

The property and interest of the annuitant are neither transferable nor attachable. In the event of the death of the annuitant before a deferred annuity vests, all money paid is refunded 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 or entirely from employer contributions. Group annuity plans now in effect cover a variety of industries and many municipal corporations throughout Canada. Annuities arising from individual contracts may be taxable in either of two ways: (1) if registered under Sect. 79B of the Income Tax Act for tax exemption on premiums, the annuity is fully taxable, or (2) if not registered the annuity is taxable on the interest portion only. Annuities arising from approved pension plans are fully taxable but the employee and the employer are entitled to tax exemption year by year on their annual contributions to the pension plan.

From Sept. 1, 1908, the date of the inception of the system, to Mar. 31, 1958, the total number of annuity contracts and certificates issued, excluding replacements, was 452,053. On the latter date 76,467 annuities were being paid amounting to \$39,386,670 annually and 327,390 deferred annuities were being purchased. The net total amount of purchase money received up to Mar. 31, 1958, was \$1,102,778,000.

Up to Mar. 31, 1958, 1,133 corporations, institutions and associations, as compared with 1,061 up to Mar. 31, 1957, had entered into agreements with the Government to purchase annuities. Under these arrangements 192,820 employees or members were holding certificates for purchase of deferred annuities as compared with 179,434 one year earlier. The number of certificates issued under groups in the fiscal year 1957-58 was 11,236 as compared with 12,476 for 1956-57.

4.—Individual Annuity Contracts and Certificates Issued and Net Receipts, Years Ended Mar. 31, 1954-58, with Cumulative Totals for 1908-58

| Year Ended Mar. 31— | Individual Contracts Issued | Group Certificates Issued | Total Contracts and Certificates Issued | Net Receipts |
|-----------------------------|-----------------------------------|---------------------------------|---|------------------|
| | No. | No. | No. | \$'000 |
| 1908-53 ¹ | 151,163 | 199,061 | 350,224 | 773,286 |
| 1954..... | 5,305 | 13,161 | 18,466 | 64,380 |
| 1955..... | 6,242 | 18,300 | 24,542 | 68,594 |
| 1956..... | 6,799 | 15,672 | 22,471 | 69,945 |
| 1957..... | 5,937 | 12,476 | 18,413 | 64,421 |
| 1958..... | 6,701 | 11,236 | 17,937 | 62,149 |
| Totals, 1908-58..... | 182,147 | 269,906 | 452,053 | 1,102,778 |

¹ Sept. 1, 1908 to Mar. 31, 1953.

5.—Government Annuity Fund Statements, Years Ended Mar. 31, 1954-58

| Item | 1954 | 1955 | 1956 | 1957 | 1958 |
|--|-------------|-------------|-------------|-------------|---------------|
| | \$ | \$ | \$ | \$ | \$ |
| Assets | | | | | |
| Fund at beginning of fiscal year..... | 736,540,927 | 798,454,014 | 864,543,038 | 930,221,101 | 989,285,939 |
| Receipts during the year, less payments..... | 61,913,087 | 66,089,024 | 65,678,063 | 59,064,838 | 58,355,287 |
| Fund at end of fiscal year..... | 798,454,014 | 864,543,038 | 930,221,101 | 989,285,939 | 1,047,641,226 |