

of large fires. This trend is well illustrated in the following table, which sets out the insured fire losses for the years 1918–44. It will be seen that following the First World War there was a high loss cycle extending over twelve years from 1921 to 1932, with a peak in 1928. The average annual cost to the insurance companies over this period was £997,000 and the national loss at least £1,125,000. There was a sharp drop in 1933, and the low loss cycle continued until 1945, with a small rise in 1940–41 and minima in 1937 and 1943. The average insured loss over this period was £539,000, and by a coincidence the twelve lean underwriting years were exactly balanced by twelve fat ones. The bulk of the loss in 1945 was not insured, but it is clear that the underwriters will again have been heavily hit in 1946.

Table 1.—Insured Fire Losses, 1918–44

Year.	Loss.	Year.	Loss.	Year.	Loss.
	£(000)		£(000)		£(000)
1918	472	1927	1,211	1936	466
1919	391	1928	1,454	1937	463
1920	449	1929	1,094	1938	596
1921	739	1930	1,013	1939	587
1922	739	1931	1,149	1940	642
1923	796	1932	771	1941	715
1924	1,009	1933	573	1942	484
1925	862	1934	504	1943	426
1926	1,129	1935	540	1944	478

4. History has a habit of repeating itself, and the importance of the above figures is that they establish that a high fire-loss cycle is possible, not to say probable, in the present post-war inflationary period. The increase in the number of property fires in urban areas referred to in last year's report is being maintained, and the 1945 and 1946 losses, although not conclusive, give some indication that the conditions operating in 1921–32 have developed earlier than after the First World War. Experience in this and in other countries has shown that fire losses can be reduced, if not controlled, by fire-prevention activities and by the maintenance of a high standard of efficiency in the Fire Service. The proposed Fire Service Bill, discussed in previous reports, is designed to provide more effective machinery than was available in the past for dealing with both these aspects.

FIRES IN FIRE DISTRICTS

5. It will be seen from the statistical returns in Table 3 that a number of most unwelcome records have been established in fire districts during the year under review :—

- (1) The total fire loss (£1,201,508) exceeded by £500,000 the previous record loss in 1928–29.
- (2) The loss in large fires (£1,009,630) was almost double the loss in 1928–29, which was the previous record.
- (3) The wool-store fire in Wellington involved the largest insurance pay-out made on any single fire in New Zealand. This is understood to have been the second largest insured loss in the world during 1946.
- (4) The pay-out for the year by the insurance companies—insured loss plus Fire Board levies—was £1,279,535, or only slightly less than the total premium income of £1,286,976.