

sewage, sewage effluents, foul house refuse, and other obnoxious matters. It is doubtful if this excessive pollution can ever be prevented, especially in times of flood, from gaining access to the river.

In his interesting address before the meeting of life insurance presidents, Mr. Darwin P. Kingsley, of the New York Life, referred to Mr. Gladstone's description of the Constitution of the United States as "the most wonderful work ever struck off at a given time by the brain and purpose of man." He said that Americans have always interpreted this famous dictum as a compliment of the first order, as evidence of the superlative wisdom of the fathers of the State. "It seems to me, however, that Mr. Gladstone uttered a profound criticism rather than an unqualified approval of our fundamental law. He had in mind undoubtedly what is known as the English Constitution,—a body of precepts which has grown up slowly through the centuries. He was thinking of the difficulty of legislating wisely at any time in new fields. He paid a high tribute to the intelligence, the wisdom, and the unselfish patriotism of the men who wrote our Constitution, but he uttered a profound truth when he said that this work was wonderful and chiefly wonderful because it was "struck off at a given time." He unquestionably meant to point out the great difficulty of legislating wisely when legislating quickly. He meant that new legislation is generally imperfect legislation, that it must be followed by intelligent observation and supplemented by amendments which experience shows to be necessary. Every popular movement of importance has its reaction, partly because of the inherent difficulty of wise action at such times, but usually because such movements go too far. Roused to frenzy by real abuses and by exaggerated reports of abuses, the representatives of the people legislate in haste and sometimes in anger, and, while their motives are usually above question, the statute books bear eloquent and voluminous testimony to the difficulties which they have encountered."

DEFRAUDING ACCIDENT COMPANIES.

Three Schemers Convicted of Conspiracy—Accidents to Order.

Norman Hopkins, Albert Hopkins and Cecil R. Elliott made a rather clumsy attempt to defraud the Imperial Guarantee and Accident Company, the Employers' Liability Co. and the Toronto Railway Company, with the result that they have been found guilty of conspiracy, their sentence to follow later. Elliott took out a policy for \$5,000 in September, 1906. Albert Hopkins acted as agent when Norman Hopkins made application to the Employers' Liability Company for \$200 under an accident insurance policy.

Mr. James Forrest, of the Claims Department of the Toronto Railway, had gone to Elliott's house on the night of September 4th, 1906, in response to a telephone call. The young man told him he had fallen off a Carlton Street car, saying that he had been pushed by the crowd on the platform against the chain in the fence, which broke in some way.

It was shown in the evidence that this and other accidents were pre-arranged. Miss Daisy Bears, a witness, stated that Elliott had once advised her to fall off a street car as an easy way to get a little ready cash. Elliott in his testimony admitted collecting \$700 on an accident insurance policy, and \$275 from the Toronto Railway Company, the latter also paying his doctor's bill of \$100. At that time his business was falling behind, and he had a chattel mortgage on his stock, on which he was paying 26 per cent. interest.

Norman Hopkins told of falling from a Bathurst car and being laid up in consequence. Mr. Forrest, the claims agent of the Railway Company, called, and the witness agreed to settle with the company for \$200 and his doctor's bill. He was on his way down to collect the money, in company with his brother Albert, when they were arrested.

An insurance manager gave the Monetary Times this week some interesting reminiscences of similar cases. "Gangs are working such affairs all the time," he said. "A clique of eight were some time ago constantly faking accidents in the United States. One trick was to unscrew the rail on street cars which passengers grasp on alighting from a car. In getting off one of the men would pull on the rail, which, of course, gave way. Then his claim for damages followed. We were advised from New York that they would turn their attention to Toronto. They did; for one day one of them met with a bicycle accident on Yonge Street. He claimed \$120 damages from an Accident Company. As inquiries were slow, the claimant agreed to settle for \$60, and later for \$60. This aroused suspicion; when he tried another company his arrest followed.

"I remember, too, of a case where a man, apparently deliberately placed his legs across a railroad track, a locomotive cutting them off. Another man, who stumbled near a track, fell across the line and had his left hand cut off. Although he was in receipt of only a small salary, he was heavily insured against accident in almost every Canadian and several United States companies. It could not be proved that the accident was intentional, although it was a curious feature that he slid a distance of some eighteen feet from where he tumbled. He received many thousands of dollars from his policies. All sorts of tricks are resorted to. Various oils are injected into joints making them swell; doctors are thus easily fooled."

The conviction of the trio mentioned should act as a deterrent influence against such conspiracies. An accident insurance company is too frequently regarded as a philanthropic institution, organized for the relief of people with little conscience and an over-supply of wits. It is to be hoped that such fraudulent practices will receive the most severe punishment the law can administer.

AMERICAN COMPANIES IN CANADA.

In answer to a question by a member of the House a few days ago, the Finance Minister gave the following information in Parliament:—There are 36 American companies licensed to do business in Canada, and they have fully complied with the requirements of the existing law in respect of their deposits in Canada. 31 of them have made their entire deposits with the Receiver-General; while the deposits of the remaining 5 are held partly by the Receiver-General and partly by trustees appointed for that purpose under the terms of the Insurance Act. The following statement gives the facts called for, the amounts given being the par value in all cases.

Deposits of American Companies with Receiver-General.

Table with 3 columns: Security type, Par value, and Per centage. Rows include Canadian securities, other British securities, and United States securities, with a total of \$21,268,462.96 at 100.00%.

Deposits of American Companies with Trustees.

Table with 3 columns: Security type, Par value, and Per centage. Rows include Canadian securities and United States securities, with a total of \$18,707,125.32 at 100.00%.

Merging two classes together, the percentages are:—In Canadian securities, 60.06 per cent.; in other British securities, 1.34 per cent.; United States securities, 38.60 per cent.

There are no securities deposited by insurance companies with the Government of the United States. Deposits are made with the Government of the various States. These States do not require all securities deposited with them by Canadian companies to be United States securities.

INSURANCE NEWS FROM LONDON.

(From our own Correspondent.)

London, December 6th.

The multiplication of non-tariff fire offices in this kingdom is no sign that they are doing all the business. Figures relating to 31 "old line" concerns and 24 new ones show that 16 individual ones of the former have a larger premium income than the aggregate of the whole latter.

The incomes of the 31 for 1906-7 total 25 millions odd, and of the 24 only £471,901. Outgo of 31 millions odd compares with £497,785. Surplus at end of year is an affair of 28 millions against £790,216.

It is not enough to insure a new fire office, a prosperous career to have it enclosed in tariff fold. The Empress, an office which set forth six or seven years ago, to transact fire and marine business is nearing the end of its liquidation. Shareholders stand to recover one-sixtieth of their capital; or divisory four pence per share.

GUARANTEE CASE DECISION.

Judgment has been given in favor of the Crown Bank of Canada in its action against the London Guarantee & Accident Company, for \$11,000, sureties of \$5,000 on Edwin St. George Banwell, who stole \$40,350 of the bank's money, and \$6,000 on Francis M. Maunsell, a clerk in the bank. It appears that the bank spent \$10,545 to arrest Banwell and recover the money. The guarantee company contended that