

2006 Caribbean Actuarial Association Conference

Building Bridges – Facing the Challenges Together

Disciplinary Process

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CARIBBEAN ACTUARIAL ASSOCIATION



Topics to be covered

- General concepts
- IAA requirements
- The CIA model
- Challenges for the CAA
- Questions period



General overview

- ❑ Power of self-government has two essential aspects:
 - Authority to license
 - Ability to discipline licensees

- ❑ A professional organisation must have the power to regulate the licensee by establishing:
 - Rules of conduct
 - Standards of practice
 - Enforceable through discipline



What is a discipline process all about?

- ❑ Protecting the public
- ❑ Weeding out the unacceptable practices
- ❑ Providing guidance to members
- ❑ Strengthening the image of the profession



Importance of a good discipline process

□ For the public

- Protection against unqualified or incompetent members
- Peace of mind when using the services of an actuary
- Confidence that they are dealing with true “professionals”



Importance of a good discipline process (cont'd)

- For the association
 - Enhancing the public confidence in the profession
 - Getting rid of the incompetent and the unethical

- For the member
 - His livelihood could be at stake
 - His reputation could be damaged
 - He must be given a fair chance to demonstrate his innocence



What are the mandatory requirements?

- Natural justice
- Procedural fairness
- Openness
- Accessibility



Natural justice – what does it entail?

- ❑ Recognize the rights of the individual
- ❑ Can defend himself
- ❑ Present his case
- ❑ Given fair hearing
- ❑ Not “pre”-judged



IAA requirements

- A. Process allowing anyone affected by the work of an actuary to lodge a complaint and the member's peers
- B. There is a due process of defence to the member and the member's rights are fully respected
- C. An objective formal appeal process must be in place, independent of the body that made the original ruling
- D. Appropriate sanctions according to the level of the offences



CIA Model

- ❑ Current process first implemented in mid-90's
- ❑ Constantly evolving (revision in 1998, 2000, 2001, 2003 and 2006)
- ❑ Committee on Professional Conduct (CPC)
 - 12 members
 - 2 non-actuaries
 - Has representatives from all practice areas



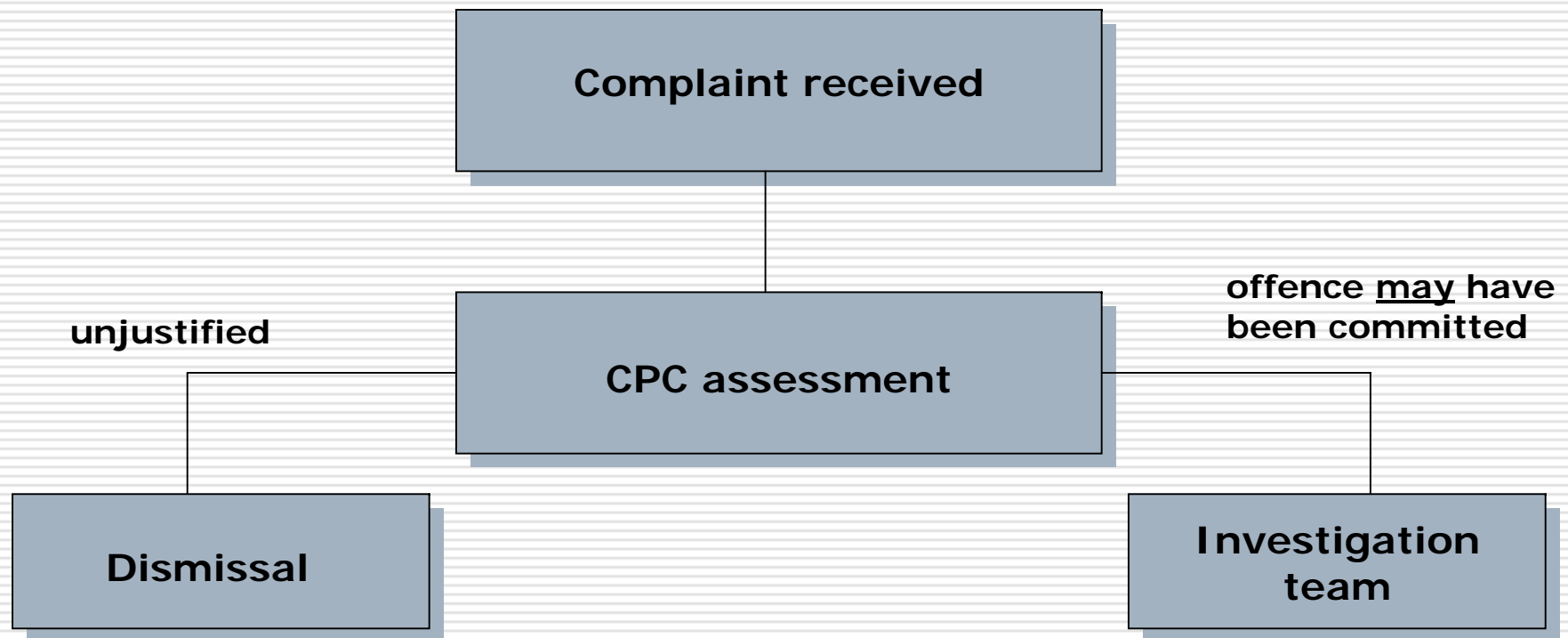
CIA Model (cont'd)

Main phases

- Lodging of a complaint
- Analysis by CPC or sub-group of CPC
- Decision on how to proceed
- Investigation team
- Decision to lay charges
- Tribunal
- Appeals tribunal



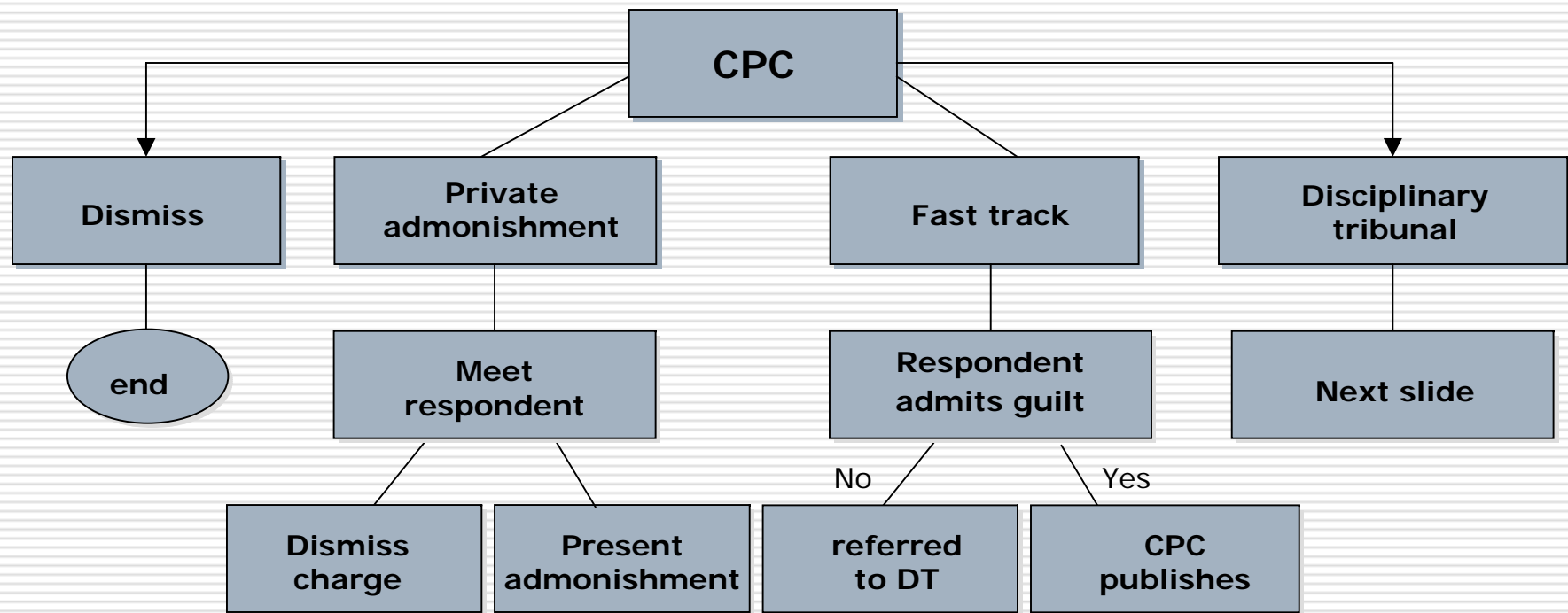
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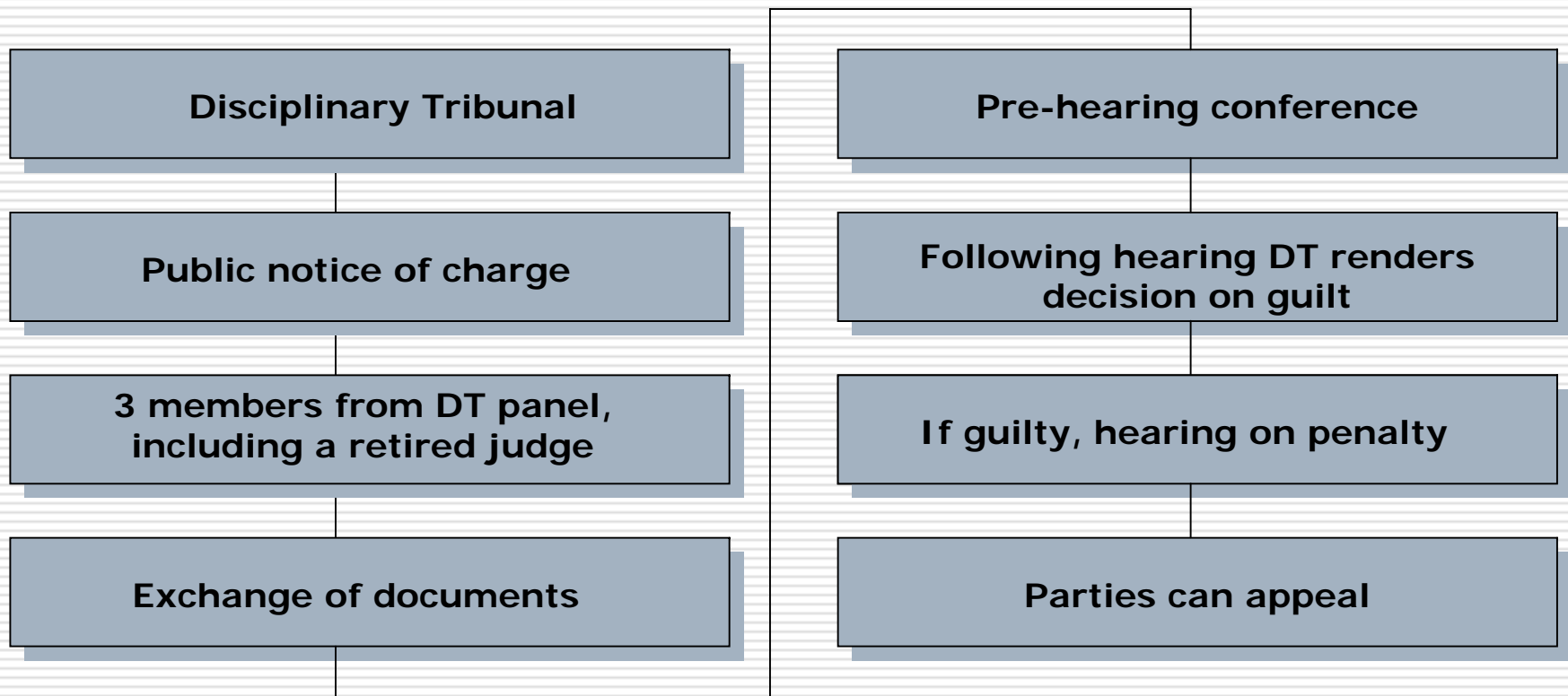
Note: A sub-group of the CPC can do some administrative work but decision remains with CPC.



CIA Model (cont'd)



CIA Model (cont'd)



Challenges for CAA

- ❑ Ensure a fair system is in place
 - Enquiry stage
 - Tribunal stage
 - Appeal stage

- ❑ Make certain CAA has the right to discipline its members

- ❑ Multiple jurisdictions covered

- ❑ Sufficient number of members to ensure there are no conflicts of interest

- ❑ How to ensure members right to confidentiality while providing enough openness



Questions period

