THE PHENOMENON OF LIGHTNING.—The best theory of lightning, best because it satisfactorily explains the greatest number of facts, is, that lightning is produced by the passing of electricity from cloud to cloud, or from a cloud to the earth as a result of the difference in potential of the electric charges in the two bodies being sufficient to fracture the air between them. The heat produced makes the air momentarily incandescent along the line of fracture.

Any object extending high in the air makes a weak point in the resting medium, therefore steeples, smoke-stacks, high buildings and trees are most likely to be struck.

THE WAY TO FIND LOST GAS.—Unfortunately, the only way in which gas can be found is by exploding it, for in filtering through the earth about the service pipe it loses its odor. The striking of a match, the entrance of a flying spark or the taking of a lamp into the cellar may ignite it. Ninety-four such explosions occurred in Ohio during last year.

An eminent expert in gas leakage, James C. Baylis, M. E. Ph. D., whose experience covers two continents, in speaking of the presence in houses of gas from defective mains, in "Insurance Engineering," said: "That most dangerous characteristic of this filtered gas is that it has little or no odour. None of the gases composing it carries any smell of its own. It is a rattlesnake which has lost its rattle; its power and disposition to strike remain unabated, but it is incapabe of giving any warning of its presence or purpose. In buildings fronting on asphalted streets it is rarely looked for in vain."

THE COST OF LIGHTNING.—More barn fires result from lightning than from any other two causes. The exhalation from hay lessens the resistance of the atmosphere to electricity and it is true, too, that the emanation from rain-wet cattle has the same effect. So, stock attracts lightning strokes from the clouds directly, and by way of the barbed wire fence.

Insurance statistics show that 11½ per cent. of the fire loss in the country and 1 per cent. in the cities is from lightning. And they also show that claims for fire losses are rare in buildings perfectly rodded. Lightning seldom causes losses in buildings having water pipe, or metal roofs and well grounded metal leaders.

Strokes of lightning are as common in urban as in rural districts, they being in proportion to sky area.

Telephone managers state that no house has ever been fired by lightning coming in over a telephone wire. Telephones are protected by a ground wire which serves as a lightning rod. Grounding of wire fences would lessen the loss of cattle by lightning more than half.

PERSONALS.

MR. F. G. SHERMAN, manager of the Royal Bank of Canada, at Havana, is in the city, conferring with the president and general manager.

MR. PERCY J. QUINN, who for the past three years has been assistant local manager in Winnipeg for the Royal Insurance Co., was in Montreal for a few days this week. His sojourn in the North west appears to have impressed him considerably with the enormous progress being made, and the prospects of a great future being before that country.

MR. WILLIAM MACKAY, manager for Canada of the Royal Insurance Co., is at present enjoying a well earned holiday.

MR. CHARLES H. NEELY, manager for Canada, of the Ocean Accident & Guarantee Corporation arrived in Montreal on the 1st inst. per S. S. Bavarian from England, where he had been visiting the head office.

Correspondence.

We do not hold ourselves responsible for views expressed by correspondents.

NEW YORK INSURANCE LETTER.

New York, Oct. 4, 1905.

Not the least interesting of matters uppermost in the minds of fire underwriters in this city, is the proposed new adjustment bureau in which the fire companies will co-operate towards the common end of reducing adjustment expenses. The stock of the new company has already been far over subscribed, showing the popularity of the movement. For many years the companies have been over ridden with an army of adjusters employed by themselves individually, a large number of whom would frequently gather to settle an insignificant loss at a great deal of unnecessary expense, as the work could have been done just as well by two or three men. In fact, very few of the army surrounding the loss problem ever had any hand in final settlements. This will go far towards reducing expenses in this particular feature of fire underwriting.

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A circular addressed to all the companies by Hon. John F. Dryden, President of the Prudential Insurance Company, and United States Senator from the State of New Jersey, urging the desirability of federal supervision of insurance, has recently brought the matter definitely to the attention of individual companies. Not many have yet committed themselves, but at a meeting of the National Board recently held, the sentiment seemed to be rather opposed to the undertaking. It is not the *theory* of federal supervision which is objected to, but the practical difficulties in the way are found to be very great. It is feared that the result might be merely to add one more to the official nuisances which have so long vexed insurance in this country.

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The legislative investigation of life insurance is, of course, the most talked of of all insurance matters at the present time. The impressions gathered by the public from the headlines in the daily papers are that some great sensation has been evolved, or that some extensive fraud has been perpetrated. No such thing has been proven, however, and nothing but lack of judgment in some possible cases has been shown, as in the instance of the New York Life which has been the particular company under fire. It is too early to judge of the probable outcome of this investigative movement.

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NOTES.

This city (New York) learns with interest of the organization of the Sovereign Fire Assurance Company now being promoted in Toronto. Its prospectus advertisements are attractive to the eye, but they are lacking in that they do not give the results of Canadian fire insurance business.

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It has been rumored that the Liverpool and London and Globe Insurance Company might engage in liability business, but no decision has as yet been arrived at.

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President E. G. Snow, of the Home Insurance Company left recently for the Pacific Coast, to return to this city about November 1.

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President Henry Evans, of the Continental, is expected home from Europe the latter part of this week.

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A recent visitor in New York was William S. Warren, Resident Secretary in Chicago of the Liverpool and London and Globe Insurance Company.