

LIFE INSURANCE COMPANIES IN CANADA.

From Report of the Superintendent of Insurance,
Covering the Year Ending 31st December, 1906.

The business of life insurance was transacted by forty-four active companies, of which twenty-four are Canadian, seven British and thirteen American. The total amount of policies in Canada taken during the year 1906 was \$95,013,205 which is less than the amount taken in 1905, by \$10,894,131. The Canadian companies show a decrease in 1906 of \$5,088,888, whilst in 1905 they had an increase of \$8,488,028; the American companies have a decrease of \$6,395,689, whilst in 1905 they had a decrease of \$1,658,995; and the British companies have an increase of \$500,440, whilst in 1905 they had an increase of \$772,202, the total decrease in 1906 being \$10,894,131, as above stated. The respective amounts effected were:—

NEW BUSINESS WRITTEN IN 1906.

Canadian Companies.....	\$62,450,253
British ".....	4,472,426
American ".....	28,990,526

So that the amount taken by native companies exceeds that taken by the British and American together by nearly \$29,900,000.

LIFE INSURANCE IN FORCE IN 1906.

The total amount of insurance in force at the close of the statements was \$656,260,900, which shows the large increase of \$25,926,660 over that of the previous year, being distributed as follows:

	Amount in force.	Increase.
Canadian Companies.....	\$420,864,847	\$22,917,945
British ".....	45,655,951	1,946,740
American ".....	189,740,102	1,161,975
Totals	\$656,260,900	\$25,926,660

AMOUNT TERMINATED IN 1906.

The amount of insurance terminated in natural course, namely, by death, maturity or expiry, was \$10,199,946 which is less by \$290,328 than the corresponding amount in the previous year; and the amount terminated by surrender and lapse was \$56,779,760, being greater than in the previous year by \$6,037,420.

Relatively to the amounts at risk the amounts so terminated do not differ to any material extent from those of the previous year, giving for every \$1,000 of current risk \$15.05 terminated in natural course and \$83.76 by surrender and lapse, making a total of \$98.81. In the year 1905 these rates were \$16.37 and \$79.19 respectively, making a total of \$95.56, thus giving a difference of \$3.25 for each \$1,000 at risk.

The following table exhibits the rates for the last six years:—

TERMINATED OUT OF EACH \$1,000 CURRENT RISK.

	Naturally.						Surrender and Lapse.					
	1901	1902	1903	1904	1905	1906	1901	1902	1903	1904	1905	1906
	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
Canadian Companies.....	14 40	12 91	13 27	13 58	14 20	12 49	58 34	57 45	61 58	62 79	66 96	75 70
British ".....	22 90	20 81	28 51	30 06	28 08	28 42	48 01	35 23	37 13	38 37	33 25	37 05
American ".....	24 62	33 11	20 39	19 72	18 10	17 42	102 22	120 85	102 33	106 51	114 16	111 47

The total termination amounts to about 70.50 p.c. of the amount of new policies. The actual amounts of termination were distributed as follows:—

	Naturally.	By Surrender and Lapse.
	\$	\$
Canadian Companies.....	5,362,393	32,487,252
British ".....	1,308,637	1,705,791
American ".....	3,528,916	22,586,717
Total.....	10,199,946	56,779,760

CANADIAN POLICIES IN FORCE.

Omitting the industrial policies of the London Life, the Union Life and the Metropolitan, the thrift policies of the Sun Life and the monthly policies of the Excelsior, the following table gives the numbers and amounts of policies in Canada and the average amount of a policy in force at the date of the statements:—

	Number.	Amount.	Average amount of a Policy.
Canadian Companies.....	269,993	\$406,530,330	1,506
British ".....	22,911	45,656,151	1,993
American ".....	96,980	159,384,354	1,643
Total:.....	389,884	611,570,835	1,569

The average amount of new policies is: for Canadian companies, \$1,570; for British companies, \$2,280; and for American companies, \$1,386. The corresponding amounts last year were \$1,516, \$1,989 and \$1,418.

DEATH RATE.

In the calculation of the death rate this year, as in previous years, the mean number of policies in force and the number of policies terminated by death during the year have been admitted as approximations to the mean number of lives exposed to risk and the number of deaths during the year respectively. It is believed that the results arrived at represent the actual mortality among insured lives in Canada as accurately as can be gathered from the returns of the companies. The detailed table is given on the following page.

TOTAL PAYMENTS TO POLICY-HOLDERS.

The total amount paid to policy-holders during 1906 was as follows:—

Death claims (including bonus additions).....	\$7,259,880 02
Matured endowments (including bonus additions).....	2,608,314 27
Annuitants.....	312,682 31
Paid for surrendered policies.....	1,712,204 77
Dividends to policy-holders.....	1,147,775 78

Total \$11,640,857 15

Hence, for every \$100 premiums received, there has been paid to policy-holders \$47.83, leaving \$52.17 to be carried to reserve, expense and profits.