

FIRE PREMIUMS AND LOSSES IN CANADA, 1912.

We publish in this issue our annual tables, which have now been compiled for a great number of years, showing the ratio of net losses incurred to net cash received for premiums in 1912 by the fire companies operating in Canada under Dominion licenses. Year by year these statistics, which are compiled from the report of the Dominion Superintendent of Insurance show a great expansion, not only in the volume of the business transacted by the companies but also in the number of organisations operating in the field. There can be no doubt regarding the increasing keenness of the competition for the Dominion's fire insurance business and that altogether apart from the illegitimate competition of the unlicensed concerns of various kinds, who at the close of 1912 had insurance in force in Canada about seven per cent. of the amount which the licensed companies reporting to the Dominion Government had in force at the same date.

INVASION OF AMERICAN COMPANIES.

Last year was notable for a determined invasion of the Canadian fire field by the American companies. No fewer than twelve American fire insurance organisations are included in the present tabulations for the first time. The number of American fire companies transacting business in Canada under Dominion auspices has thereby been nearly doubled. Only one new British company, the Palatine, appears in the present statistics, but four new Canadian organisations make their appearance, apart from the change caused by the taking over of the business of the Manitoba by the Liverpool-Manitoba. In the case of the Canadian organisations, some are new companies; others have previously been working under provincial licenses and have now entered the larger field. The list of *debutantes* of the year is completed by a French company.

However, the British fire companies still retain the larger proportion of the fire insurance business of the Dominion, and no one with a knowledge of the facts is likely to grudge them their supremacy. Many of them have been well established in Canada for generations—in at least one case the century mark has been passed—and sound management with efficient organisation have played their part. It is too often forgotten that these fire companies have played a very real and important share in the building up of the Dominion. Conflagrations are not exactly unknown in Canada, and the enormous sums which have been freely paid out by the British fire companies have gone far in the rebuilding of fire-ruined cities and towns from the Atlantic to the Pacific. The Canadian investments of these companies aggregate very large sums; their offices in the large cities are frequently among the most hand-

some and convenient structures in the business districts. The moderate profits secured from their Canadian business by the British companies have been well earned.

THE BUSINESS OF 1912.

There was again last year a very considerable expansion in the volume of fire insurance business transacted in Canada. Premiums received by the whole of the companies totalled \$23,194,518, an increase of some \$2,600,000 upon the 1911 total of \$20,575,255 which in turn showed an increase of \$1,850,000 over 1910. As might be expected from facts already mentioned, the American and French companies secured the lion's share of this increase in premium income, their total being \$6,038,984, an increase of some \$1,400,000 upon 1911. The British companies show an advance of nearly \$900,000 from \$11,205,694 in 1911 to \$12,092,125 in 1912. The Canadian companies' increase is just over \$300,000 from \$4,727,141 in 1911 to \$5,063,409 in 1912. In regard to losses, the experience was very similar to that of 1911, but on the whole a trifle more favorable. The Canadian companies report a loss ratio of 51.09 p.c. against 53.08 p.c. in 1911, and the British companies one of 50.87 against 53.83. On the other hand, the American and French companies' ratio went up to 50.23 against 48.95 in 1911. Taking the companies as a whole their loss ratio was 50.75 against 52.54 in 1911.

TWENTY YEARS' RECORD.

The additional table summarising the loss record of the whole of the companies for the past twenty years shows at a glance the course of the fire insurance business in Canada during that period. It will be seen that on the whole, the second decade makes a rather more favorable showing than the first. But only in three years of the twenty has the loss ratio of the companies fallen below 50 per cent. In one year, 1904, when the companies paid out seven and a quarter million dollars for the Toronto wholesale warehouse district fire, there was an actual excess of losses over premiums and in eight other years the loss ratio was over 60 per cent. Apparently we are as busy as ever in burning up our wealth. Even in our largest cities—cities which rather flatter themselves on being centres of an advanced civilisation—any fool can fling down a lighted match or cigar butt where his folly pleases him, without any fear of punishment for the possible consequences of his criminal act. And it is left to fire insurance men to do the fighting for better things. The great big public simply doesn't care. And sometimes it even seems doubtful whether it ever will care.