

the amount paid in the first half of the decade by approximately 67 p.c., the larger proportion of which increase was represented by the increased payment of cash surrender values of the policies.

These figures indicate, first, that the impact of the depression, which commenced in 1929, did not seriously disturb the life insurance field before the end of 1930; secondly, that thereafter the effect of the depression was greater than that produced by any other period of financial panic, war, or pestilence that Canada has experienced; and, thirdly, that the life insurance policies held by a depression-stricken public became in effect savings deposits payable on demand to the extent of the cash values guaranteed by the policies.

The experience of the decade 1926 to 1935 has been divided into the two periods because the first part was mainly a period of apparent prosperity and the latter a period of real depression. The decade that followed may also conveniently be divided into two parts, since the first part included the remaining years of the depression period and the latter part was almost wholly devoted to the prosecution of the War, with its attendant increase in the circulation of money and in the national income. The amount of new business effected in the first part of that decade was approximately 97 p.c. of that in the latter part of the preceding decade; the net amount in force at the middle point of the later decade was over 11 p.c. in excess of the amount in force at the end of the preceding decade, while the total payments to policyholders were approximately 94 p.c. of the amount paid in the preceding five years. A very different trend was experienced in the last half of the decade 1936 to 1945. New business effected exceeded by approximately 39 p.c. that effected in the first half. The amount in force at the end of the period exceeded by approximately 40 p.c. the amount in force at its middle point and the payments to policyholders, notwithstanding the payment of war claims, fell below the amount paid in the first half by 6 p.c.

The experience of the Second World War duplicates, so far as the business of life insurance is concerned, that of the First World War; the stability of the life insurance institution has been more fully recognized by the public than ever before, and it will be surprising if the post-war period on which we are entered does not see a further great increase in the insurance protection of the Canadian public similar to that which characterized the period commencing with the year 1919.

The foregoing experience is indicated in tabular form by the following figures for all companies, which include as well the experience for the earlier decades commencing with the year 1875.

<i>Period</i>	<i>Companies Registered at End of Period^a</i>	<i>Net New Business Effected</i>	<i>Net Amount in Force at End of Period</i>	<i>Premiums and Annuity Consideration Received</i>	<i>Total Payments to Policyholders</i>
	No.	\$	\$	\$	\$
1875.....	36 (2)	15,074,258	85,009,264	2,882,387	719,485
1876-1885.....	40 (13)	174,230,286	149,962,146	32,555,618	16,772,766
1886-1895.....	39 (12)	416,508,562	319,257,581	81,310,433	44,134,250
1896-1905.....	52 (12)	723,867,143	630,334,240	154,416,016	85,761,613
1906-1915.....	58 (13)	1,604,962,050	1,311,616,677	318,655,586	179,028,516
1916-1925.....	59 (13)	4,853,035,411	4,159,019,848	931,147,194	472,977,040
1926-1930.....	62 (15)	4,418,048,363	6,492,283,194	965,909,264	507,554,792
1931-1935.....	62 (19)	3,198,099,186	6,259,158,404	1,083,939,951	850,047,201
1936-1940.....	59 (18)	3,095,993,738	6,975,322,460	1,059,253,965	796,328,743
1941-1945.....	57 (11)	4,297,504,526	9,751,040,835	1,251,828,908	748,945,047
TOTALS.....	-	22,797,323,523	-	5,881,899,322	3,702,269,453

^a Figures in parentheses indicate the number of companies included in the total which were inactive in the sense that no new business was transacted.