

Precedent to obtaining first registration, in addition to filing certain documents, including a full and complete financial statement, a company must satisfy the Minister that it is sound and solvent and must make the required initial deposit of securities, varying from \$10,000 to \$100,000, depending on the class of business to be undertaken. Annual returns are required of all registered companies and the Acts require an examination to be made by the Superintendent or on his behalf, of the books and records of companies with a view to substantiating the accuracy of the statements filed and the soundness of the companies. Should any company show an unsatisfactory financial condition, the Acts require immediate remedial measures to be taken. British and foreign companies are required to maintain in Canada assets sufficient to cover all of their liabilities in Canada, while Canadian companies are required to maintain in Canada all of their assets except such as it may be necessary to deposit outside of Canada as security for "outside of Canada" business.

The statistics herein given in respect of companies registered by the Dominion are divided into three classes relating to: (1) insurance against fire, (2) life insurance, and (3) miscellaneous insurance, *viz.*, accident, automobile, aviation, burglary, credit, earthquake, explosion, forgery, guarantee, hail, leakage, live-stock, sickness, steam boiler, title, tornado and weather insurance. These statistics are compiled from the reports of the Department of Insurance; throughout they apply to calendar years.

Since 1915, the Department of Insurance has collected statistics, included herein, of business transacted by provincial companies licensed by the provinces, classified as to: (1) business transacted within the province of incorporation, and (2) business transacted in other provinces.

Further, returns in respect of "unlicensed insurance", above referred to, were required under Section 16 of the Special War Revenue Act for taxation purposes, and statistics compiled from these returns have been published in preceding editions of the Canada Year Book, following Table 7. This section of the Act having been held unconstitutional by Privy Council decision, Oct. 22, 1931, on an appeal from the Court of the King's Bench of the province of Quebec, the returns for 1930 are incomplete; consequently the table is omitted from the present edition. By an amendment to the Act at the last session of Parliament, a section analogous to Section 16 was enacted, applicable to unlicensed insurance. Further, provision is also made for returns of unlicensed insurance under the Foreign Insurance Companies Act, 1932, and under the Canadian and British Insurance Companies Act, 1932, so that statistics for 1932 and following years will be available.

Statistics of Dominion Government annuities are given at the end of this chapter. The Department of Labour administers the Acts under which these annuities are sold.

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.