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## CANADIAN FIRE INSURANCE IN 1918\*

Heavy Losses of the Year—Comparison With Premiums—Fire Prevention by the Companies, and by the Government—Relation of Labor Events to Fire Loss—Halifax Claims—Investigation of Premium Rates by Ontario Government.

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THE space available within which to prepare this review of the events of the year 1918, in so far as they relate more particularly to the business of fire insurance in Canada, is too short to allow for more than a cursory résumé of some of them.

The excessive and inexcusable destruction of property by fire (so fittingly termed the "fire waste") goes on apace in the Dominion; so much so that the Canadian Government has recognized the seriousness of this condition of affairs and is trying to devise some plan to remedy it. It is estimated that the total value of the property destroyed in Canada during the year will reach no less a sum than the huge total of \$35,000,000 as compared with \$20,000,000 for the previous year. A considerable portion of the former amount represents uninsured property. The Province of Ontario has the unenviable distinction of having a fire waste record for the ten months ending 31st October, 1918, of \$13,000,000, as against \$8,000,000 for the corresponding months of 1917. The heaviest loss of the year was the fire in October which destroyed part of the plant of the British Chemical Company at Trenton, Ontario. This plant consisted of about one hundred buildings and was constructed at a cost of ten million dollars for the manufacture of explosives. The damage has been estimated as high as \$2,500,000. No insurance was carried on it.

To enumerate the fires of \$100,000 and over (as has been usual in some of the previous annual reviews) would, it is regrettable to state, take up too much space. Those amounting to \$200,000 and over (using the perhaps inflated estimates of the newspapers in cases where other figures are not procurable) are as follows:—

January	
Winnipeg, Man., mercantile block . . . .	\$ 400,000
Peterborough, Ont., business block . . . .	400,000
February	
Winnipeg, Man., business block . . . . .	400,000
April	
Saskatoon, Sask., hardware store, etc. . .	300,000
Toronto, Ont., shipbuilding yards . . . .	300,000
Toronto, Ont., oil storage, etc. . . . .	200,000
Toronto, Ont., abattoir . . . . .	750,000
May	
Vancouver, B.C., shipbuilding yards . .	200,000
June	
Shaunavon, Sask., hotel and shops . . . .	250,000
Pembroke, Ont., large portion of business district . . . . .	750,000

\*From the New York Journal of Commerce.

July	
Pembroke, Ont., munition plant, etc. . .	300,000
October	
Trenton, Ont., explosives factory . . . .	2,500,000
Winnipeg, Man., mercantile building . . .	300,000
November	
Toronto, Ont., munition plant . . . . .	200,000

### Estimated Year's Results

It is not likely that the companies will show more than a small margin of profit on the year's Canadian business because of the heavy increase in the "fire waste" above referred to, coupled with the large increases in expenses as a result of the onerous advancement in taxes (both war and ordinary) and the increasing totals of fixed charges of various kinds.

### Premiums and Losses for 48 Years

In this connection it is interesting to note that the total premiums received and losses paid in Canada for the 48 years from 1869-1917 (the period covered by the Dominion Insurance Department's reports) are as follows:—

Premiums received . . . . .	\$481,986,090
Losses paid . . . . .	288,621,047

These represent a loss ratio of 59.88%, and after allowing for a moderate average expense ratio during all these years and making provision for increase in unearned premium liability, the results are certainly such as to constitute a conclusive answer to any charge of excessive profits by the companies.

### Fire Prevention and the Public

The most important event of the year bearing upon the business (or rather progression of events) has been the growing interest referred to in the beginning of this article on the part of the Dominion government and of the public generally in the question of fire prevention. For years the insurance companies have spent large sums of money in the inspections of towns, their fire brigades, waterworks and police departments. Their recommendations for an improvement in these important civic departments and for a betterment in building laws, have, however, only too frequently been received by the municipal authorities with scant courtesy and often with the unfair comment that the reason for these recommendations was that the fire insurance companies did not wish to run any risk but wanted the municipalities to spend their money to protect the companies' interests. Gradually, however, the public seems to be arriving at a realization of the truth that this work which has been carried on by the companies at their own expense, and the carrying out of their recommendations for improved conditions, are as much to the benefit and ad-