FIRE INSURANCE IN CANADA DURING 1918

(By C. S. Wainwright,)

Taxation.

The heavy burden of taxation upon the fire insurance companies continues to be added to and while no patriotic company is unwilling to assume its proper share of the cost of carrying on the affairs of the country, it would seem that the time has come, in view of the important part which the companies perform in the financial and industrial welfare of the Dominion, when they and their agents should endeavour to obtain some measure of relief in this respect.

Legislation.

No legislation of a drastic nature adversely affecting the interests of the companies has been enacted during the year. In the House of Commons at Ottawa a Bill was introduced at the last Session to amend the Insurance Act of 1917. Some of the provisions of this Bill as originally drawn were strongly objected to by a number of the companies. Their representations were received sympathetically by the Minister of Finance and the Superintendent of Insurance and as a result the provisions of the Bill were considerably modified. In view of the lateness of the Session it was withdrawn, but it will probably be re-introduced in its modified form during the coming Session.

Companies Licensed in Canada.

These are divided into three classes—known as "Canadian," "British" and "Foreign," respectively, and it is interesting to note the increase in the number of these licenses since 31st December, 1914 (the first year of the War) and also since the end of 1917.

	Can.	Brit.	For'n.	Total.
Dec. 1914 ..	24	24	34	82
Dec. 1917 ..	24	30	42	96
Dec. 1918 ..	23	37	48	108

An interesting feature connected with the publication in the "Canada Gazette" of Notices from the Dominion Insurance Department is the fact that some of these now give notice that the Department has issued a License to the Licensee to do business in a single province. Formerly such notices were to the effect that the company had received a License from the Dominion Insurance Department to transact business throughout Canada. The change is a result of the re-enactment in 1917 of the Dominion Insurance Act following upon the Privy Council's (England) decision on the question of Dominion and Provincial regulation of companies.

Unrest and Unionism in Police and Fire Brigades.

Three regrettable incidents occurred during the year. The first was the strike of the Winnipeg Fire Brigade, which occurred in May and lasted for about a fortnight. It was participated in sympathetically by thousands of Union men. Two or three serious fires occurred during its continuance, but there were no disorders. The second was the strike on December 12th of the Montreal Police and Fire Brigades and of the Waterworks Engineers. The strike lasted for thirty-three hours and during that time lawlessness was rampant in some parts of the city and considerable damage was done through robberies and hoodlumism. Moreover, some of the volunteer firemen (including amongst them a number of the younger fire insurance men) were "man-handled" when answering alarms. A large number of false alarms were turned in and one or two rather serious fires occurred. The principal cause of the strike was the revolt of the men against three of the chief officials. The latter were retired by the municipal authorities and the strike ended, much to the relief of the citizens generally and of the fire underwriters in particular. The consequences of a prolongation of the strike are too appalling to contemplate when one thinks of the immense values in the city being without police or fire protection, either from robbers or firebugs, and thus subject to a disastrous conflagration from fires started either accidentally or malevolently.

The other regrettable incident occurred in Toronto. On the 18th of December the Toronto Police Force went out on strike. They had formed a Union and obtained a charter from the Trades and Labour Council and had made several demands upon the Police Commissioners, amongst them being an increase in pay and a better distribution of the hours of work. The Police Commissioners were prepared to meet them on most of the important points, including permission to form a Union amongst themselves, but absolutely declined to countenance any recognition of a charter from the Trades and Labour Council, contending that an affiliation of this nature might be fraught with grave danger in the event of labour strikes. A compromise settlement was arrived at after four days by an agreement that the charter should be retained pending a decision by a Royal Commission to be appointed by the Government. If the Commission decides against the retention of the charter the men must give it up. It is pleasing to note that during the period of the strike no serious fires or disorders occurred in the city.

Standardization of Policy Forms.

Efforts by various interests to secure a standard policy form for use throughout all the provinces of the Dominion have recently been supplemented by the action of the Ontario Bar Association, which body has, of its own accord, actively taken up this question and is lending its influence and advice towards this desirable end.

Increasing Values and Co-insurance.

The effect of the co-insurance clause upon the settlement of losses in view of the heavy increases in values and the latter's effect upon the "cost of replacement" has been very marked since the beginning of the War; so much so that the attention of the public has in various ways been directed to the necessity of a revision of their insurance prior to the occurrence of a loss. Similar conditions are likely to prevail for some time to come.