ANÉA•ASNA

Actuarial Evolution

Interview with the SOA President
Details of the 2009 Convention in Winnipeg
Actuarial Humour!
Untraditional Actuarial Roles
International Actuarial Programs

January 2009
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Actuarial Evolution 2009

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Words from the President

Alena Kharkavets – ASNA President, 4th year Actuarial and Computer Science, University of Toronto

After a hiatus of one year we are back with the annual ASNA magazine. This year we have taken an approach to try and address topics that are of interest to actuarial students but not talked or written about often. I would like to take this opportunity to give a special thanks to our contributors from the University of Alberta, Concordia University and the University of Western Ontario. They have done a great job in putting together a magazine which I am certain will be enjoyed by our readers.

It’s been an exciting year. We held our national convention in January in Toronto. Over 20 companies were represented with nearly 350 attendees from all over Canada. We introduced some new concepts into this year’s convention like interview sessions, mingling party and career discovery dinner. The feedback was very positive and we want to try and build off this success in coming years.

Our upcoming convention is going to be in Winnipeg, Manitoba on January 2-4, 2009. It is going to be a special convention as we are celebrating the 20th anniversary of our organization. It is also the first time we have ventured into the Prairie Provinces.

We believe that this change of surroundings will be much enjoyed and present a unique experience for our attendees. We are expecting all major companies to be present and for some new events. I would like to encourage everyone to come out to the convention and make it better than it was last year. You will enjoy a new city, meet your fellow future actuaries, mingle with actuarial professionals, and possibly land a job.

I want to thank the organizing committee of this year’s convention for all the hard work they are putting into making the convention a success. Best wishes to everyone on a happy holiday season and I will see you in Winnipeg.

Yours truly,

Alena Kharkavets,

ASNA President
Welcome Message from the Winnipeg Committee

ASNA 2009 Convention Committee

Hello! Bonjour!

Thank you for your interest in the 19th Annual ASNA Convention, which will be held at the Fairmont Winnipeg from January 2 to 4, 2009. We have been working hard to make this the best ASNA convention yet! We are very much looking forward to having you here in January. I'd like to take this opportunity to give you some details of the planning and convention. Our main goal is to help you find your first internship or full-time job in the company that is ideal for you, and to get answers to all the questions you have about the profession and career choice. We will have the biggest actuarial career fair in Canada, on-site interviews, and events where you can mingle with actuaries from different companies, so that you will be able to build your own network in Canadian actuarial world.

Friday, January 2nd, kicks off this great event. Sunlife will be hosting a mingling party early afternoon. This will give everyone an opportunity to break the ice, and get to know each other. Following the party, the opening ceremonies will feature the President of the SOA as our keynote speaker. Canada’s largest actuarial career fair will take place in the early evening. Don’t forget to bring your resumes because several companies will be hosting on site interviews! The selected candidates will be announced after the career fair on Friday night, and the interviews will be held throughout Saturday. Forget submitting resumes via websites, let your personality talk for itself! Make a difference at the career fair by impressing hiring managers with your knowledge of their company, your interest in the profession and your enthusiasm, and get a job right away! The Friday night will have its culmination at one of the best night clubs of Winnipeg, which is just across the street from the hotel.

Following breakfast on Saturday, January 3rd, the seminars will begin. This year’s theme is “Actuarial Evolution” and will focus on the changing role of the actuary, and what our work will be like in the future. We have been working diligently to get compelling speakers that will delight students in their discussion of traditional and non-traditional areas of actuarial science. The evening begins with Gala Dinner sponsored by Great-West Life/Canada Life/London Life featuring keynote speaker, President of the CAS, and other special guests. After the dinner, please join us for our Manitoba themed social, with music, prizes and poker.

Sunday, January 4th, culminates the weekend, with a final seminar, and closing ceremonies featuring President of the CIA. Early bird registration is open until November 21st, 2008, so sign-up now! Also, if you register early, you
have a chance at winning a free convention ticket by submitting a short questionnaire attached to the registration form! The draw will be made during the closing ceremony. Registration forms are available on the ASNA website. The early registration fee is only $80, and includes all seminars, social events, two breakfasts, one lunch, and one dinner. A link for booking hotel rooms is available on the ASNA website. Hotel rooms cost only $99+tax for quad occupancy! The hotel is connected to the underground city, so you will have access to good restaurants and shops without going too far away.

Substantial travel subsidies and airline discounts from our official carrier Air Canada will also be provided!

Come join us for the experience of a lifetime! Looking forward to meeting you!

2009 ASNA Convention Committee
Actuarial Students’ National Association Convention

Fairmont Winnipeg
January 2 to 4 2009
Features:

• Canada’s Largest Actuarial Career Fair and on-site interviews
• Meet the Presidents of the SOA, CAS, and CIA
• Partial Travel Reimbursement and 10% off Airfare Discount
• Seminars on a variety of topics including exams, work as an actuary, finding your first job and hot industry topics
• Mingle with other students and industry from across Canada

Early bird registration just $80!
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Please visit www.anea-asna.ca for more details!
Interview with the SOA President

Peng (Jimmy) Ye – 3B term, Actuarial Science, University of Waterloo

In early July, the president of SOA, Bruce Schobel, visited the University of Waterloo. He graciously accepted an interview. The following are some notes taken during the interview.

Can you tell us a little bit about the career path that you have taken?

I’ll go through the whole thing for you and I’ll give you, hopefully, a quick version.

When I first heard the word “Actuary”, I was 18 years old. I got a high score in a math contest in the state of Ohio that leads to the math Olympiad. I wasn’t the cream of the crop, but it was high enough that I got some prize money from the SOA. A representative from SOA came to my house with the prize money and talked to me about becoming an actuary. He explained to me that I would need to take exams and told me what an actuary do. Exams are my specialty and I said, “look, I’ll do that”.

I went off to school at MIT and majored in math. When I told my freshman advisor that I wanted to become an actuary, he said that that would be a terrible mistake because actuaries do such boring work. But the actuary I met at my house gave me a good impression and I went on taking math courses and passed 3 actuarial exams by the time I graduated.

Then in January 1974, I got a job at the Prudential Insurance Company as an actuarial student. I never failed an exam and became a fellow in 1976. I was 24 and I was the youngest fellow they had had in 25 years. The company did not quite know what to do with me because normally new fellows were put in charge of a division. You could be in charge of 100 people sitting in long rows of desks because everything was not automated yet. They couldn’t take me, a 24 year old, and put me in charge of a division of 100 people. So they created a new position as the staff assistant to the president, and I did that for a while and it was a lot of fun.

Bob Myers, probably the most famous actuary during those days, persuaded me to work for Social Security in 1979. I did fairly routine work for a while, but developed a good friendship with Bob Myers whom I admire and see as a mentor. When Ronald Reagan became the president in 1981, he appointed Bob Myers as deputy commissioner of Social Security and I started working for Bob. The Social Security is a huge government with 70,000 employees; we had a lot of work to do and we did it. We just worked all the time, we never stopped: we worked 24 hours a day, 7 days a week.
At the end of 1981, Reagan appointed the National Commission on Social Security Reform to solve Social Security’s financing problems. Alan Greenspan was in charge of the commission, Bob Myers was named executive director and I was the staff actuary. So we did all these very cool social security policymaking and then I worked for the Congress while we enacted it into law. Then I returned to Social Security and became the senior policy advisor to the commissioner. I hang around with people like the secretary of the treasury and it was pretty cool. I was pretty young, had a lot of power, and was able to change the world. That was very motivating. When you are able to change the world, never let those opportunities get away from you because they don’t happen very often. There are lots of social securities legislations with my name on them, a lot of good stuff I did there, and that will outlast me.

At the end of the Reagan administration, the Bushes came in and fired all the Reagan appointees. I was the highest ranking civil servant in a policymaking position and everybody above me was political person. My superiors were fired, so I left and worked for William Mercer, the largest employer of actuaries in the Milky Way galaxy. I work very fast and the Mercer environment did not quite suit me.

Just as I started looking for another job, New York Life gave me an offer. I went there for interviews with a bunch of people. I told them that I was very active professionally: I was very active in the SOA, in the academy and in the conference of consulting actuaries. The interviewers expressed support for that. I started working for New York Life on June 4th, 1990 and I have been there ever since. They have been very supportive of all my professional activities. You pay a price in terms of your career: I am not the chief actuary of New York Life or the president, but I am the president of the SOA. You sort of cannot do both: there are only so many hours in the day and so many places to spend your time. I made the choices that were right for me.

What has been your main focus during your presidency of the SOA in terms of what you wanted to accomplish?

When I ran for the board in 2001, when I ran for vice president in 2004, and when I ran for president-elect in 2006, I made statements that were provided to the voters and posted on the website. It is interesting looking back at those: very consistent throughout. I had three priorities, three things that I said I would work on and these are the things that I worked on.

The first is that I wanted to expand actuary’s domain: I wanted to get them out of our traditional areas of life insurance and employee benefit consulting because those areas are shrinking and they do not have a bright future. In a generation, employee benefit consulting will be dead as a doornail. Life insurance...
companies are consolidating: a lot of jobs are disappearing there.

Our profession has much more to offer than just life insurance and employee benefits. We can apply our skills to risk management positions in all kinds of industrial companies across this land and around the world. I basically wanted to get actuaries into two areas: one is the broader financial services, the Wall Street kind of finance related jobs where actuarial skills are very applicable; and also risk management in general, not just risk in an insurance context, but risk in general. We have the tools to help evaluate the risk, to mitigate it, or to exploit it as the case may be. The problem is really to get actuaries to think of themselves as being more than just life insurance premium setters and think themselves as risk managers, and to get the people who are hiring risk managers to be looking at actuaries. This was my highest priority.

I got started on this in 2003 with our marketing campaign and who knows how successful we are going to be in the long run. But if you don’t try, you are sure to fail. We are trying: we are doing the best we can with the CERA and other stuff.

The second one is that I want to improve inter-organizational cooperation. There is a vast menagerie of actuarial organizations in North America. In Canada, there is only the CIA; but in the U.S., we have the SOA, the CAS, the CCA, the ASPA, and the American Academy of Actuaries. These organizations have divergent priorities and are not speaking with a clear voice at all. I wanted to bring order to this chaos: I got onto three boards of three different organizations and I got them cooperating with each other. What I would like to do is to bring them even closer together.

There are things in the works that one day maybe will lead to much closer cooperation or even alliances among these organizations because that is what we really need. The other professions, like the medical profession and the legal profession, do not have these problems are they are much larger than we are. It is just absurd for a small organization like ours to be so fragmented and it makes us ineffective. That’s item number two.

Item number three is that I insisted on restoring the relevancy of our basic education system. The 2000 education system was all principle based and had no practice related material at all. I, along with many actuarial employers, did not like it and some people described it as organizational suicide. In 2002, I got the board to agree that we had to replace the 2000 education system. We worked a year on a proposal and exposed it to the membership in August 2003 because I believe in transparency and letting people know what’s going on. We got back 106 comment letters. We wrote up file specifications, got them approved by the board in March 2004, and
started implementing it in 2005. We finished at the end of 2007, although the final step in the process was the newly revised fellowship admissions course that was given for the first time in March 2008. Now we are done and I have accomplished that mission totally.

We now have a relevant basic education system that enables actuaries to add value for their employers and I am really proud of it. Now, I am going to apply the same sort of energy to our continuing education, which I have done through the enactment of qualification standards that are requiring older actuaries to maintain their skills. We are going to invest the same kind of energy into continuing education that we did in basic education. We are going to provide relevant continuing education to actuaries at all experience levels in all practices areas in all geographical regions.

For students who are just starting off writing their exams, what are the advantages and disadvantages of pursuing the CERA designation as supposed to an ASA designation?

The hope is that eventually we will get actuaries into broader areas and that’s where actuaries need to go. We have the ability to provide valuable services to employers in all kinds of areas: airlines, railroads, utilities, and even forestry companies. There is a long list of thing (such as which trees to cut down, how to manage forest) that are based on the sorts of mathematical modeling that we do day in and day out. We hope if our marketing is successful, that CERA will be invited into those positions. There are lots of companies now hiring risk managers: in the U.S. alone, there are 50,000 to 100,000 people who are in risk management positions. We believe that the best of those people should be actuaries. It’s sort of a two-way street: we want to invite some of them to become actuaries and we want to move actuaries into those jobs. So there is going to be bi-directional communication here, and hopefully that will make our profession larger and more influential.

Many students here are talking about university accreditation, could you tell us about the SOA’s point of view of university accreditation?

We are trying to be open-minded but we are very concerned. In 1987, there was a proposal of the education examination committee that we consider university credit for some of our exams. A group of actuaries signed a petition and got enough signatures that they put a proposed constitutional amendment on the ballot in 1988. It very nearly passed: it needed 2/3 approval to pass. The constitutional amendment would have prohibited any college credit forever. It did not pass but it got something like 60% approval. So the membership had spoken and it never came back until 20 years later.
It was coming back through the CIA in 2007. On February 20, 2008, they sent a communication to all the members of the CIA saying that this was their proposal and the SOA and the CAS had agreed in principle (which, of course, we had not). CIA pointed out that the SOA accepts, through mutual recognition, credentials in the UK and Australia that include university credit. I think that is a bit different and I am not sure that you can really extrapolate that way.

We had a meeting with the CIA in May and tried to reach a unified position. One thing I put on the table was a single qualifying exam that graduates of accredited schools would be able to take. It a single 4-hour exam with an 85% pass rate. We discussed it and found that it was a bad idea: what if someone from Harvard wants to take this exam, and we tell him he cannot because Harvard is not an accredited school? Eventually that exam would substitute for all the other exams and we'd be back to the same university credit dilemma.

Another problem is that we cannot do it in the U.S.: the schools are not good enough. That is a political problem for us: we cannot tell our members that if you go to school in Canada you don't have to take our exams; if you go to school in the U.S. you do. What do we do with the people from the rest of the world? This is a political problem: we cannot single out Canada and say that they are special. CIA said that they would give us some time to boost the level of education in the U.S. so that there could be 2-4 schools in the U.S. that might qualify for such a program.

The third problem is who would do the accreditation of the schools. The CIA said that they would do the accreditation in Canada and we would have to abide by their accreditation. I told the CIA that if they want us giving credits our exams we have to participate in the accreditation process. So they agreed and proposed to set up three organizational teams (the SOA, the CAS, and the CIA) to accredit schools. So this problem was resolved.

The fourth item is sort of unrelated and is much harder to resolve. In January 2008, we took a survey of our members and candidates and got 6600 responses back (5100 members and 1500 candidates). A very large percentage of the 5100 members (something like 20%), expressed concern about the quality of our basic education system and the value of their credentials. What they said repeatedly (in 454 pages of comments) was that going from examinations to modules was a lowering of our standards and was letting unqualified people become actuaries. I think that is absurd, but that is what they think and that is a problem. Now, if that is what they think about the relatively modest changes that we enacted in 2005-2007, can you imagine what they would think about university credit? We would have no control at all over who was getting credits for our exams and there wouldn't be any
mathematical testing anymore on the road to fellowship. The accreditation would horrify our members, so we have to make them comfortable.

So we basically have an agreement from the CIA that we are going to spend some time to improve the quality of actuarial education in the U.S. which needs to be improved anyways. Setting aside the university credit, it would be nice to have a Waterloo-quality school south of the border. I’ve said many times that a rich and powerful nation of 300 million people ought to be able to create a Waterloo of its own and we are going to put that to the test. We also agreed that we would communicate with our members, probably in a 3-way simultaneous and identical communication, about where we want to go on this. I’ll tell you one thing that the SOA is not really enthusiastic about this: we are very concerned but we are not adamantly opposed. We just think that if we are going to do it, we’d better do it right and do it in a way that protects the value of our credentials.

What advice would you give young actuaries? How can they be better prepared for the future?

I would give two kinds of advice.

Number one: don’t think of yourself narrowly as a life insurance person. Actuaries have skills that are applicable in much broader domains, and we really need to stop thinking of ourselves that narrowly. We get out there into the broader world, and become a much bigger and more influential profession.

Number two: the actuarial profession is a borrowing profession. We don’t do basic science and we borrow from other professions: we borrow from mathematicians, economists, etc. We need to make sure that we are keeping up with what’s going on in those areas. There is a lot of stuff happening in the world and we need to make sure that it gets into our workplace. That should be a lifelong pursuit, not something you do UNTIL you get your FSA.

The general life advice I would give people is that you should never underestimate what you are capable of achieving. I think there are lots of people who underestimate themselves and say I cannot do that, that’s too hard, or that’s too big, or that will take too long, or I don’t have enough money. If you just go out and work really hard and push, there is almost no limit to what you are going to accomplish. When you have an opportunity to change the world, take it; because those opportunities do not come often. You have to be really alert for these opportunities, you have to snatch them and make the most of them.

Peng (Jimmy) Ye
Outside the Box

Reid Baker – 4th Year Actuarial Science, University of Alberta

Believe it or not, your degree in actuarial science can be used for more than just work in insurance or pensions. With the knowledge gained in statistical, financial and economic matters, you can be a valuable asset to a wide range of companies or perhaps even to your own company. In fact, I believe the tools gained during an actuarial science degree are some of the most valuable you can get out of a university degree and can help you become very rich (isn’t that why we all choose actuarial science?). My personal experiences this past summer are a shining example of the diversity of a degree in the actuarial science field.

Late in the winter of 2008, I began looking for summer work that would provide me with valuable experience in the actuarial field. As most of you probably know - especially those in Western Canada - this is easier said than done. After realizing this probably was not going to happen in Edmonton, I started thinking about moving to Toronto for the summer. Sure enough, I found a company called Fundata Canada that was willing to hire an actuarial science student for the summer. This company deals primarily with mutual fund and other financial data, providing clients with performance and risk measures. Janny Vincent, the President and C.E.O. of the company also owns a pension consulting company called Vincent and Associates, thus is very familiar with the works of actuaries. Mrs. Vincent had this to say about having an actuarial student on board, “Fundata Canada's products are aimed at both lay investors and the professional advisor and institutional markets. Hence, our audience varies from having highly sophisticated levels of financial knowledge to the most rudimentary levels. It is important for us to be able to portray useful and consumable information for this spectrum of users. One of the most important things we do is to show performance of Canadian mutual funds including risk adjusted performance and risk factors. Having an actuarial student on board this summer certainly added to our bench strength and we are mindful of the importance of the skill sets that an actuary can bring to the table.”

I was given the job title “summer student of analytics” and was assigned a mutual fund project for the first part of the summer, and then I was help the actuaries towards the end of the summer, if needed. My mutual fund supervisor had a CFA designation. As it turns out, the projects required a fair amount of quantitative research as well as projections and risk analysis. With my knowledge of statistics and my supervisors’ knowledge of finance, we ended up making a very good team. She even mentioned a few times that my knowledge of statistics and risk analysis was something she had never gotten out of a finance or economics student before. She had this to say about the advantages of...
having someone with an actuarial background, “Actuaries possess the in-demand skill set that combines strong knowledge of mathematics with understanding of financial instruments. With constantly evolving financial models and investment strategies, an employer who deals with risks, portfolio management and performance attribution will benefit from the unique skill set that an actuary can bring to the table.”

These comments got me thinking about the possibilities of a career outside of insurance or pensions, but geared towards finance. I also wondered about the potential value of an employee with an ASA designation and a CFA designation. Since the CFA designation is somewhat of a passport in the financial and business world, the career possibilities with such a combination could be seemingly endless and could ultimately lead to some favourable financial payouts. Not to mention the utmost respect from peers, co-workers and clients.

I began thinking about other designations that would mix well with an actuarial background, since it seems these days, the more letters behind your name the better. So I spoke to one of my Professors, Dr. Cho Jieh Chen. Dr. Chen has a Masters degree and a PhD in actuarial science, an ASA designation from the SOA, and an FRM designation from the Global Association of Risk Professionals. I asked Dr. Chen about why he chose to go the academic route rather than continue with working for industry. He responded that he is very interested in research at this stage, in addition to providing him with the freedom to explore different areas. He mentioned that he has worked on innovative projects integrating actuarial theory with credit risk.

Ultimately, the actuarial sciences degree is one of the most valuable degrees an individual can get in a university career. The skill set obtained will provide you with endless opportunities, whether you chose to stick to the path and become an FSA, or choose to combine and diversify your skills for other areas of the corporate world. Either way, you should feel good about challenging yourself and opening the doors that will lead to a very lucrative future.

Reid Baker
Actuarial Programs Around the World

Katie Yew – 4th Year Actuarial Science, University of Alberta

While traveling this summer, I became curious about the actuarial programs at international universities. It was not possible for me to visit any schools, but I realized there was another way for me to gather information. I sent out a message and ten questions of interest to several international universities and was overwhelmed by the immediate and very detailed responses. Thank you very much to Tim Tin-fan Wong from London School of Economics (LSE), Syed Ahsan Abbas Zaidi from University of Karachi (U of K), Jason Samara from University of Cape Town (UCT), Ibrahim Said from Cairo University (CU), and Albert Suryadi from University of New South Wales (UNSW) in Sydney, Australia. Here are the highlights of my survey.

What faculty is your program under?

At CU, UCT, and UNSW, actuarial programs fall under their commerce faculties, while the LSE and U of K programs are in the Department of Statistics.

What year of university do you enter the program?

For LSE, U of K, and UCT, the actuarial science program starts in the first year. Cairo University requires students to pass math and English exams to qualify for the program after the first year. UNSW students enter actuarial science in the second semester of first year, after taking a specially tailored preparatory math course in first semester.

Is entrance very competitive? Is there a minimum GPA or average to stay in the program?

Entrance to London School of Economics is extremely competitive, with nearly 600 applications in 2006 for only 65 spots. UCT requires the equivalent of about 90% on matriculation scores, up from 84% five years ago. The program at Karachi is still in its early stages and relatively unknown, so admission is less competitive.

With the exception of UNSW, most schools require students just to pass regular classes to stay in the program. At UNSW, in order to gain exemptions (similar to VEE) from the Institute of Actuaries of Australia, credit average needs to be maintained throughout the program.

How long is the program?

Programs for all schools last three or four years. University of Cape Town offers four courses of varying length. The Bachelor of Business Science (Actuarial) is a four-year program focusing on producing qualified actuaries. There is also a three-year Bachelor of Science (Actuarial) degree, graduates of which may take a one-year BSc Honours (Actuarial)
afterwards. Finally, UCT offers a four-year Bachelor of Business Science (Quantitative Finance), which focuses more on finance and risk management than on life insurance and pensions.

Typical UNSW programs last three years, but students tend to pursue a four-year combined BCom and BSc degree in Actuarial Studies and Mathematics. Adding the extra year provides the opportunity to complete an additional exemption.

Is there a co-op or work experience element to the degree?

LSE, UCT, and CU do not have such programs, although Cairo University is planning to include one soon. At the University of Karachi, work experience is very much encouraged, although not part of the program. In the fourth year of school, students have to write a technical report while working under a supervisor.

UNSW has a highly competitive co-op scholarship program, which annually awards 15-20 students $15,000 and about 15 months worth of experience at Australia’s leading actuarial firms. For students that are not on co-op scholarships, big companies like PricewaterhouseCoopers Actuarial, Ernst & Young Actuarial Services, and Tillinghast Towers Perrin often offer students 10-week internship programs during the summer break.

Is there an actuarial students’ group?

London School of Economics has an Actuarial Society, Cairo University has an informal group formed by graduates, and University of Karachi supports a seminar organizing society and a magazine society. The Actuarial Society of UNSW is one of the most highly regarded in Australia, providing a wide range of sporting, social, academic, and career events.

Is your program considered very challenging by other departments?

At Cairo University, the actuarial program is said to be impossible! Programs at most schools are thought to be the toughest at the university, or even in the country. UNSW’s actuarial program has an attrition rate of 40%.

Approximately how many students are in your program?

UCT’s numbers have ranged from 80-200 students in total. UNSW has approximately 500 undergraduate and postgraduate students. Cairo University and U of K programs have around 15 and 40 students per year, respectively.

One of my respondents, Ahsan, added that there are some difficulties inherent in the small, new program at University of Karachi. Without a permanent actuarial professor on staff, visiting faculty members who are actuaries play a very major role.
in their program. The actuarial community in Karachi is very limited, so unavailability of an actuary could really hamper the program. Fortunately, they have not had a problem yet, but it is a definite worry.

**Are you required to pass any exams (i.e. SOA) to graduate?**

None of the schools require students to pass any board exams to graduate, though many offer exemptions from different actuarial societies. Cairo University provides a certificate of exemptions from the Institute of Actuaries in London in eight of the core technical subjects set by the British Actuarial Profession. As mentioned earlier, UNSW also offers exemptions.

At the University of Cape Town, students may also receive exemptions. Because many students find their school courses much harder than the Institute/Faculty of Actuaries exams, they write the society exams to obtain credit for the course instead of acquiring an exemption. Exemptions are granted by obtaining a grade in the relevant UCT subject exam that is above the pass mark set by the Institute or Faculty of Actuaries. Since 1993, the pass mark has been 60%.

**Have past graduates found it easy to acquire an actuarial position?**

LSE and CU graduates have easily found actuarial positions. In Karachi, students who have at least one SOA or other exam are in demand in the actuarial market. Those who find actuarial exams too hard tend to move towards risk management.

Many students at UCT are struggling to find jobs. The demand for qualified actuaries is very high, but there are not enough positions for actuarial graduates with no related job experience.

Students at UNSW who received a co-op scholarship have an edge at being hired, but other grads have found it challenging to gain an actuarial position. Many have ventured into non-actuarial fields, where their actuarial degrees are very highly regarded.

Katie Yew
What is an Actuary?

Brock Leeder – 4th Year Actuarial Science, University of Alberta

Faculty and students at the University of Alberta were asked what they thought an actuary was. Here are their replies.

Science II: “Does it have to do with water, like a stream?”

Business II: “A lawyer that determines the value of something.”

Zoology IV: “No idea … I guess it has to do with graphs and math, all of which I hate.”

Engineering IV: “They act as an intermediary between two parties.”

Finance Professor: “I will have to get back to you next week in order to gather my thoughts.”

One week later: “I’m so sorry. I’ll have to get back to you next week. I don’t have an answer at this time.”

Two weeks later: “I’m sorry, at this time, I do not have an opinion on what an actuary is.”

Arts I: “Some place where religious people meet to like pray and stuff.”

Business IV: “For pensions … the guy who adjusts the value for them.”

Science I: “Is it like a fancy word for part of one of those Shakespeare plays? Like Hamlet or something.”

Actuarial Science III: “They measure risk?”

Librarian: “I believe they have to do with the physicists. Or they work with physics. Don’t quote me on that, however.”

Medical II: “I don’t know? … And I don’t need to know!”

Kinesiology IV: “I’m pretty certain they work with government somehow. Like writing up policies for political parties to implement.”

Arts VI: “They are like everybody else … living, but are they alive? They are like me and you and …”

Computing Science III: “An actuary, (nods head for a moment) … they are probably very good at chess.”

Statistics Professor: “Yes, of course! Actuaries are those poor souls who have to write those horrible exams. I tried to write their Time Series exam back in my undergrad. Very difficult. Don’t recommend that you try to write one, unless you like challenges.”

Arts I: The science of every day life?
Actuarial Nursery Rhymes

Adam Reid – 4th Year Actuarial Science, University of Alberta

Jack Sprat could eat no fat
his wife was far from thin
and so there was no common shock
from gluttony or famine

Old Mother Hubbard went to the cupboard
to get her poor dog a bone
he wouldn't have been poor, if he had before
reinvested his low interest loan

Little Jack Horner sat in the corner
giving life tables a try
he plugged in the num's, and pulled out the sums
and said "by w we all die"

There was an old woman who lived in a shoe
her insurance was currently under review
her kids were filed under family
but was her home: house or property?

Jack and Jill went up the hill
in a drunken/northern state
to his alarm Jack broke his arm
the pain did not abate
so jack, indeed, went home to read his HMO to the letter
reluctably, deductably
breaking both would have been better

Georgie Porgie pudding and pie
kissed the girls and made them cry
I guess they did not quite assess his actuarial prowess

Adam Reid
Actuarial Jokes -
Excerpts from a book of actuarial jokes written and published by Michel Tardif, FSA FCIA, available at micheltardif1@videotron.ca

An actuary is someone who will spend 3 months deriving graduated rates of mortality to 5 decimal places but will take only 30 seconds to decide that the proper rate of interest to use is 5%.

A life insurance company is like a car driven by four people:
1. The Vice-President Sales and Marketing depresses the accelerator;
2. The Vice-President Finance depresses the brakes;
3. The Chief Executive Officer (CEO) holds the steering wheel.
All 3 above are seated in the front.
The Actuary sits in the back seat, looking backward and tells the CEO where to go!

Actuaries are flexible: they are either right or can prove they are.

All actuaries wanted to be auditors, but could not stand the excitement.

How much is 2 plus 2?
Accountant: “4”
Engineer with his calculator: “I agree, to 8 decimal places”
Economist: “Between 3 and 5”
Actuary: “About 4”
Lawyer: “How much would you like it to be?”
(Postscript: A trader overhearing the question asked: “Are you a buyer or a seller?”)