

Mr. MACGREGOR: This Act has no application to government annuities, sir. The present rates for government annuities, I might say, are not now at 4 per cent; they are at a lower rate. The old rates were at 4 per cent but the newer ones are not.

Mr. GIBSON: What are they now?

Mr. MACGREGOR: Three per cent.

The CHAIRMAN: Mr. MacGregor, what increase in life expectancy has occurred comparing the 1900 table with the 1937 table; can you give us that?

Mr. MACGREGOR: That is rather difficult to answer, sir. The general improvement in mortality has been most marked, of course, at the younger ages, but these mortality tables—

The CHAIRMAN: Comparing the 1900 table to the 1937 table, what difference is there?

Mr. MACGREGOR: Well, the shapes of the curves are different, sir. If we look first at (a), the Mortality of Annuitants, 1900 to 1920, that was a table based on the experience of British companies during the years 1900 to 1920. However, the actual experience reflected by that investigation is that shown by Rutherford's Annuity Tables in (b). The table in (a) was constructed on the basis of that investigation but did not reflect the actual experience; the table was in fact a forecast, an attempt to foresee what the mortality might be in a subsequent period. There is no constant ratio between any of those tables. I can say in general that by far the most marked improvement is at the lower ages, but at the higher ages the relation between Rutherford's tables and the tables known as the Mortality of Annuitants 1900 to 1920 (*a(f)* and *a(m)*) varies considerably.

Mr. CANNON: Just one more question to understand that properly. Would it be correct to say that Rutherford's table is based on the mortality rates from 1900 to 1920?

Mr. MACGREGOR: Rutherford's tables were based on the actual experience shown by an investigation of British companies from 1900 to 1920.

Mr. CANNON: Would not they be somewhat out of date now?

Mr. MACGREGOR: They are for new business, but for certain old business written several years ago, which has now aged, they may still be satisfactory.

Mr. CANNON: They are not written for new business?

Mr. MACGREGOR: No.

Mr. GIBSON: Is it more expensive for a woman to take out an annuity than for a man, or do they even them up?

Mr. MACGREGOR: Broadly speaking, so far as life annuities are concerned, a female life may be taken, for all practical purposes, as a male life at an age about five years younger.

Mr. GIBSON: So they do differentiate between the rates?

Mr. MACGREGOR: Oh, yes, there are separate tables for each sex. In (a), there is the (*f*) table, based on female lives, and the *a(m)* table, based on male lives. So also with Rutherford's tables.

The CHAIRMAN: Are there any other questions on section 41?

Carried.

Shall section 42 carry?

Mr. MACGREGOR: Section 42, gentlemen, simply refers to "term certain" annuities rather than "life annuities," and the only change is to reduce the maximum rate of interest from 4 per cent to 3½ per cent.