

NORTHERN ASSURANCE COMPANY, LIMITED.

The widely-known and highly respected Northern Assurance Company, Limited, of Aberdeen and London, has long since attained that coveted position where it is able to maintain without special effort a high position among the great insurance organisations. Conservative management and great financial strength, allied with a magnificent reputation for honorable dealings, have been the main factors contributing to the Northern's success. Those who have been responsible for the Company's developments from its beginning over three quarters of a century ago have never made the mistake of confounding mere size with success; on the contrary their attention has been concentrated upon the building-up of their institution upon foundations of the most solid and enduring character, and so the business has expanded quite naturally on the Company's merits.

YEAR'S FAVORABLE EXPERIENCE.

The report now issued shows that, as regards its fire department, in connection with which the Company is best known in Canada, the record of 1912 is a satisfactory one. Premiums were \$6,222,320, a figure which marks a small increase upon 1911. The loss experience was of the moderate kind, claims absorbing \$3,298,940, equal to 53.0 per cent. of the premiums. Expenses, including commission to agents and charges of every kind, were \$2,342,630 or 37.7 per cent. of the premiums.

A SOLID POSITION.

The position of the Northern Assurance Company is indeed one of very great strength. Not only is the fire premium reserve maintained at the high ratio of 50 per cent., giving a fund of \$3,111,160, but as a result of last year's operations, another addition of \$500,000 was made to the conflagration reserve, thereby raising it to \$6,000,000. So that the fire funds of the Northern total \$9,111,160 or practically 147 per cent. of the fire premium income of last year, apart from the profit and loss balance of over \$900,000, which is also available in case of need. No better security than this could be wished for.

The Northern has been operating in the Canadian field since 1867, and under its Canadian manager, Mr. Robert W. Tyre, of Montreal, its traditional reputation for straightforward dealings is fully maintained. Last year the Northern's business in Canada was on a considerably enlarged scale. Its fire premium income was \$636,980; while losses incurred amounted to \$311,264, a ratio to premiums of 48.86 per cent. The Company's fine reputation and financial solidity should ensure for it a steadily increasing business of the best type throughout Canada.

MEDICO-ACTUARIAL MORTALITY INVESTIGATION.**Features of Second Volume of Report—Influence of Build on Mortality—Effect of Underweight, Overweight and Height.**

In Volume II of the report on the Medico-Actuarial Mortality Investigation, which is being conducted by the Actuarial Society of America and by the Association of Life Insurance Medical Directors, there appear the results of an investigation into the mortality among men according to degree of departure from the average weight. In common with all investigations of such a nature a standard is required to determine the normal deaths. This standard consists of sets of mortality ratios which take account of the age of the insured at entry and of the duration of the policy, and is known as the M. A. Table. It is published in Volume I of the report of the committee, and is based on the experience of forty-three companies on standard or average lives under policies issued from 1885 to 1908. When a class or a group of lives is said to show 100 per cent. mortality, it means that the actual experience has been in accordance with the M. A. Table, i.e., the actual deaths are the same as the expected deaths as calculated from the table. If 120 per cent., then the mortality has been 20 per cent. greater than the standard or average experience of the companies, i.e., the actual deaths are greater by 20 per cent. than the expected deaths by the M. A. Table.

UNDERWEIGHTS.

At the young ages of entry underweight is of considerable importance, as may be seen from the following exhibit, which is based on the percentage of variation from the average weight:

PERCENTAGE VARIATION FROM AVERAGE WEIGHT.

Ages at Entry.	BELOW THE AVERAGE WEIGHT.			Average Weight.
	—30	—20	—10	
	Ratio of Actual to Expected Deaths.			
20 to 24. . . .	.141p.c.	127p.c.	113p.c.	104p.c.
25 to 29. . . .	.128p.c.	117p.c.	106p.c.	100p.c.
30 to 34. . . .	.117p.c.	109p.c.	101p.c.	97p.c.
35 to 39. . . .	.108p.c.	102p.c.	97p.c.	95p.c.

The foregoing means, for example, that the companies experienced a mortality of 141 per cent. (41 per cent. above the normal) on lives aged 20 to 24 at the date of issue of the policies who were 30 per cent. under the average weight, the relative mortality decreasing as the age at entry increases, so that the ratio of actual to expected deaths at ages of entry 35 to 39 is only 108 per cent. on insured who were 30 per cent. below the average weight.

After age 40 at entry the relative mortality, even of those below the average weight to a marked degree, was less than the normal. The committee came to the conclusion that if great care is taken in the selection of risks, underweight, even to a considerable degree, has no detrimental influence on the mortality, except at the younger ages at entry.

OVERWEIGHT.

The investigation of the overweights shows the serious effect on mortality of a distinct departure from the average weight, especially at the middle ages of life. For example, those 30 per cent. overweight showed a mortality at ages at entry 20 to 24