

CORRESPONDENCE

(To the Editor of the Journal of the Institute of Actuaries)

(1) *Currency and the Actuarial Profession*

(2) *Currency*

DEAR SIR,

On p. 144 of *J.I.A.* Vol. LXXIII appears a notice of two papers with the above titles written by me, of which the first was the important one. The notice, while inferentially stigmatizing my views as 'orthodox', does not give any indication as to their nature, being absolutely silent as to the first paper. The object of the papers was to stress the importance of the 'store of value' attribute of a currency as a basis for long-dated contracts such as those of life insurance, an attribute which is being increasingly neglected by modern writers and which I contend is not possessed by an inconvertible paper currency.

Yours truly,

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11 October 1947

[Space does not permit full descriptions to be given in *Notes on Foreign Actuarial Journals* of the various papers noticed. The authors of the *Notes* state that they are surprised that anyone should consider that a derogatory meaning can be read into the notice referred to in the above letter.—Ed. *J.I.A.*]

(To the Editor of the Journal of the Institute of Actuaries)

*A Synthesis of Methods of Deriving Measures of Decrement
from Observed Data*

DEAR SIR,

Referring to the paper with the above title by W. G. Bailey and H. W. Haycocks (*J.I.A.* Vol. LXXIII, p. 179), there seems to be a little confusion in §§ 4 and 31 in the use of the term 'exact age'.

The authors say in § 4: 'In practice, however, it has been usual to make the probability interval coincide with exact values of the time characteristics. For example, p_x is the probability of surviving from exact age x to exact age $x+1$.'

In § 31 they say: 'Probability interval: The deaths θ_x all take place between exact age $x-\frac{1}{2}$ and exact age $x+\frac{1}{2}$'

It appears that in § 4 the terms 'exact value' and 'exact age' are used to mean that x is an integer. In § 31, however, exact age $x-\frac{1}{2}$ must mean that the beginning of the probability interval is one half-year before integral age x .

I had always understood that 'exact age' connoted the age of one life at any instant as opposed to the various terms applied to one life or a group of lives spread over one year, i.e. age last birthday, nearest age, age next birthday.

Yours faithfully,

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