A UNIFORM CONTRACT OF FIRE INSURANCE FOR CANADA.

In the May number of "The Canadian Law Times," Mr. E. R. Cameron, the Registrar of the Supreme Court of Canada, has a carefully written article entitled: "A Plea for a Uniform Contract of Fire Insurance in Canada." He commences by stating that probably in no department of commercial activity has a more marked development taken place in Canada during recent years than in that of fire insurance. After quoting figures from Government reports to show the growth and magnitude of the business, he remarks that this steady growth in the volume of business has been accomplished by new departures in the methods of transacting fire insurance business, and by a greater complexity in the nature and character of the risks undertaken, while more intricate problems of insurance are presented to companies for consideration than were dreamed of twenty years ago.

This being so, he is not surprised to find that in the United States, more perhaps than elsewhere, there has been a very marked progress in insurance legislation. A move was commenced in 1886 by the Legislature of the State of New York which led to the adoption of a standard fire insurance policy, and it was provided that, after May, 1887, no form of contract should be used other than the standard form. So valuable was this legislation deemed in the interests of the public that other states proceeded at once along the same line, and within eight years Pennsylvania, Michigan, New York, North Carolina, North Dakota, South Dakota and Rhode Island adopted the New York standard form, while Maine, Minnesota, New Hampshire, Wisconsin and Iowa introduced uniform policies, but in some respects differing from the New York standard form.

He points out that the New York standard form was adopted to obviate the difficulty in adjusting losses, which arose from the lack of uniformity in the various policies used, and not from any unfairness or hardship in the conditions imposed upon the assured. He also observes that Mr. Butler, an eminent lawyer on the other side of the line, and who had to do with settling the legal form of the standard policy, good humouredly remarked that it was the worst work he ever did, as the standard policy pretty nearly abolished fire insurance litigation.

In Ontario, it was in 1874, that the legislature was moved to appoint a commission of Judges to settle conditions for a uniform fire insurance policy. This action was caused by the great hardships to which insured persons were subjected by the unconscionable nature of the conditions attached to policies of different companies, and many strong remarks had fallen from the Judges in fire insurance cases. The commission was instructed to determine what conditions were just and reasonable, to be inserted in fire insurance policies. The report of the committee was soon followed by the Ontario Uniform Conditions' Act, embodying the conditions suggested, and these have since been known as the Ontario Statutory Conditions. Subsequently, these were adopted by the legislatures of Manitoba and British Columbia.

Mr. Cameron, without giving his reasons, is of opinion that the New York standard policy forms a marked advance upon the policy in force in the Province of Ontario, and he proceeds:

If a uniform policy framed upon fair principles in the interest of both insurer and insured is desirable in any one province, every reason which has been adduced by the courts in support of such legislation is equally applicable to a uniform policy for the other provinces of Canada in which no statutory conditions are in force, and this applies to all the provinces and territories, except Ontario, Manitoba and British Columbia. In addition to this the benefit to companies doing business all over Canada, of having uniform and consistent legislation enforcible in every province, can scarcely be over-estimated.

It remains therefore to be determined whether the Parliament of Canada has jurisdiction to legislate on the subject of uniform conditions of fire insurance contracts.

After reviewing at length the British North America Act, and the decisions of the Supreme Court and the Privy Council, which interpret its construction, Mr. Cameron reaches the following conclusions, which indicate that our Dominion Legislature may, if it choose, enact that there shall be but one standard fire insurance policy used in Canada.

1. Both the Parliament of Canada and the Provincial Legislatures have authority to legislate respecting contracts of fire insurance, the former dealing with matters of trade and commerce, the latter as affecting property and civil rights.

2. In the absence of Federal legislation, Provincial legislation on the subject is *intra vires* and binding upon all insurance corporations carrying on business within the province.

3. Upon the Federal Government legislating on the subject for the whole Dominion, such legislation will supersede the Provincial legislation when they come in conflict.

WANT HIGHER RATES.—The feeling is gaining ground in local underwriting circles that the present tariff rates of the New York Fire Insurance Exchange are inadequate. The heavy losses of late, including the Windsor Hotel fire, have exhausted a large amount of premiums, and a number of managers would like to see a more liberal income over their counters now. They do not like a procrastinating policy and think the public would take the advance better now than later, when the fires are forgotten. Their view is that an increase is necessary and must come, and they would like to see it soon. The cutting off of the thirty per cent. and ten per cent. reductions has been talked of as the most feasible way of bettering local premium incomes.—New York "Commercial Bulletin."