

CHAPTER XXV.—INSURANCE*

CONSPECTUS

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An introductory statement summarizing the salient features of the legislation covering insurance in general and the fields of Dominion and provincial jurisdiction appears at pp. 844-846 of the 1941 Year Book.

The 1942 Year Book, at pp. 842-846, contains a special article on the developments in fire and casualty insurance in Canada between 1931 and 1940, consequent upon the enactment of the three Insurance Acts of 1932.

Section 1.—Fire Insurance

In Canada, fire insurance began with the establishment of agencies by British fire insurance companies. These were usually situated at the seaports and operated by local merchants. The oldest existing agency of such a company commenced business at Montreal in 1804. The first Canadian company dates from 1809 and the first United States company to operate in Canada commenced business in 1821. A short account of the inception of fire insurance in Canada is given at pp. 846-847 of the 1941 Year Book.

In its early days the Dominion did not prove a very lucrative field for fire insurance companies. However, 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 that 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. (See p. 540 *re* farmers' mutuals.)

Subsection 1.—Grand Total of Fire Insurance in Canada

Of the total amount of insurance effected in Canada during each year, a part is sold by the companies holding provincial licences and permits. Such companies generally confine their operations to the province of incorporation, but may be allowed to sell insurance in other provinces.

* Revised under the direction of G. D. Finlayson, Superintendent of Insurance.