

**LIFE AGENTS' MANUAL.**

Attention is invited to the announcement on a later page of the Life Agents' Manual, 9th edition, being now on sale, which has been prepared specially for and published by THE CHRONICLE. This work contains 220 pages of solid matter, all up-to-date. It contains, Premium Rates of all Policies; Explanations of Policies and Conditions of Policies of all kinds; also Reserve Values on Hm. 3 1/2 per cent. 4, and 4 1/2; Actuarice 4 per cent.; Am. 4 and 3 per cent. Tables also of Interest and Discount, Expectation of Life, Annuity Values, etc. The Manual is a Compendium of Canadian Life Insurance, which is indispensable to every life company, life manager, inspector and agent. We have pleasure in offering this work for sale as its value is so great that it will be highly appreciated by all who test it by use.

**FIRST YEAR'S RISK.**

The Faculty of Actuaries of Scotland, in the first issue of its Transactions, publishes the first paper read before the Society, which was contributed by Mr. Henry Moir, in "First Year's Risk" selections, from which are given as below in "The United States Review."

It has long been known that the mortality of the earlier years of insurance is much lower than among lives at corresponding ages that have been long insured. The influence of fresh medical selection gradually wears off, and by many it has been considered that adverse selection also sets in. From the publication of the experience of the Equitable of London, around the beginning of this century, it was gleaned that a marked selection, adverse to the company, was exercised even so late as twenty years after the

admission of the lives. The eminent London actuary, Samuel Brown, made much of this in his day.

In consequence of these considerations, when the Institute of Actuaries brought out the Twenty Offices' Table, in 1869, it included a table formed from the data as to lives insured five years or longer, which became known as the HM5 table. The unadjusted mortality experience showed very little selection after the fifth year, and, indeed, almost the sole influence at work seemed to be the wearing off of fresh selection. It is now the general opinion that in a well-conducted office of good repute there is no adverse selection through discontinuance, the lives that go out being no better than the average.

Mr. Moir refers to the classifications which have been made by Dr. Sprague and Mr. George King, from the data of the Twenty Offices' Table, and he shows the following comparison of the mortality rates for the first year of insurance of these classifications with the new aggregate experience, viz.:

Age.	Sprague's.	King's.	New Ag. gregate.
20..	.0050	.0036	.0027
25..	.0045	.0027	.0025
30..	.0045	.0042	.0031
35..	.0049	.0042	.0037
40..	.0055	.0038	.0043
45..	.0064	.0058	.0058
50..	.0079	.0046	.0081
55..	.0104	.0127	.0114
60..	.0144	.0107	.0161
65..	.0205	.0064	.0228

The new aggregate experience shows lower mortality at ages up to 45 for the first year of insurance. Above that age this is reversed. Some part of this variation, however, is believed to be the result of defective graduation of both Sprague's and King's tables.

However! the variation in first year mortality rates is very great, according to the new experience tables, with respect to the plans of insurance. Thus limited payment policies exhibit the best record and contingent insurances the worst, with non-participating life and term insurances hard after contingent. But here is the exhibit:

Age	Limited Payments.	Endowment Insurances.	Whole Life Participating.	Increasing Rate.	Term.	Whole Life Non-Participating.	Contingent.
20..	.0012	.0022	.0026	.0028	.0059	.0058	.0056
25..	.0017	.0022	.0027	.0035	.0050	.0046	.0052
30..	.0021	.0023	.0033	.0028	.0046	.0040	.0060
35..	.0029	.0031	.0037	.0032	.0049	.0045	.0082
40..	.0032	.0039	.0042	.0044	.0055	.0063	.0097
45..	.0034	.0050	.0057	.0065	.0071	.0086	.0108
50..	.0036	.0063	.0075	.0097	.0102	.0116	.0122
55..	.0039	.0082	.0103	.0132	.0141	.0165	.0154
60..	.0044	.0112	.0153		.0189	.0206	.0300

The first year's mortality under whole life participating insurances is given as follows for men and women separately:

Age.	Men.	Women.
20..	.0026	.0068
25..	.0027	.0057
30..	.0033	.0055
35..	.0037	.0056
40..	.0042	.0072
45..	.0057	.0076
50..	.0075	.0077
55..	.0103	.0110
60..	.0153	.0160

The mortality for the first year among insured lives on the non-participation life plan is found to be considerably higher than the mortality for the first year among annui-

ties who are not subjected to an examination at all. The following is the table:

e.	Annuitants.	Assured Lives.	
		All kinds.	Participating. Non-Participating.
40..	.0058	.0043	.0042
45..	.0061	.0058	.0057
50..	.0079	.0081	.0077
55..	.0131	.0114	.0103
60..	.0183	.0161	.0153
65..	.0254	.0228	.0219
70..	.0414	.0324	.0295
75..	.0543		.0600

These tables show that, even the first year, the conscious self-selection which goes on among applicants for annuitants at least offsets the fresh medical selection when the application is for cheap insurance.