

THE GROWTH OF AUTOMOBILE INSURANCE.

Automobile insurance first made its appearance in the Dominion Government's insurance returns in 1910, when seven companies were reported as transacting the business, the seven, between them, reporting the modest premium income of \$80,446. The following year, 1911, automobile premiums were more than tripled, rising to \$253,550. Since then they have gone on expanding, not merely steadily, but extremely rapidly with the exception of one year, and in 1916 automobile business was transacted by 33 Dominion-licensed companies, their net premiums reported of \$888,378 being over eleven times the amount reported in 1910. It is evident that with the further development of mechanical traction, the possibilities of which appear to be almost endless, automobile insurance in Canada is likely to take important rank, in the course of a comparatively few years, among the numerous miscellaneous branches of insurance transacted in the Dominion outside fire and life. The following tabulation shows the development of the business since 1910 and also the loss experience during the same period:—

	Net Premiums	Losses Incurred	% Losses to Premiums
1916.....	\$888,378	\$304,710	34.3
1915.....	636,085	289,986	45.6
1914.....	573,604	297,499	51.9
1913.....	563,204	228,433	40.6
1912.....	464,580	176,895	38.1
1911.....	253,550	184,218	72.7
1910.....	80,446	33,369	41.5

It will be seen that the loss experience, with the single exception of 1911, has been uniformly fairly favourable. Probably an increasing appreciation of the desirability and even necessity of being covered by insurance against the various risks that automobiles are heir to, is a substantial factor in premium growth, in addition to the ever-increasing use of the automobile for purposes of locomotion and transport. It is doubtful, however, if the field has by any means yet been covered, and it would probably pay local agents of companies having an automobile branch, to make a point of looking into the matter of automobile coverage among their clients and acquaintances.

The following are the details of the automobile business transacted by Dominion-licensed companies last year:—

INCLUDING FIRE RISK.		
	Net Premiums	Losses Incurred
Aetna.....	\$15,608	\$3,837
Dom. of Can. Guarantee & Accident.....	6,025	2,709
Fireman's Fund.....	10,679	305
Glens Falls.....	17,169	11,802
Hartford Fire.....	27,667	8,095
Home.....	19,806	7,119
Imperial Guarantee & Accident.....	621	None
Ins. Co. of North America.....	30,238	9,889
London Guarantee & Accident.....	4,881	1,908
Marine.....	47,649	21,059
National-Ben Franklin.....	6,672	2,978
Niagara.....	2,997	942
Norwich Union.....	18,659	5,063
Ocean.....	5,497	5,258
Providence-Washington.....	13,600	7,202
Queen of America.....	49,381	27,094
Royal Exchange.....	18,723	4,256
St. Paul Fire and Marine.....	37,871	17,218
Scottish Union & National.....	133	83
	\$333,876	\$136,817

EXCLUDING FIRE RISK.

Canada Accident.....	\$29,407	\$ 7,432
Dominion-Gresham.....	10,665	3,993
Dom. of Can. Guarantee & Accident.....	18,734	3,324
Employers' Liability.....	73,152	35,692
Fidelity & Casualty.....	7,222	2,324
General Accident of Canada.....	79,650	21,050
Globe Indemnity of Canada.....	38,446	12,785
Imperial Guarantee & Accident.....	17,807	6,521
London & Lane, Gu'tee & Accident.....	26,325	7,556
Maryland Casualty.....	10,288	2,728
Merchants & Employers Gu'tee & Acc.....	9,330	2,446
North American Accident.....	17,228	3,706
Norwich Union.....	14,747	2,18
Ocean Accident & Guarantee.....	48,282	7,367
Providence-Washington.....	542	848
Queen of America.....	8,059	4,251
Railway Passengers.....	25,081	9,086
Royal Exchange.....	16,517	3,481
Travelers Indemnity.....	35,337	15,243
U. S. Fidelity & Guaranty.....	13,621	2,733
Yorkshire.....	22,104	6,026
	\$554,502	\$167,893

CHECKING-UP THE GREEDY INSURANCE PROMOTER.

The promoter of insurance companies, whose main concern is the lining of his own pockets, is likely to have a less easy time of it in the future, if new provisions included in the draft Insurance Act go through. It is provided (section 184a) that on a new company making application for a license, there shall be submitted to the Minister of Finance, a sworn statement of expenditures made in connection with the incorporation and organization of the company, together with a list of unpaid liabilities. Until the license is granted, no payments on account of incorporation and organization expenses shall be made out of the moneys paid in by shareholders, except reasonable sums for the payment of clerical assistance, legal services, office rental, advertising, stationery, postage and expenses of travel, if any. The Minister shall not issue the license until he is satisfied that all the requirements of the Insurance Act and of the Special Act incorporating the company, as to the subscriptions to the capital stock, the payment of money by shareholders on account of their subscriptions, the election of directors and other preliminaries have been complied with, and *unless he is satisfied that the expenses of incorporation and organization, including the commission payable for the sale of the company's stock are reasonable.*

If the company does not obtain a license before the expiry of its Act of incorporation, no part of the money paid in by shareholders is to be disbursed for any other purposes than those detailed above, except by resolution of the subscribers. If the provisional directors deem the amount voted by the subscribers for this purpose insufficient, they can appeal to the local courts, the judge being given power "to settle and determine all charges and the reasonableness of the amount of the disbursements already made."

The United States branch of the Ocean Accident & Guarantee Corporation of London has subscribed for U. S. liberty bonds in the amount of \$500,000; and further, the employees of the United States head office have also subscribed as individuals through the Ocean for a total of more than \$34,000 worth of Liberty bonds.