

ARTICLES AND PAPERS OF ACTUARIAL INTEREST

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THE INCORPORATED ACCOUNTANTS' RESEARCH COMMITTEE

Accounting Research

Vol. 5, No. 1, January 1954

GILBERT, M. and STONE, R. *Recent Developments in National Income and Social Accounting.*

The paper briefly surveys recent research work in the field of national income and social accounting. The various sections of the paper cover the development of standardized national accounts, input-output tables, national and sector balance sheets, intertemporal comparisons at constant prices, international comparisons of income and product levels, developments in under-developed countries, historical statistics of income and wealth, and finally the work undertaken by the International Association for Research in Income and Wealth to provide an up-to-date bibliography in this field.

BRITISH MEDICAL ASSOCIATION

British Journal of Preventative and Social Medicine

Vol. 8, No. 1, January 1954

TAYLOR, W. *The Changing Pattern of Mortality in England and Wales.* 1. *Infant Mortality.*

In order to plan the requirements of a Health Service during the next ten years the writer suggests that it is necessary to interpret current morbidity rates and their trends against the background of what we can now confidently forecast about the future age distribution of the population. With this object in view the Birmingham University Department of Medical Statistics, with the assistance of the Rockefeller Foundation, has planned a series of inquiries of which this paper is a preliminary communication.

Death-rates for the first year of life are examined for the period 1911-50 in respect of sixteen specific causes of death and a remainder category. During this period the sixteen causes have accounted for 87 % or more of all infant deaths. In all but three of these groups (congenital malformations, birth injuries, and asphyxia or atelectasis) there has been a substantial and sustained decline in the mortality rate, and during the last ten years the decline has been more rapid. It is suggested that the decline will continue and extrapolated rates are given for the years 1955, 1960 and 1965. The extrapolated rate in 1965 for all causes is 18.63 per 1000 live births compared with the rate of 31.31 for 1950.

ASSOCIATION OF INCORPORATED STATISTICIANS

Journal. Vol. 5, No. 1, March 1954

SAUNDERS, C. T., C.M.G. *National Income Statistics: are they accurate or useful?*

To assess the accuracy of the national income statistics requires a thorough knowledge of the original sources. Even then it is impossible to estimate a margin of error which has any mathematical significance—only a personal judgment of the error involved can be given. Bearing this in mind, the author describes briefly the main sources of the statistics. He himself provides no measure of their accuracy and only suggests that the authorities should provide some grading according to reliability as is done by certain countries.

The author then describes some of the problems for the solution of which the national income statistics are required.

Finally, he considers three important concepts—capital consumption, change in the volume of stocks, and profit incomes. He concludes that the statistics may be good and reliable but they give the right answers to the wrong questions. The figures given are not those which have the most economic significance. If the user of the figures insists on measuring the concepts which are economically significant then he must be willing to accept statistics of doubtful accuracy which cannot be used without some understanding of how they are derived and of their inevitable limitations.

DOWNHAM, J. S. *Social Class in Sample Surveys.*

The paper discusses the various approaches to social and socio-economic classification in survey work. For this purpose two different functions of a social class analysis are considered, namely, to act as a quota control in quota samples and to help in analysing the results obtained from the survey.

The author considers at length two different approaches to the problem. The first involves a subjective rating of the person being interviewed by a trained fieldworker making the interview. The second involves the fieldworker in collecting only certain predetermined data such as occupation, income, education, age, etc., relating to the person interviewed, and this person is subsequently given a social grading on the basis of one or more of these factors, again according to a predetermined standard.

Using his knowledge of various surveys the author discusses the advantages and disadvantages of the two methods with particular reference to the comparability of the results of different interviewers, the comparability of the results of different surveys and the adequacy of control in quota sampling.

THE TIMES

London and Cambridge Economic Bulletin, New Series, No. 10Published in *The Times Review of Industry*, June 1954

CAIRNCROSS, A. K. *Britain's Export Prospects.*

The article compares the changes that have taken place since the war in the volume of exports of the three main countries exporting manufactured

goods, namely, the United States, The United Kingdom and Western Germany. A comparison is also made between the shares of these three countries in world trade before and after the war.

The article discusses the competition in engineering products and the changes in labour costs. It concludes that the most that the United Kingdom can hope for is that its present share of trade in manufactures will be maintained, with Germany and Japan gaining ground and the United States losing ground, that trade will continue on as favourable terms as at present, and that a gradual expansion in world trade will provide the opportunity of paying for an expanding volume of imports.

THE FINANCIAL TIMES

Annual Review of British Industry, 1954

PAISH, F. W. *The Rebirth of Private Savings.*

Figures are given showing the increase that has taken place during recent years in the total resources available for investment in the United Kingdom. The rate of increase in personal savings has been remarkable and the author suggests reasons for it.

He goes on to consider the investment side of the account and considers that this is far from satisfactory since net investment in private industry appears to have been very small.

Finally, the prospects for 1954 are discussed.

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Oxford Economic Papers (New Series), Vol. 6, June 1954. No. 2

FROST, R. *The Macmillan Gap* 1931-53.

In 1931 the Macmillan Committee drew attention to the special difficulty of raising long-term capital for home industry in amounts which were too small for public issue.

The author gives reasons for believing that during the 1920's there developed a large-scale market for quoted 'industrials' because of a change in the taste of the investing public away from unquoted and in favour of quoted issues, and that this created the so-called 'Macmillan Gap'. He then analyses the figures for commercial and industrial securities between 1934 and 1953 and concludes that since the end of the second world war a market for unquoted issues has grown up on a scale without precedent within the last 40 years. This market exists mainly among the institutions because the life assurance companies and large industrial organizations with pension funds have come to command a dominant position amongst the private sources of new investable funds and they are willing to invest in unquoted loans and preference shares.

The author also discusses the part played by the banks, retained profits and individual private investors. In the case of retained profits, he points out that companies with surplus liquid funds do not greatly contribute to the financial needs of companies which are increasing their physical assets at a faster rate than they can finance out of their own resources.

Finally the author gives an account of work done by the I.C.F.C. and mention is made of the three new investment institutions formed in 1953 mainly to invest in the equity of private companies whose owners are forced to sell or borrow to raise money for paying estate duty.