

corted out of the building.

What were your duties as chief actuary?

The chief actuary of the Office of the Superintendent of Financial Institutions prepares reports on all public pensions programs, the largest of which is the CPP. The CPP is the equivalent of the United States Social Security program, and is the principal source of retirement income for millions of Canadians. Its financial health is naturally of great public concern.

Under law, the CPP reports are to be prepared on an independent basis, and the chief actuary in Canada is fully responsible for safeguarding that independence. The actuary prepares the report, signs it and transmits it to the Canadian minister of finance. The report becomes public as soon as the minister files it with the House of Commons. Although the superintendent of insurance is the administrative superior of the chief actuary, the superintendent does not have approval power over the preparation of the statutory actuarial reports.

Was this the first indication you had that you were displeasing your boss?

Since I began working on the CPP reports in 1983, no immediate supervisor had ever expressed displeasure with any aspect of my work. By contrast, the current su-

refusal?

I explained to Mr. Palmer that both professional and legal considerations prevented me from changing the number. First, the CPP law clearly requires a report on the CPP from the chief actuary. Complying with Mr. Palmer's demand would have violated the letter and spirit of the law. Second, changing the report would have been contrary to the standards of the actuarial profession. As a professional, I have to answer for my judgment. Actuarial work is based on professional judgment about future conditions, on appropriate methodology and on relevant data. I must stand by the answer that I obtain using those ingredients. Had I changed the report, I could not have justified my findings in the light of professional standards.

Your dismissal has given rise to speculation in the media about the real condition of the CPP. Is there a solvency problem that is being concealed?

As I explained, I can't comment at this time on the contents of the pending actuarial report. Nevertheless, I can point to previous CPP reports, which are matters of public record. If you look at those reports in sequence, you will not see any major changes in assumptions.

When I took the chief actuary job in 1992, I wrote a set of guidelines based on CIA standards, which basically said that the chief

fession?

I've been overwhelmed by the unanimity of support that I've received from the members of the CIA. No one accepts that the reason for my dismissal was administrative incompetence on my part.

The press attention to my case has also led to support from the public. I live in the suburbs of Ottawa, and everywhere I go in the capital people express their support and concern.

Is the public attention part of a campaign to win back your job?

Emphatically not. I would not have gone public if my supervisor had not in the first instance publicly discussed my dismissal.

Mr. Palmer took the extraordinary step of calling a press conference to announce and explain my dismissal. It was only after his press conference that I publicly discussed the case. Until that point I was trying to fight my dismissal through channels, out of the public eye. In any case, I stand by my account of what he told me in our private meeting, and am prepared to submit to a polygraph test to back up my assertions.

Why do you believe you were fired?

I have to believe that I was fired because I openly resisted attempted political interference in the accomplishment of my statutory actuarial mandate as chief actuary.

The merits of your case aside, you have brought attention to the importance of

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As part of an ongoing effort to improve service to our members, this year both the 1998 "Property/Casualty Loss Reserve Law Manual" and the 1998 "Life and Health Valuation Law Manual" will be available through three media to both help contain costs and give members access to information in a form that best suits their needs.

The manuals will be available on CD-ROM and via the Academy Web site in addition to the printed versions that were available last year. Published manuals will cost \$425 each. The CD-ROM and Web site versions will be available at a discount. Discounts will also be offered for multiple licenses within a company. Order forms and final prices for CD-ROM and Web versions will be available soon.

Disciplinary Notice

The Academy Board of Directors, acting in accordance with the Academy's bylaws and under request of the Canadian Institute of Actuaries, has voted to publicly reprimand E. James Stergiou for failure to comply fully with applicable standards of professionalism when providing professional services in Canada. Specifically, Mr. Stergiou was found by the Discipline Committee to have failed to comply fully with Precepts 1, 2, 4, 5, and 16 of the then-applicable Code of Professional Conduct with respect to his role in the work of his firm involving a 1992 actuarial opinion filed on behalf of a Canadian company. This public reprimand constitutes the final action of the Academy Board of Directors with respect to this matter. Mr. Stergiou remains a member of the Academy.