



## Mortality investigation in India

Life Insurance Council (LIC), the representative body for Indian life insurance companies, along with the Actuarial Society of India (ASI), has floated a new company – Mortality and Morbidity Investigation Bureau (MMIB). The bureau was floated as a 50:50 joint venture between the council and ASI.

MMIB has been entrusted with the task of preparing a new mortality chart. With the increase in life expectancy, there is a need to upgrade the mortality table to current levels. A new chart will result in more realistic premium calculation for new policies. At present, new private life insurers base their calculations on the decade-old mortality table prepared by LIC. The company will also prepare a morbidity table which will indicate incidence and severity of

sicknesses and accidents in a defined classes or persons. There is no morbidity table as of now. Currently, Indian insurers draw example from the international experience of reinsurance firms on critical illness.

MMIB will also study recent trends while acquiring data and information on mortality, morbidity, and other specific risk-related contingencies in the life insurance domain. Earlier MMIB was conceived as a trust but fund requirement to run the entity prompted a decision in favour of floating it as a corporate entity. SV Mony, secretary-general of the council, said MMIB is on the lookout for a chief executive responsible for formulating a sustainable revenue model and action plans to reduce MMIB's dependence on external funds.

## Trustee confidence levels drop

In a survey of UK corporate pension scheme trustees conducted by Watson Wyatt Investment Consulting, respondents universally assessed their investment capabilities and expertise as having fallen compared with a similar survey of two years ago.

Kevin Carter, European head of investment consulting at Watson Wyatt, said: 'It is perhaps not surprising that trustees in general are concerned about the level of knowledge and skills of their trustee boards and investment committees given the phenomenal increase in investment complexity during the past couple of years. This development, combined with a profusion of "solutions" on offer, has no doubt challenged trustees' actual ability as well as their own perception of their ability.'

According to the survey, trustees have, on average, about 17 years of financial experience and nine years' experience of trustee matters. However, 25% of trustees have less than five years' financial experience and less than three years' experience in trustee matters.

The survey, which covered 131 funds worth approximately £137bn and involving over 400 trustees, also revealed that the typical trustee body spends less than 24 hours per year discussing investment issues.

In partial contrast, Tom Powdrill of the TUC expressed optimism about the position for trustees: 'I think there's also a bit of a shift going on in terms of the balance of power within pension funds. I think particularly fund managers in the past probably felt that their primary focus was maybe on the investment consultant rather than the trustee board, getting onto the consultants buy list and so on was probably the key relationship they had to manage. I think what you're seeing, particularly as a result of the Myners Review, is the position of trustees is becoming strengthened and that kind of relationship, the kind of relationship between the actuarial consultant, the fund management and the trustee is changing slightly. I think in the future fund managers will probably think more about relationship with the trustees than they have in the past.'

## SIAS summer surprise – boat 'beach' party

The terrorist bombings on the Tube did not deter those based in London making it across to Temple Pier to board the MV *Sundance* for the cruise down the Thames on Thursday 21 July. Unfortunately those coming from St Albans were not so lucky and, with the knock-on effects on the trains, found themselves unable to make it.

The day's events and the lower numbers than expected did not deter people from getting into the party spirit though – perhaps this was due to the spirits (with a mixer of course) they were handed on boarding the boat.

Most people started out up on the sundeck watching the City go by – the cruise went down as far as the Thames Barrier. The event was themed as a beach party, and it was good to see people



making an effort with some actuaries donning their best 'beach' shirts on the night.

As the boat slowly chugged along, people helped themselves to a fine spread of barbecued food washed down with plenty of drink from the bar.

Amanda manned the candyfloss machine producing initially what can only be classed as pink sticks. With a little practice and some help from an actuarial student who had a former career in a circus (or something like that), the candyfloss soon became as good as that available at any seaside resort.



As the evening got colder, the majority made their way downstairs to the disco deck to dance the rest of the night away to beach classics. Champagne was awarded at the end of the night to the best-dressed male and female of the night. As the boat party drew to a close, many fearing the end made a beeline for the nearest bar to continue the party.

Thanks to Daire O'Neill and Amanda Prest for their help in organising the event and making it a success.

STEVE LONGWORTH



### Sex and death

A light Frost is the title of a new collection of articles written for *The Actuary* over the past three years and more by actuary and man-about-town Alan Frost (see 'Frosty the Showman', p43). Opera, which Alan points out usually consists of sex and death – if not necessarily in that order – is the principal theme. However, Alan has broadened his remit both geographically and in artistic scope, and the collection is a history of highlights and developments in the arts from 2002 onwards. The glossary is an especially eccentric tour de force.

To find out how to obtain this unique stocking-filler, email Alan at alan@alanfrost.co.uk.



## APPOINTMENTS

MERCER HUMAN RESOURCE CONSULTING has appointed **Matt Farraker** (right) as a senior associate within its Retirement business. Based in Manchester, he will provide actuarial and employee benefits advice to a portfolio of clients. He joins Mercer from Aon Consulting, where he was a client manager.



Former Britannic Asset Management chief **Francis Ghiloni** is returning to the industry as PRUDENTIAL intermediary sales director. He will head a team of 165 sales advisers backed by a support team of 230 and will report to Prudential distribution director Andy Briggs.

MERCER HUMAN RESOURCE CONSULTING has appointed **Mike Hammer** (left) as a principal within its retirement business. Based in London, he will provide actuarial and employee benefits advice to a portfolio of clients. He joins Mercer from Hewitt Bacon & Woodrow, where he was a senior consultant within its employee benefits practice.



LANE, CLARK & PEACOCK, a UK-based actuarial consultancy, has promoted **Chris Helyar**, head of research of fixed income managers, and **James Hughes**, manager of one of the London pensions actuarial teams, to partners. Mr Helyar has worked for Lane, Clark & Peacock since 1994 and moved to the investment department in 1999. He specialises in advising trustees on setting their investment strategy. Mr Hughes has been at the firm since 1995, and specialises in advising closed pension schemes. He also has a recruitment role.

SCOTTISH RE GROUP LIMITED, a global life reinsurance specialist, has announced that it has appointed **David R Howell** as deputy chief executive officer of the company's international reinsurance business. In this newly created position, Mr Howell will assume responsibility for the marketing, pricing, risk management, and treaty functions of Scottish Re's international business. The main focus of this new role will be on driving profitable business growth in Europe, Asia, and the Middle East markets. He will be based in the company's offices in Windsor, UK. Mr Howell's career spans over 15 years in life reinsurance and has included a diverse range of geographic responsibilities, most recently as a senior executive with Swiss Re. Since 2003, he was chief pricing officer for Swiss Re's life reinsurance business in the Europe, Asia, and Latin America where he increased Swiss Re's focus on helping clients manage their capital through reinsurance and implemented a rigorous pricing process.

**Icki Iqbal** (right) retired from the full-time employment of DELOITTE & TOUCHE in November, although he plans to continue to support the profession and the industry in a part-time capacity.



MERCER HUMAN RESOURCE CONSULTING has appointed **Bhavna Kumar** (left) as an associate within its retirement business. Based in Manchester, she will provide actuarial and employee benefits advice to a portfolio of clients. She joins Mercer from Aon Consulting, where she was a consultant within its employee benefits practice.



**Ravi Rastogi** is to join WATSON WYATT as a senior investment consultant in its growing investment consulting business. Ravi, who has a background in investment consulting, joins from PSolve where he was a principal and business manager, with key roles in liability-driven solutions and business development. Prior to this he worked in various financial services consulting roles including an investment consulting role at PricewaterhouseCoopers.

AXA UK has announced that **Guy Stouls** is to be marketing and underwriting director from 1 January 2006. He is currently chief executive of Axa's direct insurance business.

**Peter Tavner** has been appointed deputy group actuary within the in-house team of Lloyd's insurer AMLIN. He joins from the Lloyd's market risk and reserving unit where he managed an 11-strong team in the development and delivery of the risk-based capital system to the Lloyd's market.

GE INSURANCE SOLUTIONS, a provider of commercial insurance, reinsurance, and risk-management services, has appointed **Torben Thomsen** to lead its newly established continental Europe life and health division. The continental Europe life and health division is formed by the joining of several existing business units, and includes the company's life and health offices in Copenhagen, Munich, Paris, Madrid, Milan, Athens, and Tel Aviv.

**Chris Watts** has joined JPMORGAN'S UK derivatives marketing and solutions team. He will be helping pension schemes and life insurance companies hedge their financial risks. Chris used to work for Barnett Waddingham in its pensions and investment consultancy team.

**Maurice Whymys** has been named new chief executive of MERCER HUMAN RESOURCE CONSULTING, Ireland's largest benefit and actuarial consultancy. He succeeds **Paul O'Faherty**, who has been appointed chairman of the Mercer group in Ireland and European business leader for HR services.

## Where are you reading this?

A recent survey conducted by the Office for National Statistics has highlighted that home-working is a growing trend, with 3.1m people working from home in the UK in spring 2005, compared to just 2.3m in spring 1997.

The increasing cost of office premises and difficulties in recruiting and retaining staff, especially those with families, have been highlighted as major influences in companies' decisions to let some, or all, staff work from home on an occasional and sometimes even full-time basis.

Another possible reason for working at home in Scotland is that on 26 March 2006 the law on smoking will change, with smoking no longer allowed in the majority of enclosed public places, including workplaces. The law has been introduced to protect people from the harmful effects of passive smoking and has implications for employers and employees in workplaces, clubs, pubs, restaurants, hospitals, and schools across Scotland, including vehicles. Substantially similar legislation for England and Wales is in train.

And finally another possible explanation suggested itself when we saw on 7 November that the TUC is calling on the government to change the law to stop millions more workers falling victim to the office bullies!

## Business-friendly UK tops table!

Which countries have the best markets for entrepreneurs? According to the 2005 Milken Institute Capital Access Index, released last month, it's the UK, which tops the ranking for the first time. Hong Kong, last year's number one, dropped to second this year, followed by Singapore and the US.

Started in 1998, the index is a comprehensive analysis of the breadth, depth, and vitality of capital markets around the world. It is based on a simple premise, but complex measurements, showing that efficient financial markets – making capital accessible to the entrepreneurs who can use it to grow and sustain companies and generate jobs – are the key for long-term growth and reducing poverty and income polarisation.