

January 16, 2019

Isabelle Dubé
Reporter
La Presse – Section Affaires
idube@lapresse.ca
redaction@lapresse.ca
debats@lapresse.ca

Dear Madame Dubé,

In your January 14 article entitled “[Quatre métiers à éviter en 2019](#)”, you featured the actuarial career as one of four careers to avoid due to diminishing opportunities in the retirement area. This assessment of the actuarial profession came as a surprise to us, as we are seeing consistent and growing demand for actuarial talent in Canada.

The CIA continues to see interest in the profession from individuals with strong mathematical abilities and business skills. We welcomed over 200 new fully qualified FCIA's into our membership in 2018, and close to 500 new associates on track to become FCIA's. Our membership now sits at over 5,500 members, working across Canada and around the world.

Although it is acknowledged that defined benefit (DB) plans have fallen out of favour in the private sector, we continue to have a significant number of actuaries practising in the retirement field, notwithstanding the aforementioned stagnation in traditional private sector DB plans. Private sector, public sector, and union DB plans continue to exist and will require ongoing actuarial support to ensure that they remain viable. FCIA's are actively involved in numerous pension legislation changes occurring across the nation, providing expert advice to policymakers. As well, several pension plans have embarked on de-risking strategies, involving the transfer of longevity risk from the plan to a third party, which require high-level actuarial expertise. Our members are also very involved in the emerging development of target-benefit and shared-risk plans, recent designs which combine features of defined contribution (DC) and DB plans. Individual pension plans – DB arrangements designed for business owners and self-employed workers – are also booming and require certification by an FCIA.

There may not be as much demand for traditional DB plans, but the retirement field will always require actuarial expertise, regardless of the type of plans in use. The field is constantly changing, and actuaries are at the forefront of its evolution.

We also see a strong demand for actuarial talent in the insurance sector, from both life insurance companies and property and casualty companies. All insurance firms in Canada are required to migrate to International Financial Reporting Standards (IFRS) over the next couple of years, a process that will impact activities within each company, primarily

financial reporting and valuation. Consequently, there is a real current need for actuaries and actuarial candidates to navigate these changes and implement them within a very short time frame. This is in addition to the requirement that each federally regulated insurance company in Canada continues to have an FCIA serve as its Appointed Actuary, reinforcing the value of the designation and irreplaceable role of Fellows in these areas.

In addition to the work associated with IFRS, there are several other developments that require actuarial oversight, many of which impact the property and casualty sector, which provides home, automobile, and property insurance. Companies in this area are dealing with an unprecedented amount of data, collected through telematic and other devices. Actuarial talent is essential to help these firms make sense of the data, and to reflect it within a fair and prudent ratemaking structure. Actuaries in this practice area are becoming increasingly involved in the monitoring and mitigation of risks associated with climate change, as adverse climate events have a real impact on the cost of property damage claims.

Rest assured that the opportunity to enjoy a rewarding and productive career in actuarial work remains strong, and the demand for actuarial talent continues to thrive, including in the retirement sphere.

Regards,

Michel Simard
CIA Executive Director