



Memorandum

To: All members of the Canadian Institute of Actuaries and other interested parties

From: Edward Gibson, Chair
Actuarial Standards Board

François Boulé, Chair
Designated Group

Date: December 1, 2023

Subject: **Final Standards of Practice: Part 7000 – Practice-specific Standards of Practice for Social Security Programs**

Document 223174m

Introduction

The attached final standards were approved by the Actuarial Standards Board (ASB) on November 27, 2023. The changes within revise the practice-specific standards of practice for social security programs (Part 7000).

Background

In 2022, the ASB established a designated group (DG) to review Part 7000. A [notice of intent](#) (NOI) was issued in October 2022, with a January 31, 2023, comment deadline. One comment regarding the NOI was received and considered.

Following the NOI, the DG developed an [exposure draft](#) (ED) that was issued in June 2023 with a comment deadline of September 30, 2023. The DG didn't receive any comments regarding the ED. This being the case, Part 7000 is identical to the ED.

The final standards include changes in respect of:

- i. wording to distinguish between the terms financing method and funding method;
- ii. new paragraphs on subsequent events to account for considerations relating to social security program valuations that are not reflected in subsection 1430 of the General Standards; and
- iii. more detailed guidance regarding economic assumptions.

As well, the revision included general changes to improve clarity, conciseness and specificity, while maintaining consistency between Part 7000 and International Standard of Actuarial Practice 2 – Financial Analysis of Social Security Programs.

Due process

The ASB's *Policy on Due Process for the Adoption of Standards of Practice* has been followed in the development of these revisions to the standards.

Effective date and early adoption

These final standards will become effective on February 1, 2024. Early adoption is permitted.

Members of the DG

The members of the DG are François Boulé (Chair), Robert L. Brown, Philippe Guèvremont, Jean-Claude Ménard, Andréanne Pearson and Jill Wagman.

The DG wishes to acknowledge and thank Marshall Posner who provided guidance throughout this review.

EG, FB



The Canadian Institute of Actuaries (CIA) is the qualifying and governing body of the actuarial profession in Canada. We develop and uphold rigorous standards, share our risk management expertise and advance actuarial science to improve lives in Canada and around the world. Our more than 6,000 members apply their knowledge of math, statistics, data analytics and business in providing services and advice of the highest quality to help Canadian people and organizations face the future with confidence.