ARTICLES, PAPERS AND PUBLICATIONS
OF ACTUARIAL INTEREST

BRITISH MEDICAL JOURNAL
289 (25 August 1984)

JONES, D. R., GOLDBLATT, P. O. and LEON, D. A. Bereavement and cancer: some data on deaths of spouses from the longitudinal study of Office of Population Censuses and Surveys. There was little evidence of an increase in registrations of cancer after the death of a spouse and only a slight suggestion of increased mortality from cancer. These data may be interpreted as providing little support for the hypothesis that stress is implicated in the aetiology of cancer.

POPULATION
39, 2 (March–April 1984)

LANTOINE, C. and PRESSAT, R. Nouveaux aspects de la mortalité infantile (New Aspects of Infant Mortality). Until recently the general decline in infant mortality had been accompanied by an increase in the proportion of deaths in the first month of life. This had now generally reversed, and the change in the age structure makes it difficult to separate exogenous from endogenous deaths for Bourgeois-Pichat's formula to determine the likely minimum rate.

POPULATION STUDIES
38, 2 (July 1984)

MITRA, S. About the Method of Estimating the Expectation of Life at Old Ages. Assuming stable population, the expectation of life can be expressed in terms of the death rate, average age and rate of growth of population above that age: above age 65 the estimate is robust and insensitive to variations from the stable state.

LEWIS, F. M. M. A Note on the Origin of the Net Reproduction Ratio. The present method is shown to have been used by William Farr in 1880.

POPULATION TRENDS
37

DEVIS, T. Internation travellers—numbers and trends. Results of analysis of the International Passenger Survey of the United Kingdom are presented for 1980 and related to the ‘snapshot’ position of the 1981 Census. Variation by season and day of the week are demonstrated, and the long-term absentees analysed.

38

Centenarians—A 1981 estimate. Alternative sources to the Census are considered, based on survivors of 1971 Census, 1981 deaths and DHSS pensioners. The conclusion is that there were 2,400 Centenarians in England and Wales, double the number ten years before and nearly ten times the number in 1951.

WERNER, B. Infants aged under one in the census 1861–1981. The estimates of under-recording of babies is reviewed, and recent records are examined in the light of the OPCS sample Longitudinal Survey. Almost 2% of infants under age one were not entered on a Census form (although in England and Wales) for each census since 1931.
Liddell, F. D. K. Simple exact analysis of the standardised mortality ratio. If the observed numbers of deaths is a Poisson distribution involving large numbers, then the link between the Poisson and chi-squared distributions gives a SMR significance test (with confidence limits).

Britain's Elderly Population
(OPCS Census Guide 1: H.M.S.O.)

A short guide (with charts and diagrams) to trends over time, sex ratios, geographical distribution, mobility, household composition, education and social class.

Journal of Biosocial Science

Murphy M. J. Fertility, Birth Timing and Marital Breakdown: a reinterpretation of the evidence. Data from the 1980 General Household Survey are used to show that childless couples, and those who have children early in marriage (and are thus more likely to have large families) are considerably more at risk of breakdown at all marriage durations than delayed two-child families.

Population, Pension Costs and Pensioners' Incomes:
(H.M.S.O. 1984)

This background paper to the Secretary of State for Health and Social Security's Inquiry into Provision for Retirement brings up to date the Government Actuary's projections of future pension costs published two years ago. There is a study of pensioners' future income levels, in comparison with the rest of the population, prepared by DHSS Economic Advisers.

There will be a rise in the ratio of pensioners to workers, which becomes most marked from about 2010, because the number of pensioners will increase while the size of the working population will remain much the same. The general picture presented by the Economic Advisers' projections is of marked improvements in pensioners' incomes as more of them become entitled to better pensions from their employers and the State. Another key factor in making pensioners better off is the growth in home ownership: the paper shows that by 2016 nearly three-quarters of pensioner households will be owner-occupiers, compared with under half in 1981.

The Law Quarterly Review
Volume 101 (January 1985)

Mann, F. A. On Interest, Compound Interest and Damages. The right to interest on late payment of monies which exists elsewhere—the author cites France, Germany, Switzerland, Canada and U.S.A. and Scotland—does not exist in England. The root of this problem lies in the common law at which a court, in the absence of any agreement or statutory provision for the payment of interest, has no power to award interest, simple or compound, as damages. Legislation on at least 5 occasions from 1833 to 1983 has failed to make the award of interest a right: it remains at the discretion to the court to award or withhold interest. As the author says in a footnote the common law is ossified by ineffective legislation.

The author believes this right is an achievable target and in the course of argument shows us how, using the guiding light of Lord Denning and others and landmarks from case law. In the
hands of the author the dangers of precedent are defused. We are shown where simple interest and sometimes compound interest is given. The history of interest with its fascinating lessons for lawyers may also be of interest to actuaries who stray beyond figures, agreements and statutory provisions. We may have something to help lawyers where they have failed!

DOWNES, T. A. Nominalism, Indexation, Excuse and Revalorisation: A Comparative Survey. Inflation can send the actual cost of performing a contract beyond the expectation of one or both parties. Drawing on the experience of England, France and U.S.A. the author discussed how a fair price can be set using the following terms:

Nominalism—contract price is fixed in nominal pounds.
Indexation—contract price is self-adjusting according to some objective and commonly external factor.
Excuse—no contract price is set as performance is excused.
Revalorization—contract price is judicially renegotiated.

In the course of the discussion the types of risk contemplated and accepted by the parties are considered as well as the additional risks and who should bear them.

Examples provide interesting insights into some of the issues before the conclusion is reached that nominalism is on the way out and revalorization is on the way in to join indexation.

As a life actuary I could not help equating nominalism with non-profit, revalorization with with-profits, indexation with unit-linked and excuse with surrender and lapse but the paper is of much wider interpretation!