

scale, we can all give our support to movements which have for their basis the betterment of the race. It has been strongly maintained—and with good warrant, I believe—that one of the most important factors in averting madness and in prolonging life was the great life-insurance movement of the present century. We must, however, admit that this has not been so successfully brought into touch with the poorer classes of the community in this colony as in Britain; and the whole tendency of the old-age-pension movement would undoubtedly be towards an increase of that tranquillity of mind which a guarantee of a provision in old age would be certain to induce.

One of the first questions to be inquired into is as to whether there is a demand for old-age pensions. Any one conversant with the details of life-assurance business here and throughout the world is aware that there is no demand whatever for a benefit *in this particular form*. But care is necessary to avoid jumping to conclusions too rapidly, as has frequently been done from consideration of this one fact. We know that any one who takes out an endowment assurance policy has a double object in view—i.e., the protection of his family in the event of his premature death, coupled with a provision for his own benefit at a period of life ranging between forty-five and sixty-five. We know that this form of policy has been a very popular one in recent years; in fact, the increase of such policies has been one of the most marked features in life-assurance business. For instance, according to the British office returns, on the basis of which interesting summaries are annually laid before Parliament, the endowment assurances, as per blue-book issued in year 1888, amounted to £26,341,526, being 5·96 per cent. of the whole assurances, while for the year 1895 the amount was £68,982,280, being 13·10 per cent. of the whole. The whole increase in insurance business during these seven years was £83,775,431, of which £42,590,754, or 50·84 per cent., was represented by endowment assurances.

Approximately, the sum assured by life offices on persons resident in Victoria under endowment assurances is over £8,000,000, and the average sum assured is a little over £200.

The investment of the amount of the policy at a time of life when matured experience must count for something should yield a return which would in some degree fill the place of a pension. It must, too, be remembered that all forms of thrift tend towards the same end; as, for instance, the acquisition of dwellings, through building societies or otherwise, by residents in towns or cities; the securing of land by selection, and the gradual payment for the same to the Government, on the part of those following agricultural or pastoral pursuits.

You will, I am sure, readily perceive that to those who are in the position of being able to exercise thrift in any of the ways I have referred to, and who voluntarily do exercise such thrift, there is no need for any scheme of State pensions. The great difficulty which has beset all voluntary schemes is that of convincing the unthrifty that they would be gainers by making provision for their old age.

Those engaged in the life-assurance business have many reasons for believing that one of the great difficulties in the way of procuring new business is that “men think all men mortal but themselves,” and it would appear to be the logical result of such a general feeling that men would naturally look forward to an old age in their own case, and recognise the necessity for making some provision for it. That such, however, is not the case is very well illustrated by Mr. Neisson at a recent meeting of the Institute of Actuaries. He said members of friendly societies would not hear of an annuity at sixty-five in lieu of sickness pay, their answer being generally, “‘Why, we shall never live to sixty-five.’” An extraordinary instance of this came under his knowledge some few years ago, when he had to address a meeting of members of friendly societies. He asked the chairman if he would kindly put the question, ‘How many of those present thought they would be able to participate in the benefit at sixty-five?’ There was a large audience of some two thousand, and a man with the reputation of being an intelligent man got up and made the statement that he thought twenty would. Another equally great authority stood up and said he thought perhaps there would be fifteen. The proper answer was about one thousand. That exemplified the want of grasp which members in the majority of cases had.”

As the probabilities of attaining to old age are rather under-estimated than over-estimated, I submit the following table, showing the probabilities of survivorship to age sixty-five, and other older ages, at various present ages. These probabilities are based on the general mortality experience of this colony:—

TABLE showing the PROBABLE PROPORTION of the LIVES EXISTING at VARIOUS AGES SURVIVING to the AGES STATED.

Age at present.	Percentage of Males of the Age in First Column who may be expected to attain the Age of				
	65.	70.	75.	80.	85.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
20 ... ..	52	41	27	14	5
25 ... ..	53	42	28	14	6
30 ... ..	55	44	29	15	6
35 ... ..	57	45	30	16	6
40 ... ..	60	48	32	16	6
45 ... ..	64	50	34	17	7
50 ... ..	69	55	36	19	7
55 ... ..	76	60	40	21	8