

bank shares. So that in this connection it would appear that, on the whole, the Canadian bank shareholder is somewhat better off than his British confrère. There can be no doubt of the utility of large rest funds in reconciling the Canadian holder of bank stock to the double liability upon his holdings. It is a matter of importance that additional capital for the banks should be readily forthcoming in order that they may continue to provide for the increasing requirements of the country, so that continued building up of the rest fund of a bank to a point at which it equals the amount of the paid-up capital would seem desirable from this one point of view alone. Whether it is equally good policy to go far beyond this point is more debateable.

FIRE UNDERWRITERS AND MONTREAL'S WATER SHORTAGE.

We publish in another column the details of the action which has been taken this week by the Canadian Fire Underwriters' Association following the Point St. Charles fire last Sunday night, which resulted in losses of \$468,000. In demanding from the City Council an investigation into the management of the city's engineering and waterworks department, the Underwriters will have the support of the citizens as a whole. Already the Council of the Board of Trade have taken action in energetic support of the Fire Underwriters, and we have no doubt that the other representative associations, whom the Fire Underwriters have asked for assistance, will respond in the same way as has the Board of Trade.

The circumstances call for vigorous action and an end once for all of the dilly-dallying, hand-to-mouth policy which, appears to have been hitherto the City Council's guide in the matter of the water supply. Through that policy, the city has been placed for some weeks in imminent danger of a gigantic conflagration. What might have happened on Sunday night had weather circumstances been less favorable, or had a second fire broken out in the congested district of the city can only be conjectured. Mr. Hadrill, the secretary of the Fire Underwriters Association, is not exaggerating when he says that had the fire started during the windstorm of last Friday, the whole side of the city would have been swept away. For three hours while the fire was in progress there was no water in the congested district. Automatic sprinklers were rendered useless; the hundreds of millions of dollars of property comprised in the valuable buildings and merchandise located and stored in this section were left absolutely unprotected, at the mercy of any fool who dropped a lighted match or cigarette end carelessly. And this in a city of 600,000 people which we are proud to call "the metropolitan city of Canada"!

City officials have been very busily explaining that

the whole trouble has been due to "accidents." We agree with the Underwriters that "accidents" do not explain fully and satisfactorily the whole sequence of recent events. Was the blow out which occurred on Sunday to a 36 inch connection which had been recently installed an accident? Was it not due to insufficient bracing of the part? There are also rumors that the breakdown of the pump some three weeks ago was not entirely an accident, but that the pump had shown signs that it required attention and doubtless the management, wishing to avoid any criticism on account of shortage of water which would have occurred had the pump been shut down, delayed examination until after the new pump was in commission.

We notice that Mr. Janin in reply to a letter from Major Stephens states that a further pump could be placed in commission within seven months. Perhaps Mr. Janin could explain why the present pump has taken eighteen months to instal. If we remember rightly there was a similar delay in the installation of the pump purchased some four years ago. The action of the then Mayor (Ekers) in having to purchase on his own account a steel chimney, will be recalled by our readers. It is very well for Mr. Janin and other city authorities to make promises of the equipment that will be obtained in the future, but what the public and the Underwriters want to know is, are these so-called accidents to continue? If that is to be the case, the most ample pumping capacity would be unavailable for fire, at any rate for a short period, and that possibly a critical one, as was the case on the canal bank by such an accident as occurred last Sunday night. Mr. Janin speaks of the ample supply which will be obtained when the aqueduct is finished, following his procedure in the case of the installation of the last pump. Will he wait until the aqueduct is finished before he considers the question of the provision of hydraulic pumps? As the Underwriters remark, this is a work of considerable magnitude, and initiative measures should at once be taken to obtain tenders for the pumps in question, so that they shall be ready to operate when the aqueduct is finished. With regard to the fire on the Canal bank, we also hear queries as to whether the steam fire engines were used to the best advantage, it being stated that at the commencement of the fire, they were all attached to, and drew water from the city hydrants, and consequently when the water failed, it naturally took time to transfer some of the engines to the Canal bank or the waste weir, and take water therefrom, which, of course, caused delay at a most critical period of the fire. It would seem that it would have been a wise precaution to place some of the engines at first so as to draw water from the Canal, which would have given a double supply.

The truth of the matter is that the present trouble is due not to "accidents" but to the fact that the City