

CHAPTER XXIII.—INSURANCE.

Insurance companies transacting business throughout the Dominion of Canada are licensed by the Dominion Government under Acts administered by the Department of Insurance under the Minister of Finance, while other insurance companies, doing business only in one province, or, by arrangement, in more provinces than one, are licensed by Provincial Governments. The statistics here published are in the main those of companies doing business under licence from the Dominion Government, and are divided into three classes relating to:—(1) insurance against fire, (2) life insurance, and (3) insurance of a miscellaneous character, covering risks of accident, guarantee, employers' liability, sickness, burglary, hail, steam boiler, tornado, weather, inland transportation, automobile, sprinkler leakage, live stock and titles. These statistics refer in all cases to calendar years and are compiled from the reports of the Department of Insurance.

Since 1915, the Department of Insurance has endeavoured to collect from the available sources statistics of the business transacted by companies holding licences from the Provincial Governments of Canada, or permitted by the laws of the Provinces to transact business without a licence. The business of the provincial licensees is divided into three classes:—(1) business transacted by provincially incorporated companies within the province by which they are incorporated; (2) business transacted by provincially incorporated companies in provinces other than those by which they are incorporated; and (3) business transacted by British and foreign companies licensed by the Provincial Governments. Further, under section 129 of The Insurance Act (c. 101, R.S.C. 1927), fire insurance on property in Canada may be effected, under specified conditions, with companies or associations outside of Canada which are not licensed to transact insurance business in Canada.

Section 1.—Fire Insurance.

Fire insurance in Canada began with the establishment by British fire insurance companies of agencies, usually situated in the sea ports and operated by local merchants. The oldest existing agency of a British company is that of the Phoenix Fire Office of London, now the Phoenix Assurance Co., Ltd., which commenced business in Montreal in 1804. On account of the growth of the insurance business of these early British companies, branch offices were established and local managers were appointed, charged with directing the companies' affairs in Canada.

The Halifax Fire Insurance Co. is the first purely Canadian company of which any record is obtainable. Founded in 1809 as the Nova Scotia Fire Association, it was chartered in 1819 and operated in the province of Nova Scotia until 1919, when it was granted a Dominion licence. Among the other pioneer fire insurance companies still in operation, mention may be made of the following: the Quebec Fire Assurance Co., which commenced business in 1818 and was largely confined in ownership and operations, to Quebec province; the British America Assurance Co., incorporated in 1833, the oldest company in Ontario; the Western Assurance Co., organized in 1851, and, after a rapid and steady growth, one of the largest companies of its kind on the continent; two United States companies, the Ætna Insurance Co.,