

ment aside, and issue another batch of bonds for the very same purpose as the original ones, which bonds are to be devoted to carrying out the amalgamation which was expressly stipulated should not be entered into, involves a breach of faith, and sets a dangerous precedent for municipal borrowers. The original scheme was favored by Hamilton, as it ensured local control of the new line in the direct interests of that city. To secure this, \$225,000 was granted it as a subsidy. By the new proposal that subsidy is to be raised to \$475,000 and local control abandoned. The additional \$250,000 secures Hamilton no new advantage over the original scheme, as we cannot regard the mere fact of the T. H. & B. being made part of the Canadian Pacific system any such benefit to that city as warrants so large a subsidy. Toronto seems more likely to reap advantage rather than Hamilton, for it is that city which has long felt the need of more rapid and direct connection with Buffalo. Now that the Grand Trunk is double-tracked to Hamilton, and the service admittedly excellent between the two cities, there is no necessity for a second line between those points; but if it is built, we may be sure that Hamilton will not be the headquarters of the new road, nor its interests a ruling factor in traffic arrangements between Toronto and Buffalo. Before enlarging its debt or obligations by \$250,000, the citizens of Hamilton would do well to think twice before such action.

A Securities Insurance Case.

A CASE has just been decided in the English Court of Appeal, of some interest to companies that insure securities or debt risks. The Securities Insurance Company, London, guaranteed the repayment of an advance made by the London & Southwestern Bank to a customer, who failed to keep his contract to repay by instalments. The insuring company went into liquidation for the purpose of being re-organized.

The risk in question was one of a number, one-half the amounts of which had been re-insured, the contract for which had this clause: "In case the company, for any reason, including its own insolvency, do not pay the whole or part of any claim, the underwriters shall only pay in the same proportion." The company's liquidators secured the sanction of the court to a scheme of reconstruction by which a new company was formed to take over the assets and assume the liabilities of the old concern, the assets of the original company being held by the liquidators until the claims against it should be settled. The bank stood as a creditor for £2,000. When reconstruction was effected, the liquidators had collected £44,000 of the old company's assets. At the first meeting of the new company this money was handed over to the directors, with instructions to pay certain claims, including that of the bank, which was at once paid in full. The underwriters then refused to repay one-half of this sum to the liquidators, on the ground that the payment to the bank was made by the new company, and that they had not insured the new company. The Court decided that the payment was for the old company, and judgment was given in

favor of the liquidators, which on appeal was sustained, the appeal being dismissed, the decision being given by the Master of the Rolls.

Twisting.

"TWISTING" does not suggest an insurance topic; it is used however by the "Ingleside" as the title of a severe article on a certain class of agents whose exertions are put forth in efforts to persuade the policy holders in other companies to drop their policies and re-insure in the one they represent. Although we do not regard this as being so appallingly wicked as the writer depicts, it is doubtless open to grave objections. The practice of some canvassers of running down rival companies is a game at which two or more can play. When persons are solicited to take out a policy by several rival agents, who each have sought to destroy confidence in the soundness of the other companies, the result is very apt to be a refusal to do business with any one of them. Agents act wisely who leave "twisting" alone, and rely upon the attractions of the several companies they represent to secure business.

The persistent, systematic belittling of other companies, more especially of such as are doing a legitimate, sound business, will be found as unprofitable as it is unjustifiable. Agents may rely upon this, they will catch more fish by fishing steadily and skilfully than by all their labors to destroy the nets of other fishermen.

What is fireproof?

As a result of a special examination to be made by scientific experts who have been requested to report on fire-proof construction, we shall doubtless get some valuable informations and suggestions. We see buildings constantly being erected in which the so-called fire-proof features are very defective. Reliance is too much placed on iron, which has two grave faults: in great heat it melts, and it expands very rapidly in a fire, so that iron beams soon are thrown out of place, and cause walls and floors to collapse. Iron is a rapid conductor of heat, more so than wood. Bricks do not break up nearly as quickly as stone,—indeed, a thoroughly good brick wall is as near fire-proof as anything known. Hence the value of brick terra-cotta walls and floors which will resist fire and remain intact for a great length of time. Fires will not burn through such floors unless the fire is exceptionally intense and prolonged. Anyone who has watched fire knows that the thin woodwork used in construction is what causes the blaze to be so furious and so spreading. The hollow spaces in walls are very convenient for fire passing upwards. In rows of houses more solid partition walls than are generally found are needed to keep fires from sweeping along the block. Even brick partition walls run above the roof for precaution are often so built as to leave a fire at one house free play at some point in the front part of the roof of its next neighbor. The modern taste for elaborate woodwork on the exterior of houses, especially cheaply built ones, which make up by show what they lack in solidity, has caused hundreds of fires to spread along