something like eight times as much as her exports, and the bulk of these come from the United States and Great Britain, though they are increasing very satisfactorily with Canada. The Bermudas think—and very rightly so—that, seeing their tariff duties only amount to 5 per cent., the Canadian Government should make some reciprocal arrangement whereby the discrepancy between their duty and ours should be considerably reduced. Practically, the only articles Bermuda has to export are such agricultural produce as lily bulbs, onions, and potatoes, and these vegetables mature in the early spring, so that competition with similar products of this country is altogether out of the question. In return, the islands would take something of almost everything made in this country, for they possess no industries whatever, unless, indeed, one includes the manufacture of arrow-root starch, which again has no counterpart here.

As we have said before, in speaking of the West Indies, we think the time has arrived when the Canadian Government should take definite, decisive steps at once to bring about closer connection between the various portions of the British Empire. At any rate, Canada being the largest and most important, should be the initiator of such steps in this hemisphere. The sacrifice if any there be, of reducing the tariff rate against products from such outlying British possessions as these of which we speak, would surely be more than atoned for in the fact that we would thereby be lending a helping hand to our weaker sisters; we would be assisting the great cause of imperial federation; and finally, more especially if we could see our way clear to abolishing the duty altogether, we would be rounding ourselves out in the matter of climatic productions, In other words, we would have, within the American hemisphere, a portion of the British Empire capable of producing within itself all the food products of zones ranging from the arctic to the torrid. In the case of Trinidad, our Government has already lost an opportunity in this direction, for the present, at any rate. It is to be hoped that this experience will not be repeated, for the gain of the United States, and our own loss—for this loss is not so much a matter of money as of prestige.

IMPORTANT LIFE INSURANCE CASE.

In the early part of 1897, George Brophy applied, through his financial agent, the late Alex. Cromar, of Toronto, life insurance agent, of the North American Life and several other leading companies, for an annuity on his life, which was duly granted. Shortly after, Cromar applied for a 20-Year Endowment Policy upon his own life, payable to himself for an amount for which an annual premium of $300 would pay.

Shortly after he assigned the policy to Brophy, who by his own cheque paid both the annuity and endowment premiums. There was nothing in the transactions on their face out of the ordinary course of business. Both the Trial Judge and the Court of Appeal found expressly that the company had no knowledge of any facts to render the transaction an illegal one. Assignments of policies are frequently made, and all companies state that they assume no responsibility for the sufficiency of assignments, and in practice file whatever is sent them in that way by the parties interested, and never attempt to pry into the grounds upon which such parties may have acted.

In the case of the North American Life, as found by the several courts, nothing was known of the illegal features of the transaction nor of the facts connected with the case until the claim papers were put in by Brophy, and on the heels of his so doing, the company was enjoined from paying him, at the instance of the widow of Cromar.

Brophy also refused to state the consideration for which Cromar assigned the policy to him. The position taken by him forced the company either to pay the claim without having, on the evidence furnished by him to them, any defensible authority to do so, or else to give him an opportunity of showing the grounds of his claim.

The company was advised that, if payment was made upon the evidence furnished, the directors and officers authorizing such illegal payment might be compelled to restore to the company, the amount thus improperly paid. Under examination, Brophy, who had in the meantime received about $70,000 under like policies on Cromar's life, frankly admitted that the form of the transaction had been suggested by himself, Cromar, however, having as an inducement to him to undertake it allowed him part of his commissions.

Judge Street, before whom the cause was first tried, deemed it unnecessary in view of Brophy's own admissions under oath, to hear argument by the company's counsel, and promptly *set aside* the policy as a gambling transaction, and contrary to public policy and a violation of law.

Brophy appealed from this decision to the Court of Appeal for Ontario, which handed down its decision on Monday last, the 23rd inst., stating *inter alia:* "That on the admissions in evidence of defendant Brophy, the transaction was one by which he, having no interest in Cromar's life, was to insure it for the benefit of himself (Brophy). The policy was therefore a gambling or wagering policy, and absolutely illegal and void, that it was void also because the insurance was effected for the benefit of Brophy, but his name did not appear in the policy, and the fact that it was an endowment policy and not an ordinary life policy made no difference, and that as to the recovery of the premiums sought by the counter-claim there was no evidence that the plaintiffs knew that the policy was a wagering one, and held that the policy in question was contrary to or in evasion of the Act, 14 Geo. III., ch. 48, sec. 1, and upon the evidence it was clear that the defendant had not an insurable interest in Cromar's life, and that the insurance was effected, not for defendant's benefit, but for Cromar's, and was void."

The trial Judge held that the company were not aware of the illegality of the transaction until after Cromar's death, and with that finding the Court of Appeal concurred.

As to the premiums which had been paid to the company, it was held that the company had made to the Court a sufficient submission of all their equitable obligations appertaining thereto, and it was ordered that these premiums be applied in payment of all the plaintiffs (company's) costs of action and resisting the counterclaim by Brophy, and of the appeal and that the residue, if any, be paid over to Brophy. The whole result is an ample justification of the stand which the company took in the matter.

As to the companies which paid to Brophy the aggregate sum of $70,000 or thereabouts, may it not be presumed that having so paid in ignorance of the want of insurable interest, and of the circumstances that vitiated the contracts they will be able to recover their several amounts as paid on an illegal consideration.