

**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 21 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 16 Canadian societies reporting to the Insurance Department of the Federal 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 authority from the Federal Government prior to transacting business in Canada. However, any such societies which at that date were transacting business under provincial licences, while forbidden to accept new members, were permitted to continue all necessary transactions in respect of insurance already in force. Most of these societies and some foreign societies that had not previously been licensed by the provinces have since obtained federal authority to transact business. Of both classes of societies, 30 transacted business in Canada during 1947, two of which do not grant life insurance benefits.

**21.—Life Insurance in Canada of Fraternal Benefit Societies reporting to the Insurance Department of the Federal Government, 1943-47**

Item	1943	1944	1945	1946	1947
	No.	No.	No.	No.	No.
<b>CANADIAN SOCIETIES</b>					
Net certificates effected.....	16,822	15,724	17,781	22,251	22,068
Net certificates become claims.....	3,301	3,363	3,347	3,286	3,432
	\$	\$	\$	\$	\$
Net premium income.....	2,007,554	2,328,080	2,428,641	2,466,794	2,667,206
Net amounts of certificates effected.....	15,231,629	15,282,835	17,772,650	22,850,967	23,578,289
Net amounts in force.....	130,088,697	136,047,105	151,255,637	165,792,519	175,202,012
Net amounts of certificates become claims.....	2,732,071	2,695,737	2,845,697	2,812,487	2,964,099
Net benefits paid.....	3,150,963	3,237,437	3,096,212	3,187,842	3,347,165
Net outstanding claims.....	468,803	395,754	442,543	438,411	443,496
Gross Amounts Terminated by—					
Death.....	2,041,619	1,968,409	2,182,901	2,131,975	2,232,140
Surrender, expiry, lapse, etc.....	8,984,637	9,521,647	9,865,312	10,718,409	14,638,191
<b>Totals, Terminated.....</b>	<b>11,026,256</b>	<b>11,490,056</b>	<b>12,048,213</b>	<b>12,850,384</b>	<b>16,870,331</b>
<b>Assets</b>					
Real estate.....	6,787,719	5,572,863	4,523,584	3,698,409	2,385,120
Real estate held under agreements of sale.....	1,060,593	1,209,325	1,281,834	997,818	1,117,889
Loans on real estate.....	8,538,214	8,331,442	9,250,512	9,790,876	12,263,188
Policy loans.....	6,631,473	6,251,126	5,844,979	5,543,355	5,298,998
Bonds, debentures and stocks.....	63,986,281	67,609,473	70,852,761	74,553,928	76,634,957
Cash.....	1,620,793	1,931,621	1,940,682	1,572,543	2,018,260
Interest and rent due and accrued.....	739,764	769,824	783,156	763,085	692,053
Dues from members.....	369,591	366,214	329,423	359,822	405,758
Other assets.....	203,344	208,167	246,155	235,608	205,244
<b>Totals, Assets<sup>1</sup>.....</b>	<b>89,937,772</b>	<b>92,250,055</b>	<b>95,053,086</b>	<b>97,515,444</b>	<b>101,021,467</b>

<sup>1</sup> Includes business outside Canada.