

Government Annuities.*—The Government Annuities Act (RSC 1952, c. 132) was passed in 1908 and is administered by the Minister of Labour.

A Canadian Government annuity is a fixed yearly income purchased from and paid by the Government of Canada. The annuity is payable in monthly instalments for life, or for life and guaranteed for a period of years. The minimum annuity is \$10 and the maximum \$1,200 a year or the actuarial equivalent if the annuity is to reduce by the amount of payments under the Old Age Security Act. Annuity contracts may be deferred or immediate. Deferred annuities are purchased by periodic or single premiums. Immediate annuity contracts provide immediate income. Annuities may be arranged to reduce by \$65 a month at age 70 to fit in with payments under the Old Age Security Act.

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 registered 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, 1963, the total number of annuity contracts and certificates issued, excluding replacements, was 525,284. On the latter date, 88,379 annuities were being paid amounting to \$49,118,134 annually and 293,358 deferred annuities were being purchased. The net total amount of purchase money received up to Mar. 31, 1963 was \$1,350,459,405. At that date there were in force 1,437 pension plans underwritten by government annuities, providing 203,742 employees with portable pensions; approximately 23,000 retired employees were receiving pensions. The number of certificates issued during the year was 3,687 compared with 7,480 in 1961-62.

* Revised in the Government Annuities Branch, Department of Labour, Ottawa.

24.—Individual Annuity Contracts and Certificates Issued and Net Receipts, Years Ended Mar. 31, 1959-63, with Cumulative Totals for 1909-63

Year Ended Mar. 31—	Individual Contracts Issued	Group Certificates Issued	Total Contracts and Certificates Issued	Net Receipts
	No.	No.	No.	\$'000
1909-58.....	182,147	269,906	452,053	1,102,778
1959.....	5,306	18,043	23,349	63,017
1960.....	4,378	11,564	15,942	56,041
1961.....	4,353	10,007	14,360	48,523
1962.....	4,117	7,480	11,597	43,097
1963.....	4,296	3,687	7,983	37,003
Totals, 1909-63.....	204,597	320,687	525,284	1,350,459