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SCS #1760

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**PROSPECTUS**  
OF THE  
**EAST-LOTHIAN**  
**MUTUAL ASSURANCE SOCIETY,**  
FOR  
**SICKNESS, SUPERANNUATION, AND LIFE.**

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To avert the evils of poverty, and promote comfort and happiness,—To enable the people to maintain themselves from their own resources, by the exercise of a prudent economy,—is the object of the proposed institution.

“UNITY IS STRENGTH.”

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THAT Poverty, in itself, is a very great evil, is an opinion universally held by men in all ranks and conditions of life; and that it is felt or feared in a greater or less degree by nine-tenths of the entire population of Great Britain, it is believed will not be disputed. The arduous spirit of philanthropic enterprize has of late years done much to ameliorate and lessen the amount of human suffering, and reclaim to the paths of virtue and of comfort the improvident and the profligate; and many have been the tributary streams whose supplies have been poured in to swell the tide of general happiness among our people. Public and private benevolence have been exerted to a great extent; and there is not a district in the country which has not in one way or other felt the beneficial effects resulting from it; but, great as has been the good already achieved, a great deal more remains still to be accomplished.

Of all the ills to which humanity is heir, none so much harass the mind of an honest man, as the inability for self-support. Against its occurrence he labours from the term of boyhood, and is not soon satisfied that his savings are sufficient to secure to him a plentiful provision when the period of hoary hairs arrives, and the frailty incident upon threescore years overtakes him. Nor is it the fears of old age alone that cause him alarm. Having been taught, either by dear-bought experience in his own person, or by the history of disease and death which every family in his neighbourhood presents to view, that, at no stage of their existence, are human beings safe against the attacks of sickness, the risk of accident, or the chance of death, he is hence urged to look forward with concern for his future subsistence, and eagerly occupied in securing an adequate fund for his future comfort. And, if men in the middle walks of life, who generally have it in their power, through

industry and economy, to make provision against the imbecility of old age, find this applicable to their case, and hence evince much anxiety about the future; what may be conceived to be the feelings of that honest but poor man, whose independence of spirit is too noble to brook the aid of a parish-allowance, and too worthy to supplicate or even accept the munificence of private charity? Yet, it is matter of fact, that defies contradiction, that be the labourer or mechanic as frugal as he may, if it but so happen that, from scarcity of employment, inability to work, or any other circumstance, his means of subsistence be cut off or even suspended, though but for a short period, then will the miseries he has so much reason to fear press upon him, and tend in an eminent degree to aggravate his sufferings: for, such is the low remunerating rate at which labour is obtained, that a workman's whole wages are scarcely more than sufficient for his comfortable maintenance: and, such a state of things must necessarily continue to increase, unless an antidote be speedily provided. The many charitable institutions now in operation, laudable as are their views, seek to attain their object in one and the same way, and that, it is humbly conceived, not in the way best suited to attain it, so as at the same time to keep alive that generous independence which has so long been the pride of our Scottish peasantry. Instead of endeavouring to prevent the approach of poverty while it was yet distant, and could be fairly dealt with, the worthy promoters of such institutions have chiefly directed their influence and their efforts to the removal of the evil after it had arrived, and grappled with the disease after it had gained strength. By this mode of treatment they have, in many cases, exerted a baneful influence; for, while to every cry of want there was to be found a response of charity, the demand, as might naturally be expected, kept pace with the supply, until the malady has so spread and widened, as to leave but too unequivocal a proof that Scotland is quickly verging to a state of like dependency as her sister country, while she is alike destitute of the means and the temper to sustain the burden. Thus, while it is admitted that much temporary good has been done by the hands of charity, still it is contended, that a permanent evil has too often flowed from it;—a glaring proof of which position may be deduced from the parish of Haddington, where, in spite of all her auxiliary spontaneous charity, (and it is decidedly great, considering the number and resources of the contributors,) the poors' rates have continued to increase, although the allowances to individual paupers have not been materially enlarged. How best to provide against the approach of poverty, then, must be a question involving both a deep interest and an important duty.

It appears, that to meet poverty after it arrives is not effectually to remove it: to remedy the evil a more radical antidote must be applied; and that will not be found either in compulsory, or

public or private charity. Effectually to prevent pauperism—which is the most humiliating, if not vitiating condition in which any people can be placed,—they must be made to provide for themselves, and the classes from amongst which the successive ranks of our indigent poor are called forth, must be plied with a more wholesome regimen. To our Sessional and Parochial Schools, —our Schools of Arts and Mechanics' Institutions, and Literary and Scientific Libraries,—all and each of which, added to our Religious Instructions, have an evident and direct tendency to raise the moral, as they are allowed to do the intellectual, character of a people,—to these, we say, must be added a practical code of Economics, suited to the circumstances of the class of persons it is meant to subserve; and we do conceive, that amongst our men of handicraft and hard labour, there are yet stamina enough, if rightly applied, to stem the current of national degradation; and, out of means, the produce of their own industry, to raise to healthy independence the artizans and labourers of the land, that most useful class of men, on whose order and welfare so much of the social compact depends.

While we do not blame, but would rather *laud*, the praiseworthy attempts of the wealthy who have frankly come forward to the relief of indigence, yet would we like to see that noble feeling which of old was too high-minded to brook the acceptance of charity in any shape, again assume its former independent character. Then would the mechanic or the farm-servant, while in health he met the necessities of his family, and maintained for them an honest and respectable appearance by the rewards of his daily labour, secure also, (as far as possible) in the event of his sickness, infirmity, or death, a provision for those who look to him for support, which would raise them above immediate want, and enable them to retain their wonted place among the families around. And this, it is presumed, limited as are his means, he has the ability of doing, if he can save but a very trifling sum from his weekly or monthly wages. This country is happily furnished with Banks for small savings,—institutions excellent in themselves, but defective in their operation, inasmuch as the savings of many years may be swallowed up during a few months' illness, and the frugal labourer thereby left as helpless and as indigent as before. A more efficient plan for his relief, it is conceived, is necessary, and may be found in Associations for Mutual Support. And is not Friendly or Benefit Societies precisely of that nature? Their object and design is—from a common fund to which all the members contribute—to meet and remedy the evils of poverty, arising from the sickness or infirmity of the member during his life, and that of his family at the time of his death. This these institutions are fitted to do, without either lowering the member in the eye of his neighbour, or in the slightest degree affecting his own feelings of independence. It has long been matter of regret, that, owing to many radical

defects in their original constitution, such societies have frequently failed to realize the looked for benefits; and, instead of supply in time of need, have only bequeathed disappointment and distress to their aged members; but, as the sources of their decay have been detected and clearly pointed out in the Report of the Highland Society of Scotland, and in the evidence adduced before the House of Commons in 1825 and 1827, such errors may, in future, be guarded against; and as Friendly Societies, in their nature and general principles, are very similar to the Life and Annuity Assurances of the higher and middle classes, so, it is confidently hoped, that ere long those Societies will be elevated to a like honourable distinction among our national institutions, and enable the poor man to purchase a real security against want, which must in an eminent degree conduce to his comfort and happiness.

It is with a view to the attainment of this desirable object, and to give permanent stability and perfect confidence to the community, that the present Prospectus is submitted for consideration. It is got up under no influential patronage—neither has it any sinister motive,—it is simply a suggestion frankly and freely given to the public: if it is judged applicable to the circumstances of the people, its own inherent merit must support it; if it is thought unworthy of that approbation, its reaching the public eye can at least do no harm.

That the want of an institution similar to what is now contemplated is really felt, it is conceived, will readily be admitted; and that the main obstacle to its formation lies in the paucity of information on the subject is pretty evident, from an examination of the laws and practice of most of the Friendly Societies around us. To point out a few of these errors and prescribe an antidote, will therefore tend both to illustrate their proper principles, and shew in how far the former defects are to be guarded against.

The errors into which, for want of data and other causes, the old societies fell, are neither few nor unimportant. The first about to be mentioned, is commensurate with their formation; the others, more or less attach to them during the whole course of their existence.

When a Society was about to be formed, it was a very common practice to admit to equal privileges persons of different ages, at the same premium, in order to swell the members of the Association at its outset; although a limitation was generally made as to the rate and mode of admission in future.

Now, it will be seen, that as age advances, sickness and the chance of death increases, and that, too, in a much greater ratio than the proportionate advance in years. For example, by referring to the rates of sickness as given in the Report of the Highland Society for 1824, founded upon data procured from 79 Friendly Societies, diffused throughout sixteen Counties in Scotland, it will be found that the average sickness at the twenty-first year of age

is little more than four days to each individual, and that it increases at the rate of a tenth part of a week for each five years between twenty and fifty,—at the latter period, being one week two and a-half days to each person. The average sickness from twenty to fifty, therefore, is not quite one week annually; but from fifty to sixty this rate is nearly doubled, being, at sixty, about two weeks two and one-eight days; or, upon an average of the ten years almost two weeks yearly to each person. Again, the sickness found to prevail at the seventieth year, is rather more than ten and-a-half weeks to each person; the average during that decade, or term of ten years, being about six and-a-half weeks, or more than six times the quantum of sickness ascertained to prevail previous to the fiftieth year of age. It is found also, that the scale of sickness ascends still higher as the period of life rises, for at the seventy-fifth year it is, on an average, so high as sixteen and-a-half weeks annually, to each person who reaches that age.

Again, on referring to the laws of mortality, as deduced from the mean duration of life given in the Northampton, Carlisle, and latest Swedish tables, we find, that of 1005 persons, each commencing his twenty-first year, ten will die before reaching the twenty-second year; and ten more annually until the thirty-second year of age, during which year, and until the thirty-ninth year, eleven will be found to die yearly; from thirty-nine to forty-five the annual decrease will be twelve; from forty-five to fifty-one the remaining number will be diminished by thirteen annually; from fifty-one to fifty-five fourteen die yearly; from fifty-five to fifty-nine the yearly deaths are fifteen; and sixteen die during the sixtieth year; and this rate goes on increasing until the sixty-ninth year, when the deaths are twenty-three annually; but after the seventy-second year, although the number who die yearly bear a larger proportion to the living at each respective age, yet, as the number of persons alive at the latter period are reduced to 301, so the annual decrease is diminished also, though the proportion is increased.

It is worthy of remark, that, of 1005 persons who enter on the 21st year of age, 536 reach the age of *threescore* years; of which latter number, 347 reach 70; 135 reach 80; 5 only see 90; and 95 seems to be the greatest extension of human life: there is, however, a decided difference in the duration of life between the sexes, as shewn in the Parliamentary Reports for 1825 and 1827; the probabilities of female life being about a sixth-part greater than that of males. In the above calculation the mean rates of both are taken.

Again, when what is called the expectation of life is adverted to, the absurdity of insuring all at the same rates appears evident. For instance, the average number of years that each of 1000 individuals, all in the 21st year of age, may be expected to live, is 38 years; at 30, it is given at 32½ years; at 40, at little more than 26

years; at 50, at 20 years; at 60, it is reduced so low as 14 years; and at 70, to little more than  $8\frac{1}{2}$  years.

Again, the deaths to the living in each year of the following decades, or term of ten years, according to the Highland Society's average, are, in round numbers, between 20 and 30 years of age, in the proportion of 1 in 95 :

Between 30 and 40	.....	1 in $76\frac{1}{2}$ .
..... 40	.....	50.....1 in 58.
..... 50	.....	60.....1 in $40\frac{1}{2}$ .
..... 60	.....	70.....1 in 22.
..... 70	.....	80.....1 in $10\frac{1}{2}$ .
..... 80	.....	90.....1 in $5\frac{1}{2}$ .
Above 90	.....	1 in $2\frac{1}{2}$ .

Now, it is contended, that when these several calculations are adverted to, it must be very plain to any person who will take the trouble to examine, that with the advance of years, comes a decided increase of sickness; as also, the less expectancy of life, and the greater probability of death. It is therefore most obvious, that if members are allowed to enter at different ages, and at the same premium, either the young entrant must pay too high or the old entrant too low a premium; or, the Society must become insolvent when the period of greatest sickness and mortality for those who entered in youth arrives: or, as hitherto been the case, resource must be had to younger entrants still to prop the institution; but as they, too, will become old in their turn, the evils of bankruptcy are but reserved for them; as has been proved by the experience of many Societies who flourished for a generation, but which, from the germ of destruction being within them from the first, eventually went to ruin.

Now, in order to remedy this fundamental error, it is proposed, indeed, to make it eligible for persons of any age under 50 to become members; but then all cannot enter at the same premium. Each individual above 21 years of age, must pay either an equivalent sum as entry money, corresponding to his age at entry, or an increased annual contribution that will compensate for it. Thus, be the entrant of what age he may, his entry money, if paid at once, shall just be the same as the individual stock or property in the Society held by a member of his own age, who entered at 21 years of age, so that, in fact, all the members, after deducting risk to the time at which they join the Society, are made virtually to enter on the same terms. By this means, be the ages of the members at entry what they may, all are placed on a perfect equality; the person who enters at a greater age having no unjust advantage over him who entered at a younger age, but which would be the case were all indiscriminately admitted at the same contribution, and all to receive the same benefits.

Another radical error under which the old Benefit Societies laboured, and which operated powerfully against their stability,

arose from the contributions and allowances not being justly proportioned to each other, even supposing all the members to have entered from the first at a prescribed age. To increase the evil, too, every institution, with more limited means, embraced a variety of objects, and promised a multiplicity of benefits, each of which would have required separate schemes, and taken the united premiums to meet one single branch of expenditure. Indeed, instances are not wanting, in which societies have promised their members alimnt in time of sickness, an allowance at the death of the wife or child of the member, as well as funeral money at his own decease, and, what is more absurd still, an annuity to the widow during her lifetime, when, in truth, the whole of the payments taken together, were not more than adequate to defray the sick allowance, without any other appendage. To avoid danger from this source, be the objects contemplated ever so many, different interests will not be allowed to clash as was wont to be the case: for, a table of rates shall be appropriated to each department or scheme, the contributions applicable to which shall form a distinct fund, under the management of office-bearers appointed by the shareholders immediately connected with it: And the rates of payment and allowance shall not be taken by chance as formerly, but calculated on the known and acknowledged scientific principles followed by the numerous Life and Annuity Assurance Companies throughout the empire, the beneficial effects of which are so much prized by the upper classes of society.

But before developing the proposed scheme further, another material defect in many of the old institutions may be adverted to; and that arose from the members of which they were composed being too few in number to afford a fair average in health and life, *two hundred* being considered little enough for that purpose.\* And this brought with it yet another evil, which, although we are happy to learn does not properly apply to our own immediate district, was yet productive of much distrust and inquietude in other quarters,—namely, that the management of the funds often got into the hands of a few men, who, though doing their utmost to promote the prosperity of the society committed to their charge, yet, from want of knowledge of the proper principles by which they should have been governed,---unknown either to themselves or their constituents,---mismanaged the affairs, and ultimately brought on the insolvency of the scheme.

To these evils an extended association presents a powerful barrier; for, by uniting together great numbers, a saving will be effected in the expense of management, a fairer average of health and life will be obtained, and neither will so small a number be able to conduct the business, nor can any large proportion of the directors be permanently in office.

As what we contemplate is not a charity, but more properly an antidote against the necessity for such a provision,---as it may be

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\* See Report by a Select Committee of the House of Commons on Friendly Societies, in 1825.

viewed rather as a Commercial Company, comprising amongst its members, persons from any part of the county, who purchase and pay for the benefit they expect to receive; and as, consequently, some may be at such a distance from Haddington,---which we assume as head-quarters,---as to make it inconvenient for them to attend the meetings, so, to facilitate the business, increase the interest, and fairly represent all the shareholders, as soon as there are *ten* members in a parish, they shall elect from amongst themselves *two* delegates to the general committee, who shall act for their district, the one as president, the other as clerk and treasurer; and for each additional *twenty* members *one* more shall be added to such sub-committee. And in order still further to interest all classes of the community, it is proposed, that, besides the benefit members of the several schemes, there shall be a list opened for honorary members, whose contributions shall be auxiliary to the general plan, and shall be applied in the first instance to the incident fund; which, as well as the three benefit funds, shall be kept distinct from each other.

At présent our plan will be restricted to the following departments only; viz.

1ST,—A SICKNESS SCHEME,

For alimnt to sick and infirm members, until the completion of the sixtieth year of age.

2D,—A DEFERRED ANNUITY SCHEME,

For granting permanent annuities to those members who survive after sixty, when the first scheme terminates, whatever be their condition or state of health at that period.

3D,—A LIFE ASSURANCE OR FUNERAL SCHEME,

For granting payments in money to relations at the death of the member, at whatever period that event may happen, after being one year in the Society.

Each of the schemes will be divided into an indefinite number of small shares, one, or a restricted number, of which may be taken, according as subscribers shall incline.\*

Having thus far divulged the plan, and briefly pointed out the important benefits which might reasonably be expected to result from its adoption, it remains to satisfy the public as to the accuracy of the calculations on which the whole fabric is founded.

\* Besides the above, there may be afterwards added,—

A SCHEME FOR CHILDREN BEFORE THEY ARE FIT FOR APPRENTICES, as well as insuring to them a certain small sum during the time of Apprenticeship.

We have no doubt that if at an after-period it is deemed advisable to try this plan, much benefit would result to the families of mechanics in particular, in providing the means of education, and fitting out the boys as apprentices.

If a YEARLY OR TRIENNIAL DEPOSIT SCHEME can be afterwards appended, it would enable young men, before they become engaged in business, or engrossed with the cares of a family, to appropriate their savings to the redeeming at once their contributions for life.

In the tables for the Sickness Scheme regard has been had to the data contained in the Report of the Highland Society, where, as already remarked, the rates of sickness and mortality for every ten years of age from 21 to 70 are given, and hence we are enabled to calculate the amount of contributions which, with the accruing interest, will be required to meet a corresponding allowance, during sickness, old age, and at death: And as, in our plan, we propose the Sickness Scheme to terminate with the sixtieth year of age,—thus leaving out the decade of greatest sickness, which, as before remarked, is more than six times greater each year between 60 and 70 than between 20 and 50,—so shall we be enabled to grant larger proportionate allowances during sickness than any of the old Friendly Societies could do with safety, from the circumstance, that they promised sick allowance to their members through the whole of life.

Again, in the Annuity and Life or Funeral Schemes, which depend entirely on the probabilities of life, the average of the bills of mortality, as recorded in Sweden, Northampton and Carlisle, are taken as the groundwork of our tables for these departments; and the rates which have been adopted are exact proportional parts of those calculated for the Edinburgh School of Arts Friendly Society by Mr John Lyon of the Leith High School, and well known as an able calculator, from the very numerous rules and tables he has given in the Highland Society's Report.

It is therefore hoped, that the public will perceive in this Prospectus a plan fitted to work well, the principles on which it is constructed being commensurate with the great improvements lately made in the science of Assurance,—a science every day gaining the confidence, and practically felt to be promoting, in no ordinary degree, the comfort, of a large portion of our countrymen.

The following Rules, liable of course to be amplified and corrected according to the opinion of the members, may be considered as a condensed view of the laws of the proposed institution:—

### SUMMARY OF RULES.

1. The Society shall consist of Honorary and Benefit Members; the Honorary Members contributing either one single payment of £2, 2s., or an annual Subscription of 5s.; the Benefit Members paying the sums specified in the Tables.—The contributions of the former, if paid annually, shall be in advance; those of the latter, either annually, quarterly, or monthly, per advance.

2. The contributions of the Honorary Members, with the entry money and fines of the Benefit Members, shall form an Auxiliary Fund to assist in defraying the expenses of management, and in supplying deficiency, from unforeseen causes, in any of the schemes.

3. All the Funds of the Society, except such a sum as may be considered necessary for current demands, shall be lodged in a Bank, or otherwise invested, as provided for by Act of Parliament, in name of the Office-Bearers for the time being.

4. The affairs of each scheme shall be conducted by the Members belonging to it; but, in general questions, and in the disposal of the Fund for Incidental Expense, which shall be kept distinct and by itself, all shall have an equal vote.

5. The Honorary and Benefit Members shall have regularly transmitted to them

every year, a Statement of the Society's Income and Expenditure, with any other information that may be considered desirable; and shall be at liberty to attend all meetings, and give advice; but in cases of division the Honorary Members shall have no vote.

6. All the operations of each Scheme shall be kept quite separate—the funds in possession and the value of future contributions shall be balanced with the value of the future allowances, and a true state of the Society's affairs satisfactorily ascertained, at least every fifth year.

7. In each Parish or country district where there are Ten Members at an inconvenient distance from Haddington to attend Meetings, &c., those Ten may elect for themselves Two delegates to the General Committee, the one to act for the district as President, the other as Clerk and Treasurer; they shall collect the Contributions and remit them to the general Treasurer, and pay the allowances within their Parish.

The projected plan of this Institution will include,

### 1st,—A SICKNESS SCHEME.

ENTRY-MONEY, 2s. 6d.—MALES ONLY, UNDER 50, ADMISSABLE.

A weekly allowance of 5s. constitutes one share; and any member may take one, two, or three shares.—The *full* allowance to be paid for 52 weeks of sickness; three-fourths for other 52 weeks; and one half, or 2s. 6d. for each share, for the remainder of all temporary or permanent sickness up to the age of sixty, when the Annuity or permanent provision for old age is to commence.

### TABLE I.—SICKNESS SCHEME.

#### ONE SHARE OF SICK ALLOWANCE,

5s. PER WEEK TILL 60.

Age next birth day.	Contributions and Benefits cease at 60.								Age next birth day.	
	Single Payment.		Annual Payment.		First Month		Other Months			
	L.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.		
19	5	1 11	5 9	0 8 $\frac{1}{2}$	0 5 $\frac{1}{2}$	5 14 4	8 2	0 10	0 8	35
20	5	2 7	5 10 $\frac{1}{4}$	0 10	0 5 $\frac{1}{2}$	5 15 1 $\frac{1}{2}$	8 3 $\frac{3}{4}$	1 0	0 8	36
21	5	3 3	5 11 $\frac{1}{2}$	0 11	0 5 $\frac{1}{2}$	5 15 10 $\frac{1}{2}$	8 6 $\frac{1}{2}$	0 9	0 8 $\frac{1}{2}$	37
22	5	3 11 $\frac{1}{2}$	6 0 $\frac{3}{4}$	0 7	0 6	5 16 6 $\frac{3}{4}$	8 9 $\frac{1}{2}$	1 0	0 8 $\frac{1}{2}$	38
23	5	4 8	6 2	0 8	0 6	5 17 4	9 1	0 10	0 9	39
24	5	5 5	6 3 $\frac{1}{4}$	0 9 $\frac{1}{2}$	0 6	5 18 0	9 4 $\frac{1}{2}$	1 1 $\frac{1}{2}$	0 9	40
25	5	6 2 $\frac{3}{4}$	6 4 $\frac{3}{4}$	0 11	0 6	5 18 7 $\frac{1}{2}$	9 8 $\frac{1}{2}$	1 0	0 9 $\frac{1}{2}$	41
26	5	7 0	6 6	1 0	0 6	5 19 0 $\frac{1}{2}$	10 0 $\frac{1}{2}$	0 10 $\frac{1}{2}$	0 10	42
27	5	7 10	6 8	0 8 $\frac{1}{2}$	0 6 $\frac{1}{2}$	5 19 3 $\frac{1}{2}$	10 5	1 3	0 10	43
28	5	8 7 $\frac{1}{2}$	6 9 $\frac{3}{4}$	0 10 $\frac{1}{2}$	0 6 $\frac{1}{2}$	5 19 4	10 9 $\frac{1}{2}$	1 2	0 10 $\frac{1}{2}$	44
29	5	9 5 $\frac{1}{2}$	6 11 $\frac{1}{2}$	1 0	0 6 $\frac{1}{2}$	5 18 11	11 2 $\frac{1}{4}$	1 2 $\frac{1}{2}$	0 11	45
30	5	10 3 $\frac{1}{2}$	7 1 $\frac{1}{2}$	0 8 $\frac{1}{2}$	0 7	5 18 3 $\frac{1}{2}$	11 7	1 0 $\frac{1}{2}$	0 11 $\frac{1}{2}$	46
31	5	11 0 $\frac{1}{2}$	7 3 $\frac{1}{2}$	0 10 $\frac{1}{2}$	0 7	5 17 0 $\frac{1}{2}$	12 0	1 0	1 0	47
32	5	11 10	7 5 $\frac{1}{2}$	1 0 $\frac{1}{2}$	0 7	5 15 2	12 5 $\frac{1}{2}$	1 5 $\frac{1}{2}$	1 0	48
33	5	12 8	7 8	0 9 $\frac{1}{2}$	0 7 $\frac{1}{2}$	5 12 7 $\frac{1}{2}$	12 10 $\frac{1}{2}$	1 5	1 0 $\frac{1}{2}$	49
34	5	13 6	7 10	0 11 $\frac{1}{2}$	0 7 $\frac{1}{2}$	5 9 3	13 3 $\frac{1}{2}$	1 4 $\frac{1}{2}$	1 1	50

EXAMPLE.—By this table it will be perceived, that a person entering this Scheme in his 20th year, will, for the small sum of L.5 : 2 : 7. paid at once, or for 5s. 10 $\frac{1}{4}$ d. yearly, which is little more than 1 $\frac{1}{4}$ d. a-week, be entitled to the benefit of one share. A person at 26 will be required to pay L5 : 7s. at once to secure the same advantage, or 6s. 6d. yearly, which is 1s. 7 $\frac{1}{2}$ d. a quarter, or 1 $\frac{1}{2}$ d. per week.

**2nd.—A DEFERRED ANNUITY SCHEME.**

ENTRY-MONEY 2s. 6d.—BOTH MALES AND FEMALES ADMISSABLE.

One share in this scheme entitles to L.8 a-year, or L.2 a-quarter, which is rather more than Three Shillings a-week. The first payment commences with the first quarter in the 61st year of age, and is continued, whether the member be in health or sickness, till the end of life. Members of other societies will be allowed to take a half-share in this scheme if they desire.

Females will be required to pay one-fourth more, in consequence of their greater probabilities of long life.

**TABLE II.—ANNUITY SCHEME.**

FOR ONE SHARE OF ANNUITY OF L.8 ANNUALLY, TO COMMENCE WITH THE 61ST YEAR.																						
All Contributions to cease with the Sixtieth year.																						
Age next birth day.	Single Payment.				Annual Payment.				First Month.				Other months									
	L.	s.	d.	s. d.	s.	d.	s. d.	s. d.	s.	d.	s. d.	s. d.	s.	d.								
19	7	15	0	0	8	4	1	0	0	8	17	8	4	1	4	7	4	2	2	0	1	35
20	8	3	8	0	9	3	1	0	0	9	18	7	0	1	6	5	2	7	2	2	2	36
21	8	12	5	0	9	11	1	2	0	9	19	6	8	1	8	6	2	4	2	4	2	37
22	9	1	1	0	10	6	0	11	0	10	20	7	7	1	10	9	2	10	2	6	1	38
23	9	10	3	0	11	2	1	1	0	11	21	10	2	1	13	3	3	0	2	9	2	39
24	9	19	11	0	11	10	1	4	0	11	22	14	1	1	16	1	3	1	3	0	4	40
25	10	10	1	0	12	8	1	2	1	0	23	19	5	1	19	2	3	5	3	3	3	41
26	11	0	9	0	13	5	1	6	1	1	25	6	3	2	2	8	3	8	3	6	1	42
27	11	12	1	0	14	4	1	6	1	2	26	14	10	2	6	7	4	0	3	10	1	43
28	12	3	11	0	15	3	1	6	1	3	28	5	1	2	11	1	4	4	4	3	4	44
29	12	16	6	0	16	3	1	7	1	4	29	17	3	2	16	1	4	10	4	8	4	45
30	13	9	8	0	17	4	1	10	1	5	31	12	5	3	2	0	5	2	5	2	4	46
31	14	3	7	0	18	7	1	8	1	6	33	9	6	3	8	8	5	11	5	8	1	47
32	14	18	3	0	19	10	2	0	1	7	35	9	2	3	16	6	6	5	6	4	1	48
33	15	14	0	1	1	3	2	1	1	9	27	11	6	4	5	10	7	5	7	1	4	49
34	16	10	9	1	2	10	2	3	1	10	39	16	7	4	16	10	8	5	8	0	5	50

**EXAMPLE.**

A person entering this scheme in his or her 20th year of age, will, by a single payment of L.8 : 3 : 8 $\frac{1}{2}$ ; or an annual payment of 9s. 3 $\frac{1}{2}$ d., or a monthly payment of 9d., which is not quite 2 $\frac{1}{4}$ d. a-week, be entitled to the benefit of one share. The allowance or annuity becomes due after the first quarter of the 61st year of age, and continues till end of life.

### 3d.—A LIFE ASSURANCE SCHEME.

ENTRY-MONEY 2s. 6d.—MALES AND FEMALES BOTH ADMISSABLE.

A member holding one share in this scheme ensures to his or her relations at his or her death, the sum of Five Pounds. One, or any number of shares under ten may be taken. To accommodate the members of other societies, whose Funeral allowance is small, they shall be allowed to take a half share, but need not restrict themselves to that amount unless it is their own choice.

#### TABLE III.—LIFE ASSURANCE SCHEME.

ONE SHARE OF LIFE ASSURANCE,													
L.5 AT DEATH.													
Contributions cease at 60.													
Age next birth day.	Single Payment.				Annual Payment.				First Month.				Age next birth day.
	Other months				Other months				Other months				
	L.	s.	d.		L.	s.	d.	s.	d.	s.	d.	s.	
19	1	9	5	0	1	8	0	3	0	1	1	0	35
20	1	9	10	0	1	8	0	4	0	1	1	0	36
21	1	10	3	0	1	9	0	1	0	1	1	0	37
22	1	10	9	0	1	9	0	2	0	1	1	0	38
23	1	11	3	0	1	10	0	3	0	1	1	0	39
24	1	11	9	0	1	10	0	3	0	1	1	0	40
25	1	12	3	0	1	11	0	4	0	1	1	0	41
26	1	12	10	0	2	0	0	2	0	2	0	0	42
27	1	13	5	0	2	0	3	0	2	0	2	0	43
28	1	14	0	0	2	1	0	3	0	2	0	2	44
29	1	14	7	0	2	2	0	4	0	2	0	2	45
30	1	15	3	0	2	3	0	2	0	2	0	2	46
31	1	15	11	0	2	4	0	3	0	2	0	2	47
32	1	16	7	0	2	5	0	4	0	2	0	2	48
33	1	17	3	0	2	6	0	3	0	2	0	2	49
34	1	17	11	0	2	7	0	4	0	2	0	2	50

EXAMPLE.—A person at the age of 21 may insure one share in this scheme by a single payment of L.1, 10s. 3 $\frac{1}{2}$ d., or by an annual one of 1s. 9d., or a monthly one of 1 $\frac{3}{4}$ d. till the age of 60.

Having thus far unfolded the proposed plan, very little farther, it is conceived, will be necessary to make it fully understood.

The superior advantages and extent of the benefits in the sickness scheme, beyond what were afforded by the old institutions, will at once appear evident; for the amount of alimant can be proportioned to the wishes and circumstances of each individual; the period during which the full and reduced rates are allowed are much longer than those of the old societies; and the permanent or superannuation allowance is far beyond what they ever thought of.—Thus, a person who has two shares in the sickness scheme, after the expiry of one year, has a right, in the event of continued sickness, to one year's or 52 weeks full allowance, which is L.26; to three-fourths of that sum for another year, which is L.19, 10s.; and to L.13 a-year during the remainder of sickness, up to the sixtieth year of age, when the first scheme terminates.

By the annuity scheme a permanent provision is secured, to commence precisely where the first scheme ends. The second may indeed be considered an extension of the first scheme, with this striking difference, however, that while, in the first scheme, the allowances are paid during sickness alone, and that only to the age of sixty, the second scheme provides a permanent annuity to the member, whatever be the state of his health, from that time to the end of life; and our reasons for separating the two funds are these,—the degree of sickness, infirmity or inability for labour, is so much increased after

the sixtieth year of age, as before observed, when compared with that between the twentieth and sixtieth years, that, were the insurance extended over the whole of life, or even to the seventieth year, the contributions would require to be almost doubled, and this would deter many from taking the number of shares they may otherwise do; besides, in how many cases do people after reaching sixty become enfeebled though not diseased or disabled—the vigour of life abates and the infirmity of old age approaches—yet, if able to work at all, however small be his income, in most Societies such a member, though he may have contributed for 40 years successively, receives no benefit until he is actually sick, while, by our second scheme, if he but reach the first quarter of his sixty-first year his annuity commences.

Again, this scheme may be open to both males and females, without any regard being paid to the health of the member at entry, which must be strictly attended to in the other two schemes.

The funeral allowance of the old Friendly Societies may be recognised in the third or Life Assurance Scheme. To this mode of providing a sum of money at death particular attention is requested. As this benefit may be obtained independently of any of the others, and at a very easy rate, it might be of great advantage to members of other societies, who can only receive a limited sum from them, as they might hereby increase that sum to a considerable amount, without violating their rules. It is likewise conceived that this and the Annuity Scheme possess all the advantages of a widows' fund, without risk of loss from the predecease of wives, or the almost uniform failure of these institutions, which is inevitable, if the rates of contribution are taken from the Northampton tables alone, or, what is worse, and is more frequently the case, from no tables whatever.

“It has long been matter of regret, that, while the higher classes appreciate and eagerly avail themselves of the benefit of Life Assurance, those classes who depend upon their own industry for support have never had an opportunity of taking advantage of it, on account of the schemes generally adopted being above their reach, as no policies are issued below L.100, nor any monthly contributions received. To the rich, life Assurance is expedient, as affording the means of securing ample provision for their younger children and other dependents; but to the other classes it may be said to be indispensable, as affording a provision for a widow or children against absolute want, or at least enabling the children to obtain proper education and facilitate their setting-up in business. The easy rate at which these invaluable benefits may be purchased must strike every person with astonishment. Many are not able to save L.50 out of the labours of a whole life of industry, whilst a person aged 21, may, by an annual contribution of 17s. 6d., or 4d. a-week, and only payable till the age of sixty, (should he live so long,) secure that sum to his family, even should his death happen thirteen months after his admission into the society.”

From what has been stated in the foregoing pages, it is hoped that the principles of the projected scheme will have been sufficiently illustrated. It may, however, be repeated, as it ought to be distinctly borne in mind, that the proposed institution, as it has nothing in the name, so neither does it in the slightest degree partake of the nature, of public charity. It is simply a copartnery or association of persons contributing a part of their savings, according to fixed rules, to a common fund, and hence providing against wants yet future,—wants, some of which may never arrive, but against the occurrence of which it is only common prudence to provide. Such are the contingencies upon which human life and health depend, that he who has not in accumulated wealth a sufficient guarantee for himself and family, and yet neglects joining such a society as that now contemplated, is, if possible, more blameable than the proprietor of a house or other property, who, through negligence or other cause, omits having that property insured against loss by fire, now that full security can be obtained at so low a rate.

But the principles of the projected Scheme are still more fair and liberal; the first great principle is, that the contributions of

the members, one with another, let their age at entry be what it may, shall, with the accruing interest, just be equal, and no more than equal, to defray all the allowances, without any extraneous aid whatever. And again, any member on leaving the country, or becoming unable to continue his contributions, from want of employment or other necessary cause, may, if it be his desire to do so, withdraw from the society, and have *three-fourths* of his individual stock in the funds at the time returned to him; and should a member die before becoming free, that is, before the expiry of one year from the date of entry, his friends will receive back all his contributions, the entry-money only being kept as his share of the general expense.

As there will be no extra charge for non-attendance at funerals or meetings, or for non-acceptance of office, and no clerk's fees, the only additional expense being a contribution to the incident fund of a penny-a-month on the first share in each scheme, and the fines required by the laws in case of irregular payments, &c.; so a person becoming a member knows at once what is to be required of him, and what he becomes entitled to. As *security* against want, the object of his pursuit, and so very essential to his happiness, is thus fully guaranteed to him, without any chance of the box being shut when he comes to require aid; it is presumed that many will perceive the advantages to be derived from the proposed copartnery, and frankly and at once join themselves as members; for, let it be understood, that much of the principles of Health and Life Assurance depends upon sufficient scope being given for the obtaining a correct average, as it is not upon one individual life that the scheme depends, but upon the average derived from great numbers.

In closing these remarks particularly applicable to benefit members, it may not be improper to solicit attention to a maxim worthy of a place in every memory; viz., "that he who meets want when it arrives does well; but he who, through judicious foresight, provides against its approach while it is yet distant, does better." If these views are entertained by the public, it may be safely left to their common sense to determine whether the proposed scheme be worthy of support; and if it does obtain their approbation and confidence, it is submitted whether an early adoption of the measure be advisable.

If any argument be necessary to interest the higher classes, a single reflection may suffice for it.

The body politic is composed of the peasant and the wealthy proprietor--of the industrious tradesman and the enterprizing merchant—all linked together by reciprocal ties, to disunite one of which, would be to weaken the whole and ruin each individual part. Whatever tends to consolidate the base of a building adds strength and security to the entire fabric; whatever tends to promote the comfort and respectability of the bulk of the people has the effect of making better citizens, and serves to foster and cement the bond of union

betwixt all parties. That societies of the description now proposed, has the tendency to diminish pauperism—improve the condition of the people—and increase the security of the state—is a position, in support of which, the opinion of Mr Senior of Oxford University, may be quoted. That distinguished author has remarked, “That the pursuit of wealth, that is, the endeavour to accumulate the means of future subsistence and enjoyment, is, to the mass of the people, the great source of moral improvement.” “When (he asks,) does a labourer become sober and industrious, attentive to his health and to his character? So soon as he begins to save.” “No institution (he adds,) could be more beneficial to the morals of the lower classes, than one which would increase their power and their wish to accumulate.” The projected scheme, it is submitted, is quite of this nature, and would, if carried into universal operation, prove an effectual antidote against extreme poverty and wretchedness; while, at the same time, it might better the condition of all within its reach. But it is conceived, that in proportion as a peasantry are comfortable they may be expected to be moral; and as improved circumstances are favourable to the progress of education, so it is not unreasonable to expect them to become more intellectual: And none surely will contend that the development of mind is unfavourable to a nation’s security, or that high-toned morality can weaken the social compact. But this truth may appear in a still stronger light, by observing the result of an opposite conduct. The same learned Professor observes, “A state in which the mass of the people is continually confined to a bare subsistence, and consequently, exposed from time to time, from the accidents of trade or of the seasons, to absolute want, is too painful to be steadfastly contemplated; though it forms only a small part of the evil. The great evil is the general feeling of *insecurity*, the fear that must beset every man whose labour produces him only a subsistence, and who has no resource against contingencies; that at some period, how near he cannot tell, the want under which he sees others sink may reach himself.” Now, the object of the proposed institution is to implant that very sense of *security*, which seems to be not merely conducive, but essential, both to morals and happiness.

If these views be correct, the deduction is easy; if there exist that reciprocity of interest between the rich and the poor, it is manifestly a matter of expediency, not to say of duty, on the part of the more wealthy, to join in the promotion of the proposed measure. And let it not be contended, that they can be of no service, because the proposed institution is not one of charity.

In all the great Insurance Companies throughout the Kingdom, some small capital is required to defray the expences at the commencement, and to the surplus of which the assured may look as a kind of security for the benefits. The formation of a similar fund would confer an equal advantage upon the proposed plan—the

contributions of the wealthy ought thus to be applied—to assist the institution in its infancy, and to give it that character for stability which is both essential to its commencement and ultimate success. And that both the donor who may be induced to patronize, and the member who anticipates benefit, may be satisfied that they are not called upon to espouse a merely fanciful or Utopian scheme, which, like some points in Political Economy, may be right in principle, but, owing to the present artificial state of society, will not work in practice, it may be remarked, that the fact of its applicability is already demonstrated in the experience of several large societies in England, amongst which may be mentioned, the Southwell Friendly Society, established in 1823, at the suggestion of the Rev. J. T. Becher; the Duke of Newcastle, patron. In the city of London there have been societies instituted with the Dukes of Gloucester and Bedford; Lord John Russel, M.P.; Sir Robert Wilson, M.P.; Thomas Peregrine Courtenay, Esq. M.P.; Joseph Hume, Esq. M.P.; William Wilberforce, Esq. M.P.; and other noblemen and gentlemen as patrons and honorary members. In Hampshire there is the General Friendly Society for the whole county;—there is also the North Devon Friendly Society; the East Devon Friendly Institution; the South Gloucester Friendly Society, under the Duke of Beaufort, which incorporates five Provincial Branches: to these may be added, the Eskdale Ward, and the Pakefield Friendly Societies; that for the city and county of Worcester; that for Derby, and another for the county of Wilts. But there is an institution nearer home which promises well to reward the zeal of its founders, and to which the scheme now submitted is very similar, and that is, the Edinburgh School of Arts Friendly Society; which, while it has the names of many highly respectable citizens on its list of honorary members—who have contributed much to its respectability and success—is yet managed in its details by the benefit members themselves.

When it is reflected how much good has been done by Friendly Societies formerly, and how much more may reasonably be expected to result from their improved principles and extended operation in time to come, and when it is perceived how much they are encouraged in other places, it is trusted that nothing further will be necessary to bespeak for the projected institution a favourable reception from all classes in East-Lothian.

The substance of the foregoing pages was some time ago communicated to the members of the Haddington School of Arts; and as several of them, and a few persons to whom the scheme was explained, have expressed themselves highly satisfied with it, and signified their desire to have it carried into effect, a Public Meeting for constituting a Society, will be held in the Assembly-Room, Haddington, so soon as a sufficient number have intimated their intention of becoming members,—which, to ensure despatch, they are requested to do, as early as possible, to any of the following persons; viz.—

Messrs R. J. Davie, HADDINGTON; G. and A. Bayne, DUNBAR; John Porteous, Saddler, EAST-LINTON; James Porteous, Saddler, GIFFORD; T. Howatson, Humble; W. Foggo, GARVOLD.

Haddington, June 1829.







