

9.—Total Revenue and Expenditure for Life Insurance Transacted by Canadian Companies under Federal Registration and Revenue and Expenditure in Canada for Life Insurance Transacted by British and Foreign Companies under Federal Registration, 1955-57—concluded.

Revenue and Expenditure	1955	1956	1957
	\$	\$	\$
<b>Canadian Companies—concluded</b>			
<b>Analysis of Increase in Surplus—</b>			
Excess of revenue over expenditure.....	50,283,981	54,123,392	61,069,924
Net capital gain on investments.....	9,978,060	5,708,517	4,798,400
Other credits to surplus (net).....	6,283,794	—1,811,073	2,127,755
Net increase in special reserves or funds.....	—1,675,318	—13,755,598	—28,860,663
Special increase in actuarial reserve.....	—15,333,472	—10,904,848	—3,259,569
Dividends to shareholders.....	—3,183,891	—3,403,835	—3,507,576
Increase in surplus (policyholders and shareholders).....	46,353,154	29,956,555	32,368,280
<b>British Companies</b>			
<b>Revenue in Canada.....</b>	<b>50,399,004</b>	<b>58,304,361</b>	<b>62,466,080</b>
Insurance premiums and annuity considerations.....	40,447,928	46,651,341	48,692,259
Investment income.....	9,239,343	11,043,121	13,165,407
Sundry items.....	711,733	609,899	608,414
<b>Expenditure in Canada.....</b>	<b>20,757,514</b>	<b>27,410,445</b>	<b>28,758,047</b>
Claims incurred.....	10,631,587	14,396,371	14,789,551
Taxes, licences and fees.....	391,801	439,636	508,811
Commissions and general expenses.....	6,874,757	8,330,419	10,330,293
Other expenditure.....	467,397	766,102	660,137
Dividends to policyholders.....	2,391,972	3,477,917	2,469,255
<b>Foreign Companies</b>			
<b>Revenue in Canada.....</b>	<b>218,858,547</b>	<b>235,823,146</b>	<b>257,743,120</b>
Insurance premiums and annuity considerations.....	164,267,699	176,614,651	191,044,136
Investment income.....	45,868,654	49,989,480	57,021,447
Sundry items.....	8,722,194	9,219,015	9,677,537
<b>Expenditure in Canada.....</b>	<b>147,913,683</b>	<b>164,341,693</b>	<b>195,061,765</b>
Claims incurred.....	75,856,746	81,958,540	100,887,924
Taxes, licences and fees.....	3,552,501	4,175,255	5,037,039
Commissions and general expenses.....	38,623,304	45,013,227	52,386,589
Other expenditure.....	7,661,931	8,615,035	10,659,246
Dividends to policyholders.....	22,219,201	24,579,636	26,090,967

**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 10 gives statistics of life insurance effected through fraternal benefit societies by Canadian members and Table 11 shows 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 first sections of Tables 10 and 11 relate to the 16 Canadian societies registered by the federal Department of Insurance, 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, though forbidden to accept new members,