tion. Time loans are a little stronger; 60 days, 2¼ p.c.; 90 days, 3 p.c.; six months, 4 p.c.

In their Saturday statement the clearing house institutions at New York showed a further loss of reserve strength. Banks and trust companies combined reported cash loss of $13,200,000, loan contraction of $27,200,000, and decrease in surplus reserve, $3,000,000. With this loss the surplus drops to $7,577,000, as compared with over $52,000,000 on June 6, a little over a month ago. In case of the banks alone the loss of cash amounted to $15,400,000 as against a loan contraction of $24,690,000—the net result being a drop of $5,300,000 in the surplus.

As the crop moving season is practically at hand in case of the winter wheat, and less than six weeks away in case of the spring wheat this state of affairs (the New York bank surplus down to $5,000,000) would under ordinary circumstances occasion considerable anxiety to Wall Street. This year, however, no concern is apparently felt. Everybody has confidence that the paternalistic Secretary of the Treasury will come to the rescue with the hoarded millions lying in the Government vaults. His intention last year was to prevent any of the funds going to New York. This year, Wall Street is apparently calmly using its funds for other purposes and leaving much of the task of financing the crops to the benignant official at Washington. Wall Street has been interested this week in the decision of the Court of Appeals in regard to the Union Pacific melon. The Equitable Life Assurance Society sued for an injunction restraining the railway company from making its distribution of Baltimore and Ohio stock. The appeal has been denied and presumably the $80,000,000 will be distributed at the beginning of next week.

FACTORY MUTUALS REDUCE DIVIDENDS.

The factory mutuals insurance companies have made heavy reductions in their dividends as a result of the Naumkeag fire. The dividends declared on policies expiring July 1, 1914, were obtained and they show sharp cuts, but at that are not nearly as low as stock underwriters expected, and the latter intimate that the factory mutual companies have paid all they could in order that the assured may be kept as contented as possible.

The dividends declared are as follows:

	Dividend Before.	Dividend After.
	Naumkeag Fire.	
Manufacturers'	92%	80%
Rhode Island	92%	80%
Boston Manufacturers	95%	67%
Firemen's	96%	75%
State	92%	80%
Worcester	94%	65%
Arkwright	92%	65%
Blackstone	93%	80%
Fall River	95%	74%
Mechanics'	92%	80%
Paper Mill	90%	60%
	93%	73.2%

The heavy impairment of the surpluses of some of the factory mutual insurance companies has in all probability reduced their writing power so decidedly that the legal maximum of 10 per cent. of the policyholders' surplus on a single risk will fall far below the sums they are now chancing in many single buildings of important plants.

For example, the following table will contrast the Naumkeag Mills loss with the surpluses of the various factory mutual companies:

Companies—	Amount of loss.	Surplus Dec. 31, 1913.	Naumkeag loss to surplus.
Manufacturers'	$200,000	$ 656,527	30%
Rhode Island	230,000	828,666	28%
Boston Manufacturers'	800,000	1,048,718	76%
Firemen's	373,763	1,065,392	35%
State	290,000	995,176	29%
Worcester	283,931	366,369	77%
Arkwright	614,749	833,538	74%
Blackstone	168,638	633,883	27%
Fall River	184,000	440,094	42%
Mechanics'	112,000	470,044	22%
Paper Mill	71,466	89,875	80%
Total	$8,328,547	$7,428,282	44%

On the above basis the Boston Manufacturers' can now write about $25,000, the Arkwright about $22,000, the Worcester about $8,000 and the Paper Mill about $2,000 in and on one building. That some of them must have larger sums than these now in force seems beyond doubt, especially in risks noted for great concentration of value, such as some at Lawrence and Lowell, Mass., for example, and the question must be dealt with at the latest when the policies are to be renewed.—*New York Journal of Commerce.*

CIVIL COMMOTION FIRE LOSS.

Our esteemed contemporary, the *Insurance and Financial Gazette*, reports an action brought in Johannesburg by Lindsay & Pirie, of Benoni, against the General Accident, Perth, to recover £5,551 6s. 5d., under policies covering their business premises and contents. The property was destroyed by fire on July 6th, 1913, at the time of the great South African strike. The amount of the loss was admitted. Liability was resisted on the ground that the loss was caused by riot and civil commotion, for which no liability rested on the company, according to the conditions of its policies. At the time of the fire the strike was in full swing, and Benoni was subject to mob law. There is little, if any doubt about it that the stores were deliberately fired. Judgment was given in favour of the company. A curious difference between the law of this country and that of South Africa is, that here the company would have been called on to prove that the loss was caused by riot or civil commotion, whereas in South Africa the onus of proving that the loss did not so occur fell on the insured. Here it is assumed that a man is innocent until he is proved guilty; in South Africa it is the reverse, and in criminal cases a person is assumed to be guilty until proved to be innocent. A correspondent expresses to us the opinion that the Benoni fire was not caused by strikers, but by hooligans, which is very likely, as South Africa swarms with that fraternity. By the strike the destructive element of society was let loose, which, of course, spells riot and civil commotion, and for fire losses so caused insurance companies do not accept liability.