

FIRE INSURANCE IN CANADA IN 1918.

(From the Report of the Superintendent of Insurance.)

During the year 1918 the business of fire insurance was transacted in Canada by 116 companies, as compared with 96 companies in the preceding year. Of the 116 companies, 28 were Canadian, 36 British and 52 Foreign. Two Canadian companies, The Imperial Guarantee and Accident Insurance Company and the North American Accident Insurance Company, one British company, the Marine Insurance Company, and one foreign company, the Columbia Insurance Company, transacted fire insurance only in connection with their automobile business. The business of the Automobile Insurance Company was limited to organization and it has since the beginning of the present year withdrawn from Canada.

The list differs from that of 1917 by the addition of four Canadian companies, The Fire Insurance Company of Canada, which commenced business for the first time late in 1918, The Guardian Insurance Company of Canada, which during the year had its license extended to include fire insurance, the Imperial Guarantee and Accident Insurance Company and the North American Accident Insurance Company, which transacted fire insurance limited to automobiles; six British companies, the British Traders' Insurance Company, the Car and General Insurance Company, The National Benefit Assurance Company, the Queensland Insurance Company, the Scottish Metropolitan Assurance Company and The Union Marine Insurance Company; and ten foreign companies and inter-insurance associations, the Boston Insurance Company, the Fire Association of Philadelphia, the Lumbermen's Underwriting Alliance, the Manufacturing Lumbermen's Underwriters, the Mechanics and Traders Insurance Company, The Newark Fire Insurance Company, the New Hampshire Fire Insurance Company, the New Jersey Insurance Company, the Northwestern Mutual Fire Association, and the Vulcan Fire Insurance Company of Oakland, California.

Of the new British companies, two, The National Benefit Assurance Company and The Union Marine Insurance Company, had previously operated under provincial licenses, and of the new foreign companies and inter-insurance associations, all except the Lumbermen's Underwriting Alliance, the Manufacturing Lumbermen's Underwriters and the New Hampshire Fire Insurance Company had previously operated in Canada under provincial licenses.

Since the beginning of the year 1919 licenses for fire insurance have been issued to the following companies: The American Alliance Insurance

Company, limited to the Province of British Columbia; The Halifax Fire Insurance Company, the Antigonish Farmers' Mutual Fire Insurance Company, the Cumberland Farmers' Mutual Fire Insurance Company, the Kings Mutual Fire Insurance Company, the Pictou County Farmers' Mutual Fire Insurance Company and The Mutual Fire Association of Canada, Limited, all limited to the Province of Nova Scotia; The General Accident Assurance Company of Canada and the Girard Fire and Marine Insurance Company.

A number of companies transacting fire insurance have since the beginning of the year 1919 obtained licenses for various classes of casualty insurance to which reference is made in this report.

Premiums and Losses, 1918.

Notwithstanding the unusually large value of property destroyed by fire during the year 1918, the experience of the companies has not been unfavourable when compared with that of previous years. This is probably in part due to the fact that the fire insurance companies were not liable in the case of several of the largest losses, and in part to the large proportion of value not covered by insurance due to appreciation since the insurance was effected.

The results of the year's operations in fire insurance in Canada may be shown by the following figures, the ratios for 1917 being also given for the purpose of comparison:

	Net premiums received.	Net losses paid.	Ratio losses paid to premiums received.	The premiums same 1917.
Canadian companies \$	5,570,095	\$2,741,904	49.23	49.69
British companies ..	18,658,710	9,907,999	53.10	51.22
Foreign companies ..	11,725,600	6,709,349	57.22	55.63
Totals ..	35,954,405	19,359,252	53.84	52.42
Totals for 1917 ..	31,246,530	16,379,102

The foregoing figures do not take into account the change during the year in the uncollected premiums and agents' balances, the change in the reserve of unearned premiums or the change in the outstanding unpaid losses of the companies. In other words, the figures are compiled on a cash, not a revenue, basis and therefore are not the most suitable for ascertaining the profit or loss on the underwriting for the year. If there is deducted from the premiums written during the year the increase in the reserve of unearned premiums during the year there is obtained the amount of premiums earned and by comparing with this the amount of losses incurred, the actual loss ratio for the year is obtained. These ratios may be summarized as follows:

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