

CIGARETTES AS FIRE BRANDS.

In view of the serious fires that have occurred through the carelessness of cigarette smokers, any person found using cigarettes around any factory or plant, should be severely penalized. No matter if the plant is one where the fire risks are extra good, the careless workman may set all precautions at naught and do almost irreparable harm. Such carelessness should be treated as a criminal offence.

PERSONALS.

The Canada Hail Insurance Company, Winnipeg, has ceased to carry on business in Canada.

The Automobile Insurance Company of Hartford, is licensed to transact in Canada the business of Fire Insurance, Lightning and Hail Insurance. T. H. Christmas, Montreal, is chief agent.

The Aetna Casualty and Surety Company, has been licensed to transact Accident, Automobile, Burglary, Guarantee, Plate Glass, Sprinkler, and Leakage Insurance in Canada. T. H. Christmas, Montreal, is chief agent.

Mr. Arthur Barry, general manager for Canada Royal Exchange Insurance Company, has returned from England after a two weeks visit to his head office. Mr. Barry informs us that the Royal Exchange has had the most successful year's business for 1917 in its history. The Company was established nearly 200 years ago. He was greatly impressed with the quiet self confidence which was very apparent throughout England, to carry on the war to a successful issue.

PRINCIPLES OF MARINE INSURANCE.

There has been published by the Insurance Society of New York a paper recently read before it by Mr. Benjamin Rush, president of the Insurance Company of North America, on the principles of Marine Insurance (Hull). As head of an old-established organization, which transacts an immense marine business, Mr. Rush speaks with authority, and with the advantage of a clear style, his lecture was exceedingly useful for the beginner in marine insurance.

Mr. Rush points out that the very essence of the contract of Marine Insurance is indemnity. Its sole and exclusive object is to procure for the assured indemnity in the strictest sense of that word, and consequently its whole spirit would be violated if the assured were to make the occurrence of any casualty insured against, a means of gain, for this would be to give him an interest in procuring sea losses, which would be opposed to every principle of commercial policy.

General Average.

Mr. Rush gives an interesting explanation of the law of general average in marine insurance, a law peculiar to the sea and whose foundation may be said to be bedded in equity, rather than in statutes. It is one of the most ancient laws in the world, being established long before the Christian Era, and its original germ is embodied in the law of the Island of Rhodes, providing that what is sacrificed for the benefit of all in a sea-adventure, should be made good by the contribution of all.

Three things are requisite and necessary in order to constitute a clear case of general average:

First—An imminent and overwhelming peril common to all interests in the adventure—ship, cargo and freight.

Second—A voluntary sacrifice made of some part of the adventure, whether ship, cargo or freight, or an expense incurred for the purpose of avoiding this imminent and otherwise unavoidable peril.

Third—The sacrifice so made must achieve the desired result of safety, at least in part.

The simplest, oldest and clearest case of general average is that of jettison of merchandise to lighten a ship in danger of being overcome by the violence of the tempest.

Voluntary Sacrifice.

From this foundation, the general average act has been extended to include every voluntary act or sacrifice made by the master or other accredited agent of the shipowner for the purpose of saving the adventure in whole or in part from an imminent and deadly peril. Such acts occur when cargo is jettisoned or when masts or spars are cut away in order to relieve the ship from the violence of the tempest. They also occur when a vessel is voluntarily run ashore in order to avoid the peril of sinking in deep water, or when water is poured into the hold to extinguish a fire, or when steam is injected into the hold for the same purpose.

Furthermore, the consequences of a general average act are considered the same as the act itself, such for instance if the hatches are opened for the purpose of jettisoning cargo and water finds its way through the hatch, and damages other cargo, which was not intended to be jettisoned—the loss on such cargo would also be a general average loss.

The underlying principle of general average is that all who are interested in the adventure should contribute to make good for the loss of one whose property has been sacrificed for the common welfare. Therefore a general average act having been performed and a general average loss having been sustained thereby when the vessel arrives at her port of destination, a general average adjustment is made up which distributes that loss equally among every interest in the adventure, and it is the duty of the underwriter to take upon his shoulders the general average contribution which is legally enforced by the lien in rem on the property itself.

A particular average loss, in contradistinction, is a partial loss sustained by the particular subject matter insured, and caused by the perils insured against.

WANTED

Casualty Inspector for the Prairie Provinces by prominent British Company. Apply, stating qualifications and references, to

CASUALTY INSPECTOR,

c/o THE CHRONICLE,
MONTREAL.