

MUTUAL FIRE COMPANIES.

A Chicago special to the J. of C. & C. B., sketches a decision by the Michigan Supreme Court upon the individual liability of policy-holders in mutual fire companies. The Citizens' Mutual of Jackson has been in receivership since 1900, and unpaid claims and expenses since that date now foot up over \$25,000. The concern was for Michigan only, and it failed for the familiar old reason that a large proportion of its members wearied of assessments and lay down in the road, so to speak. There are nearly 9,000 of them in all, but it is alleged that about 82 p.c. of the entire number are of the financially irresponsible sort who used to figure on the lists of Lloyds here. The receiver, wanting money, reasoned that it was useless to seek it of those who had it not and necessary to bleed those who had; so he levied an assessment nominally on them all, but multiplied its total by five, assuming that not more than twenty per cent. would respond. This was contrary to a limitation clause in the by-laws, but the Supreme Court has now pronounced it legal, and the members who abandoned the concern before it was pronounced insolvent are feeling anxious.

A general partnership makes every partner liable for all obligations; a limited one sets up a maximum as a barrier; the usual rule of stockholders' liability carries an exposure to limited assessment, each being responsible for his own share, but not for the uncollectable dues of the others. If the proposition that the substantial members or ex-members must bear the entire demand, in any organization, is established, it will cast a chill over the very idea of mutual association.

RECENT TEST OF WATER PRESSURE AT WINNIPEG.

The fire insurance companies have often had to point out defects in the municipal protection of cities in Canada—Montreal, Toronto and Quebec for example. We cannot recall, however, that any important city was ever exhibited in such a deplorable and ignominious plight as was the case with Winnipeg last week. From our daily contemporaries we learn the astonishing fact, that upon the waterworks there being tested by the Canadian Fire Underwriters' Inspector, the pressure only registered from 5 c. 25 lbs. and when a subsequent test was made with two lines of hose of 250 feet attached to a hydrant, the pressure was only 8 lbs., while the gentle streams which trickled from the nozzles called forth the jeers of the surrounding populace. We also gather from private sources that at times there is insufficient water supply even for domestic purposes above the first storey of a building. All this in a city claiming over 100,000 inhabitants. Such a disclosure is so

startling, that we cannot see how the companies can avoid taking speedy action in some shape or other. The rates of insurance at present charged in Winnipeg are high—probably equal to those of towns without waterworks situate in the Provinces of Quebec and Ontario, and on the other hand the amount of value insured, with the consequent liabilities of the insurance companies is very much larger in Winnipeg than in the said towns. Under these circumstances, it is quite probable the companies may feel compelled to reduce their liabilities to such a degree, that until a radical improvement in its waterworks system is made the Winnipeg public may find it extremely difficult, and often impossible, to obtain insurance. In such action the companies would simply be considering their own welfare, for it is plain that as things now are a sweeping fire is by no means impossible.

Now, unless the Winnipeg public is prepared to face the position of being very inadequately insured it must take the bull by the horns, and provide such protection, as will be acceptable to the underwriters, and this must be done at once without any dilly-dallying, for the cost of the same, however heavy it may seem, will be a good investment in the long run.

The situation is most grave and goes to prove that the interests of the insured (or those desiring insurance) and the companies are to a large extent identical. They both wish to do business with one another, but such can only be done under certain conditions. The property holders, in a large wealthy city, require insurance to save them ruinous loss from fire, and to enable them thereby to carry on business. The companies are willing to provide that insurance, for certain rates, provided there is what they deem adequate protection, by which they may have a fair return. But if the one will not accede to having the required protection, he must not be surprised, or angry, because the other declines to grant the insurance. It is simply a matter of purchase and sale and the terms must be agreeable to both parties.

FOREST FIRE IN NEW BRUNSWICK.

A large part of the province is in the terrible grip of forest fires. For nearly two months little rain has fallen, and fire once started in the woods is almost impossible of repression. On the north shore fires have swept from Rogersville to Barnaby River for a distance of eight or nine miles, and a terrible fire is now raging within a short distance of both villages. One hundred and fifty to two hundred men have been fighting the flames for several days, but on Saturday the heat was so intense that the men were forced to abandon the first line of trenches they were digging in an effort to