

large accumulation of funds, secret and declared, they can, if they wish, meet any concession that a new bank can afford to make in the matter of the discount rate.

Against opposition so strong it is no easy matter to make rapid headway; and our new banks might be excused if they found themselves unable to begin dividends for some time after their commencement. And yet, one of the two has been successful enough, within a year of its commencement, to distribute a moderate return to its shareholders, and but for the unfortunate connection with a failed stock exchange firm, the other would probably have not been far behind.

The prospects of the four or five new banks now in process of formation, are not so clearly to be foretold. One has carried on a loan and deposit business under the form of a loan company, and it will, doubtless, retain and enlarge its connections and its profit when it secures the additional privileges and the higher credit that pass with the charter of a Canadian bank. On the last occasion in which there was a great increase in banking capital, and in the application for new bank charters, it happened that quite a number of the projected banks never went into operation. Before they could secure the necessary capital and complete their arrangement, the tide of prosperity had turned. In the United States the signs of falling trade become more apparent day by day, and Canada is always affected more or less by what takes place across the line. It may be, therefore, that history will repeat itself, and that not all of the banks now seeking charters will go into operation. If there is to be a considerable falling off in the business which the banks have to transact, it would be doubtful policy at the best to bring about a further increase in their numbers.

THE DIFFICULTY OF SECURING A VERDICT AGAINST INCENDIARIES.

Mr. Monroe Fulkerson, Fire Inspector for city of Chicago, has contributed a short paper to the "Argus," on what he regards as defects in the laws regarding arson.

It may be admitted, that the incentive of this crime is very seldom "a malicious desire to burn a domicile for the purpose of revenge, or, to satisfy the vicious instincts of a criminal nature," but that it is simply a fraudulent attempt to obtain the sum of money for which the property is insured. In earlier times, when the penalty of death for arson was fixed by statute law, and usually carried out, the crime was not a form of fraud as now it usually is, for, in those days, fire insurance was unknown, whereas now, it is almost universally adopted by owners of property, by whom also arson is generally committed. Hence, as the writer says:—

"Among the varying changes which time has brought about, is the fact that to-day fire insurance has been brought into universal use a protection for all classes of property, and it is universally conceded that the hope of collecting insurance for property sought to be disposed of, is the motive which impels to action perhaps ninety per cent. of the incendiary fires of the country. Besides, there are those who follow this nefarious crime as a business, and to that class especially all the cunning attributes of the human brain are brought into play and all of the twentieth century creations of chemical science have been adopted to aid them, not only to start the fire when the perpetrator of the crime has had an opportunity to get far from the premises involved, but to enable him to cause the flames to spread as rapidly as possible and leave no odour behind of the chemical compound employed."

It is affirmed, that wherever the convicted incendiary is liable to the death penalty, juries revolt from bringing in a verdict of "guilty," as they consider the death penalty does not "fit the crime" of arson, but is barbarously in excess of justice. In consequence of this feeling, men of whose guilt there was no question, had been liberated, the ends of justice frustrated, and public welfare slighted by a verdict of "not guilty."

The opinion of the Chicago inspector is that:—

"The most potent remedy for the existing evil would be the amending of the law in such a manner as to make the penalty for arson either a fine or imprisonment in the penitentiary. Give to the jury the power to fix the penalty of the accused at a minimum fine of \$500, and a maximum fine of \$2,000, or imprisonment in the penitentiary of the State for a term of not less than one year nor more than twenty years, and then you will have taken a step leading to a far greater number of convictions than can ever be hoped for under the present law. It may be said that this is an admission that this crime not alone exists in our midst, but that it is now and has always been regarded in the jurisprudence of all countries as a felony, and that upon making the change here suggested, we would be departing from the long-established rules by imposing the lighter penalty, thus resulting in the spreading, rather than the suppression, of this crime.

In Canada there has been found difficulty in obtaining a verdict against incendiaries, although, here the maximum penalty is now imprisonment for life. Even in countries where the old penalty of death for arson is still in force, no judge would dream of sending an incendiary to the scaffold unless there was clear evidence that the crime was committed with the intent to commit murder, as has been the case. In such a case, however, the indictment would charge the accused with murder.

The difficulty of securing a verdict against incendiaries arises mainly from the difficulty of bringing home the crime absolutely to the indicted offender. An incendiary act is almost invariably one that has been planned carefully, committed with such cunning as to destroy evidences of its perpetration, and especially has been so arranged as to favour