

off, it is hardly surprising to find suggestions at railway meetings that for suburban services one class only shall be a general rule. Very gradually we are approximating to that practice, while in the case of long-distance trains also the second-class carriage is steadily disappearing. Two classes only for long-distances and one for suburban traffic will be the rule on English railways in the future.

The current railway year shows, of course, an improvement. The companies are beginning to feel the benefit of their policy of co-operation and, comparatively speaking, the outlook is much brighter. Yet the Home Railway market remains as flat as ditch-water. Not even the widely-advertised and triumphant call of the "Mauritania" at Fishguard galvanized the stocks of the Great Western Railway, which has been spending millions in developing the port, into a semblance of activity. Stockholders know, in these days, that that sort of thing, impressive as it appears to the outsider, does not pay dividends. If we could get someone, say with the organizing ability of Mr. Harriman, British railways might have a big future. As it is, the outlook at the very best is only mildly and comparatively cheerful.

#### Government and Railway Nationalization.

Apropos of railway policy some attention has been aroused by a speech of Mr. Churchill, in reply to a deputation which waited upon him as president of the Board of Trade to urge a small railway reform with regard to contract tickets. Mr. Churchill remarked that he did not wish to fritter away the power of his department in dealing with small railway matters; he desired to deal with railway travelling in a much larger and bolder manner. This suggests that the Government have in mind the subject of the nationalization of railways and canals and will formulate a scheme at an early date.

#### The Assurance Companies' Bill.

The new Assurance Companies' Bill, the provisions of which your readers will already have in mind, has passed this week through the committee stage in the House of Lords. On one amendment there was the mild excitement of a defeat of the Government, but otherwise its passage was uneventful. A new and interesting clause was inserted providing that where any notice, advertisement or other official publication of an insurance company contains a statement of the amount of the authorized capital of the company, the publication shall also contain a statement of the amount of the capital which has been subscribed and the amount paid up. The object of the clause is, of course, to make more clear to the public the financial stability of the company, which asks for the public's patronage and it will put a stop to a practice which I have mentioned previously in these letters as having been common among many companies not of the first rank of proclaiming in large type their authorized capital, and carefully ignoring anything else.

Another amendment provides that for the guidance of policyholders an independent actuary shall make a report in cases of the amalgamation or transfer of companies, and, also, for the transmission of a statement of the nature of the amalgamation or transfer to holders of life, endow-

ment sinking fund or bond investment policies. Lord St. Aldwyn, a former Chancellor of the Exchequer, expressed his fears that it would be unwise in the interests of the poorer classes to legalize policies "to be paid for the funeral expenses of a parent," and to afford further facilities for large collecting societies to convert themselves into industrial assurance companies. It was admitted, on behalf of the Government, that the clause to which Lord St. Aldwyn referred was of a "white-washing" character, but it was also added that, in the future, the Government would consider the question of strengthening the penalties for illegal insurance, if the present penalties are found to be insufficiently strong.

#### Industrial Issues Looking Up.

The recent course of new issues in London, although not diversified by any notable or large borrowings, has not been uninteresting. With the price of rubber continuing round about 8s. a pound the boom in rubber plantation companies naturally continues with unabated force. Even through the quiet holiday period rubber issues have been making their appearance at the rate of one or two a week. Apart from these rubber issues there have been lately one or two interesting industrial ventures—an Anglo-French chemical works, an artificial stone and brick company working in the Argentine and others—of a kind which has been somewhat rare in the London market during recent years. With a world-wide trade recovery in progress, promoters would appear to be anticipating a return of confidence to the investor in the industrial market.

London, 3rd September, 1909.

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#### A BURGLARY INSURANCE SWINDLE.

Details of an interesting burglary insurance swindle unearthed recently by the New York Police Department, are given by The Weekly Underwriter. On July 2, Henry B. Loewenstein alleged to the police that his warehouses at 648 Broadway had been broken into and that \$7,000 worth of kid and silk gloves had been stolen. Detectives were at once sent to Loewenstein's place, where it was learned from the adjusters of a burglary insurance company that Loewenstein had \$3,000 burglary insurance with the company, and had already put in a claim, fixing the amount of his loss at \$7,000. A search of the premises by the detectives revealed a check book, on the stub of which they discovered the name of one M. Trotsky, a person well known to them, and in the Rogues' Gallery as a professional burglar. The fact that twelve burglaries had been reported recently from the building at 648 Broadway, and the further information that the burglary insurance companies had refused to take any more risks on the premises, set the detectives working on a new theory. They began to trail Loewenstein, and kept it up day and night. They soon found that he was very chummy with a man named Sol Solomon, who had a business on the same floor at 648 Broadway. Solomon also came under the police shadow. A little later, Solomon was observed to give an order to an expressman to take a load of silk and kid gloves to a saloon in Lafayette street. Solomon was arrested, together with the expressman and his boy and the game was up.