

20.—Underwriting Account and Analysis of Surplus of Canadian Companies and Underwriting Account and Investment Income in Canada of British and Foreign Companies Transacting Fire and Casualty Insurance under Federal Registration, 1964 and 1965—concluded.

Item	1964	1965
	\$	\$
British Companies		
Underwriting Account in Canada—		
Underwriting income earned.....	196,047,928	214,202,897
Less disbursements:		
Claims incurred.....	124,428,836	126,098,049
Commissions and general expenses.....	82,490,780	85,113,232
Premium taxes, licences and fees.....	4,784,820	5,157,579
Dividends to policyholders.....	1,800	—
Underwriting gain or loss (—).....	-15,658,308	-2,165,063
Income taxes.....	64,605	30,087
Investment income.....	10,943,710	11,747,706
Foreign Companies		
Underwriting Account in Canada—		
Underwriting income earned.....	363,692,723	412,644,927
Less disbursements:		
Claims incurred.....	241,573,050	266,600,689
Commissions and general expenses.....	119,436,460	129,107,737
Premium taxes, licences and fees.....	8,622,353	10,031,897
Dividends to policyholders.....	6,806,665	4,153,930
Underwriting gain or loss (—).....	-12,945,835	2,750,674
Income taxes.....	1,250,689	2,752,162
Investment income.....	20,161,637	22,046,067

Section 3.—Government Insurance

Federal Government Insurance

For more than fifty years the Federal Government has operated an annuity service, instituted to assist Canadians to make provision for old age; this service is described below. In addition, various insurance schemes have been adopted in recent years by the Federal Government or co-operatively by the federal and provincial governments. Information on unemployment insurance, health insurance, veterans insurance, export credits insurance, etc., will be found in the appropriate Chapters on Labour, Health and Welfare, Foreign Trade, etc.

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 \$75 a month when payments under the Old Age Security Act begin.

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.

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