LIFE INSURANCE IN CANADA, 1916.

The preliminary life insurance figures for 1916, which have now been sent out by the Dominion Superintendent of Insurance, make on the whole a very satisfactory showing. The aggregate of new business reached a level little short of the record total previously reported, in spite of a decrease in comparison with 1915, slight in the case of the British companies and substantial in that of the American companies. More uniformly, business was retained on the books in much better proportions than in preceding recent years. In some respects the companies were, of course, severely handicapped last year. Thousands of young lives which, under normal circumstances, would have formed desirable prospects for new business were ineligible, their number being constantly increased as recruiting went on during the year. Also, the companies' staffs, both in office and field, were to some extent further disorganised on the same account. On the other hand, the widespread industrial activity and the high prices recived by the farming community and others for their produce, gave an increased capacity and willingness both to maintain in force existing insurance and to undertake new obligations. The record of industrial business shows a great improvement over the preceding year. Possibilities contained in business insurance continued to receive much attention and income insurance was also vigorously pushed by a number of the companies.

THE NEW BUSINESS RECORD.

The total of policies new and taken up during the year reached $231,146,125, an increase of practically $10,000,000 upon the figures reported for 1915 ($221,119,558) and within $500,000 of the 1913 record figures of $231,608,546. The Canadian companies report an increase of well over $17,000,000, their 1916 figures of $138,201,281 policies new and taken up comparing with $121,033,310 in the preceding year. The companies' record year in this respect was 1912, when policies new and taken up, totalled $141,267,596, so that last year, under relatively much less favorable circumstances, the companies came practically within $3,000,000 of their high record.

The drop in the policies new and taken up of the American companies from $94,358,935 in 1915 to $87,649,711, in 1916, appears to be mainly due to decreased industrial writings in Canada by one of the large New York companies. The British companies, whose life business in Canada is of minor importance in comparison with that of the Canadian and American companies, show a further slight decrease in their Canadian new business last year, following a relatively heavy decrease in the preceding year. While several of the companies show substantial increases, the total policies new and taken up were $5,295,133 in 1916 against $5,727,313 in 1915.

BUSINESS IN FORCE.

Regarding the gain in business in force, the showing made by the Canadian companies is much better than in 1915. At the close of 1916, these companies had business in force of $898,151,418 as against $829,972,809 at the end of 1915, a gain for the twelve months of over $68,000,000, about 50 per cent. of the new business of 1916. In 1915, the companies' gain in business in force was $35,452,386, under 30 per cent. of the year's new business. The American companies increased their business in force from $423,556,850 to $467,499,266, a gain of $43,942,416 compared with $36,687,453 in 1915, and a proportion to new business of nearly 50 per cent. against 40 per cent. in the preceding year. High wages resulting from industrial activity have resulted in the important industrial business of the American companies improving considerably its lapse ratio. A point which should be borne in mind in connection with business in force is that while high wages and high prices received by producers are at present a strongly favorable factor to the life business, on the other hand, the extraordinary rise in prices of the common necessities of life, is making the financial problem for the salaried classes of limited means an extremely difficult one. It seems not unlikely that during the current year the life companies may find considerable demands from this class for loans on policies and possibly also, a considerable tendency to lapse and surrender.

It will be understood that the above figures refer only to the Canadian business of the Canadian life companies. The detailed figures published on page 423 exclude the business of one or two Orders and also of several British and other companies whose Canadian life business is very small. Hence the differences in aggregates.