FIRE PREMIUMS AND LOSSES IN CANADA, 1916.

	1916	1915
Net premiums	$27,713,308	$26,474,833
Losses incurred	16,218,103	13,654,463
Percentage, losses to premiums	58.52	51.57

The above figures show in the briefest form the results of business achieved in Canada by the Dominion-licensed fire insurance companies last year in comparison with the results of the preceding annual period. On pages 398 and 399, THE CHRONICLE publishes its annual tables showing in detail the business of the companies last year and in 1915, their Canadian loss experience since 1910 inclusive, and in summary form, their Canadian loss experience since 1895.

The year 1916 can only be described as a very moderate one for the Canadian fire insurance business as a whole. Individual companies, as usual show wide variations in the results achieved during the period. But, with a few notable exceptions, the companies doing a Canadian business of large proportions had a relatively unfavorable experience, and the average loss ratio reported for 1916 is the highest since 1908. This is the result mainly of a constant sequence all through the year of moderately heavy losses—a sequence which, it may be added, has continued into the first quarter of the current year. In terms of figures, while the net premiums received in 1916 increased $1,238,475 in comparison with 1915, losses increased $2,563,640.

EXPANSION IN PREMIUMS.

After the check to premiums reported for 1915, the companies' income moved forward again last year to $27,713,308, surpassing the best previous figures, reported in 1914, by about $214,000. Industrial activities arising from the war, and to some extent the great rise in values of every class of merchandise, account for this enlargement of income, which was participated in by every class of company transacting business in the Dominion. The Canadian companies report a premium income of $4,736,038 compared with $4,559,076 in the preceding year, a growth of $177,000, though in part this increase seems to be accounted for by duplication due to the re-insurance of retiring companies. The Western's notable increase is partly due to re-insurances of these companies. The British companies increased their premium incomes by practically $700,000 from $13,609,360 in 1915 to $14,304,219. The American and French companies report a growth of $366,000 from $8,306,397 to $8,673,051. It may be noted that the British companies more than maintained last year their position in respect of the volume of Canadian fire insurance business they transact in proportion to the whole. This is a notable fact in view of the large number of other companies which have entered the Canadian fire field during recent years. The proportion of Canadian fire business entrusted to the British organisations is even larger than appears, since a number of the Canadian companies are subsidiaries of British organisations, and also several of the American companies, including at least one American company transacting a Canadian business of large proportions.

THE LOSS RATIO.

The loss ratio of 1916 at 58.52 is practically seven points higher than that for 1915, when the companies enjoyed a favorable experience. The difference in the two years is particularly marked in the case of the British companies, which in 1915 reported the highly satisfactory ratio of 49.54 per cent. Last year the British companies paid out in Canadian losses over $1,800,000 more than in 1915 and they report a loss ratio of 60.02 per cent. This is a higher figure than has been reported by them for a number of years, and, as is obvious, leaves very little scope for profits, when expenses—lately increased by war taxation—and necessary increases in reserves are provided for. Companies coming under other classifications, were not hit so hard as the British companies last year. Canadian companies' losses were $2,653,561 against $2,424,291, a proportion of 56.03 per cent. compared with 53.18 per cent. and the American and French companies incurred net losses of $4,978,836 against $4,487,505 in 1915, a proportion of 57.46 against 54.02.

TWENTY-TWO YEARS' RECORD.

The additional table on page 399 summarising the loss record of the whole of the companies for the past twenty-two years shows at a glance the course of the fire insurance business in Canada during that period. Only in three years of the twenty-two has the loss ratio of the companies fallen below 50 per cent. In seven years the loss ratio was over 60 per cent., including 1904, when the Toronto wholesale district fire with its loss of approximately $7,250,000 resulted in net losses incurred exceeding net premiums. It is evident from this record that, averaging over a long period of years, which is the only method by which fire insurance profits can be calculated with any approach to accuracy, the companies have obtained but moderate returns from their underwriting activities in Canada.

Last year four companies had Canadian premium incomes in excess of a million dollars, compared with two in 1915 and five in 1914. They are the Royal, $1,471,655; the Liverpool and London and Globe, $1,320,340; the Hartford, $1,030,539; and the Commercial Union, $1,013,179. These figures are exclusive of the premium incomes of subsidiary and controlled companies operating in Canada.

GENERAL ACCIDENT OF CANADA.

Mr. John J. Durance, manager of the General Accident Assurance Company of Canada, has resigned from that position and will, we understand, go into the brokerage business. In the meantime Mr. T. H. Hall of Toronto, is acting manager. The latter gentleman is well known as manager of the General Accident Fire and Life Assurance Corporation.

FIRE COMPANIES' MEETING.

A general meeting of all H. O. managers for Canada of fire companies together with representatives from the Maritime Provinces was held in Montreal this week for the purpose of discussing conditions generally.

Mr. Alfred J. Bell, of Alfred J. Bell & Co., Halifax, provincial agents for Nova Scotia of the New York Underwriters' Agency, was a visitor to THE CHRONICLE this week.