

Personal accident and sickness insurance net premiums written in Canada during 1985 were \$268 million and during 1984 were \$242 million. Net premiums earned in 1985 were \$255 million and net claims incurred were \$206 million, a claims ratio of 77%. In 1984 net premiums earned were nearly \$238 million and net claims incurred were \$180 million, a claims ratio of 76%. Net premiums for liability insurance written in Canada in 1985 were \$729 million and in 1984 were \$486 million. Net premiums earned in 1985 were \$606 million and net claims were \$562 million, a claims ratio of 93%. In 1984 net premiums earned were \$461 million and net claims were \$492 million, a claims ratio of 107%.

The major categories of assets and related liabilities of federally registered property and casualty insurance companies are given in Table 18.31.

Underwriting experience in Canada over the past years has ranged from losses of \$12.3 million in 1978 to a loss of \$1,302.5 million in 1985 (Table 18.32).

#### 18.4.3 Fire losses

Fire losses in Canada reached \$929.5 million in 1984, up from \$816.0 million in 1983. The total number of fires was 70,730 in 1984, a decrease from 70,953 in 1983. The number of children who died from fire was 133 in 1984, up from 116 in 1983 (Table 18.34).

The fire record reflected an increase in fire deaths for 1984, breaking the three-year downward trend. Fire injuries have also increased from 1983. There were 598 fire fatalities in 1984, up from 539 in 1983. The death rate for 1984 was 2.38 per 100,000 population. Injuries increased to 4,103 in 1984 from 4,008 in 1983 while property losses increased 14%.

## 18.5 Government insurance

### 18.5.1 Deposit insurance

The Canada Deposit Insurance Corporation was established in 1967 to provide, for persons having deposits with a member of the corporation, insurance against the loss of deposits up to a maximum of \$60,000 for any one depositor. Membership in the corporation is obligatory for chartered banks, Quebec savings banks and those federally incorporated loan and trust companies that accept deposits from the public. Provincially incorporated loan and trust companies that accept deposits from the public are eligible to apply for membership if they have the consent of the province of incorporation. The definition of

deposit, set out in a schedule to the Canada Deposit Insurance Corporation Act, might be summarized as money received by a member institution that is repayable on demand or notice and money that is repayable on a fixed date within five years from the date of deposit or on the anniversary date five years after the date of deposit. Deposits not payable in Canada or in Canadian currency are not insured.

### 18.5.2 Provincial government insurance

**Manitoba.** The Manitoba Public Insurance Corporation is a Crown corporation established under the Automobile Insurance Act. The act, now known as the Manitoba Public Insurance Corporation Act, provides for establishment of a universal, compulsory automobile insurance plan and of other plans of automobile insurance within the province. The corporation started operations in November 1971. Revenue for the plan comes from two sources — premiums on drivers' licences and premiums on vehicles. Premiums are also based on such factors as year, make, model and use of the car, and rating territory, based on the address of the vehicle owner. Since mid-1975, the corporation has offered a wide range of non-compulsory general insurance coverages in competition with private insurance companies.

**Saskatchewan.** Saskatchewan Government Insurance (SGI), a provincial Crown corporation, was established in 1944 as a general insurer with the principal purposes of providing insurance coverage at reasonable rates and boosting the provincial economy by generating investment income and premium tax revenue. It became one of the largest casualty/property insurance companies in Canada.

SGI offers comprehensive home and tenant policies and most other personal lines of insurance, excluding sickness and life. Commercial property insurance, business interruption insurance, commercial auto coverage, and liability insurance are available for businesses.

SGI also administers the Automobile Accident Insurance Act (AAIA) on behalf of the province. This provides Saskatchewan motorists with comprehensive universal insurance coverage, including \$200,000 third party liability, medical and disability coverage (plus loss of income) and collision coverage. This is the minimum required by law; extended coverage may be purchased from SGI or any other insurer. SGI competes directly with other insurers for automobile insurance beyond the compulsory coverages.