



SECTION: Actuarial Reports

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TITLE: Actuarial Assumptions Guidelines -
Solvency Valuations

APPROVED BY: The Superintendent of Pensions

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REVISED DATE: February, 1994. Correction to A050-102

Note: This policy is no longer applicable. Actuaries should follow the standard practices of the Canadian Institute of Actuaries ("CIA") in their selection of actuarial assumptions and methods.

In the first issue of the *PCO Bulletin* (February 1990) we published an article on actuarial assumptions that would be accepted by PCO staff (page 8).

For solvency valuations, there were two options for economic assumptions. The second option included an interest assumption for 20 years based on long-term provincial securities and an expense assumption of \$500 per member.

In recognition of changes in the financial markets and the solvency valuation requirements, the second option is no longer available. For valuation dates in or after December 1993, PCO staff will no longer be able to accept solvency valuations based on the second option for economic assumptions.