

grain, and the consignees obtained a verdict for the damage caused by the defective ventilation and the consequent heating and swelling of their cargo of maize.

A modern bill of lading seems to offer a never-ending source of litigation. Originally intended as a contract to carry and deliver, it is said by the Australasian Banking Record that the bill of lading is fast "being distilled into a plain declaration of non-liability."

Melbourne Municipal Insurance

The City Council of Melbourne has been wrestling with the question of municipal insurance, the result of a memorandum submitted by the finance committee, showing that the new schedule of rates (made necessary by the recent big fire at Melbourne) submitted by the insurance companies would increase the yearly premiums on the city's properties from \$2,455 to \$5,580. The finance committee recommended that the insurance in question be undertaken by the council; that the Town Hall and contents be insured to extent of \$140,000; that \$5,000 per annum be provided in the annual estimates and paid into a special insurance fund for ten years; that the amount of annual premiums which would be payable under the Underwriters' Association schedule be also paid into such fund; and that the committee be authorized to invest this money subject to approval of the City Council.

A very lively discussion ensued.

Those in favour of every council becoming its own insurance company relied upon figures to win the fight, but the principal opponent to the scheme resorted to banter and ridicule, and the matter was finally shelved to enable the Mayor to obtain the opinion of counsel as to the legality of the proposal of the finance committee.

Even the statement that in ten years the city had paid for insurance \$22,360 and received back only \$4,040, a fact which was solemnly stated to show a "clear profit" of \$18,320 for the insurance companies, was laughed at by the leader of the opposition in the council. He charged the finance committee with ignorance of the elementary principles of fire and life insurance and with evincing a disposition to indulge in "gambling." This Australian alderman also compared the insurance business to horse-racing and cricket, in the luck and uncertainty surrounding it, and said some of his brother aldermen regarded their contributions at church as insurance premiums; but they were bad risks, like the Melbourne Hall, which he was surprised had not been burned. The banter of this very merry alderman was received with much laughter, and, when he questioned the right of the council to resort to gambling or "taking the odds," which he said was equivalent to conducting an insurance business, the report of the Melbourne Fin-

ance Committee was handed to the Mayor for an opinion, and there the matter of municipal insurance for Melbourne seems to have ended.

FIRE AND COTTON.

The British Fire Prevention Committee has been giving attention to the risk of fire in connection with the packing and storing of cotton, and the matter has been made the subject of a paper by Mr. R. H. Scotter, C. E.

The inflammability of cotton makes its packing the first consideration when preparing same for storage or shipment, and Mr. Scotter's paper seems to deal almost entirely with the risk attached to cotton in warehouse and the minimizing of said risk by proper compression and baling. Considerable attention is given to several great fires caused by the storing of cotton in Liverpool, and these fires are made the means for comparison between the immunity from fire in Egyptian and Indian cotton, and the frequency of same in the case of American article. Mr. Scotter believes that the superior packing of the cotton exported from the countries first named will account for the comparative freedom from self-ignition it enjoys. But the danger arising from the careless packing of this great staple of trade between the United States and Great Britain is not confined to the warehouses of Liverpool, where numerous fires have aroused the British Fire Protection Committee and led to the publication of the paper under review.

Many shipmasters can testify to the danger concealed in the coarse jute-covered bales which frequently form the principal part of the cargo of ships leaving southern ports; and, now that the subject of packing and storing cotton is receiving attention as a matter of interest to underwriters and warehousemen, it would seem to be a favorable time to consider these dangerous cotton bales when stored 'tween decks in the hold of a ship. We can recall in 1884 having seen a cotton laden four-masted iron steamer, bound from New Orleans to France, arrive at Bermuda on fire. There was no sign of fire as the steamer entered port; but when the hatches were removed it was found necessary to send for a force of sailors from H. M. Dockyard to assist in extinguishing the flames and removing the cargo. The burning bales were thrown overboard, and, in salvage and expenses, the insurance companies interested disbursed at Bermuda over \$15,000.

How many ships reported "missing" at Lloyds have been burned at sea will never be known; but it is quite certain that the same dangers of fire to cotton on storage in Liverpool or elsewhere exist, if in lesser degree, when the cotton is confined in the hold of a ship.

Under the circumstances, ship-owners and captains are equally interested with the B. F. P. Committee; and Liverpool warehousemen cannot do better than