

**18.—Cash Income and Expenditure of Canadian Life Companies with Dominion Registration and Cash Income and Expenditure in Canada of British and Foreign Life Companies, by Principal Items, 1939-43—concluded.**

Item	1939	1940	1941	1942	1943
<b>EXPENDITURE</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Canadian Companies</b>					
Payments to policyholders.....	219,405,927	216,782,766	203,939,306	188,369,179	180,607,200
General expenses.....	57,955,496	56,638,175	59,413,512	59,814,452	63,492,701
Dividends to stockholders.....	1,483,472	1,421,795	1,412,099	1,386,262	1,315,301
Other disbursements.....	28,199,691	32,836,688	34,698,921	33,326,914	32,231,708
<b>Totals, Canadian Companies</b> <sup>1</sup> .....	<b>307,044,586</b>	<b>307,679,424</b>	<b>299,463,838</b>	<b>282,896,807</b>	<b>277,646,910</b>
Excess of income over expenditure.....	118,933,497	116,756,202	141,827,972	159,688,812	208,431,072
<b>British Companies</b>					
Payments to policyholders.....	3,943,305	4,311,708	3,406,555	3,664,351	2,687,256
General expenses.....	1,263,608	1,166,744	1,084,970	1,155,025	1,274,665
Other disbursements.....	104,580	95,083	109,366	131,081	102,650
<b>Totals, British Companies</b> .....	<b>5,311,493</b>	<b>5,573,535</b>	<b>4,600,891</b>	<b>4,950,457</b>	<b>4,064,571</b>
Excess of income over expenditure.....	1,903,849	1,668,302	2,153,854	* 1,861,239	4,008,732
<b>Foreign Companies</b>					
Payments to policyholders.....	58,776,173	55,595,018	50,687,247	47,125,627	45,598,531
General expenses.....	14,299,588	15,099,199	15,549,341	16,225,493	16,922,479
Other disbursements.....	2,499,343	2,890,082	3,090,051	3,187,347	2,850,578
<b>Totals, Foreign Companies</b> .....	<b>75,575,104</b>	<b>73,584,299</b>	<b>69,326,639</b>	<b>66,538,467</b>	<b>65,371,588</b>
Excess of income over expenditure.....	19,234,062	23,157,028	30,094,835	39,566,598	45,577,460

<sup>1</sup> Includes expenditure on business outside of Canada.

**Subsection 4.—Life Insurance Effected through Fraternal Benefit Societies**

In addition to life insurance, some fraternal benefit societies grant other insurance benefits to members, notably sickness benefits, but these are relatively unimportant. Table 19 gives statistics of life insurance effected with fraternal benefit societies by Canadian members, together with statistics of assets, liabilities, income and expenditure relating to the whole business of Canadian societies and to the business in Canada of foreign societies. The rates charged by these societies are computed to be sufficient to provide the benefits granted, having regard for actuarial principles. The benefit funds of each society must be valued annually by a qualified actuary (Fellow, by examination, of the Institute of Actuaries, London; of the Faculty of Actuaries in Scotland; of the Actuarial Society of America; or of the American Institute of Actuaries) and unless the actuary certifies to the solvency of each fund a readjustment of rates or benefits must be made. The statistics in the first part of this table relate to the 14 Canadian societies reporting to the Insurance Department of the Dominion Government, only one of which does not grant life insurance benefits.

Under an amendment to the Insurance Act, effective Jan. 1, 1920, all foreign fraternal benefit societies were required to obtain Dominion authority precedent to transacting business in Canada. However, any such societies which at that date