

who oversees the provisions of the Bankruptcy Act as it applies to trustees in bankruptcy, creditors and bankrupts. The superintendent of bankruptcy is also the director of the bankruptcy branch of Consumer and Corporate Affairs Canada. His prime responsibility is to promote confidence in and to protect the integrity of the credit system through the regulation of the bankruptcy process and through the systematic detection and prosecution of fraudulent practices and other abuses.

Operational responsibilities of the superintendent of bankruptcy include licensing and supervision of all trustees in bankruptcy, examining bankrupt estates for possible offences under the Bankruptcy Act or the criminal code, maintaining a record of all bankruptcies and of related statistical information and generally supervising a consumer bankruptcy program. The superintendent has representatives in major cities across Canada from whom more detailed information concerning bankruptcy and insolvency may be obtained.

Receiverships constitute the other major consequence of aggravated commercial insolvency and occur when a receiver is appointed to take possession or control under a security agreement or following a court order of all or part of the property of a debtor.

A receivership is precipitated by a secured creditor in an effort to protect his investment. In the majority of receiverships, as with many commercial bankruptcies, unsecured creditors receive little or nothing after the secured creditors realize on their security.

Statistics. Table 18.25 showing consolidation of estates closed provides a comparison by region of realizations, dividends paid and administrative expenses incurred for all estates which were closed during the years 1980 to 1982.

Returns under the Bankruptcy and Winding-up Acts. Statistics Canada data on bankruptcies and insolvencies cover only business failures coming under the federal Bankruptcy Act and the Winding-up Act. Table 18.22 gives yearly comparisons of liabilities — as estimated by debtors — for the provinces and territories. Table 18.23 shows the number of bankruptcies and insolvencies by industry and economic area for 1979-82. Table 18.24 presents data on consumer bankruptcies over the same period.

18.4 Insurance

Insurance business is transacted in Canada by about 900 companies and societies. Details of the classes of insurance each company or society is authorized to transact and statistical information may be found in the published reports of individual superintendents of insurance for the provinces. Financial statistics of the federally registered companies and fraternal benefit societies are published in the annual report of the federal superintendent.

18.4.1 Life insurance

Total life insurance in force in Canada at the end of 1982 amounted to \$512.5 billion (\$465.6 billion in 1981). There were 155 companies, two less than in 1981, registered by the federal insurance department to transact life insurance (58 Canadian, 12 British and 85 foreign). There were also 41 registered fraternal benefit societies (16 Canadian and 25 foreign).

Table 18.26 gives figures for selected years since 1880 for amounts of new insurance effected and an analysis of amounts in force at the end of the year. Table 18.27 compares newly effected written business and total amounts in force for 1979-81.

Net insurance premiums written in 1982 totalled \$3.5 billion compared to \$3.4 billion in 1981 and \$3.0 billion in 1980. Table 18.28 gives a provincial analysis of the premium income from 1979 to 1982 on a direct written basis only.

The major categories of assets and related liabilities of federally registered life insurance companies are given in Table 18.29. The major sources of income and selected expenditures are given in Table 18.30.

Average amounts owned. Excluding persons not covered by life insurance, the average amount of coverage for each insured individual was about \$40,000 on December 31, 1982.

The average amount owned by each household at the end of 1982 was about \$66,200. This is triple the figure in 1970.

Purchases. During 1982, Canadians purchased \$93.6 billion of life insurance, \$18.6 billion more than in 1981 and over six times the 1970 amount.

Ownership by nationality of company. Of the \$547 billion of life insurance owned by Canadians at the end of 1982, 78.5% was with Canadian-incorporated companies, 15.3% with US companies, 5% with British companies and 1.2% with companies incorporated in other parts of Europe. Federally registered companies provided 94% of the total life insurance in force.

For registered fraternal benefit societies, certificates in force in Canada totalled \$3.4 billion at the end of 1982 compared to \$3.2 billion at the end of 1981 and \$2.9 billion at the end of 1980. Premiums written in Canada totalled \$70 million during 1982, of which \$51 million was applicable to Canadian societies and \$19 million to foreign societies. In 1981 with \$62 million in premiums written, \$50 million was applicable to Canadian societies and \$12 million to foreign societies. Canadian societies also reported \$148 million in premiums written outside Canada in 1981 and \$158 million in 1982. In 1980 premiums written totalled \$54 million in Canada and in 1981 totalled \$62 million. A total of \$43 million went to Canadian societies in 1980 and \$11 million to foreign societies, while \$145 million in policies