

8.—Fire Insurance Carried on Property in Canada in 1929, under Section 129 of the Insurance Act, 1917, by Companies, Associations or Underwriters not Licensed to Transact Business in Canada.

(These statistics for 1929 will be found at p. 808 of the 1932 Year Book. See p. 926, paragraph 4 of this volume, *re* these statistics for 1930.)

Section 2.—Life Insurance.

Subsection I.—The Development of Life Insurance in Canada.¹

NOTE.—The tables of mortality referred to in this article are designated by the symbols ordinarily used for that purpose. The significance of these symbols may be briefly stated as follows: Hm, Healthy Males Table of the Institute of Actuaries; Om, British Offices Males Table; Om (5), a table based on substantially the same data as the Om table, excluding the first five insurance years following medical examination of the life insured. Wherever a rate of interest is affixed to one of these symbols to designate basis of valuation, for example, Hm 4 p.c., the assumptions underlying the valuation are that the future mortality of the policyholders of the company will be the same as shown by the table of mortality, and that the rate of interest at which the reserve funds of the company will accumulate in the future will be the suffixed rate.

Life insurance business, introduced into Canada by companies from Great Britain and from the United States as a fairly well developed institution, and taken up almost as early along the same general lines by a native company, can hardly be said to have a distinctive Canadian history. The technique and practice show the effects of British and United States influences.

Among the first companies to transact life insurance business in Canada may be mentioned: Scottish Amicable (1846), Standard (1847), Canada (1847), Ætna (1850), Liverpool and London and Globe (1851) and Royal (1851). The late '60's and early '70's were stirring years in life insurance activities the world over. In England, the frenzied flotation of companies in this period gave rise to abuses which pointed to the necessity for some control over the formation and operation of companies. Statutes were passed in 1870, '71 and '72 embodying principles—"freedom and publicity"—which have, without fundamental change, since governed in life insurance legislation in Britain; in the year 1909 these same principles were extended and adapted to four kinds of insurance.

In Canada no fewer than fourteen companies began business in the early '70's, including four native companies, namely: Sun (incorporated 1865, began business 1871), Mutual of Canada (Ontario Mutual, 1870), Confederation (1871) and London (1874). By 1875 there were at least 26 companies and possibly several more, competing for the available business in Canada, as against 48 companies licensed by the Dominion, and a few provincial companies, in 1931. A comparison of the first and last lines in Table 9 is of interest in this connection.

Outline of Life Insurance Legislation.—The first Dominion Insurance Act was passed in 1868. It prohibited the transaction of insurance business by any company (except provincially incorporated companies transacting business within the province of incorporation) not licensed by the Minister of Finance. A deposit of \$50,000 was required. Many of the provisions of this Act are traceable in the insurance legislation of the present day. Acts were passed in 1871, '74, '75 (consolidation, fire and inland marine and provision for appointment of Superintendent of Insurance under Minister of Finance); 1875 (extending powers of Superintendent to life and other companies); 1877 (consolidating the laws in respect of insurance, bases prescribed for computing claims of policyholders in an insolvent company, Superintendent to make quinquennial valuations on these bases); 1885 (dealing with

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