

**FUTILE CANCELLATIONS.**

One of the State insurance departments south of the boundary draws attention to a point which has a good deal of interest in Canada—the fact that frequently cancellations on the orders of a special agent are futile, action by one company leading merely to another company promptly taking up the risk. These cancellations are futile, says this authority, not because of the failure of the individual to perform his duty, but because of the system, or lack of system, which fails to give the public the benefit of his inspection.

The special agent may find that a risk placed in his company is not desirable because of over-insurance; because of the character or fire record of the insurer; because the land is more valuable without the building than with it, or for any one of a score of reasons. The special agent, accordingly orders the cancellation of the risk in his company. The local agent cancels, but may immediately rewrite it in another company in the agency, and that company will then carry the risk until its special agent arrives on his periodical visit, inspects and orders cancellation. This process, of course, may be repeated indefinitely until the risk burns. The local agent feels sure, and with good reason, that if he does not rewrite the risk his competitor will, and the special agent, knowing that the risk will be written in his rival's company and desiring to make a good record for premiums, will often be tempted to "take a chance" rather than lose the business under such conditions. The result is that there are so many more fire losses to pay.

**SUGGESTED REMEDIES.**

The following action is suggested as likely to remedy this condition of affairs:—

(a) The forms of every company should require a statement bringing out the facts as to cancellation, if there has been such. They would then be put on notice as to the risk and could investigate for themselves the points raised by the cancelling company.

(b) If local agents were compensated on a contingent commission basis, they would have a very pronounced incentive to heed the special agent and would hesitate to rewrite a risk found unsatisfactory, before the conditions were corrected.

With a system of this kind, the local agent would see to it that such limitations as to "other insurance" were placed in his policies as would keep the insurance within the value; and the inspection of risks and improvement of fire hazards by both special and local agents would be greatly encouraged.

**THE ROLL OF HONOUR.**

English insurance journals to hand contain the following names of insurance men who have fallen in the service of their country:—Lieutenant G. C. Burnell, Liverpool Scottish, Head Office staff, Royal Insurance Company, died of wounds received at Hooze; Second Lieutenant L. St. L. Windsor, 2nd Suffolks, head office staff, London Guarantee & Accident, killed at Ypres. The following have been honored for distinguished service:—Lieutenant L. S. Clinton, 23rd Battalion, London Regiment (Territorials), Sun Insurance Office, awarded the Military Cross; Captain G. Travers Biggs, 1st Glamorgan Fortress Royal Engineers, Sun Insurance Office, mentioned in despatches.

**REFRIGERATING EXPLOSION HAZARD.**

An unusual number of explosions or ruptures in connection with refrigerating systems has served to call special attention to the action of ammonia fumes when suddenly released from the customary pressure of 125 to 175 pounds. "It appears," says Superintendent F. J. T. Stewart, of the New York Board of Fire Underwriters, "that in most cases, explosions of varying intensities or at least fire resulted directly or indirectly from the presence of the released ammonia vapor. The commonly accepted explanation of such fires or explosions has been that they are due to the presence of oil in ammonia gas, the oil being used somewhat extensively for lubrication and sometimes for cooling compressors."

**GREAT CARE NECESSARY**

Superintendent Stewart further says:

"By way of accounting for explosions of ammonia vapor suddenly released from high pressure, when not attributable to the presence of lubricating oil, it has been suggested that decomposition of the ammonia might take place, especially in the presence of an intense heat such as that of an electric arc light, resulting in the liberation of hydrogen, which forms an explosive mixture with air. It has also been suggested that certain impurities in the ammonia might increase the tendency to decomposition or explosion. In a number of the cases reported herein a definite explanation of just what caused the explosion of the ammonia vapor seems to be impossible, but the facts, as nearly as can be ascertained are submitted. The practice of testing refrigerating systems with air pressure is especially hazardous, unless all oil is thoroughly removed from the entire system and great care is taken to prevent overheating of the air while being compressed. The last explosion reported was due to this cause."

**LOOK AFTER LAPSES.**

The present is an exceedingly good time for the life companies and their agents to get busy in looking after lapses. They cannot expect to do as much new business as in former years and some of the energy that is devoted to chasing up that might well just now be given to the task of keeping in force the business that the companies have previously obtained. In following this course, the companies would be killing two birds with one stone, conserving their own interests and furthering those of the community at large. To allow existing insurance policies to lapse is a poor economy at the present time particularly, and a company which permits policyholders to fall away without a determined and reasoned effort to retain them has no right to consider that it is performing its plain and simple present-day duty.

The effects of the war upon British trade are shown in the trade returns for June. The total imports of the United Kingdom for the month were £76,117,797, an increase of £17,838,144 compared with June, 1914. The total exports last month were £33,233,568, showing a decline of £6,530,408 compared with the corresponding month in 1914.