

notwithstanding the decision given above. The ruling in this case is contrary to the generally accepted doctrine. In Clarke's Law of Insurance, page 58, the following language is used, based on the case, "Gifford vs. the Queen Insurance Company:—

"A party may insure in his own name the 'property of another for the benefit of the owner, without the previous authority or sanction of the latter, and it will enure to the interest of the party intended to be protected on his subsequent adoption of it even after a loss has occurred, and *a fortiori*, this rule will apply if he insures 'it in the owner's own name.' * * * The subsequent adoption of the policy by the party for whom it was intended to be made, constitutes the party making it 'a person receiving the order to effect the 'insurance' within the meaning of the 'Act 28, Geo. 3, c. 56, which provides for 'inserting in the policy the name of the 'person who shall give the order to the 'agent immediately employed to effect it."

To our apprehension it is grossly unjust, whatever may be its legality, to compel the Insurance Company to pay losses incurred under such circumstances, while exempting the Railway Company from the payment of the unpaid premiums. It has become customary with the companies to issue *interim* receipts without exacting the cash on the spot, but it is apparent from this case that they cannot stand too strictly on their legal rights in this matter. The conduct of the railway company involves a breach of commercial usage, if indeed much stronger language ought not to be applied; but who can imagine the injury to trade and commerce, if everyone were to stand upon his legal rights, and seize every legal advantage which accident might throw in his way.

MARINE INSURANCE IN 1873.

The results of the past year to the Marine Insurance Companies of Great Britain have not been favourable, and in consequence the dividends show a considerable reduction. About twelve months must elapse from the time of entering upon engagements in ocean insurance before the results are known, hence the unsatisfactory nature of the business of 1872 is now being felt. What is known of the results of 1873 is not calculated to brighten the prospect. From a table presented in the *Review* we learn that the British and Foreign paid this year 15 per cent dividend as against 20 per cent last year; the same figures apply to the London and Provincial and Maritime; the Globe paid none in either year; the Home and Colonial paid

6 and the Merchants' 5 in both years; the Ocean and the Thames and Mersey paid 10 against 25 per cent each last year; the Thetis nil against 10 per cent; the Union 10 against 15 and the Universal 15 per cent in both years. The fall in the price of shares extends over the whole list with but two insignificant exceptions; and the decrease ranges from $\frac{1}{4}$ to 23 per cent. Fifteen companies lost £728,000 over expenses upon a premium income of £2,488,000, and there is probably no Company on the list which made a profit.

Nine large New York Marine Companies, of which six are Mutual and all of which do a specifically marine business, report an income for 1873 of \$11,648,790 and expenditures amounting to \$11,578,177, the excess of income over expenditure being only \$70,613. Five of these Companies show an excess of income over expenditures amounting to \$492,134 while four exhibit an excess of expenditures over income of \$421,521. The nine offices have outstanding scrip to the amount of \$12,142,890 and a net surplus over scrip and capital of \$3,565,064. The three stock companies on the list paid \$32,977 in dividends on a capital of \$1,662,080, and the nine offices redeemed scrip and interest to the amount of \$3,194,967. The losses were \$6,734,782 or 63 $\frac{1}{4}$ per cent. of the Marine premiums against 62 $\frac{1}{4}$ per cent in 1872. It would appear from these figures that the unfavourable experience of the British Companies was not shared in by the American to any appreciable extent.

MUTUAL LIFE ASSOCIATION OF CANADA.

It is apparent from the annual report of this Association that a good deal of energy is infused into the management of its affairs. It is a difficult task to create a business for a young company, with the keen competition of so many long-established and popular rivals. Good solicitors are able to command almost their own terms, which take the form of a stated salary or a handsome commission, or perhaps both combined. We therefore regard the results stated in the report of this Association as entirely satisfactory. The expenses have been large, but there has been no extravagance. 921 new policies were issued, covering risks to the amount of \$1,181,350, representing an annual income of \$40,952.72, and 22 for assurance of \$30,000 were not fully completed. We observe there is no statement of assets and liabilities, without which it is not possible to know the exact position of the company; but from the progressive

character of its business, there is no reason for entertaining any doubts under this head.

BANKING IN SCOTLAND.

In several respects our banking system is founded upon that of Scotland, and particularly in having few banks of large capital, with those ramifying over wide districts of country. It will be interesting therefore to glance at the condition of the Scotch banks, as given by their published returns for the year 1873.

The following table gives the leading items, viz., Capital, Deposits, Circulation and Discounts of all the banks in Scotland:

	Capital Paid up.	Deposits.	Circulation.	Loans and Discounts.
Bank of Scotland.....	£ 1,000,000	£ 9,600,000	£ 2,500,000	£ 8,000,000
Royal Bank.....	2,000,000	10,200,000	1,500,000	10,000,000
British Linen Company.....	1,000,000	7,800,000	1,100,000	7,000,000
Commercial Bank.....	1,000,000	9,200,000	1,500,000	8,300,000
National.....	1,000,000	10,400,000	1,900,000	9,900,000
Union.....	1,000,000	9,500,000	1,400,000	9,000,000
Clydeale.....	900,000	6,200,000	1,300,000	6,000,000
City of Glasgow Bank.....	870,000	7,600,000	2,000,000	7,700,000
North of Scotland Bank.....	320,000	2,100,000	350,000	2,100,000
Aberdeen.....	250,000	1,500,000	180,000	1,300,000
Caledonia.....	120,000	900,000	35,000	800,000
	£9,460,000	75,000,000	13,725,000	70,100,000

Considering that the population of Scotland is only about 4,000,000, that it is a small country, abounding in wild mountain tracts which, however attractive to the tourist and sportsman, are of small importance for production, these figures must be admitted to be marvellous. They tell a wonderful tale of thrift, energy, industry and perseverance, operating through many generations in producing such results. The country has, it is true, very fine natural resources in minerals, and the district around Glasgow and the Clyde is undoubtedly one of the richest in the world in these respects. There are also in the lowlands tracts of agricultural lands of great natural fertility. But after every allowance has been made, it must be admitted that after all the result is due less to richness of natural resources than to the amazing sagacity, intelligence, and industry of the people.

The statistics of the banks, too, tell a tale of constant progress. The deposits have