possible. The efforts of our China Subcommittee are paying off. I noticed great interest in our global education project from the government officials, many actuaries and academics in China. As everything else going on in China these days, they want to move fast on this topic. Equally, if not more important to the government officials, is China's need for non-life actuarial expertise and some sort of mentoring services from us to guide their bright, hard-working, but inexperienced actuaries. There is a challenge for the IAA there.

Early in October, our Secretary-General was able to represent us at a meeting of the Singapore Actuarial Society in celebration of their 30th anniversary. In October as well, I attended the Society of Actuaries General Meeting in Chicago and had the opportunity to join a number of senior actuaries in the discussion of the American Academy of Actuaries paper on a *Critical Review of the U.S. Actuarial Profession* (CRUSAP). Some of the topics include:

- the expansion of actuarial horizons and its impact on actuarial education
- the strengthening of their Continuing Professional Development requirements
- the “making a home” somewhere within the actuarial profession for all persons doing competent actuarial work
- for the education of actuaries, the public notification of explicit facts relating to discipline violations
- the branding of the profession or the greater awareness of actuaries by the public

- the establishment of professional regulation of actuaries substantially independent of the actuarial organizations and the participation of non-actuaries in the standards and discipline processes.

I mention these topics because I noticed the same or very similar topics being discussed in many other fora, either within many of our committees or in actuarial meetings in various countries. We can expect developments on these subjects in the next few years.

Later in November, Alf Guldberg will be representing the IAA at a meeting of the New Zealand Society of Actuaries and will participate in the celebration of their 50th anniversary in Queenstown. And later in November, Edward Levay, a past president of the IAA, will be representing us at the actuarial non-life seminar in Beijing.

Our association has grown tremendously since its restructure less than ten years ago.

Just the number of delegates attending our semi-annual meetings has doubled in the last five years. I venture to estimate that it will double again in the next five years.

Our past efforts are showing promising and noticeable results: be they, just to name a few, in the development of a syllabus, in the production of many guidelines for financial reporting of insurers and social security programs, or the establishment of our growing relations with a variety of international institutions. This is all to the credit of our growing number of volunteers. All of us are indebted to them for their collective collaboration.

Much is currently under way to meet our urgent needs and the “insatiable” – it seems – demand for our services.

There is a crying need for branding the actuarial profession on the education front. I applaud the efforts deployed by our Education and IEPC committees. I am particularly impressed by the inroads that the European Actuarial Academy is making in a number of countries in Eastern Europe in particular. In the same vein, I am excited at the news, from China and Russia, that they have translated or will soon translate material used in actuarial exams of other associations. Of course our own project on global education is making promising progress and we expect to enter into the development phase soon. Alf will report more on this later in the agenda.

Continuing Professional Development is very much a hot topic in discussions within our own committees as well as at many association meetings around the world. I see significant changes happening here. This augurs well for the profession.

With regards to standards of practice, I am told that more and more clients are demanding from their actuaries that they use the IAA international actuarial guidelines for financial reporting of insurers. At the same time, various national accounting bodies are examining their own local accounting standards with a view to converge over time towards the international standards. That can only increase the visibility of our own guidelines. We owe a debt of gratitude to our hard working committees and subcommittees in producing these guidelines.

It is my personal conviction that the IAA must continue to produce more of these types of guidelines or standards applicable in other fields of actuarial activities. It is also my hope to see more actuarial associations developing their own set of national standards of practice. It is good for the branding of the profession. It is good for the protection of our publics.

While we are growing the membership of our association and are providing greater services to international institutions and other publics, it is my belief that we must not ignore the needs of our smaller member associations. While the world becomes increasingly complex, their desire to keep pace with the profession is greatly impaired by their limited resources. We need to persevere in our efforts to find ways to help those associations with the most restricted means.

As a global profession, we will be stronger if we narrow the gaps that separate us. It would be interpreting subsidiarity in a constructive manner to think that, at the IAA level, we could do more to help small and medium associations, which are the majority of our members, to cope with the challenge of drafting standards, providing CPD and enforcing discipline. We could, for instance, draw on the expertise of our senior members and IAA committees to draft templates, default standards or models that would reduce the level of effort needed for a local association to develop its own standards or guidelines. We could help make the output of our Sections more directly accessible as input to local CPD programs. It would be a valuable contribution to enhancing our global brand.

As anyone entering the teenage period, our association, as an association of associations, finds itself in a fast growing phase of its existence, with new vision and renewed optimism, in full realization of its new muscles and its new potential. It is thus not surprising to me to hear many calls for reviewing our answers to questions on basic principles that were addressed 10 years or so ago that lead to our structure and our way of managing our affairs .

I don't interpret these calls for reexamining our ways of operating as a judgment of unsatisfactory performance in the past. There were very good reasons for structuring this organization the way it was done 10 years ago, but we have evolved. The trust among our member associations is greater. The demand for our services from the international community is beyond anything we could have imagined 10 years ago. We need to prioritize our actions because our resources are limited and we need to find ways to engage more of our member associations and more of their own members into participatory activities at Council level, committee levels and task force levels.

More activities and more people involved and more people interested will entail, in my opinion, more communications; more effective communications. And this will not be easy.

As I have traveled about the world this year, I have observed, like my predecessors, the great vitality and accomplishments of the actuarial profession. Every actuary I met is proud to belong to our profession. Our future has never been so promising and exciting. The credit goes to the leaders and the volunteers like you.

In closing, I would like to thank Council for the honor and privilege they bestowed on me for serving you as your president. Merci aux autres officiers feu Peter Clark, Yves Guérard, Alf Guldberg et Hillevi Mannonen pour leurs sages conseils et leur support. Ils ont toute ma reconnaissance et mon admiration,

Merci à Nicole et à tout le secrétariat pour leur dévouement inlassable et leur patience avec moi.

Enfin, le dernier mais non le moindre des mercis va à mes employeurs Standard Life, Canadian Pacific Railway et l'Université du Québec à Montréal ainsi qu'à ma famille pour avoir permis, sinon enduré, mes nombreuses absences à vaquer aux affaires de la profession.

Merci