

# Conflicts in public interest – engaging constructively in matters of public interest

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## ABSTRACT

The paper explores how members of the Actuarial Society of South Africa (ASSA) can constructively engage in public on matters of public interest. It delves into the interpretation of the Code of Professional Conduct, recommending that it be read to encompass public policy work. The authors identify two key challenges: differing opinions among members and actual or perceived conflicts of interest. The paper proposes ways to manage these challenges professionally. It highlights the need for a robust framework to ensure that members' contributions to public policy are impartial, transparent and aligned with the public interest, not commercial or political outcomes. Practical recommendations include rigorous impact analysis, disclosure of affiliations, and clear communication of the data, assumptions and models used. The paper calls for enhanced guidance from ASSA on managing ideological differences and conflicts of interest in public policy debates to safeguard the reputation of the actuarial profession while ensuring its contributions are valuable and unbiased. Ultimately, it seeks to stimulate discussion on improving ASSA's framework for public policy engagement and enhancing its members' roles in promoting the public good.

## KEYWORDS

Public interest, public policy, conflicts of interest, professional conduct

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## 1. INTRODUCTION

### 1.1 Objective

1.1.1 The paper explores how members of a profession can constructively engage in public on matters of public interest which may impact public policy. The applicability of the Actuarial Society of South Africa's Code of Conduct to public engagements on public policy matters is examined. The paper considers a case study on how members have engaged each other in the National Health Insurance public policy debate.

1.1.2 The Actuarial Society of South Africa's (ASSA) vision is one of: an actuarial profession of substance and stature, serving, and valued by, our stakeholders as a primary source of authoritative advice and thought leadership in the understanding, modelling, and management of financial and other measurable risk. (Actuarial Society of South Africa, n.d.)

1.1.3 Furthermore, ASSA commits to serving the public interest through, amongst others:

[e]ngaging decision makers as an impartial profession focused on the public good on all areas of policy where actuaries can contribute. (Ibid.)

1.1.4 ASSA members<sup>1</sup> may contribute to public policy matters in various roles, including as:

- employees of their employer organisations, which could include government and parastatal organisations;
- members of ASSA in various capacities;
- members of non-profit organisations; and
- individuals.

1.1.5 At times, members participate both as employees of their respective organisations and as ASSA members.

1.1.6 Public policy matters are by nature complex, multi-faceted issues that engender a variety of views. The emergence of the Covid-19 pandemic placed a renewed focus on when and how members engage publicly on public policy matters. It is our view that members should engage constructively and professionally in this regard in the interests of the public.

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1 Throughout this paper, we use the term "members" as defined in ASSA's Code of Professional Conduct.

1.1.7 Two common obstacles to achieving constructive engagement are simply differing opinions and perspectives, and actual or perceived conflicts of interest.

1.1.8 This paper aims to stimulate discussion by identifying gaps in the current governance documents for dealing with these complex public policy discussions within ASSA, and suggesting practical ways of managing both conflicts of opinion and conflicts of interest. The method is a conceptual analysis and philosophical enquiry based on the authors' experiences.

## 1.2 Background

1.2.1 The South African actuarial profession is governed through several key documents, such as:

- ASSA's constitution and its by-laws;
- The Code of Professional Conduct (Code) and disciplinary procedure; and
- Standards of Actuarial Practice and Actuarial Practice Notes.

1.2.2 In addition to these governance documents, members are subjected to regulations within their respective industries, the laws within their jurisdiction and ultimately the constitution of the Republic of South Africa if operating within South Africa.

1.2.3 In order to contain this paper, we limit our considerations to the South African context.

1.2.4 With an increasing number of domains in which members are involved and the strategic decision taken by ASSA to be proactively involved in public policy discussions, it can be expected that members will have diverse views on a range of policy issues that will be discussed from time to time. Diversity can indeed be a strength if harnessed properly but can lead to divisions if poorly managed.

1.2.5 ASSA was supported through its infancy to adulthood mainly by the insurance industry. It owes its very existence to the insurance industry. ASSA envisions an actuarial "profession of substance and stature" (Ibid.) that is regarded as a "primary source of authoritative advice" (Ibid.) by an increasing number of diverse stakeholders. It is important to highlight that this vision introduces a tension between what the traditional stakeholders, such as the insurance industry, may expect from ASSA versus what ASSA expects from itself as articulated in its vision.

1.2.6 It is stated in ASSA's public interest strategy that:

[t]his vision does not limit ASSA to be involved only in insurance related matters in a world that is grappling with demographic, climate-related, pandemic, financial, technological, and other risks. (Mulaudzi, 2021)

1.2.7 To manage the process of proactively engaging in public policy discussions, ASSA Council decided to establish a public interest function. This was a recognition that the organisation needs to develop the skills to interpret public interest issues in public

policy discussions instead of simply accepting existing or developing industry views on public policy.

1.2.8 In terms of public policy discussions, ASSA understands its primary role to be that of informing debate on matters of public interest in South Africa, especially when it is deemed that actuarial expertise can add value. ASSA can provide facts, figures, comments, and analyses of consequences on a wide range of topics where the actuarial skillset can provide unique insights.

1.2.9 ASSA is neither a political organisation nor a profit-making commercial entity and therefore does not intend to influence public policy towards a particular political orientation or commercial outcome. It simply wishes to ensure that relevant facts are considered throughout the policymaking process, especially those aspects that are laden with uncertain long-term future implications. This view should assist ASSA in formulating what the success of its involvement looks like. Success is when “recommendations are tabled with supporting documentation and communicated professionally”<sup>2</sup>

1.2.10 ASSA’s public interest function considers how best ASSA can engage proactively in public policy discussions:

- (1) beyond (but not excluding) insurance regulatory matters;
- (2) on a wide range of policy discussions where the actuarial skillset can provide unique insights; and
- (3) in a way that is independent, credible, professional and in the public interest.

1.2.11 This discussion is by no means new. For example, in 2005 a public interest task group was appointed by ASSA to consider the South African profession’s public interest role. Amongst others, the task group recommended the following:

- ASSA must ensure compliance and discipline;
- ASSA needs a process for entering into debate with the regulator and the public (like the UK profession’s Social Policy Board);
- ASSA needs a process for raising issues from stakeholders; and
- ASSA needs a process for encouraging complaints from stakeholders (Lowther et al, 2005).

1.2.12 The second recommendation has largely been addressed by the creation of ASSA’s public interest function and related strategy. This paper furthers this and the other recommendations.

1.2.13 The role of members in public interest was also debated by a group of senior actuaries and led to the publication of a public interest Explanatory Note, issued in December 2021.

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2 Comment made by Jeremy Andrew, a member of the Public Interest Governance Committee of ASSA

## 2. PUBLIC POLICY AND CODE OF PROFESSIONAL CONDUCT

To what extent does the current Code address conflict situations that may arise in public policy discussions? In this section a few points related to this question are explored.

### 2.1 Public interest and public policy

2.1.1 Stepping into the arena of public interest and public policy not only introduces more stakeholders but also more principles to consider. The Code expects members to only undertake professional services for which they are sufficiently “competent and appropriately experienced” (Actuarial Society of South Africa, 2015, para. 2a). In addition to this requirement, members are expected to engage “honestly, with integrity, competence, due care, and in a manner that fulfils the profession’s responsibility to the public” (Ibid., para. 2b).

2.1.2 The public interest Explanatory Note discusses the concept of public interest, acknowledging that there is not a single way of defining this concept and that it is challenging to guide members on how to handle public interest matters.

2.1.3 It is however possible to distinguish between public interest and public policy. In a broad conception public interest refers to “common well-being” or “general welfare” and can be anything affecting the rights, health, or finances of the public at large. Public policy on the other hand refers to “[a] course of governmental action established to address the problems of the society at large, rather than individual needs on a smaller scale.” (Legaldictionary, n.d.)

2.1.4 The public interest function of ASSA focuses on public interest matters as they relate to public policy discussions and the functioning of government institutions. It is acknowledged that individual members and their respective organisations may be involved in public policy matters and may have different views to those of other members and those of the public interest actuary. The public interest Explanatory Note states the following:

It should be clear from the above that there is space for varying views and opinions regarding obligations to the public interest, and that there is no single right answer. Members are encouraged to be mindful of this plurality. Members should think for themselves regarding these matters, and are encouraged to document their thinking and decisions. (Actuarial Society of South Africa, 2021a)

### 2.2 Code of Professional Conduct and public policy

2.2.1 What does the Code say about members engaging in public policy discussions? It does not explicitly mention public policy work. However, the preface to the Code states that it:

covers both the work and the conduct of members towards their clients, their employers, regulators, the Society and its members, and includes the rendering of actuarial services. (Actuarial Society of South Africa, 2015)

2.2.2 It defines “actuarial services” as:

[p]rofessional services provided by a member acting or perceived to be acting in the capacity of an actuary, including the rendering of advice, correspondence, recommendations, findings or opinions based upon actuarial considerations. (Ibid.)

2.2.3 Although it is not clear from these quotes that the Code includes work by members in public policy, including public comments on matters of public interest, the Code covers all aspects of professional work done as actuarial professionals. Therefore, in this paper, it is assumed that the Code applies to members engaging in public on public interest matters.

2.2.4 Accepting this, we can read the Code by interpreting “client” as “public”, and “assignment” as “public policy work”.

2.2.5 Paragraph 12 of the Code states that:

[i]n fulfilling assignments, members must consider the likely implications of their recommendations for all parties that are likely to be materially affected, and also draw the attention of their clients to such implications. (Ibid.)

2.2.6 This implies that in public policy discussions, members should consider the likely implications for all parties that are likely to be materially affected and draw the attention of the public to such implications. This understanding has important implications for how members should approach public policy discussions. There is a need for a robust framework that identifies key stakeholders and their needs. The likely impact on all those stakeholders should be communicated to the public.

2.2.7 Take mandatory vaccination as an example. Members involved in public discussions around this policy would be expected to identify the key stakeholders and their needs and communicate the likely impact on all parties. Deliberate misleading or careless handling of information and neglecting to conduct impact analysis for any of the key stakeholders may constitute unprofessional conduct.

2.2.8 Paragraph 13 states that:

[d]ifferences of opinion among members may arise, especially in choices of assumptions and methods. Discussions of such differences between members, or in observations made by a member on the work of another member, must be conducted objectively and with courtesy and respect. This does not prevent constructive criticism where this is properly motivated and justifiable. (Ibid.)

2.2.9 Failure to adhere to this principle in public policy discussions may bring the profession into disrepute.

2.2.10 Practical guidance on how to manage differences can be helpful given that there may be different views on what constitutes an “objectively conducted” discussion of differences, especially when the stakes are high.

2.2.11 Paragraph 14 states that:

[a] member may encounter a situation where the best interests of the client will be served by the member providing an alternative opinion to one that had been expressed by another actuary. This is acceptable, provided that the factors that lend support to the alternative opinion are explained clearly at the same time. (Ibid.)

2.2.12 If “client” is replaced by “public” then it is acceptable that members may have different opinions on public policy as long as they explain how they arrive at their opinions. There should be no attempt to unduly force consensus on public policy matters. Instead respectful fact-based discussions are encouraged. ASSA should not be put under pressure to adopt a divisive (or any) public policy position as this is not the primary objective of the Society.

2.2.13 Paragraph 24 states that:

[t]he Society serves the public interest through its actuarial education and continuing professional development programmes, and by developing and enforcing standards. The Society also serves the public interest by engaging with regulators and in public debate. Members are encouraged to motivate improvements in regulation and participate in relevant policy debates, especially through the structures of the Society. (Ibid.)

2.2.14 In this regard, differences of opinion may emerge amongst members and the Code addresses this through paragraph 13 (see ¶2.2.8).

2.2.15 ASSA has practice area committees that are responsible, from time to time, for considering changes in legislation and regulations that impact their industry. Practice area committees engage with the broader membership through sessional meetings, amongst others, as part of getting input from as many members as possible. The input made by the committees is then considered by ASSA leadership and then submitted to the authorities. Historically, disagreements within the profession have been few<sup>3</sup> and relatively well-contained. ASSA inputs into legislation tend to focus on highlighting potential unintended consequences and opportunities while offering practical assistance in implementation.

2.2.16 Paragraph 9 states that:

[a] member must act honestly, with integrity, competence and due care, and in a manner that fulfils the profession’s responsibility to the public and upholds the reputation of the actuarial profession. (Ibid.)

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3 Although there was controversy around HIV public policies in South Africa, the actuarial profession was not polarised. There have been disagreements regarding the handling of pension surplus, the demarcation of health insurance products and the public interest role of the actuarial profession given its relationship with the insurance industry.

2.2.17 This responsibility to the public is clarified in paragraph 25 which states: [m]embers are encouraged to consider the public interest when rendering actuarial services, but provided that members meet the requirements of the applicable Law, the Constitution of the Society and any applicable Standards of Practice and the Code, they will be deemed by the Actuarial Society to have met the expectations of the profession with respect to the public interest. (Ibid.)

2.2.18 However, paragraph 12 creates a stronger obligation for members to consider implications on all parties that are likely to be materially affected.

2.2.19 This is something that ASSA through its structures needs to clarify. Actuarial expertise is instrumental in decision-making processes wherein some of the stakeholders are not represented. It can be deemed as noble for the profession to have a code of professionalism that encourages its members to consider such stakeholders when advising decision-makers. However, it may be impractical; hence, there is a need for discussion and clarification about this. Our view is that members involved in public interest matters should endeavour to consider the interests of the key identifiable stakeholders affected by the matter.

2.2.20 Paragraph 8 states that:

[e]ffective and appropriate communication is an essential part of all actuarial services. The form and content of any actuarial communication must meet the needs of the particular circumstances, taking into account the knowledge and understanding of any potential users and the relationship of the member to such users. (Ibid.)

2.2.21 In making public policy pronouncements, it may be necessary for the members to disclose their affiliations that may affect their relationship with key stakeholders impacted by the pronouncement. This is extended in paragraph 17.

2.2.22 Paragraph 17 states that:

[c]onflict of interest arises, inter alia, when a member has an actual or potential interest that may influence the objective performance of the member's obligations to any specific client or prevent the member from rendering an unbiased and fair service to any specific client, or prevent the member from acting in the best interests of any specific client. A member must not knowingly perform actuarial services involving a material actual or potential conflict of interest unless:

- a. the member has disclosed the conflict and the nature of the conflict to the client in writing,
- b. there are sound and defensible reasons for continuing to provide the service, and
- c. these conflicts are declared in the member's report, and reasonable steps have been taken to ensure that third-party recipients of the report, who are



likely to base judgements on or be materially affected by the advice therein, have been made aware of the circumstances. (Ibid.)

2.2.23 In this instance, a member involved in preparing and making public policy pronouncements should consider whether they have any actual or potential interests that may influence their objective performance to the “public” as the client. Members are free to prepare public policy pronouncements on behalf of their clients and the Code expects them to render such service in the best interest of the client while being mindful of the interests of other stakeholders. However, such pronouncements on behalf of the client should be published as such.

2.2.24 What is potentially problematic is when privately produced pronouncements are stated as “independent” or as ASSA’s view. Paragraph 18 states that:

[f]or members in any particular situation to describe the advice they offer as independent, they must be free, and must be seen to be free, of any material influence or conflict of interest that might affect their advice or limit the scope thereof. (Ibid.)

2.2.25 The challenge for members engaging in public interest matters is to recognise the ideologies and principles that may be influencing their opinion and advice. To the extent that the members cannot identify these subtle influences, ASSA may need to conduct training to assist members in handling conflicting ideologies in public policy debates.

<b>Case Study 1: National Health Insurance (NHI)</b>
The National Health Insurance Act introduces a radical change in the South African healthcare system. The debate about it has been ongoing for decades. Along the way, many healthcare system reforms have been introduced, some implemented and others abandoned.
Actuaries have been involved in this debate in several different ways, such as: <ul style="list-style-type: none"> <li>– Policy advisors serving on government or regulatory task teams: <ul style="list-style-type: none"> <li>– Prof Heather McLeod – Chairperson of the Formula Consultative Task Team (FCTT)</li> <li>– Barry Childs, Roseanne Harris, Charlton Murove, Christoff Raath – Council for Medical Schemes Advisory Technical Committee Meeting (Council for Medical Schemes, November 2021)</li> </ul> </li> </ul>
– Authors of journal articles: <ul style="list-style-type: none"> <li>– McLeod &amp; Grobler (2010), Risk equalisation and voluntary health insurance</li> <li>– Ramjee &amp; McLeod (2010), Private sector perspectives on National Health Insurance</li> </ul>
– Presenting at industry conferences: <ul style="list-style-type: none"> <li>– Murphy da Silva &amp; Besesar (2016), Healthcare reform in South Africa: Insights from international systems striving towards universal health coverage</li> <li>– Ramjee &amp; Vierya (2014), Neither here nor there: The South African medical scheme industry in limbo</li> <li>– Raath (2019), What if we found a way to achieve universal health coverage</li> </ul>

<ul style="list-style-type: none"> <li>– Murphy &amp; Harris (2014), Demarcation of health insurance, ASSA Sessional</li> <li>– Theophanides (2016), NHI Task Team feedback, ASSA Healthcare CPD seminar</li> <li>– Mulaudzi (2016), Reflecting on the actuarial profession’s commitment to the Public Interest, ASSA Healthcare CPD seminar</li> </ul>
<p>– ASSA representatives in public consultations:</p> <ul style="list-style-type: none"> <li>– Murphy, Harris &amp; Shapiro (2014) – NHI Task Team feedback on NHI model</li> <li>– Childs &amp; Mulaudzi (Actuarial Society of South Africa, 2021b), Commentary on the NHI Bill – presentation to the Health Portfolio Committee</li> </ul>
<p>From its earliest NHI commentaries, the ASSA NHI task team members put forward the following points (Actuarial Society of South Africa, 2016):</p> <ul style="list-style-type: none"> <li>– The importance of the principle of universal access</li> <li>– The necessity to adopt a phased approach in a fiscally responsible manner</li> <li>– The need to prioritise the revitalisation of the public delivery system</li> <li>– The need to develop and implement private-sector health regulations</li> <li>– Emphasis on the importance of analysing the impact on stakeholders</li> <li>– The importance of actuarial participation in the workstreams</li> </ul>
<p>The most recent submission was made to the National Council of Provinces (NCOP) in September 2023 before the Bill was passed and subsequently signed into law by the President. In this submission, ASSA made the following points:</p> <ul style="list-style-type: none"> <li>– The Actuarial Society of South Africa is a public-interest professional organisation with some members who have, in the past, expressed support for the realisation of the vision of improved universal health coverage for all South Africans.</li> <li>– That a phased implementation approach is a prudent approach for the envisaged health system change.</li> <li>– The inclusion of actuarial experts in the Ministerial Benefits Advisory Committee should be considered.</li> <li>– Joint research projects between actuaries and the Department of Health and other stakeholders should be considered.</li> <li>– That affected stakeholders should find pragmatic ways to resolve their differences.</li> <li>– The Health Market Inquiry recommendations should be implemented alongside Phase 1 and Phase 2 of the NHI implementation (Actuarial Society of South Africa (2023).</li> </ul>
<p>Rather than making sweeping statements about the prospects of the NHI, actuaries have been generally guarded in their NHI pronouncements. This is partially because it would not have been possible to make definitive statements about viability and affordability in the absence of clear benefit packages and rules, and other service provision rules. However, with the signing of the NHI Act, some impacted stakeholders are determined to exert pressure on the government through negotiations or the courts to change aspects of the Act. As some actuaries may be associated with such stakeholders, there may be an understandable tension among actuaries on the best approach.</p>
<p>In the context of ASSA’s Code, such tensions are not a problem if debates emanating from diverse views are handled professionally. This paper seeks to present a way in which actuaries can engage constructively in this debate. What may become difficult to manage is if pressure is exerted on ASSA to take a stance for or against the Act. Although there has been an endeavour over the years to carefully word ASSA submissions to highlight aspects that are generally supported and highlight risks associated with some of the provisions, the failure to take a hard stance against the NHI Act may be seen as tacit support for all aspects of the Act. Members should be free to express support for or against the Act as long as they can substantiate their positions. ASSA should keep its doors open to all stakeholders including its members and continue to advocate for the utilisation of actuarial skills in various NHI committees and joint research projects with policymakers and other stakeholders.</p>

## 2.2.26 A few recommendations emerge from this discussion about the Code and public policy work:

- Members should undertake an objective and rigorous analysis of all the material expected costs and benefits before committing to a view in public or publishing an opinion on public policy matters.
- Members should disclose their affiliations and any potential conflict of interest that may be seen to affect the public policy pronouncement. This may also include an acknowledgement of ideologies that are assumed in the member's work.
- Members are allowed to hold different substantiated opinions, but they should discuss their differences objectively and professionally.

2.2.27 This section has primarily dealt with how the Code can be interpreted to address public policy engagement activities by members. This might not be the best way to handle this and therefore an alternative approach should be considered.

## 2.3 Alternative approach

2.3.1 The duty of members to consider the interests of affected stakeholders when advising clients can be governed sufficiently through the Code. However, public policy engagement may require more specific guidelines. This is mainly because the scope for reputational damage is significantly increased when engaging publicly in public policy debates. Furthermore, such work typically involves multi-disciplinary teams and members will have varying degrees of influence in such teams. A risk is that the member does not support the team's view but is seen to support this as a result of their involvement.

2.3.2 The following guidelines can be considered in discussions to address existing gaps.

### 2.3.3 *Differences of ideology and perspective*

2.3.3.1 In the public policy arena, members are likely to have clients with very different ideological perspectives. The different perspectives may influence what the member is asked to investigate, what data is provided, how the member constructs their model, what they include and what they leave out, and what the client selects when communicating the results of the member's work.

2.3.3.2 The member may be a member of a multi-disciplinary team and may find that the team as a whole adopts a point of view different to that of the actuary personally, or different to what the member believes may be the commonly held view amongst the actuarial profession. There is considerable potential for conflict between clients which may involve the members who have worked for them.

2.3.3.3 It is useful in this context, for each member to set out their client's perspective when describing any modelling that has been done. This should include any constraints imposed by the client on data, model choice, and assumptions.

### Case study 2: Social Security

An example might highlight where this disclosure is helpful: two actuaries are presenting at a conference in the UK on possible changes to social security benefits; one actuary represents the International Labour Organization which believes that a particular level of social security benefit is a “right” (and therefore must be afforded, regardless of the cost) and the other actuary represents a team which has been working on the introduction of private pensions to supplement reduced social security benefits in the UK on the assumption that the present system is unaffordable. Each actuary starts his talk by positioning the broad ideology of his client. Everything that each actuary then contributes can be seen in the context of the perspective of each actuary’s client. This helps keep the discussion on a professional level.

#### 2.3.4 *Actual or perceived conflicts of interest*

In many situations, a member will be presenting work that has been commissioned and funded by their client. This could be their employer, or it could be a third party. The member must disclose this as it will inform their audience who can conclude as to any actual or perceived conflict of interest.

#### 2.3.5 *Sharing of model structure, assumptions and data*

2.3.5.1 The modelling process involves several choices. These can involve data, model choice, parameters, and assumptions. The outcomes may be very different depending on the choices made, particularly where there is a considerable range of choices.

2.3.5.2 When data, model choice, assumptions and projections are shared, the professional engagement can focus on how the results are influenced by those factors. If there is agreement (say between two members) on the results, then the discussions on data, models and assumptions are likely more cordial and can focus on how the choices influence the results. If there is disagreement on the results, then the discussions may be at risk of being less cordial; however, discussions should be maintained at a professional level. The sharing of the information on data, models and assumptions enables the focus to shift to how these choices have influenced the results and therefore informs clients of the range of results that could reasonably be expected. This is healthy and can lead to:

- stakeholders making their policy choices based on a deeper understanding of the issues, and
- sharing diverse approaches that can lead to an outcome that satisfies a wider group of stakeholders.

## 2.4 **Other practical considerations**

2.4.1 The Code does not specifically address situations in which a member of the Society is a member of a team considering public policy pronouncements although the principles in the Code are still relevant.

2.4.2 Where a member is a member of a multi-disciplinary team, a few approaches can be considered:

- If the team adopts a position that the member cannot support, the member must record their disagreement. Depending on the gravity of the issue, the member may then, have to withdraw from the team.
- If the team (including the member) reaches a view that differs from what the member believes to be the commonly held view within the actuarial profession when the team decides that their position can be publicised, the member should seek an opportunity to expose the team's views to the profession. This could be done through a paper, a sessional meeting, or a presentation at a seminar or conference.

### 3. CONCLUSION

3.1 This paper highlights the importance of constructive and professional engagement by actuaries in public policy discussions. It describes the challenges posed by conflicts of opinion and interest in such discussions, urging members to maintain professionalism, disclose potential conflicts, and rigorously analyse all relevant factors before offering public views.

3.2 Several practical recommendations have been suggested in this paper. These are repeated here for convenience:

3.2.1 Members should undertake an objective and rigorous analysis of all the material expected costs and benefits before committing to a view in public or publishing an opinion on public policy matters.

3.2.2 This analysis should be shared appropriately, including information on the data, model and assumptions.

3.2.3 Members should disclose their affiliations and any potential conflict of interest that may be seen to affect the public policy pronouncement. This may also include an acknowledgement of ideologies that are assumed in the member's work.

3.2.4 Members should discuss their differences objectively and professionally.

3.2.5 When undertaking public policy work for a client, members should include in their report:

- A disclosure as to the funder of the report and the member's affiliation with the funder.
- Their understanding of the client's perspective when describing any modelling that has been done. This should include any constraints imposed by the client on data, model choice, and assumptions.
- Stakeholder impact analysis.

3.2.6 When the work is part of a team, members should:

- Record their disagreement, if any, with the positions adopted. In the extreme, this may involve withdrawing from the team.

- Consider ways to garner views of the profession if the team's views are contrary to what the member believes to be the commonly held view within the actuarial profession.

3.3 The above recommendations could be addressed in a guidance note for members engaging in public policy work. Alternatively, ASSA should consider how to address this through its various instruments to ensure desirable outcomes in public policy engagements.

3.4 Such recommendations uphold the reputation of the profession by ensuring that members' contributions are transparent, well-substantiated, and aligned with the public interest.

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