

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 available. 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 now, 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.

The report of the Superintendent of Insurance for the year ended Dec. 31, 1934, shows that at that date there were 235 fire insurance companies doing business in Canada under Dominion registration; of these 50 were Canadian, 67 were British and 118 were foreign companies. In 1875, the first year for which authentic records were collected by the Department of Insurance, 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 almost 79 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 materially reduced the danger of serious conflagrations and have placed the risks assumed by companies in Canada on an equality with those of other countries.

A feature of the fire insurance business, besides the large percentage of British and foreign companies, 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 are directly received or paid by the policyholders, are making themselves felt as competitive factors in the fire insurance business.

**Statistics of Fire Insurance.**—Statistical tables of fire insurance in Canada follow, illustrative of the progress of total business since 1869 and of the operations of individual companies for the year 1934. The net amount of fire insurance in force on Dec. 31, 1934, with companies holding Dominion licences, was \$8,804,-840,676, while the net amount in force with provincial companies on the same date was \$1,240,396,613. Thus the grand total fire insurance in force on Dec. 31, 1934, with Dominion and provincial companies was \$10,045,237,289.\*

Table 1 shows figures of the growth since 1869 of companies registered by the Dominion, the relationship between losses paid and net premiums written, and the variation in the cost per \$100 of insurance. It will be observed that the cost of insurance reached a maximum in 1904 and 1905; there has since been a steady decrease with the exception of the years 1921, 1922 and 1924, when temporary reversals of the downward swing were in evidence. It is noteworthy that the cost

\*According to preliminary figures fire insurance in force in companies registered by the Dominion decreased by \$35,652,689 in 1935.