

20.—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, 1944-48—concluded.

Item	1944	1945	1946	1947	1948
	\$	\$	\$	\$	\$
EXPENDITURE—concluded					
British Companies					
Payments to policyholders.....	3,517,715	4,015,885	3,533,560	4,322,427	4,472,132
General expenses.....	1,375,639	1,648,302	2,279,662	2,726,330	3,077,527
Other disbursements.....	163,096	166,548	176,910	316,885	168,190
Totals, British Companies.....	5,056,450	5,830,735	5,990,132	7,365,642	7,717,849
Excess of income over expenditure.....	3,266,943	3,300,929	5,315,664	11,820,992	11,238,914
Foreign Companies					
Payments to policyholders.....	50,158,688	54,774,067	58,330,186	59,892,780	65,213,761
General expenses.....	17,342,564	18,207,681	20,328,025	23,318,382	24,659,702
Other disbursements.....	3,184,797	3,262,611	3,912,698	4,070,737	5,276,845
Totals, Foreign Companies.....	70,686,049	76,244,359	82,570,909	87,281,899	95,150,308
Excess of income over expenditure.....	47,702,287	48,458,725	46,635,969	51,538,241	51,583,422

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 through 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 Society of Actuaries; 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 Table 21 relate to the 15 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, 29 transacted business in Canada during 1948, two of which do not grant life insurance benefits.