Actuaries working for the Community

Kirsten Armstrong

On behalf of Kirsten Armstrong, Andrew Brown, Andrew Gale, & Charles Hett

What does Community Service mean?

Outside traditional actuarial roles

- Public Policy
- Not-For-Profit and Community Organisations
- Families and small groups

Why do it?

"Personally fulfilling"

"life-changing event"

"A *sense of meaning and purpose is the single attribute most associated with life satisfaction*"

(Clive Hamilton, Australia Institute)

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Results of "actuaries in the community" survey

Question	Aust.	NZ
Contributed to Public Policy	42%	75%
Involved with NFP/Community org	32%	43%
Actuarial Services: Families/Small Groups	39%	64%
Pro-Bono work	36%	57%
Wider Community Involvement	79%	79%

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Building regulatory capacity

Where?

South East Asian financial markets

What?

Support enhanced financial regulation in Asia from more developed regulatory regimes

Presenting to, training, advising and supporting SE Asia regulatory regimes

Positive impact on local industries

Actuaries involved

Many! Core Group includes Jules Gribble, David Knox, Bob Glading, Andrew Brown and Robert Baillie

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Developing low-cost savings schemes for low-income families

Where?   New Zealand

What?

Individual saving (not borrowing) to fund tertiary education

Facilitate very low amounts of saving ($2 pw) using asset-based welfare approaches

Multi-commercial sponsorship and support

Not-for-profit, independent, national scale organisation => gradual smaller-scale adoption

Ideas incorporated into recent NZ Kiwisaver scheme

Actuaries involved Charles Hett

Micro-insurance – Back to Basics

Where? India

What?

Micro-finance : low cost loans to start a business

Micro insurance : targetted low cost insurance

Products – simple and 'short tail'

eg term life, crop insurance, health insurance

Finance must be complemented with advice & support

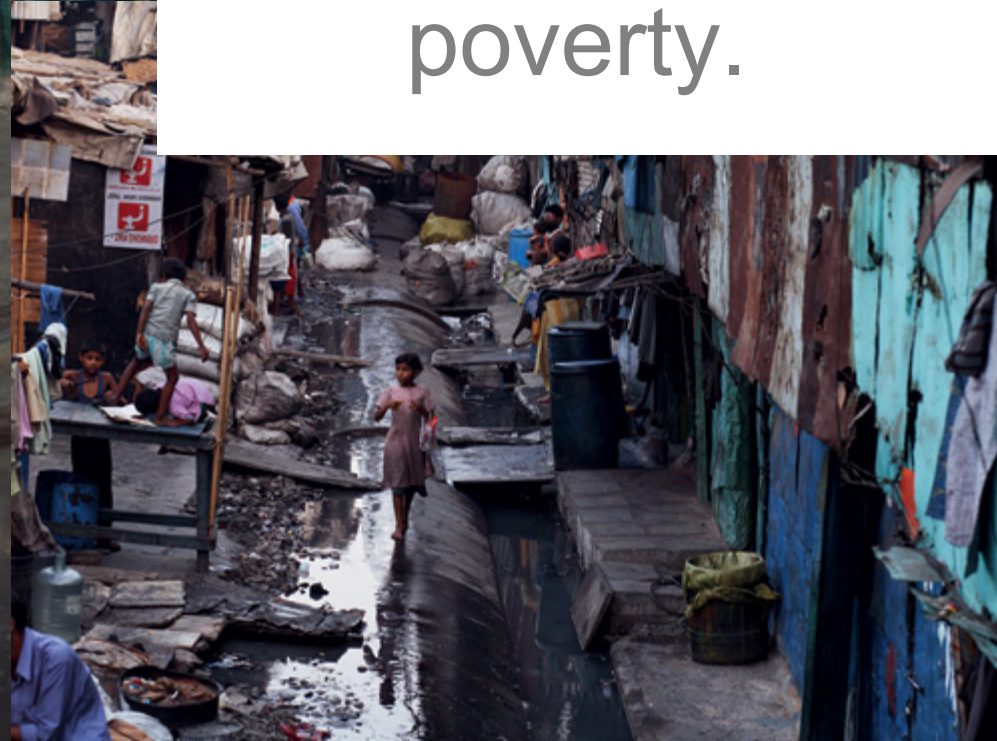**Actuaries involved**

Kirsten Armstrong, Andrew Gale (Aust)

Denis Garand, John Wipf (Canada)
FX Hay (France), Eamon Kelly (Aust)- in India

62 million people live in India's slums.
300 million people in India live in poverty.

Hospitals in India

No 'Medicare'

Uplift's Micro health insurance product

- covers insured people in Pune's slums
- annual premiums of 60 rupees ($2)
- reimburse up to 5,000 rupees of hospital costs
- Other benefits: health camps, discounts, 24hr hotline
- currently 40,000 members
- BUT may expand to Mumbai → potentially 5 million?
- Mutual Fund – members decide

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What did I do?

- Proposed some product design improvements
- Developed a (very basic) pricing model
- Developed a performance monitoring tool
- Reviewed their accounts
- Proposed Minimum Solvency requirements
- Presented this to all and sundry
- Liaised with the UN CGAP working group on Micro Insurance

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Current Initiatives

- Micro Insurance

  Aust: Opportunity International, World Education
  Internationally: ILO, International Actuarial Assoc

- Micro finance for Indigenous Australians

- World Bank

- University Education Initiative – Philanthropy and Social Investment

- Climate Change and Sustainability

- Forestry Management and Protection

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Getting Started

Alignment – interest, concerns and needs of different communities AND your concerns and passions

Some tips:

- Research

- Talk to colleagues

- Talk to people in the field

- Volunteer your time

- Organise your friends and colleagues

- Express a view

A Blueprint for Institute Action?

- Horizons sessions: pro bono work
- Horizons sessions – individual practice areas
- Develop a guidance note
- Blanket PI cover for actuarial work for the public good
- Data/research repository
- Publicise availability of actuaries and public access to public register
- Organise activities for NFPs and actuaries to meet

Colin Priest recommendations (2004)

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Conclusion

- Some wonderful role-models in the actuarial profession - catalysts to action

- Role for the Institute

- Development opportunity especially in leadership, for those who get involved

- Something for us all to consider and pursue

- Evolutionary approach to encouraging wider involvement