



2013

Year in Review



**Actuaries
Institute**



**It's an extraordinary and exciting
time to be an actuary...**

Introduction

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No better time, no greater challenge?

There is no time like the present to be an actuary. In a world of climate change and globally interdependent financial markets; when money leaps across the earth in microseconds, there has been no moment when our overriding skill – to assess uncertain future outcomes – is more important.

It's a fantastic time to be an actuary because life expectancies are rising around the world and excellent retirement income policy is more relevant, to more people, than ever before.

It's a challenging and exciting time to be an actuary because health care costs are a crucial issue for patients and practitioners (and Prime Ministers and Presidents too). Actuarial skills are pivotal to answering the big healthcare questions – what to spend, where to spend it? In short – how many lives can we save, or extend, or improve – with this one dollar?

It's an extraordinary and exciting time to be an actuary because the world of big data is here and everything actuaries have learnt about mastering information, interrogating data and applying its lessons has become more uniquely valuable.

Yet while these times surely suit actuaries, we need to ensure that actuaries suit their times.

That's why the profession is evolving and must continue to do so. It's why we learn – and teach – soft skills as well as problem solving. It's why we're more prepared to contribute to public policy – to put forward our ideas, test them and defend them. It's why for the first time, we must start telling our story to the world rather than waiting for it to knock on our door.

And that's what the profession, guided by the Institute, will be doing in 2014.



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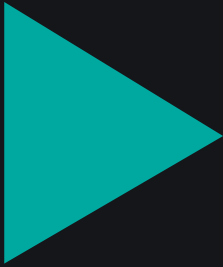
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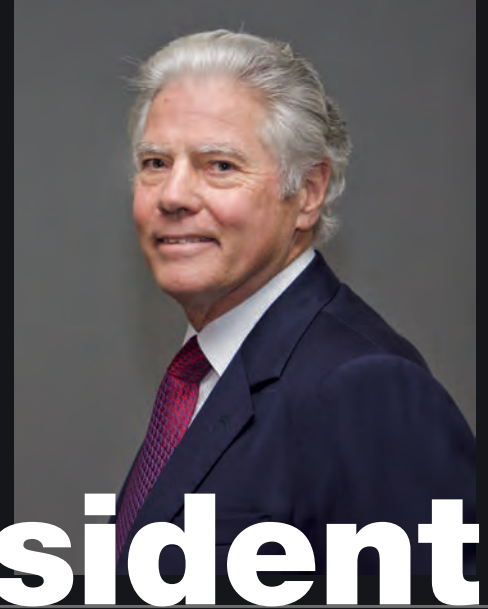
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**Our reputation is a
rich inheritance.**



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From the President

John Newman

Our profession has an enviable reputation for intellectual depth, for technical expertise, and for integrity. That reputation is a rich inheritance, and each of us enjoys the benefits of that heritage when we become actuaries.

One of the great pleasures of my year as President has been dealing with the many actuaries who strive to not only safeguard this heritage, but to enrich it. They do so through their day-to-day personal professional conduct, and through their contributions to the profession in volunteer roles.

However we cannot allow stewardship of that heritage to blind us to the challenges of the future. We have been very conscious of that risk for some years, and I am pleased to say that this year the Institute made significant progress with a number of bold but carefully considered steps to ensure that doesn't happen.

Early in 2013 we recognised two overwhelming imperatives:

- ▶ to ensure our education and training gives actuaries the knowledge and skills to allow them to maximise their contribution in future through mastery of data, analytic skills, insights into risk, and problem solving capability; and
- ▶ to enhance and strengthen the actuarial brand so that we are sought after both in our traditional fields and in broader business and social policy contexts.

In 2013 the Education Strategy Working Group has been developing a vision of the education of the actuary of the future. This is a long-term project that is vital to the future of the profession. The crucial work of envisaging what that education future

should be is already well-advanced. Throughout the year we consulted widely and extensively about how to position and promote the profession. The results of this process will be seen in early 2014 in an advertising campaign about what Actuaries have to offer. I believe this campaign will make a real difference to how our profession is perceived and the opportunities actuaries will enjoy in the future.

These were not the year's only achievements. We took further steps to weave our Institute into the global web of the actuarial profession. We strengthened our ties with the International Actuarial Association, forged stronger links with our counterparts in South Africa and further deepened our links with and service to actuaries in Asia. The Business Delivery and HQ sections of this review reveals the many other things we achieved for members and the profession.

Australia also received very pleasing recognition in December when the Executive of the International Actuarial Association chose to recommend Sydney, from a competitive field of potential host cities, to hold the 2022 International Congress of Actuaries (ICA). The last time the Congress was held in Australia was in 1984. ICA2022 will be a great showcase for the Australian profession, and a chance for many of our members to meet and get to know many of the world's best and brightest actuaries.

I would like to close by thanking my fellow Councillors, and all those who have done volunteer work for the Institute during the year, for their efforts and support. It has been a privilege to be President of the Institute.

John Newman
President (2013)

From the **CEO** Melinda Howes



The Evolving Profession

As I write this I am nearing the end of my time as CEO of the Actuaries Institute. The Institute and the profession have been on a massive change program in recent years – one that was underway before I joined and that gained momentum during my time.

For a number of years the profession has recognised that actuaries are not well enough known, and that where we are known our skills are not fully understood, or are undervalued. We also know that when actuaries venture into wider fields or work overseas, they often feel disconnected from the Australian profession. Many resign their membership. These two issues have been recurring themes in Presidential Addresses (and videos) over the past decade.

In the past four years the profession has put a lot of time and effort into clarifying these issues, building the appropriate strategy and then implementing measures to address them. I'd like to focus on what's been done in 2013.

Promoting the profession in a competitive market

After broad consultation with Members we gained agreement from Council to advertise our profession for the first time. It will be a "business to business" campaign targeting key decision-makers in large organisations both within and beyond financial services.

The campaign will be a series of case studies demonstrating that actuaries are valuable advisers to a whole range of

businesses – not just those in traditionally strong areas such as insurance and superannuation. The aim is to make business leaders, HR managers and recruiters aware of the breadth of work actuaries do and our ability to add value wherever there is uncertainty of future financial outcomes.

Most of the work for the campaign is complete and we will aim to kick-off the campaign in the first quarter of 2014.

This campaign means the profession needs to change from being diffident about our abilities to recognising the value of talking ourselves up (at least a little). Other professions (notably accountants) have been doing this for a long time, so I don't think this is an unprofessional approach. It is simply moving with the times in a competitive market.

Actuaries are increasingly working in roles where we do not have a legislated mandate and aren't the only ones who can do the work. More and more actuaries are operating in the open market, competing with other professionals for roles, promotions and clients. To respond to this trend we need to better market our abilities. The harsh reality of today's job market is that it's not enough to be a hard worker with good technical abilities. There are tons of those people, from a range of professions. It's important that actuaries actively manage their careers and can grasp advancement opportunities when they arise. Part of this is being able to tell people why we are so wonderful – why they should hire us, promote us or give us their consulting work.



The Institute and the profession have been on a massive change program in recent years.

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The Institute has worked on helping individual actuaries acquire the skills and confidence to market themselves more effectively. The Leadership and Career Development Committee have done a fair bit of work on this, and for the past three years we have been running training sessions throughout Australia and South East Asia (the CPD Tour) focused on areas like soft skills, influencing and personal courage.

Another part of our response is to recognise that the actuary of tomorrow may need new skills. In 2013 Council started a project to overhaul our education system to train young people with the skills the actuary of tomorrow will need.

Services for all Members

It's important that as the profession evolves, the Institute can continue to provide services that are relevant to a broad range of Members. As outlined in the Business Delivery and HQ sections of this document, in 2013 we again increased the range of services we offer to Members with no increase in membership fees and we also significantly reduced student exemption fees.

A future of change

Our profession is evolving in response to a changing world. We need to recognise the need for evolution in our profession, and in our own skill sets.

Council and the HQ team have powerful strategies in place to keep the profession

on a solid footing in this changing world. If Members embrace the opportunity for change, our profession and our Institute will remain proud, vibrant and relevant for many years to come.

Melinda Howes
CEO (2013)



Business Delivery in 2013

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Business Plan – Projects Report

Key Projects

Project 01: Member Attraction

Complete – all initiatives have been rolled out.

Project 02: Member Retention

Complete – all initiatives have been rolled out.

Project 03: Expand Scale of Operations

Ongoing – although no party is interested in proceeding at present, this initiative remains active and continues into 2014.

Project 04A: Get to Know Members and Engage Members

Ongoing – increased scope for Project 04B with respect to much greater member consultation around the reputation of the profession has used all of the resources planned to be used on this project during quarters two and three. Project has been moved to business as usual in 2014.

Project 04B: Generating Pride in the Profession

Ongoing – campaign to promote the profession approved. Rollout in first quarter of 2014.

Project 05: Employers as Clients

Ongoing – due to the rollout of the external campaign moving to the first quarter of 2014, this project has been moved to business as usual in 2014.

Project 06: Map How to Align Part III with Capabilities

Complete – mapping has been completed for all Part III subjects. Report submitted to Education Council Committee and project members for review.

Project 07: Map How to Align Parts I and II with Capabilities

Complete – report submitted to Education Council Committee and project members for review.

Project 08: New Part III Assessments Project

Ongoing – pools of questions for Life Insurance are 100% complete, Investment Management and Finance 80% (on track) and General Insurance 60% (behind schedule). New writers have been recruited to assist with the completion of question pools. GI question pool size may be reduced to 80% of original scope. GI and IM&F are expected to continue into early 2014.

Project 09: Re-Vamp GRIS

Complete – GRIS 6B developed for delivery in Semester 2 2013.

Project 10: Projects Arising from Education Strategy Working Group

Complete – paper submitted to Council.



Striving for continuous improvement in services to members.

Phase 2 of 2012 Projects

Project 4.1: Web Enhancement and Content Re-Write

Complete – major upgrade to website launched in October 2013.

Project 4.7: Develop Disaster Recovery and Business Continuity Plans

Complete – disaster recovery and business continuity plans finalised.

Other Projects in 2013

Governance and CPD

Board Portal Implementation and Training

Complete

Growing Professionalism IP Base

Complete

Online Professionalism CPD

Complete

AfterBlogs

Ongoing – pilot blog trialled in November 2013, implementation in 2014.

CPD Handbook Phase II Launch

Ongoing – will be launched in 2014.

Member Services

Database Improvements

Complete

Introduce e-Forms

Complete

Automated Database Reports

Complete

Remove Duplicate Company Records from Database

Complete

Marketing and Communications

e-Publications

Complete – will be launched in 2014.

Events

Bid to host 2022 International Congress of Actuaries in Sydney

Complete – The Executive of the International Actuarial Association chose to recommend Sydney.

Education

Educating the Actuaries of the future

Gae Robinson / Estelle Pearson, Convenors

The Education Council Committee (ECC) is responsible for the Institute's professional education program – pre and post qualification. This includes the exams (the Institute's biggest regular project!), the Professionalism Course and university accreditation.

2013 – Many things achieved

This year the Education Strategy Working Group (ESWG) worked alongside the ECC in developing its vision of the 'Actuary of the Future'. The group made high level recommendations to Council about directions for the future education pathway which will support this vision.

- ▶ More business focus, more flexibility.
- ▶ A focus on developing more rounded actuaries.
- ▶ Attracting high quality entrants with a broad range of strengths.

By the end of 2013 the new Part III assessment approach had been successfully rolled out for most Part III subjects. Each subject now has a one-hour

multiple choice exam and a three-hour 'real life' long answer paper using spreadsheets and documents.

2014 – Much more to do

The ESWG recommendations will be developed further during 2014 and a specially constituted group will develop implementation plans.

During 2014 the ECC will also review the new Part III assessments and look for ways to improve the process for all stakeholders. Our plans for 2014 also include:

- ▶ Rolling out the new Part III assessment approach across the remaining subjects.
- ▶ Reviewing the Professionalism Course and the university accreditation process.
- ▶ Reviewing the Institute's Actuarial Capabilities Framework and its use as a tool in developing the education pathway.
- ▶ Exploring the benefits of remote delivery options for the Commercial Actuarial Practice course and ERM Workshop.

International

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The global actuarial community

Martin Stevenson, Convenor

The Institute's international activities are designed to:

- ▶ better prepare and support Members who work internationally;
- ▶ improve Members' access to overseas markets; and
- ▶ leverage international relationships to benefit the profession in Australia and worldwide.

Global Insurance Capital Standards

The International Association of Insurance Supervisors (IAIS) is seeking to implement global insurance capital standards by 2019. The IAIS seeks actuarial input in this process and the Australian profession is expected to be a major contributor. This is one of the most significant challenges facing the global profession and our input will be one of the most important aspects of Australia's international activities in 2014.

Fred Rowley President-elect of the International Actuarial Association (IAA)

Fred Rowley was named President-elect of the IAA in October 2013. His election is a tribute both to him and the Australian profession. Fred officially takes on the role in 2014 and becomes President of the IAA in 2015.

Global actuarial standards

The IAA has recently introduced International Standards of Actuarial Practice (ISAPs). Two Standards have been completed: ISAP1 which sets out the general framework for the Standards and ISAP2 which relates to Social Security. ISAP3 relates to the international accounting standard IAS 19 (or AASB 119, being the local version). ISAP3 is currently being reviewed by associations around the world. Adoption of ISAPs is not compulsory for local associations; however it is expected that they will take them into account when developing or amending their own standards. The subject of the next two ISAPs is the IASB insurance accounting standard and Enterprise Risk Management. Clearly, the global insurance capital standards will be the subject of an ISAP in due course.

South Africa

Australia and South Africa share a Commonwealth heritage (plus cricket, rugby and good wine)! Their actuarial professions also have much in common - both are now setting their own exams and both have ventured into the wider actuarial fields. This commonality leads to synergies and the two associations are working together on educational endeavours in health, banking and global retirement income streams. This is likely to lead to enriched professional offerings and cost savings.

More interaction between the IAA and the Actuaries Institute

There are many Committees in the IAA and in the Actuaries Institute that cover the same areas: for example education, professional standards, superannuation and life insurance. In 2014, there will be a focus on deepening the relationships between the corresponding Committees, so that the knowledge base of both can be enhanced. In particular, Australia can expect to be heavily involved in an IAA Working Group that is revisiting the education syllabus.

Asian Strategy

A quarter of Actuaries Institute Members now work overseas and the majority of these are in Asia. During 2013 there were visits in the Asian region by the President and other senior actuaries, there was continued sharing of education and training activities and Australia was a major participant at the East Asia Actuarial Conference. In 2014 our Asian strategy will be reviewed, with a particular emphasis on regional CPD.

Leadership and Career Development

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Leading on leadership

Jenny Lyon, Convenor

The Leadership and Career Development Committee works across all aspects of the profession with the objective of enhancing Members' leadership capability and their contribution to business, the profession and the broader community.

Increasing skills

In 2013 the committee focused on increasing actuaries' skills in:

- ▶ thought leadership;
- ▶ people leadership;
- ▶ strategic leadership; and
- ▶ self-leadership.

This development work included forums on various aspects of leadership with speakers drawn from within the profession and from the broader community. We ensured all Institute major events had a strong leadership component, supported the CPD Tour and its focus on 'Courage' and contributed a monthly leadership column to *Actuaries* magazine.

Promotion of the profession

In 2013 the committee supported the Institute's focus on developing the profession and enhancing brand 'actuary'. Part of this effort involved supporting the development of the new website which provides a key interface between Members and other stakeholders. In 2014 we will be providing further input to the website.

We are also seeking to expand our links with external bodies who operate in related industries and with whom we share Members.

Mentoring Program

The Mentoring Program was one of our key 2013 initiatives. The program was strongly supported by Members with many more people volunteering to act as a mentor or a mentee than we anticipated. The program aimed to help individuals take responsibility for their mentor relationship – both in terms of defining their objectives and organising and managing the process. This highlighted the self-leadership skills needed to connect with the right mentor and to ensure there was real commitment to the process. Mentors were given training and guidance and we are seeking further feedback to enable us to continue developing the program in 2014.

2014 – driving development for all actuaries

In 2014 the committee will respond to the concern expressed by some Members that our work was only relevant to those in senior leadership positions. In reality our focus is very much on developing leadership skills for actuaries at every stage of their career and in both formal and informal leadership positions.

Supporting diversity

The Membership of the Actuaries Institute has become increasingly diverse, with around 25% of Members now based overseas. In 2014 the committee will be celebrating and promoting this diversity as we help Members use their full range of skills and abilities to grow professionally. We will be aiming to connect more effectively with Members outside Sydney and Melbourne and with those who have moved away from more traditional roles but whose actuarial training has formed a key part of the way they work and think.

Public Policy

Being heard on critical issues

Elayne Grace, Deputy CEO

In 2013 the Institute expanded its public policy contribution. In the past year the Actuaries Institute wrote 33 submissions, many in direct response to proposed changes and discussion papers released by APRA, ASIC, PHIAC and Federal Treasury. The topics ranged from new International Accounting Standards to Health Capital Standards and also dealt with cross practice issues such as APRA's discussion paper on harmonised risk management requirements.

During 2013 there was ongoing political and media focus on our 2012 White Paper: *Australia's Longevity Tsunami – What should we do?* It helped ensure the Institute and its Members were again sought after commentators in our relevant areas of expertise – especially superannuation, risk management and longevity/ageing population.

The superannuation industry has seen significant reform in recent years and the Institute, understandably, has much to say on this issue. President John Newman and SPC Convenor, Andrew Boal met with Assistant Treasurer Arthur Sinodinos on 6 December. They discussed a number of our concerns on superannuation policy as well as the broad longevity themes raised in our 2012 White Paper.

Events and Public Policy

The Institute's three major events - the Actuaries Summit, Risk and Regulation Seminar and the Injury Schemes Seminar – all touched on public policy issues. The Institute was also represented on a number

of roundtables set up by government, including the insurance reform advisory group, the superannuation strategy group and the human rights anti-discrimination steering group.

In 2013, the Institute wrote to Federal Treasury highlighting our view on key areas of the 2013-2014 Budget. The Institute was then invited to attend the Budget lock-up, receiving a copy of the Budget a few hours before its official release. This enabled us to quickly assess the changes of most interest to actuaries and issue a note to Members and a media release as the Treasurer was completing his Budget speech.

The Institute believes it is important its voice is heard on relevant issues where we have expertise and interest. In 2013, we generated around 111 mentions in the press (including 34 media interviews).

So what's in store for 2014?

With healthcare expenditure at over 9% of GDP – and set to increase as the population ages – the Institute is looking to produce a White Paper on healthcare and healthcare funding issues. We believe actuaries have a worthwhile contribution to make in this difficult policy area.

As always, the Institute will respond to the changes proposed by Government and regulatory bodies. We have important things to say on many of the critical issues which Australian governments are now considering, not least the recently announced Financial System Inquiry.

Research

Building knowledge

John Evans, Convenor

Without research, the actuarial profession risks stagnation, exposing the profession to risks and missed opportunities. The actuarial profession must be dynamic and research is crucial to its continual development.

Actuarial research in Australia includes research through member-led working parties in various practice areas as well as that undertaken by universities, insurance companies and consultancies.

The Research Council Committee (RCC) is responsible to Council for coordinating the working parties and for encouraging external research that advances the profession.

The RCC fulfils its objectives by:

- ▶ Providing financial support for research through Actuarial Research Grants.
- ▶ Recognising outstanding actuarial research through Research Awards and Prizes.
- ▶ Promoting the sharing of knowledge and research through facilitation of research roundtable discussions and forums.
- ▶ Aligning current and future actuarial research with the needs of the profession and global economic trends via consultation with the Actuaries Institute's Practice Committees.

Research Grants

Research grants are the Institute's primary means of financially supporting actuarial research.

The actuarial research grants program was reviewed in 2013 and there will be some significant changes in the 2014 grants program. These changes are designed to ensure that research undertaken is relevant, contributes to the profession and is results driven.

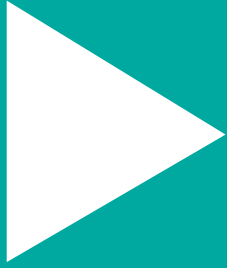
PhD Scholarships

The Institute awarded two A H Pollard PhD Scholarships for the 2013 year. Each recipient receives \$8,000 towards their PhD studies in the field of Actuarial Science. (Full details on page 22).

Australian Journal of Actuarial Practice

Volume 1 of the *Australian Journal of Actuarial Practice* (AJAP) will be published in the first quarter of 2014. The Editorial Committee is particularly pleased with the response from younger Members to requests for papers.

The AJAP replaced the *Australian Actuarial Journal*. It is intended that Volumes 2 and 3 will also be published by the end of 2014. The AJAP will be published electronically with hard copies available on request.

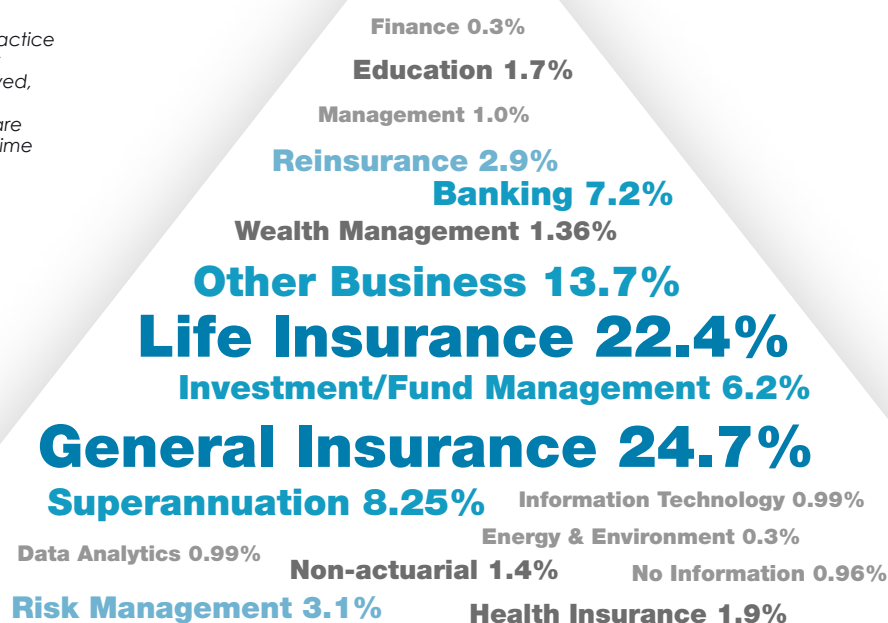


The profession is evolving and we must start telling our story to the world rather than waiting for it to knock on our door.

Member Statistics + Demographics

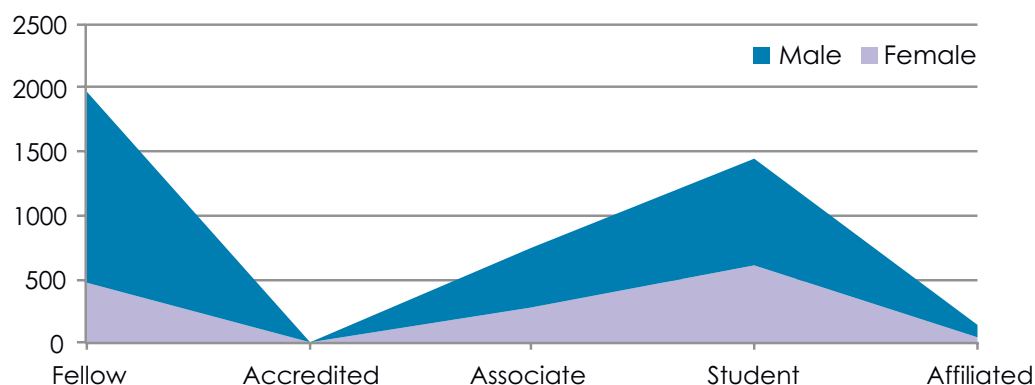
Membership by Practice Area

Since 2013, the primary practice area is only calculated for members who are employed, not working or studying part-time. Members who are retired or engaged in full-time study are excluded.

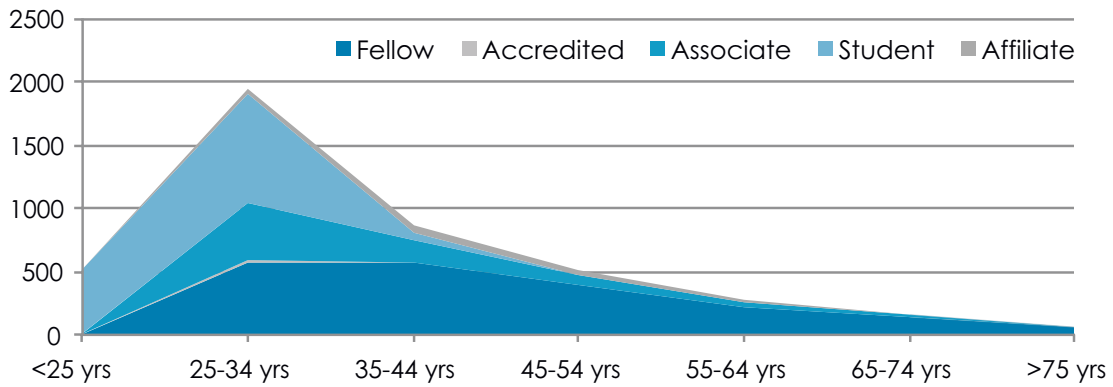


Membership Statistics

Membership by Gender



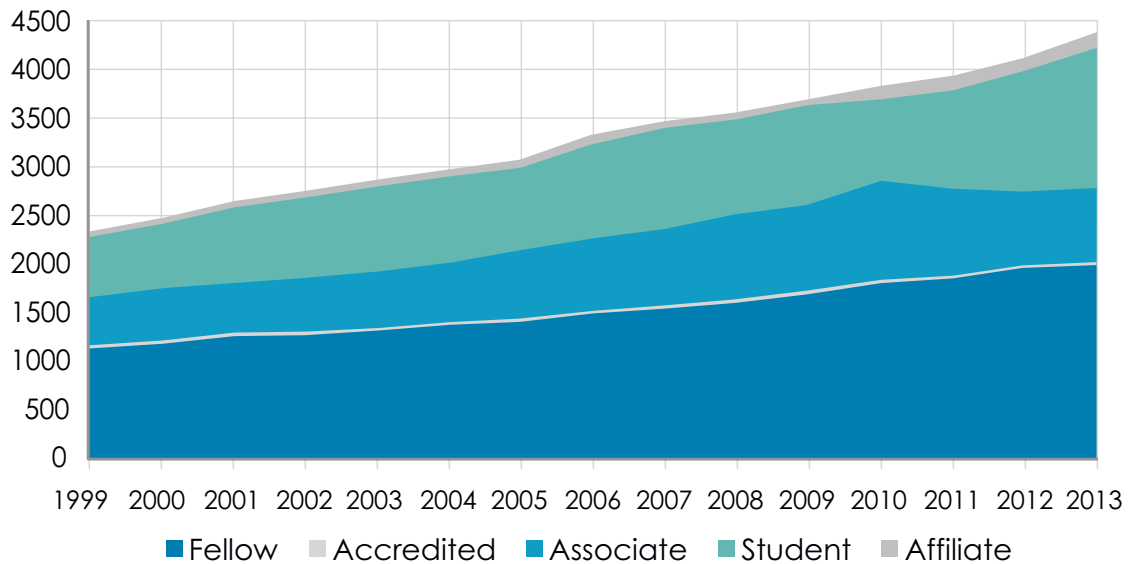
Membership by Age



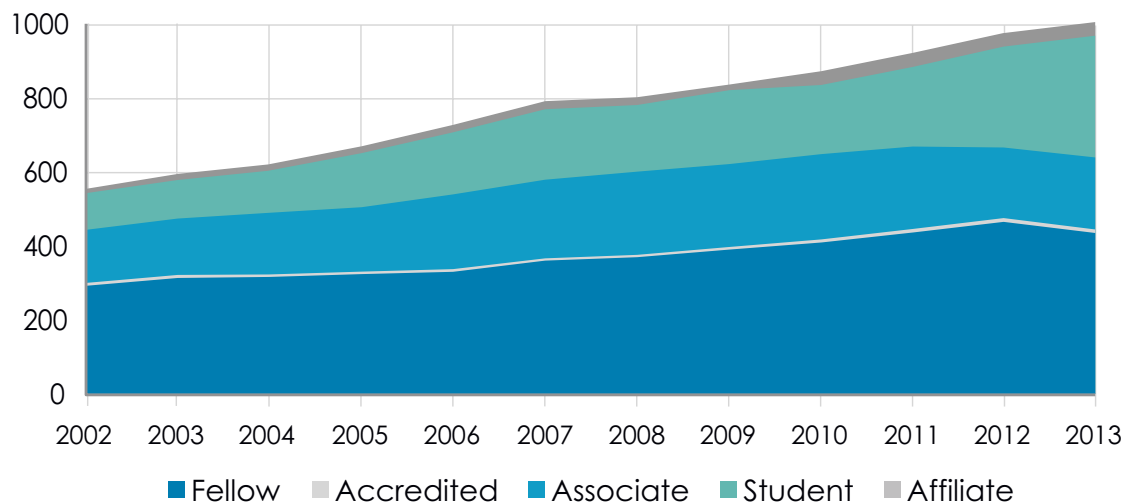
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Annual Growth in Membership

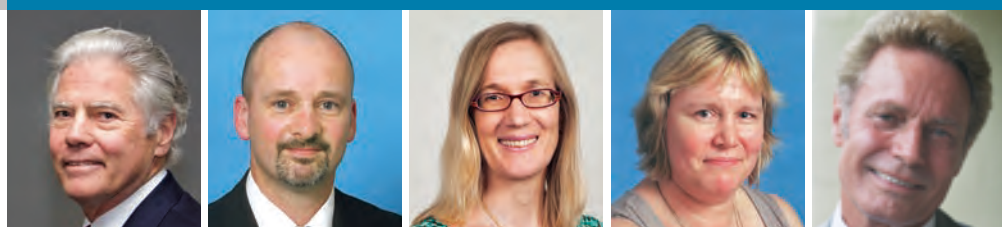
Membership by Member Category



Membership Based Overseas



Your Council in 2013



John Newman
President

Daniel Smith
Senior Vice
President

Estelle Pearson
Vice President

Caroline Bayliss

Peter Carroll

Extraordinary General Meeting

In October 2013, following a requisition by 22 members, an Extraordinary General Meeting (EGM) was held to consider proposals relating to Constitutional changes around the Institute's Presidential system, as well as Council-related and other matters. The EGM was the first time that a general meeting of the Institute had been held simultaneously in two locations – Sydney and Melbourne – as well as a video recording of the proceedings made available on the Institute's website after the event for members to view. In addition, an online discussion forum allowed members to share their views on the proposals prior to the meeting.

Not only were attendance levels in person at the meeting very high – approximately 80 members in Sydney

and 25 members in Melbourne – a record number of proxy votes (270) were received.

Both special resolutions proposed by the requisitionists (dealing with the Institute's Presidential system, as well as the election of Councillors, their term of office and eligibility to continue in office) were lost.

Council had also proposed three procedural changes to the Constitution – allowing communications to Council to be in electronic form as well as hard copy, reducing the minimum period of notice required for Council meetings from eight days to 48 hours and allowing proxies to count for the purposes of quorums for general meetings. Only the first change proposed by Council was passed.

Among those who spoke at the EGM on the arrangements for election of the President and Vice Presidents, there was clear support for the current system. However, the meeting also expressed support for a review of aspects of the Constitution, particularly to ensure regular turnover of a number of Council members at each annual election.

Following the EGM, Council resolved to form a taskforce to consult broadly with members regarding possible changes to the Constitution. It is anticipated that any specific proposals for change will be put to a vote of relevant members in the latter part of 2014.



Committed to leadership.



Jules Gribble

Andrew Huszczo

Michael O'Neill

Lisa Simpson

Lindsay Smartt

Stephen Woods

Gloria Yu

Disciplinary Scheme report

Under Rule 9.5 of the Disciplinary Scheme, Council is required to report annually to members in relation to the activities of the Professional Conduct Committee and any proceedings before any Tribunal or Appeal Board during the year. Accordingly, the following information is provided for the information of members.

Since the report provided to members in the 2012 Year in Review (from which there were no outstanding complaints):

- ▶ a notification was received from a member that they had been declared 'insolvent under administration' as defined in the Corporations Act 2001 (Cth), such an event being prima facie evidence of Actionable Conduct. The matter was

investigated by an Investigating Sub Committee which determined that the member concerned had not engaged in Actionable Conduct. This determination was confirmed by the Convenor of the Tribunal Panel; and

- ▶ three separate complaints were lodged against one member. All three complaints are currently under investigation by an Investigating Sub Committee at the time of writing.

Member Milestones

New Fellows – 2013

Australia

Ryan ANDERSON
Ricky Tai-Yan AU
David Dawei BAO
Benjamin Richard BARRETT
Eve CAI
Brian Lok Him CHAN
Jack Chi Hang CHAU
Kuan Kiat CHEAH
Vivian Hui CHEN
Kuok-Hong CHEONG
Jonathan Asher COHEN
Richard Francis COONEY
Angela COULSON
Matthew CRANE
Alan DAM
Sharon Domnica D'COSTA
Rohan DIXIT
André DREYER
Becca Wing Ka DUANE
Stephen James EDWARDS

Kimberly FRASER
Jennie Jiayi FU
Laura GREGG
Elizabeth Bai GUO
Daniel Jay HAM
Wen Fei HE
Adrian Zhi Zheng HO
Umashankar JEGASOTHY
Zilinka JIANG
Gary Eng Haw KUEK
Nora Kwok Wai LAM
Stephen Chi Kwan LAU
Mei Hui LEE
Xiaocong LI
Michael Siew Kuen LIP
Christopher Lyon LOGAN
Kostia LUBARSKY
Andrew MACKESSACK
Cosimo MAIOLO
Glen MAISEY

Nicole Genevieve MARSHALL
Douglas MCBIRNIE
Hugh Richard MILLER
Wai Mun NG
Sean Patrick O'MARA
Ian PERERA
Minh PHAN
Simone Clare PIECHOWSKI
Justin Raymond PORTELLI
Kamal Navtej PUN
Chao QIAO
Nabet SEDGHI
Rajeet SEN
Krishaanth SHANTHIKUMAR
Jonathan SHEN
Junxia SU
Shu SU
Revsion Wai Sun TAM
Jia Yi TAN
Mitchell John TAYLOR

Victoria TIDMAS
Chatapiwa TIYAGO
Tru TRIEU
Samuel John UNDERHILL
Jeronimus VAN KOERT
John WALTERS
Mike WANG
Yinjie WANG
Natalie Georgina WARREN
Robert James WARREN
Hoi Wai WONG
Kathleen May Luen WONG
Fan YANG
Sui San YEOH
Yen Hong YU
Shu Qi ZHANG
Min Yi ZHOU

Overseas

Jeffrey Donald AZZATO
Tammie CHAN
Keith Yui Kei CHEUNG
Aniket DAS
Christopher Douglas FREEMAN
Monica Pui San HO
Bo JIANG
Pei Chin LIM
Cecil MUNDISUGIH

NEW ZEALAND
UNITED KINGDOM
HONG KONG
UNITED KINGDOM
UNITED KINGDOM
UNITED KINGDOM
UNITED KINGDOM
CHINA
MALAYSIA
INDONESIA

Cheol-Lim PARK
Shamila Cecilia SHEARER
Tony Ting-Tung SIU
Hecy Wei Han SU
Hsiao-Ju SUN
Quanyie TAN

SOUTH KOREA
MALAYSIA
UNITED KINGDOM
UNITED KINGDOM
UNITED KINGDOM
MALAYSIA

Members who achieved the Actuary designation in 2013

James Raymond ARNOTT
David Dawei BAO
Jennifer Louise BONNETT
Aaron Luke BROWN
Cordelia CHEN
Arthur John DANN
Elizabeth DESS
Robert DUNN
Graham EVANS
John Benjamin EVANS
Luke Ryan FIELDS
Adam James FRANKLIN
Ian James FRYER
Chao GAO
Laura-Jane GREGORY
Brian HAU
Yumin HONG
Else JOUBERT
Shahzad S. KARAMALLY
Peter Benjamin KARIATLIS
Brent William KLESURA

Kim Ho Frederick KONG
Iris So-Hyun KWON
Yan LIU
Kwan Emily Ying LO
Dai LU
Helen LU
Jing LUO
Kenneth Angus MACKECHNIE
Abhinav Bakul MEHTA
Jelena MILOVANOVIC
Christopher Ross MORTON
Yan Wing NG
Evelyn Olivia Widodo NJOO
Kimberly Ann NOWACZYK
Yii-May PHANG
Thomas Edmund PRICE
Daniel Adam RADCLIFFE
Yajie REN
James Edward ROSCOE
Meera SARDANA
Juan Francisco SARMIENTO

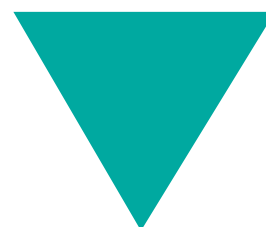
Samantha Lakshana SEBARATNAM
Mikhail STOROZHEV
Anand SUBBARAYAN
Chi Hang SUEN
Fennalia Robert TAN
Evelyn Novel TANUDJAJA
Seah Yuen TEOH
Tracy Beth THOMAS
Heidi TJAHAJADI
Cao Thang TRAN
Nicola Ann Cartner WESTOBY
Catherine Louise WESTON
Andrew Robert WHITE
Claire WHITE
Matthew Shane WOLFF
Tian XIA
Justin Yao XU
Xiao Lei YANG
Eugenia ZASLAVSKI
Huawen ZHOU

21

Members who achieved the CERA designation in 2013

Gayle Maree ADAMS
Ryan ANDERSON
Jeffrey Donald AZZATO
David BAO
Benjamin Richard BARRETT
Mark Harold BAXTER
Aaron Luke BROWN
Eve CAI
Jack Chi Hang CHAU
Vivian Hui CHEN
Kuok-Hong CHEONG
Keith Yui Kei CHEUNG
Kenneth Liu Yi CHUA
Tim CLARK
Joshua Nathan CORRIGAN
John Raymond EVANS
John Benjamin EVANS
Sai Cheong FOONG
Kimberly FRASER
Jennie FU
Timothy James GORST
Charmaine GREEN
Kent GRIFFIN
Adrian Zhi Zheng HO
Matthew Anthony HODSON
Ian Paul HYLAND
Shahzad KARAMALLY
Gary KUEK
Nickolai KULIKOV
Yulia LAI
Stephen Chi Kwan LAU
Ian LAUGHLIN
Jasmine LEE

Gwi Weon Victoria LEE
Xiaocong LI
Susan Sook-Yee LOOI
Kostia LUBARSKY
Wai Mun NG
Kerrie Maree NOONAN
Christopher Donald O'HEHIR
Anagha PASCHE
Ian PERERA
Minh PHAN
Simone Clare PIECHOWSKI
Justin Raymond PORTELLI
Kamal Navtej PUN
Chao QIAO
Somar ROUEL
Frederick ROWLEY
Samantha Lakshana SEBARATNAM
Heena Shashikant SHAH
Jonathan SHEN
Shu SU
Hsiao-Ju SUN
Angela TATAROW
Michael Gerald THORNTON
Chatapiwa TIYAGO
Senthamangalam Ganesan VENKATRAMANI
Yinjie WANG
Andrew Robert WHITE
Andrew WHITE
Joseph Sun Man WONG
Justin Yao XU
Fan YANG
Shu Qi ZHANG
Min Yi ZHOU



**Congratulations to
all our successful
Members in 2013.**

2013 Prizes and Awards

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Recognised Excellence

Research Prizes

Melville Summit Prize

The **Melville Summit Prize** is presented to the author of a paper considered by the judging panel to have:

- (a) effected significant advance in the profession's understanding or knowledge of a specific subject or sphere of knowledge; or
- (b) collected or presented existing material in such a way as to raise the awareness of the profession regarding an important contemporary issue.

The 2013 prize-winning paper was *New Therapies for Advanced Cancers: Can Our Society Afford Them? Is it Ethical to Deny Patients Access to Them?* by **Dr Anthony Lowe** and **Sophie Dyson**.

The paper was presented at the Actuaries Summit 2013 and is viewable online at <http://www.actuaries.asn.au/Library/Events/SUM/2013/Sum2013PaperAnthony%20Lowe.pdf>

The Taylor Fry Injury Schemes Seminar Prize

The Taylor Fry Silver Prize is awarded to the author of a paper considered by the judging panel to have:

- (a) effected significant advance in the profession's understanding or knowledge of a specific subject or sphere of knowledge or;
- (b) collected or presented existing material in such a way as to raise the awareness of the profession regarding an important contemporary issue.

The 2013 prize-winning paper was *Sustainability of Common Law* by **Geoff Atkins**.

The paper was presented at the Injury Schemes Seminar 2013 and is viewable online at <http://actuaries.asn.au/Library/Events/ACS/2013/AtkinsCLSustainPaper.pdf>

PhD Scholarships

The Institute awarded two A H Pollard PhD Scholarships for the 2013 year. Each recipient receives \$8000.00 towards their PhD studies in the field of Actuarial Science. The 2013 A H Pollard Scholarship recipients were:

- **Navin Ranasinghe**
- **Jananie Theiveyanathan** (*Scholarship deferred until 2014*).



Dr Anthony Lowe



Sophie Dyson



Geoff Atkins



Navin
Ranasinghe



Jananie
Theiveyanathan

Formal recognition of quality in endeavour and application.

23

Education Prizes

Andrew Prescott Memorial Prizes

Meritorious Performance 2013 Life Insurance Examinations:
Kirsten Flynn



Meritorious Performance 2013 Investment Management and
Finance Examinations:
Weimin Xie



Meritorious Performance 2013 Global Retirement Income
Systems Examinations:
Evelin Zhang



Meritorious Performance 2013 Commercial Actuarial
Practice Examinations:
Hugh Miller

Best Overall Performance 2013 Fellowship Examinations:
Hugh Miller

Katherine Robertson Memorial Prize

Best Performance 2012 General Insurance Examination:
Hugh Miller



Actuary of the Year 2013

24



Adam Driussi

The 2013 Actuary of the Year is Adam Driussi, Co-Founder and Director of The Quantum Group,

Actuary of the Year is bestowed on an actuary who has brought credit to the profession, and made a key contribution to business, the community, government or the profession.

Adam is a ground-breaking pioneer in creating a new area of practice for actuaries – data analytics – which is expected to be a major employer of actuaries in years to come. An entrepreneur, he co-founded a small consultancy firm 10 years ago that has grown to be one of the largest employers of actuaries in the country.

Through his business, Adam positions actuarial expertise to a new market – his clients go beyond financial services organisations to encompass retail and other industries. These companies now know the value an actuary can add to their business.

Quantum is clear in its marketing to its clients that the point of difference they offer is the actuarial expertise they bring to the table. Their services are positioned as business advice – turning data into business insights. This is very much in line with the way in which Council wants to position the whole actuarial profession and helps to change the pervading view of actuaries by bringing credit to the profession amongst a completely new set of customers.

In his personal capacity, Adam is generous with his time, speaking at conferences for the Actuaries Institute and beyond. He is a strong ambassador for brand 'actuary' in the wider business community. Adam has also been a valuable 'behind the scenes' adviser to staff and volunteers at the Actuaries Institute, in particular in advising how the Institute can further establish actuaries in the data analytics space.

Congratulations Adam!

Reflections

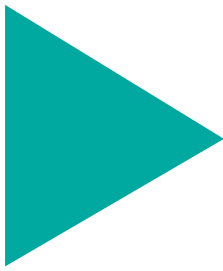
from HQ

25

Advancing and Capitalising

During 2013 the Institute focused on evolving the skills and capabilities of the profession and its Members and by doing so sought to further strengthen the Institute and the profession's brand and reputation.

We asked the people in charge of each business unit to tell us – in their own words – how they advanced these goals in 2013 and how they will help Members capitalise on business and professional opportunities in 2014.



**Enhancing existing strengths;
and building new opportunities
for our members.**

Communications and Marketing

26



Continuing to engage and inform

What changed in 2013?

We delivered a major upgrade to the website with significantly improved functionality that improves the member experience and acts as a vital repository of information. We've also given actuaries a platform to become thought-leaders via social media.

Turning the spotlight on the brand of actuary

In 2013 we spent a lot of time clearing the way for a new advertising campaign to promote the profession in 2014. The most important aspect of any brand campaign – and especially for an organisation like the Institute – is the required internal reflection. We worked hard to help Members get ready for what is a major leap for the profession, and challenged them to think about their future through numerous consultation meetings and discussions.

Lessons learnt in 2013?

It was the year we went looking for feedback. That meant constant consultation with Members because it's their interests we serve. It meant drawing data from surveys, from Google Analytics and many other sources to map and adjust our communication strategy. The more we listen, the more we understand.

Focus for 2014

The advertising campaign is not promotion for the sake of promotion – it is focused on delivering real benefits for Members – on demonstrating the value actuaries bring to business and making sure our target business audiences understand the benefits of hiring an actuary.

Katrina McFadyen

Head of Communications and Marketing



A constant process of upgrades, consultation, feedback and targeted promotions.

Continuing Professional Development

27

Professional currency and competency

Most important lesson from 2013

When designing learning products for Members, it's important to consult widely on learning needs and subject matter expertise and to think carefully about program design. Doing so ensures the benefits accrue to as broad a cross section of Members as possible.

Some key activities for 2014

- ▶ Increasing the recognition of and reward for undertaking more challenging CPD.
- ▶ Creating more transparent alignment of CPD events to the Actuarial Capabilities Framework so that Members can more efficiently identify opportunities to expand their skills sets.
- ▶ Development of a second eLearning course on whistleblowing.
- ▶ Designing and delivering professionalism training in more innovative ways and in-line with the latest educational theory, so that Members can explore new practice opportunities while managing practice-related risks.

Most important objective for 2014

Ensuring that the Institute offers 'life-long learning' in an accessible, innovative way, recognising that each member's needs are different at different stages of their career.

Anne Peters

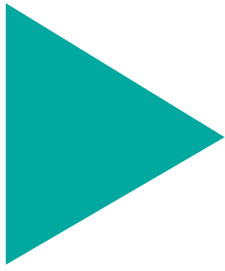
Director – Governance and Regulation
Company Secretary
Disciplinary Scheme Secretary

Sue Wetherbee

Head of Learning Design and Development



Life-long learning in an accessible and innovative way.



Delivering change in a gradual, iterative and monitored form.

Education

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Developing crucial skillsets and knowledge

2013 – Evolving the profession

The new Part III assessment structure (including computer-based exams) was introduced for the General Insurance and Investment Management and Finance courses in 2013. The new structure will be extended to the Global Retirement Income Systems courses in 2014.

Experience has taught us that major changes work best when implemented gradually and iteratively, with careful monitoring of results and with plans modified by what we learn. The new Part III assessment has been rolling out since 2012 and the efficiencies it's delivered has freed up resources for improving the teaching and learning process in the future and enabled a significant reduction in exemption fees.

2014 – Seizing opportunities

The Actuarial Capabilities Framework identifies the skillsets and knowledge that are fundamental to success as an actuary. Since 2012 the Education Team has been working to ensure that both qualifying and continuing education develop these capabilities to ensure Members have the skills needed for success in 2014 and beyond.

The qualifying and continuing education programs have now been mapped to the Actuarial Capabilities Framework and in

2013 the Education Strategy Working Group developed recommendations on how to best educate the actuary of the future. In 2014 the implications of these recommendations will be explored and a reform implementation plan developed.

In 2014 the Education Team will also be exploring more effective alternatives to face-to-face delivery and looking to enhance our service to Members outside of Sydney.

Philip Latham
Head of Education

Events

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Opportunities, programs and networking



2013 – A robust program

In 2013 the events team designed and delivered a broad range of events pitched at Members working in both traditional and non-traditional areas and covering both soft skills and technical skills.

It was also the year we rolled out the Institute's premier event – the Actuaries Summit, attracting a record 557 delegates. In the second half of the year the Events Team also delivered the inaugural Risk and Regulation Seminar and the Injury Schemes Seminar (formerly the Accident Compensation Seminar). The strong speaker program at these events ensured both were a success in terms of numbers of attendees and delegate feedback.

2014 – Opportunities for all

In 2014 the Events Team will be working to ensure that the exciting and rigorous program we have put together reaches Members in all corners of the globe.

For Members unable to attend our events in person we will be offering online access.

Major events include the 2014 Australasia CPD Tour which kicks-off in February, followed by the 2014 Financial Services Forum in May, the inaugural Catastrophe Risk Seminar in June and the General Insurance and ERM Seminars in November.

In addition we will continue to offer a broad range of Insights sessions, leadership forums and networking events.

Emma Simonson
Events Manager



Covering soft and technical skills in traditional and non-traditional areas.

Finance

30

Continuing improvements

2013 – You need to know where you are...

Accurate, detailed and timely reporting is essential if business unit heads are to make fully informed decisions. Accurate budgeting and forecasting is equally vital.

We continued to seek improvements in the areas of data processing, timely payments of suppliers and reporting. In 2013 these core functions were the subject of ongoing improvements and fine tuning.

...to get where you're going

Some would say that our focus on systems and processes is all BAU – 'business as usual.' But we believe that mastery of the data and of day-to-day operations helps the Institute see its future more clearly.

Glyn Thomas
Chief Financial Officer



**Focusing on
mastery of data
and operations.**

Governance and Regulation

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Effecting best practice

Enhancing brand 'actuary' in 2013

The Governance and Regulation business unit is both a standard bearer and watchdog. The everyday activities – developing professional standards and guidance, managing the profession's Disciplinary Scheme, enhancing corporate governance and developing resources for Members on professionalism issues – are crucial to safeguarding the reputation and brand of the profession.

Expanding opportunities in 2014

In 2014 we will be working on a range of activities designed to enhance the profession and its reputation, while at the same time helping Members benefit from professional opportunities. Some of the key activity areas include:

- ▶ Providing expert guidance on areas such as asymmetric risks, variable annuities, conflicts of interest in superannuation and shortfall limits in SPS 160. Our aim is to provide this guidance in a manner that helps Members manage these issues and embrace opportunities while ensuring best practice advice to clients.
- ▶ Helping to develop international actuarial standards that protect the public interest without unduly constraining Members in the work they undertake.
- ▶ Continuing to ensure that professional standards, practice guidelines and information notes represent best practice.
- ▶ Reviewing the content and delivery of the Professionalism Course to ensure best practice in professionalism training.

Anne Peters

Director – Governance and Regulation
Company Secretary
Disciplinary Scheme Secretary



Enhancing the Institute's reputation whilst providing opportunities.



**Increasing efficiency
and responsiveness.**

Member Services

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Improving standards to make a difference

2013 – Improving service by improving standards

Providing our Members with timely and responsive service is the key role of the Member Services Team. This year, our focus was on improving the Membership experience by improving service standards.

One of our 2013 innovations was the new Member networking events in Sydney and Melbourne. These were created to bring together new Members and give them a chance to establish the professional relationships that help build a career and – as our older Members tell us – often last a lifetime. As a result of the positive feedback these events generated, they will now be rolled out annually.

In 2013, we introduced new guidelines to help actuaries who have qualified through a non-mutually recognised organisation join as Accredited Members. We also revisited our eligibility criteria for Student Membership to allow applicants from a wider range of professions to pursue our education program.

The introduction of e-Forms significantly improved business efficiency and member experience and we have taken this efficiency even further by cleaning duplicate records to improve the quality of member data. This improved data quality will help us deliver better services to our 4300 Members.

2014 – Making it all easier

In 2014 we will be responding to the feedback of Members who asked us to look at ways of improving the fee payment and subscription process. Ideas for improving these processes have been included in the 2014 Business Plan.

In 2014 we will also work to make it easier for employers to pay bulk membership subscriptions. We are also going to do more to promote graduate employment opportunities.

Shreya Trasy
Member Services Manager

Our Volunteers

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A vital cog in the mechanism of program delivery



Volunteers are vital to the success of the Actuaries Institute. The value of that contribution is measured not just in time and expertise but in the range of assistance they provide. Indeed, volunteer Members offer their time and expertise across all the Institute's activities:

- ▶ Committees
- ▶ Council
- ▶ Events
- ▶ Education
- ▶ Professional Practice Regulation
- ▶ Public Policy
- ▶ Research
- ▶ The Actuaries magazine
- ▶ The *Australian Journal of Actuarial Practice*

The Actuaries Institute could not function effectively without their commitment.

Why our volunteers continue to volunteer

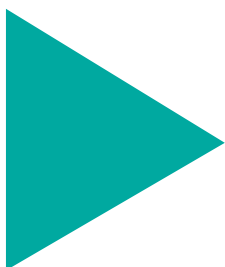
Those who commit their time have a deep commitment to the future of the actuarial profession.

Volunteers are passionate about sharing expertise and developing the next generation of actuaries. They care about the standing of the profession in years to come.

Volunteers give their time and share their knowledge because the reward is a stronger standing for the entire profession. Volunteers both enjoy – and instil – a sense of pride in the Institute and its Members.

Rebecca Moore

Education and Volunteers Manager



An ongoing and involved commitment to the advancement of the profession.

In Memoriam

34

Remembered

Sadly, the Institute lost a number of members in 2013. As strong supporters and contributors to the profession, their loss was felt by all who knew them.

John Stephen Colls

Lindsay Joseph Cutler

Roger Gordon Gilbert

Tania Isabel Gilbert

Neil Alexander Munro

Owen Francis Roach

► Thank you to all Members and the people at HQ who contributed to the 2013 Year in Review.

Contact us

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Targeted expertise

About the Actuaries Institute

As the sole professional body for actuaries in Australia, the Actuaries Institute represents the interests of its members to Government, the business community and the general public. We are committed to providing independent and expert advice on public policy issues where there is uncertainty of future financial outcomes.

Actuaries assess risks through long-term analyses, modelling and scenario-planning. These provide expert comment on a broad range of business-related issues including enterprise risk management, finance and investment, prudential regulation, retirement income policy, general insurance, life insurance and health financing.

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Institute**

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