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THE
GREAT-WEST LIFE
ASSURANCE COMPANY

FIFTY-EIGHTH
ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 1949

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FIFTY-EIGHTH
ANNUAL STATEMENT
OF
THE GREAT-WEST LIFE
ASSURANCE COMPANY

PRESENTED TO THE ANNUAL MEETING
HELD AT THE HEAD OFFICE, WINNIPEG, CANADA
FEBRUARY 7, 1950

BOARD OF DIRECTORS

PRESIDENT

W. P. RILEY
President and General Manager
Western Grocers Limited

VICE-PRESIDENTS

H. E. SELLERS
President, Federal Grain
Limited

H. W. MANNING
Vice-President and Managing Director
The Great-West Life Ass'ce Co.

DIRECTORS

HON. T. A. CRERAR
The Senate of Canada

N. J. BREEN
Vice-President, Breen Motor
Company Limited

F. E. HALLS
Director, Commonwealth
Construction Co. Ltd.

S. L. CORK
Retired Banker

GEORGE McLEAN
President, The G. McLean
Company Ltd.

G. H. AIKINS, K.C.
Aikins, MacAulay & Co.

JOSEPH HARRIS
Manager, Canada Packers Ltd.

C. S. RILEY
President, The Canadian Fire Ins'ce
and The Canadian Indemnity Co's.

W. A. MATHER
President
Canadian Pacific Railway Co.

H. R. MacMILLAN
Chairman of the Board
H. R. MacMillan Export Co. Ltd.

**EXECUTIVE OFFICERS
AND ADMINISTRATIVE STAFF**

H. W. MANNING

Vice-President and Managing Director

F. D. MacCHARLES

General Manager
and Actuary

P. S. BOWER

Assistant General Manager
and Treasurer

D. E. KILGOUR

Assistant General Manager
and Director of Agencies

GEORGE AITKEN

Secretary

B. H. OLSON, M.D.

Medical Director

J. E. MORRISON

Underwriting Executive

ACCIDENT AND HEALTH

E. R. BROCK, Superintendent

ACCOUNTING AND AUDIT

H. M. HOOVER, Internal Auditor
W. P. LATOURNERIE, Supervisor,
Premium Collections

ACTUARIAL

R. C. BARNESLEY, Associate Actuary
H. BRADSHAW, Assistant Actuary
J. M. BRAGG, Assistant Actuary

AGENCY

C. C. MARTIN, Superintendent of
Agencies
J. B. NETTELFIELD, Superintendent of
Agencies
L. A. CANNON, Assistant Actuary
G. S. A. BACON, Agency Secretary
W. A. JOHNSTON, Educational
Supervisor
G. I. POWELL, Supervisor, Field Service
W. A. NEVILLE, Advertising Manager
F. J. ANDERSON, Agency Assistant
E. A. PALK, Agency Assistant
G. P. ROLLO, Agency Assistant

ECONOMIST

S. H. SUTHERLAND, Economist

GROUP

S. HANSEN, Group Actuary
E. H. NEWMAN, Superintendent,
Group Administration
R. L. JEX, Group Secretary

INVESTMENTS

H. A. ROBERTS, Assistant Treasurer
A. B. BROWN, Investment Assistant
W. S. M. LANG, Manager, Bond In-
vestments
G. C. ELLIOTT, Manager, Mortgage
Investments
F. W. BUCHANAN, Supervisor, Bond
Investments

MEDICAL

W. F. H. O'NEILL, M.D., Assistant
Medical Director
F. H. SMITH, M.D., Assistant Medical
Director

SECRETARIAL

A. E. LOADMAN, Assistant Secretary
R. O. A. HUNTER, Assistant Secretary
A. H. SYM, Supervisor of Branch Offices
E. S. PHILLIPS, Supervisor, Personnel
W. J. CONDO, Supervisor, Head Office
Services

UNDERWRITING

W. A. KELTIE, Assistant Actuary
A. D. McELHERAN, Supervisor of
Applications
J. W. BRICE, Reinsurance Secretary

ADDRESS OF THE PRESIDENT
W. P. RILEY

The past decade was marked by the phenomenal growth of life insurance in Canada and the United States. In those ten years of preoccupation with war and reconversion the people of the two countries nearly doubled their ownership of life insurance.

Such growth is impressive evidence of the unique ability of insurance to provide financial security by the democratic process of individual thrift and providence. It is, furthermore, a great tribute to the self-reliant character of our people and a direct refutation of those critics who advocate a transfer of responsibility from the individual to a paternalistic welfare state.

The concept of providing financial security for dependents is deeply rooted in the fundamental faiths and aspirations of the peoples on this continent. It has found expression pre-eminently in life insurance and it is a pervasive influence in establishing new standards of security for all. Progress towards higher standards of social well-being is a hallmark of successful democratic institutions. We can be justly proud of the advances which have already been achieved.

The magnitude of the resources and the predominant position of life insurance involve a large measure of social responsibility in serving the policyholders who number more than half the population. Opportunities for service

extend beyond the policyholders to the community as a whole, and the ultimate goal of life insurance is to provide protection adequate to everyone's needs and within their means. That objective will require persistent effort, for the present coverage is equal to only one year's national income.

Equally important is the further responsibility for directing the policyholders' savings into the most productively useful channels. Aggregate life insurance assets in Canada and the United States of over \$60 billions are kept continuously at work in every sector of the economy, broadening the horizons of opportunity. These assets are administered by some six hundred companies located in all parts of the two countries. Thus, decentralization assures a breadth and diversity of interest unobtainable in any monopolistic state administration.

Policyholders have a genuine interest in the maintenance and stable development of their North American system. This system of free competitive markets, which gives the individual the authority of choice, has produced the highest standard of living in the world and has maintained the individual's right to the product of his work and thrift. These privileges of freedom can be lost by default or by indifference to the issues at stake today.

There is a tendency on the part of some to have the state undertake ever broader welfare plans. They fail to weigh all the consequences of such programs. The greater the demands made upon the state, the greater the toll it must place upon the productive part of the economy and the individual. Real security depends fundamentally on the

productive capacity of the country and the efficient utilization of its total resources.

Life insurance offers an appropriate method for broader security programs. It has a record of proven success in providing financial security commensurate with the contributions made. The inflow of premium income is followed by the reciprocal outflow of benefit payments. In the meanwhile, policyholders' funds are invested in creative enterprise increasing the productive capacity of the country for the benefit of the whole economy. Our own institution is playing its worthy part in this dynamic process.

During the year Mr. H. R. MacMillan, C.B.E., Chairman of the Board of H. R. MacMillan Export Company Ltd., of Vancouver, was appointed a Director of this Company. Mr. MacMillan is a leading citizen of Canada, has an abundant knowledge of world affairs and is a Director of numerous corporations. His wide experience and outstanding ability will make a great contribution to the Company.

The expansion of the Company's services to policyholders last year was a source of gratification to all of us. Your Directors greatly appreciate the zeal and ability displayed by everyone in this enterprising Organization. Maintenance of the traditionally high standard of service, we are confident, will ensure the full realization of the opportunities which the future offers.

BALANCE SHEET

ASSETS

BONDS.....		\$246,275,719.42
Government and Municipal.....	\$163,199,641.36	
Public Utility, Railroad and Other.....	83,076,078.06	
STOCKS.....		8,780,372.25
Preferred.....	6,640,853.84	
Common.....	2,139,518.41	
FIRST MORTGAGES AND SALE AGREEMENTS.....		69,522,274.38
REAL ESTATE.....		4,142,499.44
Real Estate Purchased for Income.....	2,646,064.95	
Other Real Estate including Head Office property.....	1,496,434.49	
LOANS TO POLICYHOLDERS.....		15,937,558.34
Fully secured by the cash value of policies of this Company		
CASH IN BANKS AND ON HAND.....		3,352,624.59
OUTSTANDING AND DEFERRED PREMIUMS (Net).....		5,898,405.36
Fully secured by policy reserves		
INTEREST ACCRUED.....		3,063,321.48
Includes \$2,154,801.00 on bonds, \$367,467.00 on policy loans, \$492,251.96 on mortgages and sale agreements and \$48,801.52 on other securities		
OTHER ASSETS.....		648,575.38
		\$357,621,350.64
		\$357,621,350.64

W. P. RILEY, *President*

H. W. MANNING, *Vice-President and Managing Director*

DECEMBER 31, 1949

LIABILITIES

POLICYHOLDERS' RESERVES.....	\$294,554,346.33
In accordance with legal requirements this amount together with future interest and premiums provides for the payment of the benefits promised in the Company's policies and staff pension plan	
POLICYHOLDERS' FUNDS.....	38,108,182.13
Policy proceeds left on deposit \$15,393,714.00; dividends left to accumulate \$12,645,284.70; premiums paid in advance \$8,394,954.92 and proceeds of policies which have matured but for which documents have not yet been received \$1,674,228.51	
POLICYHOLDERS' DIVIDENDS.....	2,545,883.00
Full provision for dividends payable in 1950 and for accrued dividends under deferred dividend policies	
RESERVE FOR UNREPORTED CLAIMS.....	788,000.00
A special reserve for claims which have not yet been reported	
OTHER LIABILITIES.....	4,034,527.88
Remittances received in advance of branch reports, provision for accrued taxes and outstanding expenses, interest paid in advance, etc.	
CAPITAL AND SURPLUS.....	17,590,411.30
This amount is available for the added protection of policyholders. Paid up Capital is \$1,000,000.00. A special reserve of \$3,500,000.00 provides for fluctuations in asset values and mortality and the unallocated surplus of \$13,090,411.30 provides a substantial margin for any unforeseen contingencies.	

\$357,621,350.64

A Summary of the Company's 1949 Operations

THE COMPANY'S INCOME WAS:

Insurance and Annuity Premiums.....	\$42,378,784.04	
Investment Income and Net Profit on Sale of Securities.....	12,174,991.50	
Policy Proceeds, Dividends and Other Amounts Left with the Company.....	6,859,288.80	
Net Amount Recovered on Assets Pre- viously Written Down.....	958,733.86	
		<u>\$62,371,798.20</u>

THIS INCOME WAS USED FOR:

Death Claims.....	\$ 7,583,184.87	
Disability and Accident Claims.....	1,653,613.46	
Matured Endowments.....	2,123,782.32	
Annuity Payments.....	1,155,642.95	
Surrender Values.....	5,347,356.41	
Dividends to Policyholders.....	2,115,165.21	
Policy Proceeds and Other Amounts Withdrawn.....	4,929,060.48	
Total Payments to Policyholders and Beneficiaries.....	\$24,907,805.70	
Increase in Reserves for Future Payments to Policyholders.....	25,210,441.44	
Total Paid or Credited to Policyholders and Beneficiaries during the year.....	\$50,118,247.14	
Commissions, Medical Fees and Inspection of Risks.....	3,931,434.46	
Investment Expenses.....	889,985.60	
Operating Expenses.....	4,748,879.03	
Taxes (other than Real Estate Taxes).....	913,085.87	
Dividends to Shareholders.....	200,000.00	
Other Disbursements.....	26,803.41	
Increase in Special Reserve for Fluctuations in Asset Values and Mortality.....	250,000.00	
Increase in Surplus.....	1,293,362.69	
		<u>\$62,371,798.20</u>

ADDRESS OF THE VICE-PRESIDENT
AND MANAGING DIRECTOR
H. W. MANNING

The year 1949 was one of special significance for the Company and its policyholders. Total business in force passed the \$1,500,000,000 mark and new business written exceeded \$225,000,000. The attainment of successively higher operating results each year is a direct result of the extension of the usefulness and services of the Company to its policyholders who now number 425,000.

Life insurance has become so much a part of everyday living that people now consider food, shelter, clothing and insurance as the four basic essentials. Never before have so many men and women voluntarily provided so large a volume of protection for their dependents' and their own security as that in force today.

The growing part our Company takes in this great social development is reflected in all phases of last year's operations. The increases in new business and business in force were paralleled by a growth in assets to \$357,000,000. Payments to policyholders and their beneficiaries exceeded \$24,000,000, or over \$2,000,000 a month. Total income amounted to \$62,000,000 and the gross rate of interest earned on invested assets was higher than a year ago.

Other factors which contributed to the successful results of last year were the favourable mortality experience among policyholders, the small proportion of business terminated and the satisfactory unit costs of operation.

New Business A total of \$228,000,000 new business was written in 1949. This was over four times the volume of 1939, just ten years ago. A notable feature of the Company's operations has been the continued growth of new business year by year. The average production of \$50,000,000 annually in the four years ended in 1939 was raised to an average of nearly \$200,000,000 in the four years ended in 1949.

The Company's United States branches last year doubled their production of just five years ago. The records achieved by our branches operating in 15 States have been an inspiring example of successful organization and enterprise.

Total new business for the year included \$188,000,000 insurances and \$40,000,000 deferred annuities. In 1949 the volume of new insurances was 19% above the previous year.

The large volume of new life insurance purchased each year is a demonstration of public faith in insurance and confidence in the character and ability of the life underwriter today. The men who make up this Company's agency organization have shown special attributes and qualifications for life insurance service. Their natural aptitude has been enhanced by educational programs designed to help each representative develop his talents to their maximum. The needs of the policyholders they serve range from simple basic protection to the most comprehensive estate analyses and group welfare plans. The members of the Field Organization are thus increasingly well equipped to provide skilled help in arranging financial programs suited to each individual policyholder's needs.

Business in Force The \$1,503,000,000 total business in force at the end of the year marked another milestone in the Company's progress. The increase of \$157,000,000 in force during the year was the largest in the Company's history and was 33% above the average of the previous five years. It is interesting to note that in 1946, when the Company was fifty-five years old, business in force reached \$1,000,000,000. In the brief three years since then another half billion has been added.

The total business in force includes \$1,262,000,000 insurances and \$241,000,000 deferred annuities. In addition, funds aggregating \$20,000,000 were held by the Company at the end of the year for vested annuities and supplementary contracts, providing annual payments totalling \$1,800,000.

The growth over the past fifty years has been striking. In 1900 the Company had no annuity business, no group insurance, no accident and health plans, and no branches in the United States. Now these services are all provided and the Company's business in the United States alone is nearly as great as that for the entire Company in 1933.

The remarkable growth of the Great-West Life's business in force is evidence of the excellent quality of those policies which have been tested by time and circumstance and of the new business developed from year to year. The ratio of voluntary lapses and surrenders, which is influenced by the level of general economic conditions, was very satisfactory although slightly above a year ago. Less than 3.5% of the insurance in force was allowed to lapse or was surrendered for its cash value during 1949. Further evidence of our policyholders' ability and desire to maintain their insurance protection unimpaired was the low ratio of policy loans at 4.5% of total assets.

Group Insurance Group business in force aggregated \$268,000,000 at the end of the year, which was double the total four years ago. New group business written in 1949 reached the record volume of \$54,000,000, or 69% more than in the previous year.

Our group business has been developed vigorously over the past fifteen years. Last year it provided more protection, paid out more benefits and was owned by more people than ever before.

The rapid developments in the field of Employee Welfare plans are exceedingly significant. Life insurance companies, through their group service, are affording increasingly widespread protection to employees. Programs for pensions, the provision of income for disability or death and medical and hospitalization plans are all being provided by this Company. It should be stimulating to observe that free enterprise is making such demonstrative strides in furthering social progress through these means.

Accident & Health Total Accident and Health premium income of approximately \$2,500,000 in 1949 was over \$1,000,000 higher than a year ago. The development of this volume was attained in just seven years.

The Company's services in this field were broadened substantially during the past year. It should be a source of satisfaction to thoughtful people that insurance companies are aggressively meeting the public need. They are able to provide protection against the hazards of accident and disability without subsidies or burdens on the public treasury.

Payments to Policyholders The Company distributed \$24,900,000 to policyholders and beneficiaries in 1949. This sum was the largest in its history, and raised the total distribution of benefits by this Company to \$367,000,000 since the first of the century.

Living policyholders received \$17,000,000, or over half the total benefits paid out last year. The total paid to living policyholders included matured endowments, regular annuity payments, disability benefits and surrender values. In these ways the diverse individual plans of Great-West Life policyholders for financial security were fulfilled through life insurance. The importance of insurance protection in the maintenance of families is apparent in that more than three-quarters of the death benefit payments, which last year amounted to over \$7,000,000, were received by women.

Payments also included \$2,100,000 in dividends to participating policyholders which reduced the cost of their insurance. These dividends were used by them in major part to help pay premiums, to purchase additional insurance or were left on deposit to accumulate at interest.

During the year a new and revised scale of dividends for participating policies was made effective. The need for a change was indicated by the fact that since the previous scale was adopted four years ago there has been a marked change in the level of two of the Company's sources of earnings from which policy dividends arise. These are

actual interest earnings and mortality experience in relation to the corresponding assumptions made at the time the premium rate was calculated. The trend during recent years has been towards reduced interest earnings and increased earnings arising from favourable mortality. These factors affect different types of policies in varying degrees depending upon the plan of insurance and the length of time in force. In the interest of equity to our policyholders a general redistribution of dividends in accordance with current indices of operation was made.

Resources Total assets at the end of the year amounted to \$357,600,000. This represented an increase of \$26,300,000 in 1949 and an increase of over \$100,000,000 in a period of four years.

These assets are the savings of the hundreds of thousands of policyholders. They are invested by the Company which can obtain greater diversification and safety than would be possible for policyholders as individuals. The funds are held for future payment to policyholders under the terms of their insurance programs.

Continued economic progress is dependent upon an adequate flow of savings for investment in productive enterprises. Life insurance plays a constructive part in stimulating savings and channelling them into sound investments. Productive investments create employment opportunities and add to the economic security of the policyholders and the country generally.

The assets are shown in summary form in the following table in order that our policyholders may see their distribution and growth over the past four years:

Assets	1945	1948	1949	
Gov't. & Municipal Bonds.....	\$145,550,658	\$176,352,012	\$163,199,642	45.6%
Corporate Bonds and Stocks.....	52,734,933	75,354,096	91,856,450	25.7
Mortgages.....	23,328,216	49,458,620	69,522,275	19.4
Real Estate and H.O. Bldg.....	1,043,310	1,583,233	4,142,499	1.2
Policy Loans.....	14,799,429	15,260,633	15,937,558	4.5
Cash and All Other Assets.....	7,573,492	13,227,490	12,962,927	3.6
TOTAL ASSETS.....	\$245,030,038	\$331,236,084	\$357,621,351	100.0%

Investment of new funds during 1949 was devoted principally to financing the construction of new homes and apartments. The Great-West Life's total investment in such financing has helped provide housing for some 14,000 families.

Mortgage investments of \$26,800,000 in 1949 increased the Company's total to \$69,500,000 as compared with \$23,300,000 four years ago. Mortgages now represent 19% of total assets. These investments, in addition to financing new homes in record volume, have expanded employment in the construction and allied industries.

Other investments in corporate securities have contributed to an expansion of the productive powers of the nation and to an increase in the supply of goods and services which help raise the standard of living. The individual investments in economically productive enterprises may vary widely in size so long as standards of security and safety are met adequately. The Company placed \$2,350,000 in debentures of a pipeline company which will bring oil from the wells to the consuming centres. At the other extreme the Company also makes loans as low as \$1,000 for additions to homes. Such investments, both large and small, serve the varied but essential needs of worthy borrowers.

Some funds were moved, with an improvement in interest return, from government issues into securities of municipalities to finance their expanding public services. After an extended period of under-construction during the war, new schools, hospitals, waterworks and other facilities have become urgently necessary to satisfy the needs of the growing population.

The yield obtained by the Company on its new investments in bonds and stocks during 1949 was $\frac{1}{4}$ of 1% higher than a year ago. In addition, the movement of funds from government bonds into other high grade securities and mortgages helped to increase the over-all rate of return on invested assets.

The gross yield on total invested assets during 1949 was 3.64% as compared with 3.59% in 1948. This result is most gratifying, for the interest earnings on invested assets reduce the net cost of insurance to policyholders. A striking illustration of this is evident from the fact that a decrease of 1% in the Company's earned rate of interest would increase the cost of insurance by as much as an increase of over 70% in operating expense.

Liabilities Policyholders' reserves are the amounts held to provide for future payment to policyholders and beneficiaries when the benefits under their policies become payable. These sums have grown with the increased volume of our business for they represent the Company's obligations to policyholders under their insurance and annuity contracts. The reserves must always be kept at a level which together with future premiums and interest earnings will enable the Company to meet its obligations to its policyholders. Over the past several years substantial amounts over and above statutory requirements have been added to this reserve to make provision for the lower level of interest earnings now prevailing.

Surplus The surplus is maintained as an extra margin of security for policyholders in addition to the provision made in policy reserves for all foreseeable eventualities. Last year over \$1,250,000 was added to surplus and \$250,000 to contingency reserve, increasing the total capital, contingency reserve and surplus to \$17,500,000.

Premium rates on insurance policies are calculated to anticipate conservatively future mortality, interest and expense rates extending into the future. When the experience realized over a period produces results more favourable than the premium rates provided for, surplus earnings accrue. A major part of these surplus earnings is distributed to participating policyholders as dividends, helping to reduce the net cost of their insurance. The remainder is set up as a prudent provision for future contingencies.

Income The Company's total income of \$62,300,000 last year was more than double its income for 1942. Premium income alone amounted to \$42,300,000 which was \$2,500,000 more than a year ago. Income earned on investments reflects the growth in our assets and in 1949 it was practically double the investment income of ten years ago.

The importance of interest earnings on the net cost of insurance has already been stressed. It is worth pointing out here that last year these earnings on our invested assets were equal to more than one-quarter of all premium payments received from policyholders.

Costs of Operation Maintenance of the Company's high standard of service to an ever-increasing number of policyholders has necessitated an expansion of operations with consequently greater expenditures. Additional office space, services and equipment have been required in the branches and Head Office to handle the greater volume of business. Taxes have increased with the expanding volume of the Company's business and are now equal to nearly two-thirds of total Head Office salaries.

Persistent efforts have been made to increase efficiency and to secure maximum results from all expenditures. The economies effected have enabled the Company to maintain its unit cost of operation at approximately the 1948 level.

Mortality The mortality experience among the Company's policyholders was again at a very favourable level in 1949. It has been a very material factor in the maintenance of low cost insurance during a period of reduced interest earnings and a higher level of expenses of operation.

The improvement in mortality which has been evident over many years has enabled the Company to modify its underwriting policy. This has made it possible to grant protection to an ever widening group of our population, many of whom were formerly regarded as uninsurable.

Diseases of the heart and arteries continued to lead all other causes of death by a wide margin, with over 50% of claims attributable to such diseases. This does not indicate an increase in the rate of death from heart diseases so much as a decline in the number of deaths from other causes and the fact that more people are living to the older ages.

General Conditions The past year in Canada was marked by the sustained high level of business activity and capital investment. In the United States, after industrial production and prices underwent a sharp but short period of adjustment, business activity has recovered. Prospects in both countries hold promise of continued generally prosperous conditions.

Public purchasing power and the demand for goods and services which influence the volume of general business, continue at very high levels in comparison with any former period. Personal income in both Canada and the United States has been maintained on the high scale of recent years. In addition, personal savings and liquid assets afford a record backlog of reserves. They have been expanding in the face of large expenditures on household and personal goods which had been depleted during the period of shortages. These factors point toward a further expansion in the production of goods and the extension of those services which life insurance affords.

The accelerated growth of population and formation of families have expanded the markets for goods and services beyond any previous experience. The record of production in the past decade has created new visions of the opportunities which lie ahead. Enlarged markets and, in Canada particularly, the development of new resources such as oil, iron ore and water power suggest a new decade of intense activity.

Our economies are mature only in the sense of having realized their power to create new standards of social well-being. In life insurance an institution has been developed

which is pre-eminently an instrument of social progress in a democratic society. Through it, the voluntary savings of men and women contribute to the progress and development of their country and in return their personal and family security is assured in proportion to their thrift and providence.

The public appreciation of life insurance as a basis for financial security has permeated the whole population and, with rising incomes, individuals and families are increasing their insurance protection.

Conclusion Life insurance, which is fundamentally an institution for service, has the primary function of providing policyholders with protection adapted to their individual needs. In its fiduciary capacity it must also safeguard the funds which are entrusted to each Company for administration and safekeeping.

In carrying out these responsibilities our Field Organization and the Staff in the branches and Head Office have given their best efforts throughout the year. The contribution they have made to the success of the year's operations is deserving of the highest praise. Their loyalty and devotion to the interests of the policyholders and the Company assure a steady advance in the scope of its services to the people of Canada and the United States.

AUDITORS' REPORT

We have made an examination of the books and accounts of The Great-West Life Assurance Company for the year ended December 31, 1949, and have received all the information and explanations which we required.

The policy reserves and other liabilities under policy contracts are stated at the amounts certified to by the company's Actuary. Cash and bank balances, and securities representing the company's investments in bonds, debentures and stocks, were verified by actual inspection or by certificates from the depositaries. These investments are stated at book values which in the aggregate are less than the market values as determined by the Dominion Government, whilst mortgages, agreements receivable and real estate are stated at book values after deducting amounts written off to date.

In our opinion, based on our examination and with the foregoing explanations, the attached balance sheet, with its related summary of the company's 1949 operations, is properly drawn up so as to show the true financial position of The Great-West Life Assurance Company as at December 31, 1949, according to the best of our information and the explanations given to us and as shown by the books of the company.

PRICE, WATERHOUSE & Co.,
Chartered Accountants.

Winnipeg, February 4, 1950.

BRANCH OFFICES AND AGENCIES

BRITISH COLUMBIA

VANCOUVER.....	Royal Bank Building.....	C. F. Dunfee, C.L.U.
VICTORIA.....	1405 Douglas Street.....	J. R. Nicolson, C.L.U.

ALBERTA

CALGARY.....	Toronto General Trusts Building.....	J. Carver, Jr., C.L.U.
EDMONTON.....	901 McLeod Building.....	G. F. Hagelstein

SASKATCHEWAN

REGINA.....	812-20 Broder Building.....	B. B. Gofine, C.L.U.
SASKATOON.....	206-12 MacMillan Building.....	J. A. Wise, C.L.U.

MANITOBA

BRANDON.....	102 Hughes Block.....	J. H. Donnelly
WINNIPEG.....	185 Lombard Avenue.....	J. N. Connacher

ONTARIO

FORT WILLIAM.....	203 Cuthbertson Block.....	E. H. Reed, C.L.U.
GUELPH.....	Bond Building.....	J. A. Daly, C.L.U.
HAMILTON.....	401-5 Pigott Building.....	J. H. Templin, C.L.U.
KINGSTON.....	149 Wellington Street.....	J. L. Thirlwell
LONDON.....	604 Huron and Erie Building.....	D. C. Scott, C.L.U.
OTTAWA.....	800 Ottawa Electric Building.....	A. deL. Panet, C.L.U.
PETERBOROUGH.....	Harley Building.....	D. Schellenberg, C.L.U.
SUDBURY.....	205 Mackey Building.....	B. E. Bainard, C.L.U.
TORONTO.....	9th Floor, 320 Bay Street.....	W. P. Gilbride, C.L.U.
TORONTO.....	66 King Street West.....	G. L. Francis, C.L.U.
TORONTO.....	57 Bloor Street West.....	P. H. Kilvert, C.L.U.
TORONTO.....	9th Floor, 320 Bay Street.....	A. G. Smith, C.L.U.
WINDSOR.....	401-2 Canada Building.....	J. W. Simmie

QUEBEC

MONTREAL.....	255 St. James St. West.....	D. R. Ferguson
MONTREAL.....	255 St. James St. West.....	A. J. Marling, C.L.U.
MONTREAL.....	825 Dominion Square Building.....	G. A. J. Boisvert
NORANDA.....	144 Eighth Street.....	H. J. Moore
QUEBEC.....	400 Boulevard Charest.....	J. Lamarche
SHERBROOKE.....	4 Wellington Street South.....	R. L. Clement

NOVA SCOTIA

HALIFAX.....	Goodman Building.....	A. H. Robinson
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NEW BRUNSWICK

SAINT JOHN.....	Bank of Montreal Building.....	P. D. Hamilton, C.L.U.
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PRINCE EDWARD ISLAND

CHARLOTTETOWN.....	61 Queen Street.....	Hyndman & Company Ltd.
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CALIFORNIA

Great-West Life Agency, Inc. — H. E. Sayre, President

LOS ANGELES.....	639 South Spring Street.....	J. C. Schaefer, C.L.U.
BEVERLY HILLS.....	8943 Wilshire Boulevard.....	A. L. Dickey
SAN FRANCISCO.....	333 Montgomery Street.....	C. S. Browning

ILLINOIS

CHICAGO.....	1035 Field Building.....	E. M. Schwemm, C.L.U.
MOUNT VERNON.....	304 First National Bank Building.....	R. L. Simpson

INDIANA

INDIANAPOLIS.....	908 Merchants Bank Building.....	J. T. O'Neal
SOUTH BEND.....	420 Sherland Building.....	W. R. Ford

MICHIGAN

DETROIT.....	3146 Penobscot Building.....	A. P. Johnson
GRAND RAPIDS.....	710 Association of Commerce Bldg.....	C. B. Devol, Jr., C.L.U.
SAGINAW.....	204 Bearinger Bldg.....	K. W. Roe

MINNESOTA

MINNEAPOLIS.....	1110-1118 Roanoke Building.....	J. G. Mulheran
ST. PAUL.....	1205 Pioneer Building.....	Z. W. Finberg, C.L.U.

MISSOURI

KANSAS CITY.....	818-820 Dwight Building.....	K. E. Warden
ST. LOUIS.....	807 Merchants Laclede Building.....	G. F. Cantelon

NEW JERSEY

NEWARK.....	1649 Raymond Commerce Building.....	V. K. Pitfield
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NORTH DAKOTA

FARGO.....	626 First Avenue North.....	H. O. Anderson
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OHIO

CINCINNATI.....	411 First National Bank Bldg.....	R. D. Ross, Jr.
CLEVELAND.....	1116-1118 Keith Building.....	J. N. Lenhart, C.L.U.
COLUMBUS.....	614-616 Huntington Bank Building.....	R. C. Searle

PENNSYLVANIA

PHILADELPHIA.....	Inquirer Building.....	F. G. Higham Agency
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WASHINGTON

SEATTLE.....	1015-1017 Vance Building.....	F. C. Becker
SPOKANE.....	314 Mohawk Building.....	J. W. Harris

MORTGAGE INVESTMENT OFFICES

VANCOUVER	EDMONTON	TORONTO
CALGARY	WINNIPEG	MONTREAL

The company has mortgage correspondents in a number of cities in the United States.

HIGHLIGHTS FROM
THE 1949 ANNUAL STATEMENT

Insurance and Annuities in Force	\$1,503,853,469
New Business Placed	228,859,927
Payments to Policyholders and Beneficiaries	24,907,806
Assets	357,621,351
Liabilities	340,030,940
Capital, Special Reserve and Surplus	17,590,411

