

20.—Cash Income and Expenditure of Canadian Life Companies with Federal Government Registration and Cash Income and Expenditure in Canada of British and Foreign Life Companies, 1949-51—concluded.

Principal Items	1949	1950	1951 ^p
	\$	\$	\$
EXPENDITURE—concluded			
British Companies			
Payments to policyholders.....	4,966,271	6,424,693	7,196,257
General expenses.....	3,491,279	3,709,431	4,127,780
Other disbursements.....	247,810	376,643	289,878
Totals, British Companies.....	8,705,360	10,510,767	11,613,915
Excess of income over expenditure.....	14,277,525	14,612,110	15,662,153
Foreign Companies			
Payments to policyholders.....	68,331,477	73,164,112	77,739,856
General expenses.....	25,809,237	29,078,880	32,552,808
Other disbursements.....	5,568,310	6,360,672	7,140,047
Totals, Foreign Companies.....	99,709,024	108,603,664	117,432,711
Excess of income over expenditure.....	52,261,509	51,256,717	52,246,916

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 all 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 of Great Britain, of the Faculty of Actuaries in Scotland, or of the Society of Actuaries) and a readjustment of rates or benefits must be made, unless the actuary certifies to the solvency of each fund. The statistics of Table 21, at p. 1149, relate to the 16 Canadian societies reporting to the Department of Insurance of the Federal Government, of which only one 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, 31 transacted business in Canada during 1951; two of the societies do not grant life insurance benefits.