

of actual war, are incapable and unlikely to become capable of maintaining themselves because of economic handicaps combined with disabilities. These allowances are outlined in Chapter XXIX.

Government Annuities.*—Under the Government Annuities Act (c. 7, R.S.C., 1927, amended by c. 33, 1931) passed in 1908, the Federal Government carries on a service to assist Canadians to make provision for old age, the Act being administered by the Minister of Labour.

The Canadian Government Annuity is a fixed yearly income purchased from and paid by the Government of Canada. The annuity is payable in quarterly (or other) instalments, for life, or for life and guaranteed for a period of years. The minimum annuity is \$10 and the maximum \$1,200 a year. Annuity contracts may be deferred or immediate. Under deferred annuity contracts purchase is by periodic or single premiums. Immediate annuity contracts provide immediate income.

The property and interest of the annuitant is neither transferable nor attachable. In the event of the death of the annuitant before a deferred annuity vests, all money paid is refunded to the purchaser or his legal representatives with interest. Provision is made in the Act for group annuity contracts, whereby employers may contract for the purchase of annuities on behalf of their employees, or associations on behalf of their members, the purchase money being derived partly from wages and partly from employer contributions. Group annuity plans now in effect cover a variety of industries and many municipal corporations throughout Canada. Many of the older members under group plans sold in recent years are now enjoying benefits under the Annuities Act.

From Sept. 1, 1908, the date of the inception of the system, up to Mar. 31, 1948, the total number of annuity contracts and certificates issued was 235,568. Of these, 24,633 have been cancelled (including 3,264 cancelled in 1947-48) leaving in effect on Mar. 31, 1948, 210,935 contracts and certificates. The total amount of purchase money received up to Mar. 31, 1948, was \$465,858,347.

Up to Mar. 31, 1948, 708 corporations, institutions and associations (as compared with 612 up to Mar. 31, 1947) had entered into agreements with the Government to purchase annuities. Under these agreements, as of Mar. 31, 1948, 92,063 employees or members were holding certificates for purchase of deferred annuities (as compared with 70,996 one year earlier). The number of certificates issued under groups in the year 1947-48 was 26,708 (as compared with 30,411 in the year 1946-47).

Table 4 gives details of the valuation for years ending Mar. 31, 1947 and 1948. A comparative analysis of the figures for these two years will show that the 1948 figures under "value of contracts in force" are somewhat low. The explanation is that during the latter year a punched card system was set up, under which the valuation age used was "age nearest birthday on March 31". This age was, on the average, a fraction of a year above that used under the earlier system which tended to reduce the reserve. The smaller transfer for the year 1948, seen under "Receipts" in Table 3, is a result of the same factor.

* Revised by the Government Annuities Branch, Department of Labour, Ottawa.