

If we are not mistaken, the tannery of Messrs. Mooney was thoroughly inspected by more than one office which insured it, still it is a notorious fact that the character of the hazard was materially changed and the property entirely destroyed by fire within the space of fourteen days, which the companies will be free to maintain in spite of any number of verdicts to the contrary. Therefore how often is a risk to be inspected?

We cannot help thinking that it is somewhat questionable taste on the part of the *Star* just after insuring its property outside of Canada to try to remove the blame of the recent serious fires in Montreal from where the fault really lies—inefficient and defective fire protection—to the shoulders of the fire insurance companies, for it has the appearance of special pleading on behalf of the underground company or companies,—which are not, we hope, of the Anglo-American wild-cat type,—which took the risk at less than what the offices here felt they could afford to do, taking into consideration the great height of the building and the inadequate water pressure. We do not think that respectable American offices would accept such risks, under the circumstances, at a less rate than our legally authorized companies in Canada.

Finally, we would remind our contemporary that when buildings were somewhat lower and the population less, the insurance companies succeeded in making money in Montreal, but now the city has entirely outgrown its present means of protection against fire.

INCREASE OF HAZARD.

UNDER THE FIRE INSURANCE CONTRACT.

The case of Mooney vs. the Imperial Fire (and other Insurance companies), recently tried in the Superior Court, where the verdict was adverse to the Imperial Co.,—but more recently settled by all of the Companies by compromise, as we learn—presents some very important points in the matter of "increase of hazard" by the insured after the insurance had been taken, which were not touched upon by the defence, but which, had they been brought out at the trial, as might easily have been done had the defendants sought the aid of a competent expert to prompt their counsel by appropriate suggestions on the one hand, and by giving proper evidence in rebuttal on the other, as the plaintiff did, would have changed the result materially, for it was evidently to the shrewd evasive evidence of the plaintiff's expert—who, while careful as to what he did say, told only the truth, as far as he went—that Mr. Mooney was chiefly indebted for his verdict. And this simply because the defendant's attorneys, unassisted, were not underwriters enough to know how to word their interrogatories so as to bring out certain very important facts, studiously withheld by the expert because not asked for, as to the well-known especial danger attending the drying of wet cotton upon steam dryers; upon the shewing of which the success of the defence depended,—of which more anon.

The prominent points in the case are as follows:—

The insurance covered several adjoining buildings, machinery and plant of a tannery, and "on stock, raw, wrought and in process, also material used in insured's business." The entire premises being "occupied by the insured as a tannery and leather-dressing house, office and store house"

In one of the rooms there was located an ordinary *steam-dryer*, used for drying wool, hair, wool sacks, bagging, leather, in the process of the tanning operations with a fan opening from it into an adjoining room. There never had been a fire in the dryer room.

The policy of the Imperial Company contained, among other conditions, the following:

3. If any person effecting insurance in this company shall make any misrepresentation or concealment touching the risk to be assured, or if, during the existence of this policy, or any renewal thereof, the risk shall be increased by any means, or by the occupation of the premises for more hazardous purposes than are permitted by this policy, or if the insured, at or before the taking of any renewal, shall fail to notify the company of any increase of the hazard, whether within or without the premises, and have the same endorsed hereon, this policy shall be void. Every renewal shall be deemed to be made upon the faith of the representation on which the original policy was granted, unless superseded by a new description of the risk.

On or about April 14th, 1885, the premises were damaged by fire first discovered in this drying-room. Claim was made by the insured for the loss, which was resisted by the offices upon the ground of "increase of hazard" upon the premises with knowledge and consent of the insured, but without notice to or consent of the insurers; and that this increase of hazard was the cause of the loss.

The circumstances attending the fire were as follows:

Just prior to the burning of the tannery there had been a fire in the Hudon Cotton Mills, from which the salvage, consisting of wet and damaged cotton, had been removed to the Mooney tannery to be dried upon the steam-dryer. And while so drying one of Mooney's employes testified that he saw smoke coming from the dryer; that he took up three handfuls of cotton: the first handful was not on fire, but smoked; the second handful the same; but a third handful of the cotton was on fire. The fan of the dryer was not in operation. This witness further stated that in going into the adjoining room, he found fire there—evidently through the fan opening. Under these circumstances the offices very properly refused to acknowledge any liability, except at the end of a lawsuit.

The case of the Imperial came up for trial, and the Court submitted nine questions to the jury for their consideration and decision, the last five of which contain the gist of the matter as to the increase of the risk, as follows:

5. Did plaintiff for some, and for what period of time before the fire, use or employ, or suffer and permit to be used and employed, on said premises, or any portion thereof, for the purpose of drying cotton, and was cotton in and upon said insured premises during said period of time in connection with said drying? A. "Yes, 8 or 10 days."

6. How long was it intended to dry cotton on said premises, and in what quantity, and was the use of the premises for that purpose gratuitous? A. "8 or 10 days; the use of premises was gratuitous."

7. Was such presence and drying of cotton an alteration in the use of the insured premises. A. "Yes, but not material."

8. Was said alteration of use, if any, consented to by defendant? A. "No."

9. Did said alteration of use increase the risk? A. "No."

In accordance with this decision of the jury the verdict was given for the plaintiff.

PATENT STEAM-DRYERS AND THEIR DANGERS.

The dryer in use at the Mooney tannery was one of the kind formerly known as a "patent steam-dryer," in the form of a wooden box some 40 feet in length by 15 in width