

are required to be registered under statutes administered by the federal Department of Insurance; these companies and societies are also required to be licensed under the laws of each province in which they transact business. Companies incorporated under provincial legislation are required to be licensed under the laws of the province of incorporation and of any other province in which they transact business; some provincial companies may also be registered under statutes administered by the federal Department of Insurance.

The federal Department of Insurance exercises general financial supervision over the companies and societies registered with it, mainly for the purpose of seeing that they maintain a solvent position and are able to meet their insurance obligations. Hence, all registered companies and societies must file annual statements with the Department giving the details of their condition and affairs and all such companies are subject to examination at their principal offices in Canada by Departmental examiners. The legislation prescribes the classes of assets in which Canadian companies may invest their funds, the classes of assets that must be held in Canada to cover the liabilities in Canada of British and foreign companies, and methods for valuing these assets and liabilities.

Companies and societies from outside Canada are required to maintain assets in Canada, either on deposit with the Minister of Finance or vested in trust with corporate trustees, at least equal to their liabilities in Canada. If assets are vested in trust with corporate trustees, the relevant trust deed must be so drawn up as to require the approval of supervisory authorities for the release of assets. The classes of assets that may be deposited with the Minister of Finance or so vested in trust are, in general, the same as those in which a Canadian company may invest its funds.

Provincial insurance departments, in addition to carrying out financial supervision of provincial companies not registered with the federal Insurance Department, administer provincial insurance Acts which deal with the terms of insurance contracts issued in the province, the licensing of insurance agents and other matters relating to the conduct of insurance within the province.

Since the larger companies are all federal companies and all British and foreign companies and societies must be registered with the federal Department of Insurance, the companies so registered transact about 95 p.c. of the life insurance business in Canada. The annual statements submitted by these companies are published in the annual reports of the Department, thus providing a ready source of statistical information concerning life insurance in Canada of companies registered with the Department. Each provincial insurance department also publishes an annual report giving summary statistics concerning insurance in the province and the financial statements of companies incorporated in the province. However, most of the statistics used in the following paragraphs are drawn from the reports of the federal Department of Insurance, and may be taken to be sufficiently representative to give a reliable picture of the industry.

The total life insurance in force in Canada at the end of 1962, including both federally registered and provincially licensed companies and societies, amounted to approximately \$56,342,000,000.

<u>Class of Company or Society</u>	<u>Insurance in Force</u>
	<u>\$'000,000</u>
Federally Registered—	
Companies.....	52,233
Societies.....	790
Total, Federally Registered.....	<u>53,023</u>
Provincially Licensed Only—	
Within Province of Incorporation—	
Companies.....	2,601
Societies.....	169
Outside Province of Incorporation—	
Companies.....	409
Societies.....	140
Total, Provincially Licensed Only.....	<u>3,319</u>
GRAND TOTAL.....	<u><u>56,342</u></u>