

Section 4.—Government Annuities.

For more than thirty years the Dominion Government has carried on a service which permits and encourages Canadians, during the earning period of their lives, to make provision for their old age. The necessary legislation was passed in 1908 as the Government Annuities Act (c. 7, R.S.C., 1927, amended by c. 33, 1931), which is administered by the Minister of Labour, and provides that any person resident or domiciled in Canada may purchase an annuity from the Government of Canada.

A Canadian Government annuity is a fixed yearly income paid by the Government of Canada. The income is payable in quarterly instalments (unless otherwise expressly provided) for life, but may be guaranteed for ten, fifteen, or twenty years in any event. The minimum amount of annuity obtainable on the life of one person or on the lives of two persons jointly is \$10 a year and the maximum amount of annuity payable to any annuitant or to joint annuitants is \$1,200 a year.

Although in the vast majority of cases annuities issued on the lives of individuals are purchased by the individuals themselves, provision is made in the Act whereby employers may contract for the purchase of annuities on behalf of their employees, or associations on behalf of their members.

Annuity contracts are of two classes, deferred and immediate, under each of which there are various plans available. Deferred annuity contracts are for purchase by younger persons desiring to provide for their old age; purchase may be made by monthly, quarterly, or yearly premiums, or by a lump sum. Immediate annuity contracts are for purchase by older persons wishing to obtain immediate incomes through their accumulated savings.

The property and interest of any annuitant in any contract for a Government annuity is neither transferable nor attachable. As a rule, the purchaser contracts that in the event of the death of the annuitant before the date fixed for the annuity to begin, all money paid shall be refunded to the purchaser or his legal representatives with interest at the rate of 4 p.c., compounded yearly.

From Sept. 1, 1908, the date of the inception of the Government annuities system, up to and inclusive of Mar. 31, 1938, the total number of annuity contracts issued was 42,623. Of these contracts, 3,608 have been cancelled, leaving in force on Mar. 31, 1938, 39,015 contracts. The total amount of purchase money received during the same period was \$115,109,178. Table 27 gives the details of annuities contracted for and purchase money received from 1909 to 1938, by fiscal years.

27.—Government Annuities Contracted for, and Purchase Money Received, fiscal years 1909-38.

Fiscal Year.	Contracts.	Purchase Money Received.	Fiscal Year.	Contracts.	Purchase Money Received.
1909 ¹	66	50,391	1925.....	486	1,606,822
1910.....	566	434,491	1926.....	668	1,938,921
1911.....	1,069	393,441	1927.....	503	1,894,885
1912.....	1,032	441,601	1928.....	1,223	3,843,088
1913.....	373	417,136	1929.....	1,328	4,272,419
1914.....	318	390,887	1930.....	1,257	3,156,475
1915.....	264	314,785	1931.....	1,772	3,612,234
1916.....	325	441,696	1932.....	1,726	4,194,384
1917.....	285	432,272	1933.....	1,375	3,547,345
1918.....	187	332,792	1934.....	2,412	7,071,439
1919.....	147	322,154	1935.....	3,930	13,376,400
1920.....	204	408,719	1936.....	6,357	21,281,981
1921.....	195	531,800	1937.....	7,806	23,614,224
1922.....	277	748,160	1938.....	5,724	13,550,483
1923.....	339	1,028,353			
1924.....	409	1,458,819	Totals.....	42,623	115,109,178

¹ Seven months.