search for security there is evidently a strong effort being made to obtain larger amounts of protection for dependants in the years of age when policyholders are likely to have young children, at the expense of having no insurance protection in later years after the term insurance expires. Many influences have led to this trend. Inflation and rising prices have forced it to some extent because larger amounts are needed to give adequate protection. The development of employer-employee pension plans has provided a secure income for retirement years and thus permitted greater attention to be given to immediate protection of dependants through insurance; this has been particularly so where pension plans include widows' benefits. In the absence of pension plans, endowment insurance policies and policies providing lifetime coverage were sometimes used, not only to provide insurance protection but also to build up equity values to be available at retirement. In addition to these influences, the growth of mutual savings funds and investment funds has undoubtedly drawn off some share of the money that would otherwise have gone toward the higher premium plans of insurance.

A further important point in this connection is the growth in group insurance. Group insurance is usually issued on the one-year term plan, i.e., insurance is renewed from year to year on the basis of a premium determined each year taking into account the amounts of insurance and the ages of the persons covered. Such insurance principally covers employees of a single employer but other groups may be insured in this way also; for example, members of a labour union, borrowers from a financial institution, or members of a professional group. The insurance provided under such a plan for any particular person usually exists only while he is a member of the group. Thus the coverage is temporary and is likely to exist only in the years of active employment—years when mortality rates are low. The premiums are low as compared with insurance that continues for the lifetime of the person insured since in the latter case the payment of the face amount is certain; the only uncertainty is the time of payment. (It may be noted, however, that there is a growing trend in group insurance to include a small amount of insurance on retired employees; this is, in effect, insurance continuing for the whole of life. The inclusion of coverage on retired employees will have a significant influence in raising the cost of group insurance plans.)

The appeal of group insurance arises not only from the low premium due to low mortality and low administrative costs, but also from the appeal to employers as a convenient and popular 'fringe' benefit that relieves employers and fellow employees of responsibility that they might otherwise feel toward destitute dependants of a deceased employee.

The growth of group insurance on the lives of creditors of financial institutions is another important development. Such insurance is earmarked for the discharge of specific obligations.

Even among ordinary insurance policies there has been a substantial growth over the years in the relative amount of term insurance. In 1925 only 5 p.c. of new life insurance issued by federally registered Canadian life insurance companies was on the term plan, whereas, in 1962, 39 p.c. was either on the term plan or in the form of temporary additions to sums insured; in 1925 only 5 p.c. of ordinary insurance in force in such companies was term insurance, whereas, in 1962, 25 p.c. was term insurance or temporary additions to sums insured. Although these percentages are derived from the business both in and out of Canada of federally registered Canadian companies, the trend also applies to the business in Canada. In fact, the trend in Canada is probably even more strongly toward term insurance. Figures for the amount of term insurance issued in Canada by Canadian companies are not readily available; however, for British and foreign companies in 1962, 36 p.c. of the business in force in Canada consisted of term insurance or temporary additions to the sums insured. This compares with the 25 p.c. already mentioned for Canadian companies both in and out of Canada.

Another important aspect of the life insurance business falls under the head of annuities. From the social viewpoint, the emphasis here is more on the problem of providing an income at older ages than of providing protection for dependants. However, the provision