



Institute of Actuaries of Australia

# 4th Financial Services Forum

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## Actuaries in the Community

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On behalf of

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## What does “community service” mean?

- Outside traditional actuarial roles
- Involvement in public issues and needs
- Areas of Involvement:
  - Public Policy
  - Not-For-Profit and Community Organisations
  - Families and small groups
- Evolutionary and example based



## Why is community service valuable – and personally fulfilling ?

- “Caring for persons ... is the rock upon which a good society is built” (Robert Greenleaf, *Servant Leadership*)
- Making a difference
- WIFM:
  - Williamson Leadership Foundation ... life-changing event
  - “A sense of meaning and purpose is the single attribute most associated with life satisfaction” (Clive Hamilton, Australia Institute)



## **Micro Insurance: Going back to basics in a familiar industry**

- Micro enterprise development (MED) and micro credit – part of development aid for 30 years
- Recent development – micro insurance
- Actuaries who have been heavily involved (including through CGAP) – Denis Garand and John Wipf (Canada) and FX Hay – developing tools and guides
- Micro insurance products – simple and ‘short tail’ – term life, crop insurance, health insurance – complement with advice and support
- Uplift India Association – network of NGOs with financial backing from French Government and MACIF – community based mutual fund model
- Future work – Opportunity International, World Education
- Personally and professionally rewarding





## **Building regularity capacity in South East Asian financial services markets**

- Support enhanced financial regulation in Asia from more developed regulatory regimes
- Wide involvement incl. several actuaries
- Presenting to, training, advising and supporting SE Asia regulatory regimes
- Positive impact on local industries



## **Developing low-cost savings schemes for low-income families in New Zealand**

- Individual saving rather than borrowing to fund tertiary education costs
- 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



## 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%

Overall perhaps not a lot of non-commercial community actuarial involvement



## Current initiatives & involvement

- Micro Insurance
- World Bank
- Emerging Initiatives – Micro Enterprise Development (MED) and Microfinance - Australia
- University Education Initiative – Philanthropy and Social Investment
- Climate Change and Sustainability
- Forestry Management and Protection





## Getting started and developing the opportunity

- 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 possible blueprint for action by the Institute**

- Horizons sessions: pro bono work
- Horizons sessions – individual practice areas
- Develop a guidance note
- Blanket PI cover for all 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)*



## 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