

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.*, Hartford, Conn., and the *Hartford Fire Insurance Co.*, which commenced business in Canada in 1821 and 1836 respectively.

Any company other than a company incorporated by a province of Canada desirous of carrying on business throughout Canada must obtain a licence from the Dominion Government, but if so incorporated, a licence may be had from that province, and it may transact business within such limits, or, by grace of any other province, within such province, without regard to any general laws of the Dominion relating to insurance. In 1875 a Department of Insurance was created as a branch of the Finance Department at Ottawa, under the supervision of an officer known as the "Superintendent of Insurance", whose duties are to see that the insurance laws enacted from time to time by the Canadian Parliament are duly observed by the companies. Some important requirements under these laws are: (1) an initial deposit varying from \$10,000 to \$100,000 in approved securities with the Minister; (2) the appointment of a chief agent with power of attorney from the company; (3) the filing of a statement showing the financial position of the company at the time of its application for a licence, and subsequent annual statements of its business. In addition, books of record must be kept at its chief office and be opened to the inspection of Departmental officers whose practice is to examine them annually.

The report of the Superintendent of Insurance for the year ended Dec. 31, 1930, shows that at that date there were 238 fire insurance companies doing business in Canada under Dominion licences; of these 52 were Canadian, 66 were British and 120 were foreign companies, whereas in 1875, the first year for which authentic records were collected by the Insurance Department, 27 companies operated in Canada—11 Canadian, 13 British and 3 American. The proportionate increase in the number of British and foreign companies from 59 p.c. to 78 p.c. of the total number is a very marked point of difference between the fire and life insurance businesses in Canada, the latter being carried on very largely by Canadian companies.

Although in its early days the Dominion did not prove a very lucrative field for fire insurance companies, the great advance in building construction and the wide use of improved fire appliances and safety devices have reduced materially the danger of serious conflagrations and have placed the risks assumed by companies in Canada on an equality with those of other countries. A general decline in the rate of losses paid to premiums received and in the average cost per \$100 of insurance may be noted in recent years (Table 1).

A feature of the fire insurance business, besides the increase in premiums received, is the continued increase in the number of companies which are operating on the mutual or reciprocal plan. These companies, in which all profits or losses