

UNLICENSED FIRE INSURANCE.

Nearly Two Hundred Millions of this Business Was Written in Canada Last Year.

The amount of fire insurance carried on property in Canada by fire insurance companies not licensed to transact business in Canada was, in 1912, \$197,918,437, compared with \$191,038,071 in 1911. The following table shows how the amount was divided among the various provinces:—

Ontario	\$83,082,360
Quebec	63,983,612
British Columbia	12,502,428
Manitoba	11,873,923
Alberta	7,903,590
Saskatchewan	7,156,543
New Brunswick	5,656,373
Nova Scotia	5,758,608
Prince Edward Island	1,000
	\$197,918,437

Nearly half the amount, or \$83,082,360, of this "unlicensed insurance," was placed in Ontario, while \$63,983,612 went to Quebec. British Columbia comes third with \$12,502,428, and Manitoba fourth with \$11,873,923. In 1911, the provinces ranked in the same order as this, only each with smaller amounts.

Nature of Property Insured

Here is a table showing the nature of the property insured by the "unlicensed" concerns last year and in 1911:—

	1911	1912
Lumber and lumber mills	\$ 15,084,067	\$ 12,532,097
Other industrial plants and mercantile establishments	111,077,541	108,319,947
Stock and merchandise	27,139,444	51,918,433
Railway property and equipment	36,243,272	23,842,495
Miscellaneous	1,493,747	1,305,465
	\$191,038,071	\$197,918,437

There was a decrease last year in all classes which carry unlicensed insurance, as compared with 1911, with one exception. This was "stock and merchandise," which showed a large gain, the figures increasing from \$27,139,444 to \$52,918,433.

Who Are Doing the Business?

The following table shows the classes of insurers which transacted this business in Canada last year and in 1911:—

	1911	1912
Lloyds Association	\$59,629,932	\$64,129,595
Reciprocal Underwriters	13,571,461	13,887,644
Mutual Companies	73,835,539	86,347,397
Stock Companies	41,581,705	33,553,801
Not specified	2,419,434	
	\$191,038,071	\$197,918,437

The business of Lloyds increased by about \$5,000,000 last year. While the reciprocal underwriters carried practically the same amount of business in the two years, the mutual companies in 1912 gained about \$13,000,000, and the stock companies lost \$8,000,000 of business as compared with 1911.

What the Law Says

Section 139 of the Insurance Act regulates unlicensed insurance in Canada. It reads in part as follows:—

"Notwithstanding anything in this Act contained, any person may insure his property, or any property in which he has an insurable interest, situated in Canada, with any British or foreign unlicensed insurance company or underwriters, and may also insure with persons who reciprocally insure for protection only and not for profit; and any property insured or to be insured under the provisions of this section may be inspected and any loss incurred in respect thereof adjusted; provided such insurance is effected outside of Canada and without any solicitation whatsoever directly or indirectly on the part of such company, underwriters or persons by which or whom the insurance is made; and provided further that no such company, underwriters or persons shall within Canada advertise their business in any newspaper or other publication or by circular mailed in Canada or elsewhere, or maintain an office or agency therein for the receipt of applications or the transaction of any act, matter or thing relating in any way to their said business."

When the Act was being revised in 1910, the licensed insurance companies very naturally protested against the practice of unlicensed insurance, but their arguments were unavailing.

PUBLICATIONS RECEIVED.

The Prosperity edition of the Calgary News Telegram, contains authoritative and interesting articles relating to Calgary. It is a great credit to the editors and publishers.

SIGNIFICANCE OF THE FIRE WASTE.

Everybody's Pocket is Affected—Saskatchewan's Commissioner is Busy.

The fire loss in Canada for the year 1912 amounted approximately to \$23,000,000, or a per capita loss of \$3.07. To this must be added a per capita cost of maintaining fire brigades of \$1.25, making a total tax of \$4.32 per capita. The number of lives lost as a direct consequence of fire amounted to 203 for the same period. These appallingly large figures indicate a condition of affairs that demands prompt attention and strenuous action. The absence of interest in the problems presented by our national fire waste has been no less appalling than the magnitude of the waste itself. An unpardonable apathy and indifference have characterized our people in this regard until recent years. The economic significance of fire waste has been too long overlooked, and a campaign of education to emphasize this aspect of the fire waste problem is the first necessary step towards its solution. Once people realize that they themselves are being impoverished in consequence, they will not be slow to perceive the absolute necessity of hearty co-operation with every scheme devised to accomplish the reduction of fire loss.

Destruction of Accumulated Capital

Every fire means the actual destruction of so much accumulated capital, leaving the country with that much less means to finance its enterprises. The fire waste touches the pocket of every man, woman and child in the Dominion of Canada, and, figure it out how he may, the tax falls on that individual known as the "ultimate consumer." Until quite recently, the shallow and unaccountable idea found place in many minds that the fire losses were being borne by the insurance companies. This idea is gradually disappearing before an increasing realization of the fact that insurance companies are merely collectors and distributors of a fire tax. The greater the fire loss the more they must collect to meet that loss.

A recognition of the true significance of fire waste is rapidly gaining ground, however, and, as a consequence, legislation along preventive lines is receiving earnest attention. The United States has thoroughly awakened to the necessities of the case, and in most of the states fire marshal departments are in operation and fire prevention associations are growing in number and influence. Canada, which has proved rather tardy in this regard in the past, is also showing signs of awakening.

Two Provinces Have Commissioners

For several years Manitoba has stood alone among Canadian provinces in the matter of having fire prevention legislation. Saskatchewan has followed suit by enacting an act along the same lines and appointing a fire commissioner, whose duties it is to investigate all fires, where necessary, with a view to determining their cause. Furthermore, a record of all fires occurring in the province shall be kept and shall be available for public inspection. During the three months that the office has been in operation considerable progress has been made and hearty co-operation has been given by insurance companies, civic and municipal authorities and fire chiefs. A bulletin, issued to upwards of thirty cities and towns in the province, urging the necessity of a clean-up or fire prevention day, met with a hearty and loyal response in most cases and, doubtless, much good has resulted. A by-law, providing for systematic inspections of premises by the members of the fire departments and regulating many conditions which constitute a fire menace, has been submitted to the cities of the province. To Prince Albert belongs the credit of having promptly adopted it almost in toto, whilst other cities have it under consideration.

Uniform Standard in By-laws

The attainment of as uniform a standard as possible of fire prevention by-laws and regulations is a consummation "devoutly to be wished," and, to this end, an effort will be made to bring the subject before every town and village council in the province.

That much can be accomplished is evident from the fact that considerably over 50 per cent. of fires already reported are due to preventable causes. The publication of facts and figures from time to time in the columns of the press will, it is hoped, start all responsible authorities and the general public a-thinking about our truly scandalous fire waste and thus lead to better methods and practices in the future, are statements of Mr. R. J. Lean, Saskatchewan's fire commissioner. No country in the world has a greater problem, in regard to fire waste, than Canada. With an average per capita fire loss which is eight times as great as the average loss in European countries, it is obvious that there must be a great awakening if we are to rid ourselves of the disgrace and penalty of the largest per capita fire waste in the world. "Eternal vigilance is the price of safety."

Victoria, B.C. board of trade is seeking to effect a better freight service with the growing markets of the northern part of the province.