

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 representative 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.

From Sept. 1, 1908, the date of the inception of the system, up to Mar. 31, 1950, the total number of annuity contracts and certificates issued was 292,978. Of these, 34,299 have been cancelled (including 4,691 cancelled in 1949-50) leaving in effect on Mar. 31, 1950, 258,679 contracts and certificates. The total amount of purchase money received up to Mar. 31, 1950, was \$593,302,705.

Up to Mar. 31, 1950, 846 corporations, institutions and associations, as compared with 809 up to Mar. 31, 1949, had entered into agreements with the Government to purchase annuities. Under these agreements, 121,986 employees or members were holding certificates for purchase of deferred annuities as compared with 113,645 one year earlier. The number of certificates issued under groups in the year 1949-50 was 15,689 as compared with 29,869 in the previous year.

Up to June, 1940, annuity payments were, with certain exceptions, exempt from taxation under the Income War Tax Act. Under contracts issued after that date, income was fully taxable until the Act was amended in 1945. Under the amendment, the capital element in contractual annuities issued since June, 1940, was declared exempt from taxation, the portion representing interest being subject to tax as income. The change applied to income of 1945 and subsequent years.

2.—Government Annuities Contracted and Purchase Money Received, Years Ended Mar. 31, 1927-50

NOTE.—Figures for the years 1909 to 1926 will be found at p. 873 of the 1942 Year Book.

Year	Contracts and Certificates	Purchase Money Received	Year	Contracts and Certificates	Purchase Money Received
	No.	\$		No.	\$
1927.....	503	1,894,885	1939.....	8,518	18,189,319
1928.....	1,223	3,843,088	1940.....	9,014	20,001,533
1929.....	1,328	4,272,419	1941.....	11,994	18,803,645
1930.....	1,257	3,156,475	1942.....	8,593	19,630,645
1931.....	1,772	3,612,234	1943.....	9,608	20,415,365
1932.....	1,726	4,194,384	1944.....	19,354	26,600,098
1933.....	1,375	3,547,345	1945.....	15,796	33,076,436
1934.....	2,412	7,071,439	1946.....	25,538	46,954,536
1935.....	3,930	13,376,400	1947.....	43,585	72,009,764
1936.....	6,357	21,281,981	1948.....	40,945	75,067,827
1937.....	7,806	23,614,821	1949.....	36,332	64,311,116
1938.....	5,724	13,550,483	1950.....	21,078	63,133,242