



Canadian  
Institute of  
Actuaries



Institut  
canadien  
des actuaires

**2020-21**

**Annual  
Report**

Together, Apart

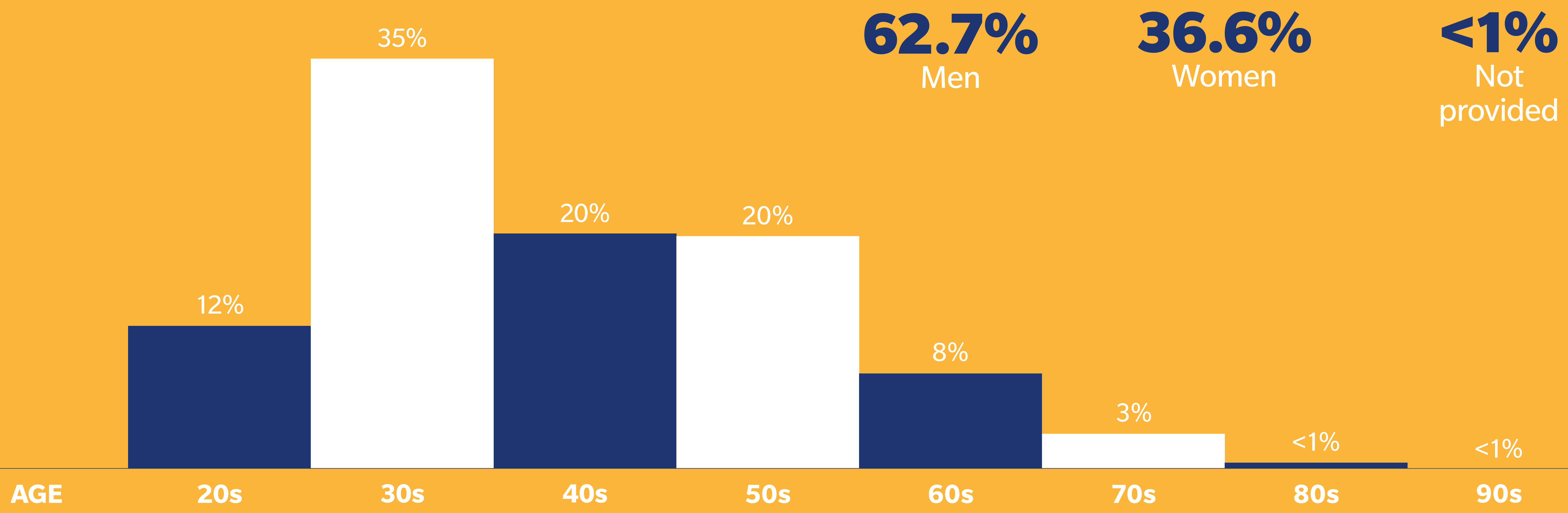
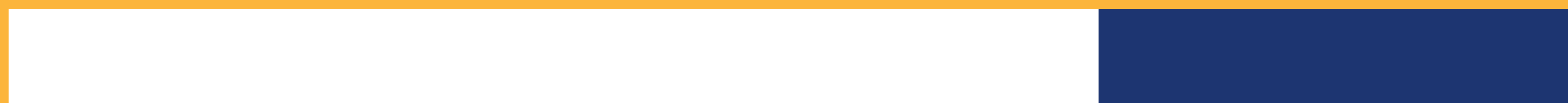




# CIA by the numbers 2020-21

## CIA members (6065)

■ FCIA (4193) ■ ACIA (1849) ■ Affiliates (9) ■ Correspondents (14)



Volunteers  
**813**

Chair roles  
**139**

Volunteer groups  
**100**

New volunteers  
**116**



## CIA publications

### Public statements

1

17 SUBMISSIONS

### Podcasts

44

### Research

20

2600 DOWNLOADS

34 PAPERS IN QUEUE

### Guidance

40

Practice documents



# A pandemic year to remember

Over the last year, we experienced a pandemic that affected the entire globe. The way we live, work, learn, and meet were turned upside down. Lockdowns and disruptions triggered an uncertain economic environment with high levels of unemployment, businesses closing, and many struggling families.

The pandemic also accelerated deeper trends, from retirement challenges and income disparities to systemic inequalities and difficult access to health care. It collided with a wave of historic protests for diversity and inclusion around the world, and with it, much political turmoil and upheaval that reminds us how vulnerable and how precious a democratic system can be.

Despite these challenges, the CIA prevailed with the help of its incredible volunteers, trusted Board, and dedicated staff.

## **THE CIA ROSE TO THE CHALLENGE IN THE FACE OF COVID-19**

The CIA carefully monitored, and continues to monitor, the COVID-19 situation and worked with relevant health authorities and its partners to

protect the health and safety of our members and staff .

At the onset of the pandemic, the CIA Head Office was well positioned to implement a work-from-home plan with limited disruptions to overall operations. The Institute switched to better internal and external communications systems and held more frequent virtual staff meetings to maintain staff engagement while working remotely. Staff also have access to an employee assistance program, which covers a wide variety of services such as wellness programs, mental health support, and family services.

Additionally, the Head Office HR team worked on several initiatives during the summer to prepare for a phased-in approach to the Head Office reopening. These initiatives included the development of a pandemic policy, a COVID-19 office procedure, and procurement of personal protective equipment. Staff were also provided with health and safety and COVID-19 procedural training.





Despite the pandemic, we developed and delivered efficient [virtual platforms for our continuing professional development](#) (CPD) opportunities and education programs for qualification. We published a world-class [policy statement on pharmacare](#), introduced new ways to engage and [recognize our volunteers](#) in meaningful ways, and implemented [major governance changes](#). We also initiated [diversity, equity, and inclusion](#) strategies for our profession, which will have long-term benefits as we deliver on those commitments going forward.

Moreover, we created a [hub for COVID-19 content](#), showcasing articles, analyses, and resources that are relevant to actuarial practice in the face of the pandemic. And, to help actuaries consider the impact of COVID-19 on their practice, the CIA hosted a [series of webcasts](#) from April to May 2020 on the matter.

“On a smaller but proportionately significant scale, I am very proud to report that our dedicated team of volunteers and staff stepped up to unite the Canadian actuarial community,” states CIA Executive Director Michel Simard. “Within the first days of the global pandemic we turned on a dime together to re-engineer our delivery of programs and services to meet the needs of our stakeholders.”

## THE SHOW MUST GO ON

The CIA’s Education Department was particularly affected by COVID-19 from the first announcement of the global pandemic. It acted quickly to advise the Board on contract deferrals and cancellations with external vendors such as hotels, meeting venues, and speaker contracts to minimize any potential negative financial consequences for the Institute. It turned its attention to re-engineering all education and professional development programs for online delivery and sourced new suppliers.



**The CIA Board is staying connected through virtual meetings.**



**“The pandemic has shown the importance of managing risks well. We will soon be in the aftermath of the pandemic when risk management experts will have an important role.”**

– Michel St-Germain, FCIA, CIA President



“We leveraged existing technology while working closely with our volunteer partners at all levels of the organization to ensure smooth delivery, without sacrificing the quality of content or experience for attendees,” recounts Alicia Rollo, Director, Education and International Affairs at the CIA. “The scale of our achievements as a small but resourceful and resilient team were impressive. The changes brought about by COVID-19 will have permanent positive effects on the way we deliver education and professional development programs.”

### **A PRESIDENTIAL TERM LIKE NO OTHER**

Michel St-Germain, CIA President, had a unique presidential experience with limitations due to the pandemic but made the most of the new normal. He related, “Like many, I self-isolated with my partner, without contact with my children and grandchildren. But this lack of in-person contact was replaced by numerous Zoom meetings with our President-Elect and Immediate Past President, Board members, the CIA Head Office staff, and the numerous volunteers,” he says. “I would like to thank everyone for their support and their dedication to the profession. I know that for many of us, working at home without in-person contact with our friends, family, and colleagues has not been easy.”

Michel also praised the CIA for its continued support for actuaries in their responsibilities and its continued protection of the public. Insurance companies have continued to play their role and assume their risks. Pension plans are well managed, and Canadians can count on this source of income in retirement. Regulators too have benefited from the advice of actuaries.

He notes, “The pandemic has shown the importance of managing risks well. We will soon be in the aftermath of the pandemic when risk management experts will have an important role. Interest rates are impossible to predict.” He forecasts that “Technology will revolutionize the distribution of financial products. Canadians will change their work habits and the financial system will have to adapt and rely on actuaries.”

### **A MESSAGE OF HOPE**

COVID-19 will leave a lasting legacy on our society. It has been a reality check on the complex ways in which we have become so interconnected and interdependent on each other, and on our planet and its living ecosystems. However, despite the otherwise bleak picture of the year, there have been signs of hope, benevolence, and solidarity. We saw businesses innovating to keep food and goods flowing during several waves of lockdown. We supported non-profit organizations and local businesses who served those in need, and multiple vaccines were developed in record time through international collaboration.

Michel Simard leaves us with a message of hope: “Let us retain the ultimate lessons that COVID-19 has taught us: that we should preciously guard and savour our time with loved ones, family, friends, and colleagues. Life goes on. Never lose faith that we are stronger and more successful united and that together we will conquer the challenges that face us.”

**“Within the first days of the global pandemic we turned on a dime together to re-engineer our delivery of programs and services to meet the needs of our stakeholders.”**

**– Michel Simard, CIA Executive Director**





# Evolving education for an evolving profession

2020 was a year that brought life to a halt: professionally, economically, and socially – highlighting not only our collective fortitude but also the importance of connection.

As many can relate, adapting processes amid a worldwide pandemic has been no easy feat. It has required a measured and patient approach, creative application, and an ability to move past the traditional towards the present.

## TOGETHER, APART

*Together, apart* is a theme that has governed the conduct of business and the lives of many this past year.

With safety a chief concern, the Institute quickly embraced the shift from in-person meetings to virtual, delivering all education and professional development events online.

A principal example of this is [act20](#), the CIA's flagship event and annual conference. Deferred from June to November 3–18, 2020, *act20* included more than 40 sessions, 110 speakers, 400 attendees, and for members, the risk-free opportunity to connect and learn.

Though COVID-19 remained the topic *du jour*, the Committee on

Continuing Education strived to create and deliver a program varied in content, relevancy, and scope. Expert-led sessions ran the gamut with discussions on IFRS 17 and the role of the actuary, the potential impacts of marijuana and vaping, and more.

"There were challenges putting together a virtual program, from how many sessions to offer in a day to how to maintain the feeling of an annual conference," says Carol Murphy, Chair of the committee. "There were also challenges to have COVID-19 content balanced with a variety of other topics that were also relevant and pertinent. I think we were able to meet those challenges and provide an interesting, topical program."

Over the course of three weeks, our well-curated line up of keynotes Alex Benay, Canada's former CIO, Dan Gardner, author of *Superforecasting: The Art and Science of Prediction*, and Anthony McLean, diversity, leadership, and mental health champion, led audiences through lively presentations on conquering disruption, forecasting for the future, and thinking critically about unconscious bias and microaggressions.







Thanks to the new virtual format, *act20* sessions were recorded and made available for post-event streaming on the virtual platform for a limited time, and now available to all members on the website.

In helping candidates keep their plans for certification on track, the Institute also made the early decision to offer both the Practice Education Course (PEC) and the Professionalism Workshop online, hosting 157 and 259 participants, respectively, across all offerings.

“I was blown away by the ability of the CIA to transfer the PEC virtually with such effectiveness,” says one PEC-goer. “I thought the breakout rooms within Zoom were fantastic and although there was a lot of screen time, the experience surpassed my expectations.”

As for seminars, the Actuarial Evidence Seminar was the first to be broadcast virtually, kicking off on May 28. Taking the form of a [series of webcasts](#), the seminar hosted by Amelia Burns, FCIA, and special guests included discussion on industry trends, professional perspectives, and committee updates.

## MEETING YOUR CPD NEEDS

CIA members rely on events and practice-specific seminars to assist with meeting continuing professional development (CPD) requirements, making the restrictions of last year all the more challenging. For this reason, our strategy became one of filling in the gaps rather than waiting for them to close.

As our attention turned to a focus on access, we innovated by creating resources and opportunities for members to earn CPD efficiently and from the safety of their homes.

[Recordings of archived meetings and webcasts](#) quickly proved a great way to accomplish this goal. Whether members were looking for topic refreshers or background on current issues, they now had finger-tip access to hours of banked CIA material.

The CIA’s e-learning platform offered another buoy of support. The tool which went live on January 1, 2020, allows members to complete the mandatory Professionalism Module remotely through a combination of self-study and online resources. With an ever-expanding library of professionalism-oriented case studies to choose from, members were able to test their knowledge of the *Rules of Professional Conduct* and their application to specific case scenarios.

While we hope to return to in-person meetings one day, virtual has increased our capacity to welcome a broader range of audiences. As more virtual opportunities are added to our [events line up](#), we look forward to keeping our members informed, engaged, and most importantly, connected.

## BACK TO SCHOOL

COVID-19 affected universities and their students immensely. Carefully planned semesters shifted online as campuses shut down, dormitories closed, and assessments went digital.

Like many, the CIA’s education partners and accredited universities faced innumerable challenges, working hard to help students complete their academic year under the [University Accreditation Program \(UAP\) standards](#).

Established in 2012, the CIA’s UAP, comprised of eleven Canadian universities, enables candidates to earn up to, and any of, six Associate-level exam credits (P/1, SRM, FM/2, IFM/3F, LTAM, and STAM) toward ACIA and FCIA qualification through accredited university education, subject to meeting minimum grades established by the CIA.

To date, the CIA has granted close to 1100 exam credits to more than 650 candidates.

From the onset of the pandemic, the Institute took a proactive approach, supporting its accredited universities in developing an adapted frame-

work to ensure smooth continuity and thoroughness of the program. With university exams transitioning online by mid-March, it ushered in a new dimension of considerations that had to be addressed.

Through extensive dialogue, accredited universities kept the CIA up to date on the measures taken to deal with syllabus coverage and concerns around the preservation of academic integrity. Leveraging advanced technology to administer assessments, universities used examination platforms to change or permute questions and administer time-stamped, fixed-scheduled testing.

By September, the threat of a second wave crushed all hopes of a return to normalcy. Un-jilted, universities pressed forward with more elaborate planning for course offerings.

Looking for guidance, accredited universities called on the CIA to help update [CIA preferred practices](#) on remote exam administration in the context of accreditation – an abetment that was well received by the Institute’s partners.

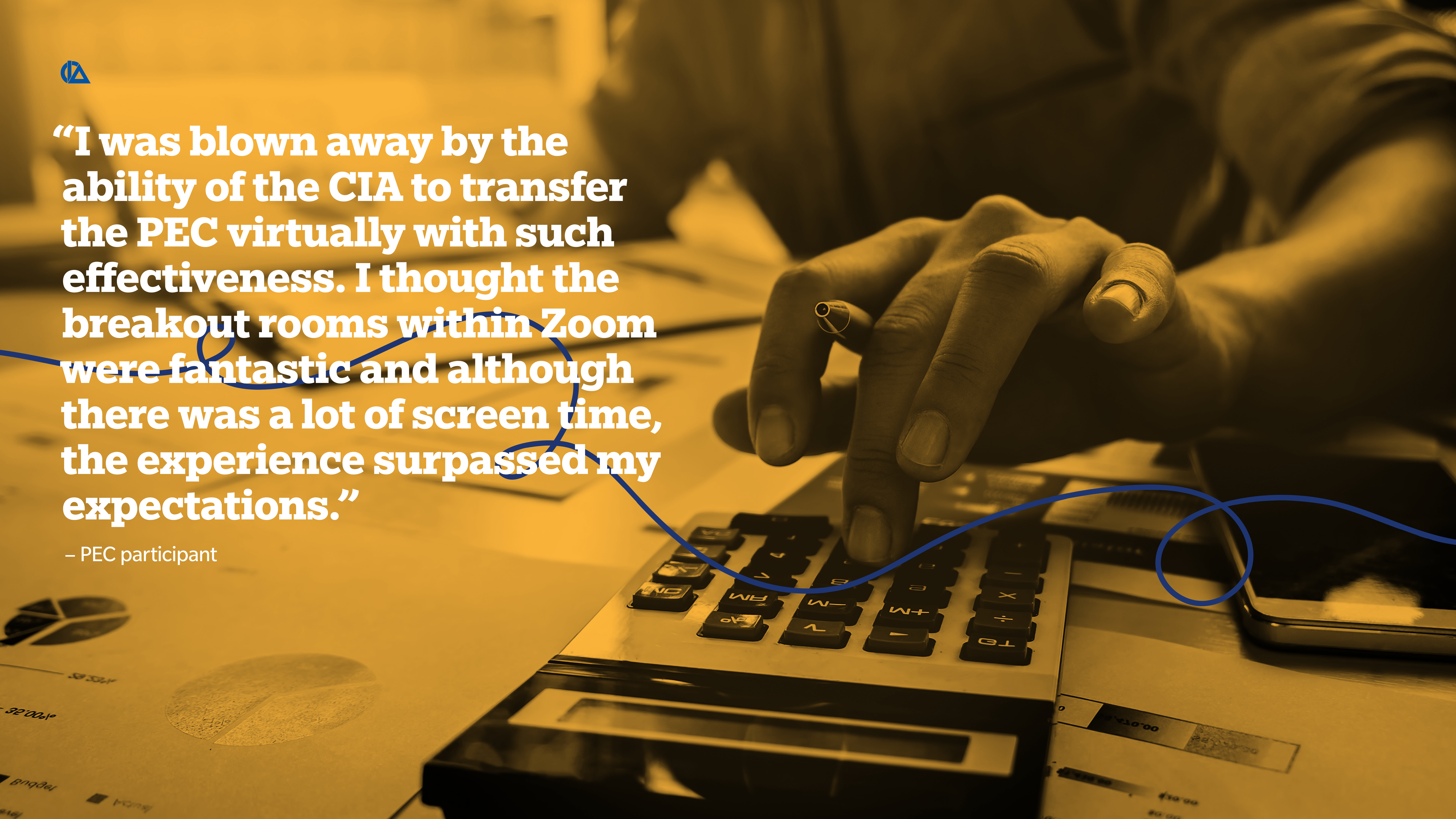
Looking ahead, the CIA and its eleven accredited universities will continue to work hand-in-hand to preserve the respected rigour known to the actuarial education and those who study it.

All in all, COVID-19 has forced us to re-examine our approach to learning. Technology and adapting evaluation methods are innovations that have proven highly effective, helping students and practitioners meet the evolving educational requirements of an evolving profession.



**“I was blown away by the ability of the CIA to transfer the PEC virtually with such effectiveness. I thought the breakout rooms within Zoom were fantastic and although there was a lot of screen time, the experience surpassed my expectations.”**

– PEC participant





# Actuaries' expertise at home and abroad

One of the CIA's main roles is to promote the expertise of actuaries to the public, as their contribution to social issues influences the lives of people both at home and abroad.

## CANADA-WIDE DRUG COVERAGE

During the past year, one of the CIA's major projects that relied heavily on the unique expertise of its members was [Pharmacare: Is there a pill for that?](#) With this statement, the CIA and its members spoke out as experts on a major issue for Canadians: Should Canada implement a nation-wide drug coverage framework, and what form should it take? Given the significance of this topic, the statement was accompanied by a [press release](#), a [Seeing Beyond Risk podcast episode](#), and a [Seeing Beyond Risk blog article](#) by the statement's authors. The statement was also picked up in several news articles including an [open letter](#) in *La Presse* (in French) by Bruno Gagnon, member of the Single Topic Task Force.

Why dedicate so much time and energy to this issue? The CIA and its members are committed to upholding the public interest by providing expert advice to governments to help them make informed decisions. The CIA not only published the statement on pharmacare, but also met with various federal and provincial government players to discuss the impacts of such a framework on Canadians and their needs. The Institute also spoke to pharmaceutical and medical entities about pricing and affordability, as well as with insurers, unions, and employers concerning existing frameworks and current group plans.

This is why the Institute devoted more than a year to drafting this public statement and worked hard to have it published before a House of Commons vote on the subject in February 2021. As the debate is not over, the Institute has a goal, in the interest of Canadians, to have a place at the discussion table when governments and stakeholders delve further into the subject.





## TARGET BENEFIT PENSION PLANS IN QUÉBEC

In December, the National Assembly of Quebec adopted [Bill 68](#) to allow the establishment of target benefit pension plans. Ahead of time, the Quebec Committee on Public Finance held consultations and invited the CIA to present on the issue. Bernard Morency, FCIA, Chair of the CIA Public Affairs Council, and Krystel Lessard, FCIA, who helped draft of the [CIA's comments on this matter](#), represented the Institute during [hearings in October](#) (in French).

According to Lessard, it was important to address this issue, “Despite major changes to funding rules for defined benefit pension plans, several promoters of such plans have turned to capital accumulation plans, resulting in a transfer of risks to participants who are often ill-equipped to manage these risks. The decline of defined benefit pension plans therefore requires a move towards plans that provide retirement income by allowing risk pooling. Target benefit plans are an important step in this development. Since risk management is a key element of their success and their perpetuity, actuaries have a key role to play. It’s exciting to bring our expertise to the fore and help innovate.”

Also relating to retirement, the CIA provided comments to the Office of the Superintendent of Financial Institutions regarding the Pension Benefits Standards Act in [December](#).

## COLLABORATIVE PROJECTS

Research projects are in the CIA's very DNA. Numerous reports, each more relevant than the last, were published this year.

A major project over the past year was the *Report on the Survey of Post-Level Premium Period Lapse and Mortality Assumptions for Level Premium Term Plans*. [Phase 1](#) was released in April 2020 and was the year's second-most downloaded report. [Phase 2](#) was released in December. Both papers were carried out in partnership with the Society of Actuaries (SOA).

Moreover, the Casualty Actuarial Society joined the CIA and SOA to look into long-term care. Together, we released [Future Long-Term Care in Canada – An ERM Framework to Identify and Quantify Major Concerns](#) in May 2020.

A few months later, the CIA and SOA also collaborated on another topic that will affect the future of many Canadians or, more specifically, their retirement. In July 2020, we jointly released [The CPP Take-Up Decision – Risks and Opportunities](#). The topic was clearly of great public interest and was mentioned in several publications, including [Investment Executive](#).

The Institute and its research projects have not escaped the issue of the time (and the year!): COVID-19. The [report released in October 2020](#) was not only the Institute's first on the topic, but also the first of its kind worldwide. While the project was not conducted in conjunction with another actuarial entity, it was useful to them in these uncertain times. A [second report](#) was released in February 2021 on this topic, with more to come.

Another project also gained attention and was the most downloaded over the year – [Mortality Study: Canadian Standard Ordinary Life Experience](#), published in July 2020.

## INTERNATIONAL ACTIVITIES

CIA members also make a valuable contribution on the international scene through our involvement in the International Actuarial Association

(IAA). Those volunteers and staff who are close to the international portfolio care deeply and actively participate in the IAA to help ensure the profession has a collective voice globally. Through the IAA, we speak with one voice on issues affecting the profession around the world to other supranational organizations (such as the International Accounting Standards Board, Organisation for Economic Co-operation and Development, International Association of Insurance Supervisors, International Social Security Association, and others).

The CIA voice is carried through a dedicated team of volunteers who work on IAA committees to develop and maintain strong standards for the profession internationally. These volunteers care deeply about the future of the profession, specifically as it relates to international standards, professionalism, and education. We contribute to the development of other countries, and we gain from the wealth of knowledge we learn from them. Participation in the IAA leads to diversity in our thinking, and new ways of looking at the challenges facing the profession.

Our guiding principle of putting the interests of the public ahead of the interests of the Institute and its members is consistently projected on the international scene. Therefore, as the CIA strives to uphold its guiding principle to serve the public, it is natural that we should project our national reputation internationally – which can do great things for the global public.

The influence of actuaries and their expertise continues to grow, and their impacts are felt both at home in Canada and abroad. The CIA is making a name for itself around the world for its members' hard work and the constant contributions of its volunteers.



**“Target benefit plans are an important step in this development. Since risk management is a key element of their success and their perpetuity, actuaries have a key role to play. It’s exciting to bring our expertise to the fore and help innovate.”**

– Krystal Lessard, FCIA



# Broadening and building up professional practice

The Institute used the disruptions of 2020 as an opportunity to bolster education and research efforts on existing and emerging areas of practice – a move reinforcing the relevance of actuarial expertise within and beyond the traditional. From pensions and climate change to enterprise risk management (ERM) and banking, we broadened the bounds, pushing the profession to even further limits.

## **PENSIONS: PREPARING FOR THE FUTURE**

Approximately 40% of the CIA's members practice in pensions and retirement, thereby making it a primary area of focus. To this end, the Institute developed and published several resources aimed at heightening awareness around industry changes and advancements.

In July 2020, the CIA and Society of Actuaries released [\*The CPP Take-up Decision\*](#), a joint report targeted at better informing the decisions of those

for whom delaying Canada Pension Plan (CPP) benefits might provide improved financial outcomes and greater retirement income security.

Of the findings, CIA President Michel St-Germain says: "This research shows that given today's low-interest environment and general population longevity expectations, delaying CPP payments is a financially advantageous strategy. It is also an excellent example of the CIA's mission to advance actuarial science and its application for the well-being of society."

Also released last year were changes to the rules governing the calculation





of pension commuted values. Under the guidance of the Actuarial Standards Board, the revised [Standards of Practice Section 3000 – Pensions](#) were announced in January and came into effect December 1, 2020.

In a companion episode of [Seeing Beyond Risk](#), Gavin Benjamin, FCIA, and Chair of the designated group overseeing the changes discussed the updates, elaborating on the drivers behind the revisions and how the new calculations are applied.

The CIA also developed a factsheet titled [Pension Commuted Values](#) – a resource providing readers with a high-level overview on:

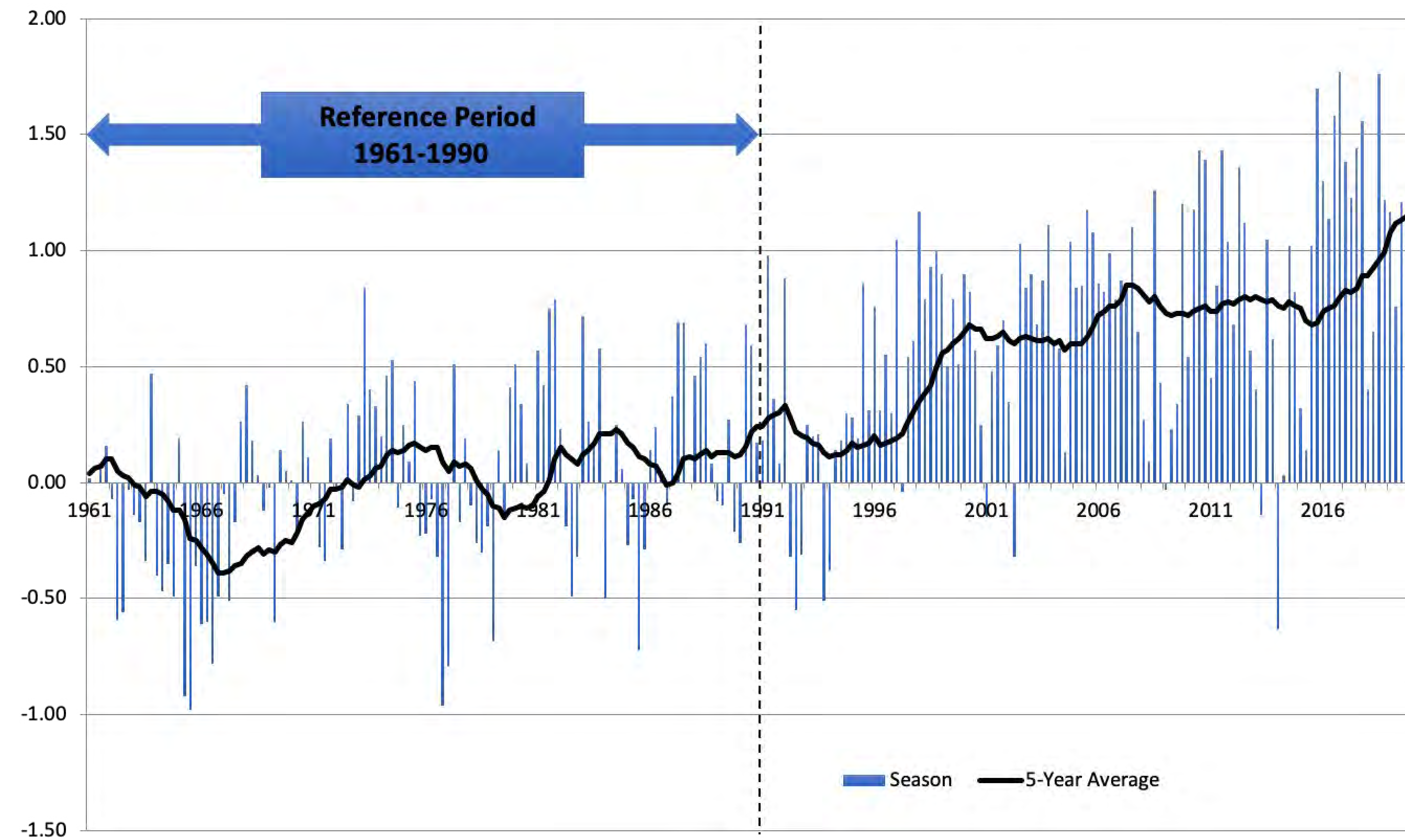
- making estimates to determine a commuted value;
- ensuring commuted values calculations are fair and consistent; as well as
- recent updates to calculations.

## CLIMATE RISK: TIME TO ACT

With the recognized importance of climate risks in influencing investment choices, actuaries not only have the expertise but also the responsibility to help assess these risks and gauge their repercussions. For the Institute, this means ensuring our members have the materials and resources needed to stay in the know.

To measure the range of climate change awareness and practitioner needs among Canadian actuaries and their respective companies, the CIA Climate

## Actuaries Climate Index - USA & Canada



Change and Sustainability Committee (CCSC) issued a survey to members in 2019 and 2020.

“We wanted a better understanding of what members need in terms of information or guidance that could come from the Institute regarding the risks of climate change,” says CCSC member Christine Bisson-Roberge, ACIA.

[The results](#) showed that less than one-third of respondents or their companies account for this emerging risk. However, most respondents agree

that guidance and education about the materiality of climate change risks may help with this type of risk disclosure.

Bisson-Roberge expands on the 2019 survey findings in a [Seeing Beyond Risk podcast](#), explaining “the survey indicates a lack of understanding and application of the impact of the risks of climate change in all actuarial practices, so it is a top priority to develop actuarial guidance.”

Prompted by these insights, the CCSC is commit-

ted to addressing the gaps in knowledge, information, and guidance through better communications to members on the topic via a new [practice resources document](#) and webcasts over the coming year.

Another valuable contribution of the Institute in this area is the quarterly data release of the [Actuaries Climate Index \(ACI\)](#), an educational tool designed to help inform actuaries, policy-makers, and the public about climate trends in Canada and the US.

Throughout 2020, the five-year moving average continued to [chart new highs](#) for ten consecutive quarters, an outcome that poses increased variability to market risk. The importance of this data positions the ACI as an aid to inform policy and evaluate the climate-related impacts on business.

Global insurance regulators are urging the industry to better understand and manage the financial risks associated with climate change, and Canada is beginning the process as well.

The CIA issued its [support](#) for Canada’s eight leading pension funds in their call for companies to strengthen their environmental, social, and governance (ESG) disclosure in line with a framework such as that proposed by the Sustainability Accounting Standards Board and the Task Force on Climate-related Financial Disclosures.

“As Canadian businesses and governments work to rebuild the economy, this is the right time to introduce transparency in financial reporting mechanisms and



**“We wanted a better understanding of what members need in terms of information or guidance that could come from the Institute regarding the risks of climate change”**

– Christine Bisson-Roberge, ACIA, CCSC member





disclosure requirements,” says CIA President Michel St-Germain. “Improved disclosure and common standards for financial reporting is a move that allows actuaries to better assess the financial impacts of ESG risks on insurance companies and pension plans now and far into the future.”

## ERM & BANKING: MARKING OUR PLACE

Adaptation requires risk and for actuaries that might look like entering non-traditional areas of practice such as banking or ERM.

No longer limited to assessing financial risks, ERM now analyzes newer threats of impact on business (reputational and operational risk) – and organizations are calling on actuaries to assist.

[From mitigating risk as it happens to building a pandemic response team](#), COVID-19 is just one area where we have seen the practical ways actuaries are applying their modelling expertise to provide insights and solutions.

Another offshoot to this area is predictive analytics and the notion that data science and actuarial science, both multidisciplinary in approach, are [more the same than different](#). By highlighting their similarities, we see how both disciplines require practitioners to have a strong understanding of underlying business processes and domain knowledge to be successful at accomplishing tasks. Honing a deeper understanding of data science can allow actuaries to leverage its results in their work and find more applications for its use.

Banking is another area of high opportunity for actuaries. With traditional banking models under increasing threat, the demand for actuarial expertise grows. Yet [closing the gaps](#) remains a challenge.

As one of the fastest emerging areas of practice for the Canadian actuarial profession, our objective is to equip members with the tools and infor-

mation needed to integrate. One such effort is the [getting into banking](#) webpage – a resource list of materials collated by practitioners for those interested in learning more about how actuaries are adding value and developing careers in banking.

The Actuarial Students National Association (ASNA) has been pivotal in this campaign, featuring the informational session on [actuaries in banking](#) at the 2021 ASNA convention. Using real-life examples and discussion, the session demonstrated how traditionally developed actuarial skills, knowledge, and concepts are being used more widely in emerging areas.

The transferability of actuarial skills in business is undeniable. Applying the profession’s expertise in risk mitigation can allow actuaries to take advantage of existing cracks and exploit risk opportunities for the betterment of any organization, regardless of sector.

## IFRS 17: BRACING FOR CHANGE

In 2023, Canadian insurers will join the rest of the world in applying the new standards to financial statements. In preparation for this significant change, the Actuarial Standards Board and numerous groups within the CIA have been working diligently to support actuaries through this transition.

The [IFRS 17 blog](#) (login required) has been an invaluable tool in this outreach, serving as a repository for all things IFRS 17, including educational notes, links to websites, and updates from CIA committees.

[Several sessions](#) held during *act20*, the CIA’s annual flagship event, explored topics such as:

- **Practical considerations of variable annuity risk management under IFRS 17**
- **The impact of IFRS 17 on the role of the actuary**

- **IFRS 17 – Challenges for actuaries in future audits**
- **IFRS 17 evolving guidance**

The Institute also met with regulatory agencies such as the Office of the Superintendent of Financial Institutions and *Autorité des marchés financiers* to ensure a common understanding of how IFRS 17 will be implemented.

The updated IFRS 17 will likely result in additional implementation challenges but it is important for insurers to press forward. With the appropriate internal and external resources dedicated, we are confident companies and actuaries will be well prepared to begin reporting under IFRS 17 in 2023.

**“As Canadian businesses and governments work to rebuild the economy, this is the right time to introduce transparency in financial reporting mechanisms and disclosure requirements,”**

**– Michel St-Germain, FCIA, CIA President**



# Contributing to a public-focused profession

“The challenge for any professional organization is managing public interest and the professional interests of its members,” says Michel Simard, CIA Executive Director. Through its programs and activities, the Institute upholds its guiding principle of putting public interest above the needs of the profession and its members. Whether refining our *Qualification Standard*, revising the *Standards of Practice* or ensuring that the *Rules of Professional Conduct* are respected, the Institute continually works in the public interest.

This year marked a turning point for the Institute in terms of diversity and inclusion. What concrete actions did the Institute take in 2020 to keep its commitment to the public? Or as Michel puts it so well, “What have we done to direct the intellectual strength and power of the actuarial profession towards the betterment of the collective?”

## CONSTANTLY REFINING OUR PROCESSES

To ensure that the public interest remains at the forefront of the actuarial profession, the Institute adopted several changes to its governance structure in 2019, which took effect on January 1, 2020, includ-

ing the creation of the [Actuarial Profession Oversight Board \(APOB\)](#). Comprised of 15 experienced people from both inside and outside the profession, APOB is responsible for providing independent and objective oversight of the [Actuarial Standards Board](#), the [Professionalism and Credential Monitoring Board](#) (PCMB), the [Professional Conduct Board](#) (PCB), and the [Tribunal Panel](#).

For APOB, 2020 was devoted to establishing the foundations for its successful functioning. “There is a lot of background work that has been done to fine-tune our processes which will provide us with the ability to bring about more focus on key issues related to professionalism within the Institute in 2021,” explains Lynn Blackburn, Director, Professional Practice and Governance at the CIA.

Under APOB, volunteers from the PCMB worked to refine the continuing professional development (CPD) qualification standard. CIA members were consulted in late summer 2020 on clarifications to the qualification standard. In November 2020, the PCMB released the final changes, and the new version was published in January 2021. In particular, the exemption criteria were clarified for retired members who occasionally perform professional services or volunteer their services. With the aim of protecting the public, a retired member who sits on a Board of Directors and provides financial advice, for example, should comply with the CPD qualification standard. The basic requirements for professionalism also changed in 2020 and members were required to complete the new mandatory Professionalism Module.



The PCB publishes a report in June and December each year to provide the membership with a summary of the cases reviewed since the last report. The PCB examines information and complaints received about possible professional misconduct and, if necessary, a team investigates whether further disciplinary action is required. According to the last report published in November 2020, the PCB reviewed seven complaints against 12 Fellows, Associates, and Affiliates.

The discipline report that follows provides an overview of the decisions for disciplinary cases reviewed by the PCB (and its precursors) since 1992.

## DIVERSITY AND INCLUSION: A PUBLIC ISSUE

2020 was marked by tragic events stemming from social inequalities, and the power of social media increased awareness of these issues on an international scale. This prompted the CIA to reflect on its own diversity, equity, and inclusion (DEI). In June 2020, the three CIA officers released a statement, [Taking Action on Diversity](#), to express their vision for an inclusive Institute. With it, the Board appointed a CIA Task Force on Diversity and reaffirmed the Institute's commitment to undertake a proactive approach to ensure that everyone has access to the same opportunities.

"We cannot stand idly by while members of our community, friends, colleagues, or families face discrimination because of their race, religion, gender, sexual orientation, or any other reason." – CIA presidency 2020–2021.

The Institute teamed up with experts from Diversio, a Canadian data analytics company that supports organizations looking to become more

inclusive, to [survey our members and measure diversity and inclusion within the CIA](#). We were able to use these results to reflect and develop a plan that includes reviewing policies, providing training to staff, offering resources to members, and committing to ongoing learning.

The CIA is committed to ensuring that DEI values are integrated into all our programs. The Institute is now a proud employer partner of the Canadian Centre for Diversity and Inclusion, a trusted resource for Canadian organizations. We also provided DEI training to all employees in the fall. We started the necessary work to adapt our communications, particularly regarding gender-neutral language and the representation of minorities. Likewise, the Education Department is currently working to integrate diversity and inclusiveness into all of our programs. "We are integrating DEI principles into our education programs for the qualification of members, such as the Practice Education Course, and are looking at tying DEI to professionalism concepts at our Professionalism Workshop to create greater awareness," says Alicia Rollo, Director, Education and International Affairs at the CIA. "In addition to including topics on diversity at CPD events such as specialty seminars and at *act*, the CIA's annual conference, our committees are focused on enhancing the diversity of speakers across all events."

## ACCELERATING CHANGE THROUGH COLLABORATION

We are also exploring partnership opportunities to accelerate change. In early 2021, we started approaching Canadian universities to learn about their DEI initiatives and determine where we can fit in to ensure a

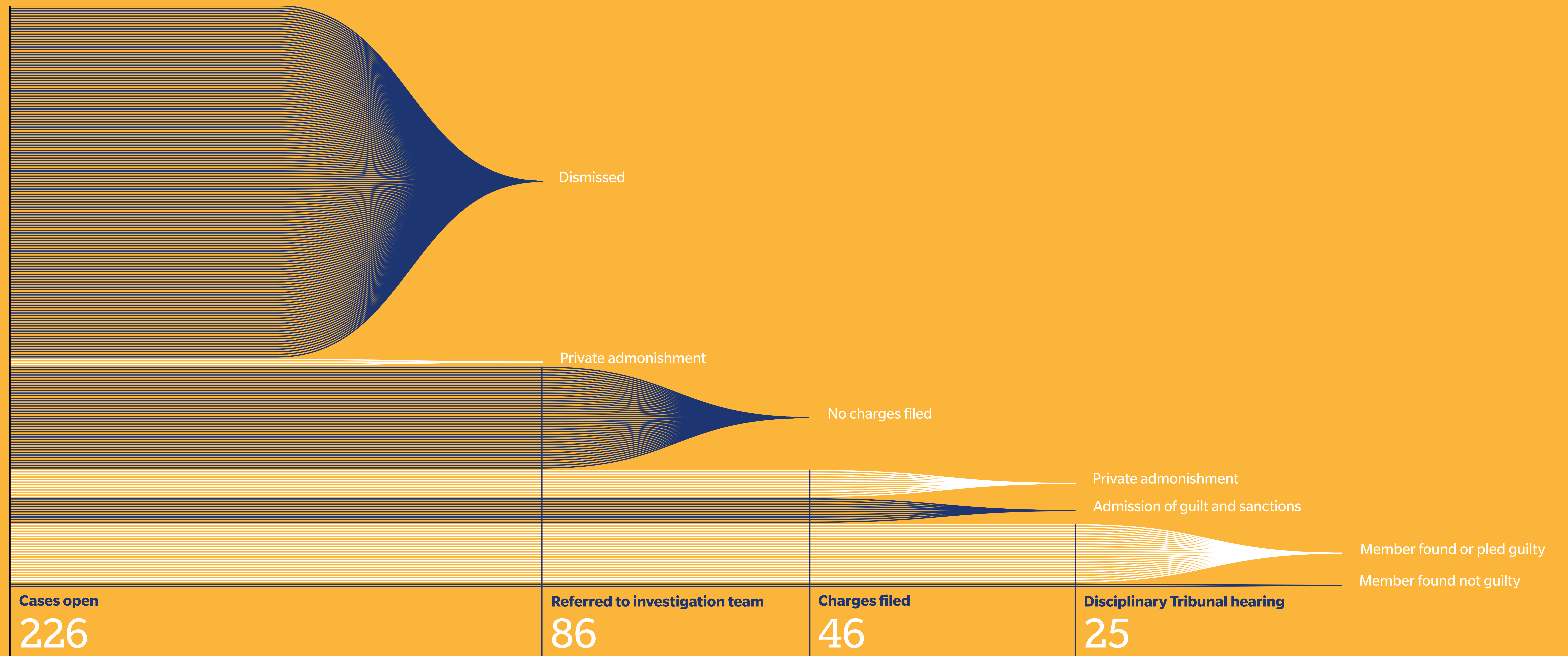
diverse future for the CIA. "We want to find opportunities to collaborate and encourage more a diverse future population of actuaries in Canada," Alicia explains. This means finding opportunities to engage youth across Canada, such as career days, leveraging technology, and creating platforms like our [Do the Math campaign](#). Ideally these initiatives will help us reach youth from socio-economic and cultural backgrounds that are under-represented in our membership, including Indigenous youth.

We have also forged connections with the International Association of Black Actuaries (IABA) and look forward to continuing to work together to improve equity within the actuarial profession. To that end, as part of Black History Month, we spoke with IABA leader Gloria Asare, ACIA, FCAS, and [shared her thoughts](#) on the challenges facing the Black community. For International Women's Day, we spearheaded actuarial participation in the #Choosetochallenge campaign highlighting the contribution of [female actuarial leaders](#) around the world. Joining forces with other institutions was a great opportunity to have a wider reach on these important issues.



# Discipline report

All cases since 1992





**“We cannot stand idly by while members of our community, friends, colleagues, or families face discrimination because of their race, religion, gender, sexual orientation, or any other reason.”**

– CIA presidency 2020–2021





# Summary financial statements



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## Report of the Independent Auditor on the Summary Financial Statements

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To the members of the Canadian Institute of Actuaries

### Opinion

The summary financial statements, which comprise the summary statement of financial position as at March 31, 2021, and the summary statement of operations for the year then ended, and related note, are derived from the audited financial statements of the Canadian Institute of Actuaries (CIA) for the year ended March 31, 2021.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the base described in note 1.

### Summary Financial Statements

The summary financial statements do not contain all the disclosures required Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Institute's audited financial statements and the auditor's report thereon.

### The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated June 14, 2021.

### Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the criteria disclosed in Note 1.

### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
June 14, 2021



**Summary statement of financial position as at March 31, 2021, with 2020 comparisons**

	2021 (\$000's)	2020 (\$000's)
<b>Assets</b>		
Current		
Cash	\$ 1,204	\$ 962
Accounts receivable	57	30
Prepaid expenses	379	422
Investments	978	901
	2,618	2,315
Investments	6,693	5,932
Tangible and intangible capital assets	401	558
	<b>\$ 9,712</b>	<b>\$ 8,805</b>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	\$ 745	\$ 760
Deferred revenue	1,222	1,108
	1,967	1,868
<b>Net assets</b>		
Invested in tangible and intangible capital assets	401	558
Internally restricted – Discipline tribunals	308	497
Internally restricted – Research	496	540
Unrestricted	6,540	5,342
	<b>\$ 9,712</b>	<b>\$ 8,805</b>

The summary financial statements are derived from the complete audited financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations as at March 31, 2021, and for the year then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected so that they are consistent in all

material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

**a)** the summary financial statements include the statement of financial position and statement of operations;

**b)** management determined that the statements of changes

**Summary statement of operations for the year ended March 31, 2021, with 2020 comparisons**

	2021 (\$000's)	2020 (\$000's)
<b>Revenues</b>		
Membership dues	\$ 5,957	\$ 5,774
Meetings and seminars	826	1,720
Net investment income	847	142
Advertising and miscellaneous	70	74
	7,700	7,710
<b>Expenses</b>		
Meetings and seminars	584	1,147
Salaries and staff benefits	3,371	3,247
Rent and operating expense	419	421
Professional fees	559	549
Travel reimbursements, meeting expenses and volunteer awards	63	595
Publishing, translation, marketing and branding	312	240
Supplies and services	299	228
Other staffing, travel and miscellaneous	367	420
Research studies and surveys	475	352
Discipline tribunals	442	253
	6,891	7,452
<b>Excess of revenues over expenses</b>	<b>\$ 809</b>	<b>\$ 258</b>

in net assets and cash flows do not provide additional useful information and as such, have not included them as part of the summary financial statements;

**c)** information in the summary financial statements agrees with the related information in the complete audited financial statements including comparative information and all major subtotals and totals; and

**d)** in all material respects, the summary financial statements

contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete audited financial statements.

Copies of the March 31, 2021, audited financial statements are available on [our website](#).



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The Canadian Institute of Actuaries (CIA) is the national, bilingual organization and voice of the actuarial profession in Canada. Our members are dedicated to providing actuarial services and advice of the highest quality. The Institute holds the duty of the profession to the public above the needs of the profession and its members.