be contended that what was charged was actual theft, the innuendo fails.

3. The occasion was privileged. Alderman are legislators in the same sense as members of Parliament. The defendant had the right as an alderman to say anything which he honestly believed to be true, though false in fact; but, if a crime was in fact imputed by him and he did not actually believe that the plaintiff did commit a crime, the qualified privilege would be nullified

Appeal allowed with costs, and the action dismissed with costs.

R. McKay, K.C., for defendant. *M. K. Cowan*, for plaintiff.

Divisional Court, K.B.D.] [Oct. 16.

VERRALL *v.* DOMINION AUTOMOBILE CO.

Motor vehicles—Excessive speed—Motor taken out by servant for his own purposes without permission—Neglect by owner of precautions to prevent unauthorized use.

Appeal by defendants from the judgment of FALCONBRIDGE, C.J.K.B. in favour of the plaintiff, after trial without a jury, in an action for damages for injury to a taxicab owned by the plaintiff, owing to a collision with a motor-car of the defendants, taken out of the defendants' sale-rooms by a demonstrator employed by them, without their knowledge or permission, and for his own purposes.

Held, 1. The import of 6 Edw. VII. c. 46 and 9 Edw. VII. c. 81, is that though the owner of the motor may not be responsible in a penal aspect for the violation of the Act unless personally present, he is responsible in damages when there has been a violation of the Act by his vehicle. There is a quasi-liability in rem, which attaches to him as the owner of the law-breaking vehicle.

2. The defendants' motor being held for sale only, and not for hire or private use, there was an obligation on the owner to take care that it was not taken out by any servant for unauthorized purposes and there was negligence in not effectively providing against such unauthorized use.

BOYD, C. (in part): "The provisions of the special legislation indicate pretty plainly that the mind of the Legislature was to abrogate to some extent the common law rule that the master of a