

in 1895 than previous year, while the total of payments for death claims, surrendered policies, expenses, etc., are smaller than in 1894, thus making the excess of income over outlays \$101,729 larger than the balance in previous year. In our last year's notice of this company's report, we threw out a warning against transient policies, or those not likely to be maintained. The case alluded to in another column illustrates our remark, that such policies have an especial element of moral risk which is "developing a danger to life assurance that needs much care to avoid." Agents are tempted to look no further than the present, to accept and help to push applications through solely with a view to the first commission. The Confederation Life conducts its business on a conservative basis, endeavoring as far as possible to avoid the dangers and drawbacks inseparable from excessive competition, an indulgence in which, sooner or later, frustrates its own aim. Mr J. K. Macdonald is built on conservative lines, caution and prudence are his leading characteristics as a manager, with these he combines a quiet determination to make good and substantial progress year by year. In the President, Sir William Howland, and Mr W. H. Beatty, Vice President, he has two long-experienced and able colleagues. The business of the Confederation Life for the Province of Quebec is in charge of Mr. H. J. Johnston, who may, with his assistants, be relied upon to render valuable services.

THE ALGER CASE.

The trial of George E. Alger has resulted in a verdict of guilty. He was indicted for conspiracy to defraud the Equitable Life Assurance Society by being a party to securing a policy on the life of his wife for \$5,000 which was procured by gross misstatements in regard to her health.

George E. Alger who seems to have been less prosperous than his neighbors. His farm was mortgaged, and he was deeply in debt. A fire insurance risk with such circumstances associated with it would have a serious moral hazard, and this moral hazard developed a conspiracy to defraud some insurance company. The man's finances were known to be low by an insurance agent as well as by the medical adviser of his company. The agent fled when suspicion became excited, so also did the doctor. The latter, Dr. Francey, however returned to Canada, presumably under an agreement with the authorities that on making a full revelation of the conspiracy he would not be prosecuted. The evidence of this person was to the effect that a proposition was made to Alger to insure the life of his wife for \$5,000 or \$7,000. The health of this woman at the time was very precarious, as Dr. Francey knew she was doomed to an early death from consumption. Manifestly an excellent risk for fraudulent conspirators to handle. Dr. Francey testified that he made an examination on behalf of the Equitable Life Assurance Society, and on point affecting the proposed risk his medical report was favorable, but on every point he wrote the opposite of the truth. The evidence brought out that Alger, the husband, agreed to pay

the medical referee a very handsome bonus out of the insurance money. There was abundant testimony to prove that this scheme was developing into a systematized plan of robbing a number of life insurance companies, several of which had a narrow escape. The insured woman lived only a short time after being accepted, and suspicion being excited, the body was exhumed, with the result that eminent physicians swore that the post-mortem examination conclusively proved her to have died from chronic, or prolonged consumption. Thus far nothing could be more conclusive of fraud, the case for the Crown was overwhelming in directness and fullness. The defence relied upon the testimony of neighbors that the deceased was not a consumptive person, and upon the opinions of several country doctors that the post-mortem examination did not prove her to have been consumptive for any length of time. The husband swore that his wife died of cholera morbus, by which he damaged his defence seriously. Justice Falconbridge charged strongly against the prisoner, and the jury gave the only possible verdict "according to the evidence," which was, "guilty of conspiring to defraud the Equitable Life Assurance Society." The sentence of seven years in the penitentiary at once followed, as we trust it may follow all such infamous crimes.

THE LONDON LIFE INSURANCE COMPANY.

The above Company held its twenty-first annual meeting at London, Ont., on the 5th March, when the Report was presented, which will be found on a later page of this issue. In order to compare the business of 1895 with 1894 we give the following table showing the

FINANCIAL STATEMENT.

	1894.	1895.	Increase + or Decrease
	\$	\$	\$
Premiums	132,581	100,889	+ 28,308
Interest	21,481	25,513	+ 4,033
Total income	154,060	126,402	+ 32,341
Payments to policyholders..	44,258	55,675	+ 11,417
Expenses and dividends....	57,737	79,025	+ 21,888
Total outgo.....	101,995	135,300	+ 33,305
Excess of income over outgo	52,065	51,102	- 963
Total assets	470,608	522,887	+ 52,279
Policy reserves and other liabilities	407,523	458,473	+ 50,950
Surplus as regards policyholders including capital..	63,085	64,414	+ 1,329
Divisible surplus.....	13,085	14,413	+ 1,328

The expansion of receipts from premiums and interest by \$32,341 over 1894 was offset by an increase in disbursements, which is stated to have been caused by the expenses incident upon the extension of the industrial branch, which in the early stages are usually somewhat heavy. The mortality was not quite as favorable as in 1894, but was within the anticipated rate. The amount of insurance in force was increased up to \$4,137,000. Considering the unfavorable conditions so continuous throughout 1895, the last Report of the London Life may be fairly regarded as satisfactory.