



## Celebrating GAD's centenary!

The Government Actuary's Department was established in 1919 to be a dedicated source of actuarial advice within government. The last 100 years have seen GAD's expertise in actuarial analysis evolve and flourish through continued innovation and development within the department. The modern GAD is a diverse, flexible and esteemed Civil Service department that our first Government Actuary, Sir Alfred Watson, could have only imagined.



### Year of celebration

We will be marking this milestone year with a programme of celebration including a centenary lecture, which is scheduled for 6 June.

#### GAD's Centenary programme:

##### Events

Centenary Lecture by  
Institute for Fiscal Studies director Paul Johnson  
Whitehall & Industry Group breakfast briefing by  
Government Actuary Martin Clarke

##### Articles

Civil Service Quarterly  
The Actuary magazine  
eNews deep dives

eNews from GAD will showcase a series of engaging 'deep dives' into each of GAD's main specialist areas; **social security, pensions, investment, insurance and modelling**. The series begins in this edition with a discussion of our work in social security.

### A century of progress

In 1919, the UK government faced many challenges. In public health, high rates of childhood mortality and the impact of infectious diseases left average life expectancy at birth at around 55 years. The influenza pandemic of 1918 was only then subsiding, leaving a global death toll of more than 50 million in its wake.

Fast forward to today and through a combination of rapid healthcare improvements and rising living standards, the UK's average life expectancy at birth is now around 80 years. There are around 15,000 centenarians alive in the UK and during 2019 we expect more people than ever before will be celebrating this milestone birthday.



A century ago, there were also opportunities for government to address social inequalities. British society has changed substantially since then, on the whole becoming more inclusive, although there is still much to be done. As an example, the House of Commons was historically the preserve of men. Now, new stats show the Commons are becoming increasingly more representative of society with a [record number](#) of women and or LGBTQ MPs, as well as many from ethnic minorities and a range of educational backgrounds.

### GAD's contributions

For the last 100 years, GAD have advised government, helping public servants to make informed choices on the path to creating a better society. Our centenary provides an opportunity to recall and reflect on the contributions by GAD experts to building the United Kingdom of today. The timeline on the next page looks back at some key highlights from GAD's first 100 years.



## 1911 – National Insurance Act

The 1911 National Insurance Act introduced a limited level of health and unemployment insurance. Actuarial input was required to help assess costs and funding of the arrangement.



## 1925 – Public service pension schemes

Following the Widows, Orphans and Old Age Contributory Pensions Act 1925 GAD began producing actuarial calculations and reports for the public service pensions schemes.



## 1954 – GAD produces official UK population projections

GAD began a 52-year stint producing the official national population projections, used by government to test the affordability and appropriateness of policy options.



## 2010 – Public service pension schemes

The Independent Public Service Pensions Commission's recommended changes to ensure public service pension schemes remained sustainable. GAD helped implement the reforms.



## 2019 – GAD is 100 years old

A year of celebrations marking GAD's centenary!

## 1919 – GAD is established

Recognising how actuarial advice was being increasingly used in areas like war pensions and shipping, the Haldane Report recommended introducing a dedicated actuarial department in government.



## 1948 – NHS launches

The NHS launched and aimed to provide free healthcare for all. GAD's duties changed to include regular costings of pensions for the police, fire service, and NHS.



## 1978 – Earnings related state pensions

A new earnings related state pension was introduced. GAD set the level of rebates for those who chose to contract out (opt out) of the new arrangement.



## 2015 – Student loan debt

GAD began modelling anticipated payments on the stock of student loans, which was central to the sales of student loans to private sector investors.



## Embracing the future

We now live in an increasingly global and digital age with few barriers to communication and information sharing. The tools at government's disposal for maintaining robust public finances are more sophisticated than ever, including:

- the Office for Budget Responsibility's 'Fiscal Risks Report'
- the Orange Book: 'Management of risk – Principles and Concepts'

There are many uncertainties for the government to navigate, including emerging climate change, rapid changes to our digital world (including developments in artificial intelligence), and the risk of economic shocks. GAD will continue to evolve to ensure that, whatever challenges the next century brings, our government will continue to receive the high quality risk analysis and support it requires.

Please contact [matt.gurden@gad.gov.uk](mailto:matt.gurden@gad.gov.uk) for further details on the centenary celebrations.