

THE INSURANCE CHRONICLE

MORTALITY OF TOTAL ABSTAINERS.

In last week's issue we made some observations relative to insurance on the lives of total abstainers. Mr. R. M. Moore, actuary to the United Kingdom Temperance and General Provident Institution of Great Britain, prepared some time ago an exhaustive paper dealing with the comparative mortality among assured lives of abstainers and non-abstainers. Mr. Moore's paper is regarded almost as a classic on the subject, and the conclusions reached by him have been very generally accepted. The investigation was based upon the actual experience of Mr. Moore's company, which had conducted its business in the two sections—abstaining and non-abstaining—over a period of sixty-one years; consequently, on account of the length of period and the large body of material treated with, unusual reliance is placed in the conclusions reached.

The percentage of actual deaths to expected deaths in the temperance section was, approximately, 71 per cent.; in the general, or non-abstaining, section the percentage was 94. These figures show a difference of no less than 23 per cent. in favor of abstainers. In analyzing the mortality according to certain periods of life, it is found that the greatest difference appears in middle life, say, between ages 35 and 55. When comparatively old age is attained the difference in mortality between abstainers and non-abstainers is relatively very small; and, curious to relate, when age 75 is obtained there is shown to be a slight difference in favor of non-abstainers.

Some of the facts deduced from Mr. Moore's treatise are of unusual interest:—

At the age of 30, when a man's constitution and habits of life may be considered as settled, the average number of years enjoyed thereafter by non-abstainers, according to the experience of the life company mentioned, is 35 1-10 years; whereas in the abstainers' section the average is 38 8-10 years—a difference in favor of the abstainers of 3 7-10 years.

At the age of 40, in the non-abstainers' section, the average number of years enjoyed thereafter is 27 4-10; whereas in the abstainers' section it is 30 3-10—a difference of almost three years.

The general conclusion reached was that, on the average, total abstainers in the temperance section of the life company lived three years longer than the non-abstainers in the general section.

Looking at the matter from another standpoint, it was found that out of 100,000 non-abstainers 44,000 reached 70 years of age, while out of the same number of total abstainers no less than 55,000 reached the threescore years and ten limit. One of Mr. Moore's conclusions is that the abstainers show a marked superiority in longevity to the non-abstainers throughout the entire working years of life for every form of insurance and for both sexes. It is, however, pointed out that under whole life policies the difference in the mortality of female abstainers and non-abstainers is not nearly so marked as among males, the reason advanced for this being that it is not unreasonable to assume that the female non-abstainer of the assuring class is more temperate and careful in her habits; that is, more closely approaches the abstainer in her demeanor than does the corresponding male.

In the discussion which followed the reading of Mr. Moore's paper before the Institute of Actuaries, Mr. H. W. Manly, an actuary of high standing, stated that in the table of statistics of the "Clergy Mutual" life company for the period 1820-1887, it was shown that the actual experience among the insured lives in that company exhibited an expectation of life one-half of a year greater than the Abstainers' Table brought forward by Mr. Moore. This may

not be regarded as inconsistent, for the Clergy Mutual is an office which confines its business to the clergy, and it would naturally be expected that that body, on the average, would have as favorable a mortality record as any body of non-abstainers. While it is well known that all clergymen are not total abstainers, yet the favorable conditions of life under which the clergy live, especially in England, where the statistics apply, would appear to account for the favorable mortality in that class.

The experience of another British office, "The Sceptre Life," covering a period of twenty-five years, shows that in the temperance section the actual death claims were only 54.25 per cent. of the expected, while in the general or non-abstaining section the actual claims were no less than 79.3 per cent. of the expected. This result is in close agreement with that of Mr. Moore.

The experience of another British company may be cited, namely, that of the Scottish Temperance Assurance Association. Although the experience of this company is not extensive, yet the results are significant. In the abstainers' section the death claims were only 44 per cent. of the expected, while in the general or non-abstainers' section the actual losses were 71 per cent. of the expected. This result also goes to confirm Mr. Moore's conclusion.

There is no doubt whatever in the minds of most insurance managers that total abstainers, as a class, are better lives than non-abstaining persons. And it is only natural to expect that as the population of Canada increases some life company will be sufficiently enterprising to start a strong and influential temperance section, making it possibly the most important feature of the company's propaganda.

ACCIDENT INSURANCE IN NEW YORK.

Superintendent of Insurance, Hotchkiss, of New York, has made public the third volume of the annual department report which covers the business of casualty, fidelity, surety, credit, real estate title and mortgage guarantee companies for the year ended December 31st, 1908.

This report carries the audited statements of these companies, fixing the valuation of their security holdings in accordance with the allowed appraisals of the Department, as arrived at by its expert, thus placing the valuations of said holdings of all of the companies on the same basis. In auditing the statements of the companies the Department has gone into great detail as to the valuation of any items claimed therein as salvages.

This report indicates, from a careful perusal, that the Department's audit of the companies' statements has, in many instances, materially changed the figures as published in the preliminary report in March last, when for the information of the public, the figures, as returned by the companies, were made public without audit. Copies of the report are to-day being forwarded to all of the insurance departments and to all of the companies.

The general summary of the report is shown by a comparison of the business of 1907 and 1908. This comparison tabulated is as follows:—

	1907	1908
No. of companies	49	50
Assets	\$90,586,309	\$105,742,452
Unearned premiums	\$27,302,116	\$30,986,683
Other liabilities	20,446,643	23,463,524
Total liabilities	\$47,748,750	\$54,450,207
Capital stock	\$24,031,000	\$24,981,000
Surplus	18,806,550	20,311,245
Premiums received	\$57,412,972	\$65,034,589
Other receipts	6,104,048	6,556,283
Total income	\$63,517,020	\$71,590,872
Claims paid	\$23,992,118	\$24,737,649
Div. to stockholders	2,630,816	2,302,074
Expenses	31,043,940	38,465,397
Total disbursements	\$57,666,874	\$65,505,120