

19.—Total Revenue and Expenditure of Canadian Life Insurance Companies under Federal Registration and Revenue and Expenditure in Canada of British and Foreign Life Insurance Companies 1952-54—concluded.

Principal Items	1952	1953	1954 ¹
	\$	\$	\$
British Companies			
Revenue	31,434,842	36,644,860	44,121,219
Insurance premiums and annuity considerations.....	25,315,777	29,464,270	35,561,349
Investment income.....	5,487,935	6,617,333	8,022,479
Sundry items.....	631,130	563,257	537,391
Expenditure	12,848,929	15,510,188	18,204,617
Claims incurred.....	7,272,697	8,410,004	9,586,297
Taxes, licences and fees.....	190,207	241,554	344,160
Commissions and general expenses.....	4,585,629	5,316,439	6,157,073
Other expenditure.....	452,406	346,789	691,838
Dividends to policyholders.....	347,990	1,195,402	1,425,249
Excess of revenue over expenditure.....	18,585,913	21,134,672	25,916,602
Foreign Companies			
Revenue	181,555,934	193,030,511	207,100,414
Insurance premiums and annuity considerations.....	137,282,140	145,417,693	154,991,332
Investment income.....	36,514,475	40,480,228	44,420,119
Sundry items.....	7,759,319	7,132,590	7,688,963
Expenditure	118,773,797	126,427,659	136,516,050
Claims incurred.....	60,818,142	64,339,065	69,778,613
Taxes, licences and fees.....	2,101,564	2,626,693	3,092,879
Commissions and general expenses.....	32,684,209	33,980,229	36,097,390
Other expenditure.....	7,284,656	7,949,145	7,599,139
Dividends to policyholders.....	15,885,226	17,532,527	19,948,029
Excess of revenue over expenditure.....	62,782,137	66,602,852	70,584,364

¹ See headnote to table.

² Excluding investment taxes and investment expenses which were formerly recorded as expenditure.

³ Including items not previously recorded as expenditure.

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 20 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 the first section of Table 20 relate to the 17 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, though 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 32 transacted business in Canada during 1954; two of the societies do not grant life insurance benefits.