

**The Disgrace** A loss by the recent fire at Sunderland of (Eng.), estimated by some of the English **Sunderland** papers to amount to a million of dollars, has directed public attention to the really disgracefully inefficient and ill-equipped fire brigade of that town. Coming so closely upon the disclosures of similar weakness in the fire-fighting appliances elsewhere in Great Britain, it is not at all surprising to find the insurance companies are aroused and angry. It is even suggested that, in future, any town neglecting to provide proper precautions against fire be denied insurance altogether. The twenty-two companies having to pay the penalty of the gross neglect of the people of Sunderland are justifiably indignant at the rottenness revealed by the following scathing comments of the *Daily Chronicle*, and it is quite likely that the rates charged hereafter to cover the property of a Sunderland tax-payer will have the desired effect of arousing his interest in the fire brigade and police service of the town he lives in:—

"It is incredibly disgraceful that a great and prosperous town like Sunderland should have nothing worth calling a fire brigade and only defective fire-preventing apparatus. Yet such appears to be the case. A large retailer's premises take fire, and four main streets are wiped out. The police are said to supply the firemen when wanted, with the natural result that the great crowds are unmanageable. The hose, one account says, was squirting water from innumerable punctures. And the correspondent adds that practically no attempt could be made to fight the flames. In fact, 'as for the work of controlling and extinguishing the fire, the proceedings were a farce. The Sunderland fire brigade does not exist.' A fourth-rate American western town would be better prepared to defend itself from conflagration. Sunderland is paying the penalty of its neglect. We wonder how many other provincial towns are in like case."

**Fire Insur-** Disgraceful as the condition of the fire-  
**ance in the** fighting appliances of Sunderland (Eng.)  
**Argentina.** proved to be at the recent conflagration in that town, the state of affairs in Rosario (Argentine Republic) is, if the *Financial News* be not in error, even more indefensibly bad. The reports in English newspapers of the Sunderland fire do not charge the people with being aware of the rottenness of the hose and the miserable incapacity of the firemen. But the municipality of Rosario in the Argentine, although subscribing \$200,000 to the patriotic loan, publicly proclaimed the place too poverty stricken to provide the hose required by the local fire brigade. The frequency of fires in Rosario compelled the insurance companies in the far-away Argentine to take some action in the matter. The representatives of the North British, Guardian, London Assurance, Commercial Union, London & Lancashire, Phoenix, Norwich Union, and some local companies, have therefore

held a meeting to discuss the purchasing of new hose for the fire brigade of this patriotic but extremely imppecunious city.

Now, we do not know whether these British insurance companies, after deciding, as they must, to protect themselves by buying new hose for Rosario, will present the same to that city; but we do hope that it is not inconsistent with the temperament of insurance officials in the Argentine to include the cost of the required hose in the premiums to be, in future, collected from these very remiss Rosarians.

Admiration for the citizens of Rosario may be justifiable when we reflect upon that subscription of \$200,000 to the patriotic loan—they were evidently actuated by the love of country; but practical insurance men doing business with these penniless patriots may well become honestly indignant at their failure to find \$4,000 to devote to the public safety and welfare.

**A Lesson in Prudence.** The reputation of the numerous industrial and other companies floated during the past few years will, in consequence of the Hooley collapse and resultant exposures, have to be above that of Caesar's wife. The downfall of Mr. Hooley may be regarded as a blessing if it tends to discredit the mania for the formation of trading companies out of well-established and prosperous mercantile houses only for the sake of obtaining large sums of money for the daring promoters of such schemes. In the *Nineteenth Century* for May, Mr. S. F. Van Oss, an excellent writer on financial subjects, published an article entitled: "The Limited Company Craze." Describing the condition of things brought about by the conversion of shops and trading concerns into limited companies, Mr. Van Oss says:—

"For better or for worse, the shareholder has for good supplanted the old private proprietor, and a permanent change has come over British business. . . . Personal ownership has ceased to be the controlling power in trade; and when it left it took along with it that personal care, personal supervision and personal responsibility which made our business great and which so long kept it great. The old generation of solid, sturdy business men is practically gone. . . . Instead of men who depend for their very living upon their zeal, their energy, and their judgment, we have, except in those rare cases where directors are also large shareholders, men who depend for their living upon the salaries paid to them by companies."

Although in company with many contemporaries, we do not believe that the good, sturdy, British merchant and shop-keeper is by any means effaced, there is no reason to regret the temporary stoppage that the revelations of Mr. Hooley will cause to the flotation of trading companies and in making the public more cautious when investing in their shares.

Already there are signs of a change. The glittering prospectus and the glib statement made by some titled