

**MISCELLANEA.**

*First Parliamentary Committee on Insurance.*—On the 22nd February, 1719 (*i. e.*, 1720, N.S.), a complaint having been made to the House of Commons to the effect that public and private subscriptions were being entered upon, for, as it was stated, “several unjustifiable projects and undertakings,

whereby great mischief may accrue to the public," a Committee was appointed to inquire into and examine the several subscriptions for fisheries, *insurances*, annuities for lives, and all other projects carried on by subscription in and about the cities of London and Westminster, and to inquire into all undertakings for purchasing joint stocks, or obsolete charters.

The Committee immediately proceeded to business, *sat de die in diem*, presented two addresses to His Majesty, praying that he would give directions to the proper officers to lay before the House all petitions that had been presented in the preceding three years for and against charters of incorporation to insure ships and merchandise, and for establishing annuities on lives, &c.

These petitions were accordingly, and with due formality, submitted to the Committee. The first respecting insurance is dated 25 January, 1718 (*i. e.*, 1719, N.S.), and is signed by 286 merchants and traders—headed by Sir Justus Beck, of Leadenhall Street—praying for the establishment of an incorporated Company of Insurers with a joint stock, and its argument avers that such a Company would preserve many of His Majesty's "good subjects and their families" from that ruin to which they were exposed by being assurers in a private capacity.

The private underwriters, naturally alarmed at the idea of the competition of an incorporated Insurance Company, immediately got together 375 signatures of City of London merchants and traders, to a counter-petition, headed by Sir Gilbert Heathcote; and the gist of their objection was, that the establishment of a Corporation would lead to undue preference, and to delay and refusal to insure, when ships might be missing, and in stormy weather. The Bristol merchants also came forward with an adverse petition, urging that insurance business was in a satisfactory condition, the premiums charged in London and Bristol being lower at that time than in any other parts of Europe.

Petitions and counter-petitions were referred in due course to the Lords Commissioners of Trade and Plantations, or, more immediately, to Sir Edward Northey and Sir William Thompson, the Attorney and Solicitor General, and the petitioners for and against the charter were heard by their counsel. Some very fair reasons were stated on behalf of the prayer of the petition—such as, amongst others, cheapness of rate of insurance by a Corporation, quickness in its transactions, there being only one subscriber to policies, whereas private underwriting required "the picking up of insurers here and there;" better security, from the million of capital to be subscribed; increased facility of instituting suits against a Corporation, it being as "one" against whom the suit may be brought—"whereas, if twenty or thirty were to join in a partnership to insure, every one must be named in a suit to be brought against them."

Some affidavits were annexed to the petition for the charter. These do not refer to points of much interest. We may, however, learn, that foreigners had at the time a great appreciation of the advantages attending insurances effected in England. Robert Fletcher, a merchant, who made an affidavit in favour of the charter, stated "that, being lately in Holland, and frequently in conversation with several merchants there, and often discoursing of a subscription then going on in London towards a fund for insuring ships and merchandise, they very much approved of the project, believing that, if completed, it would be a better security for the insured than any method in practice at the time." On the other hand, the counsel for the petition against the charter insisted (and very probably with truth) that the subscription was only got up for stock jobbing, to make another stock to transact. The keynote of the objections is, however, contained in the following part of their statement:—"Insurance of ships is necessary for foreign trade; and if the present method be not found inconvenient, there is no reason to set up a Corporation for insuring; besides that by the present method many families are supported, and there will be no reason to destroy them without absolute necessity." There then follow some plausible, but not very profound, exceptions to the scheme of incorporation. The petitioners for the charter had appealed to the *credit* which a Corporation would have at stake in its dealings.

To this the objectors answered, "A Corporation has no sense of shame" (!)—an answer reminding one of a certain amusing *bon mot* with reference to Corporations, which owes its paternity to a great law Lord of more recent times.

In the course of the evidence on behalf of the objectors to the charter, a Mr. Aston deposed that, for the most part, he had been allowed by his correspondents after the rate of one per cent., and half per cent. for standing bound for the insurers, over and above the usual allowance of half per cent. for causing the insurance to be made; and that he had *never lost one penny for standing bound for the insurers*. This would have been strong testimony, if corroborated by general experience; but the petitioners for the charter replied at length, and brought some witnesses to depose that *there were great losses by private insurers*—that about three years preceding, many English insured at Hamburg, as judging it more secure—and that, if a Corporation were erected in London, it would be the interest of foreigners to insure with them, as they would thereby save the premium *to insure the insurer*.

The Attorney and Solicitor General summed up; and reported to the King, to the effect that the business of insuring ships had always been carried on as it then was—that there was no Corporation in Europe for insuring ships—that the making an experiment in a thing of the sort, if it should prove amiss, would be of the utmost consequence to trade—and that they could not advise the erection of a Corporation against which there were so many and great objections, and especially the method then used being approved of both at home and abroad. And thus this project fell to the ground.

The lawyers or agents for obtaining the charter were Messrs. Bradly and Billingsley, of Mercers' Hall; and when the matter came before the House, Sir William Thompson entered into long explanations of how "one Bradly" and "one Billingsley" had endeavoured to bribe him and Sir Edward Northey, not only in this but also in another undertaking, called "The Lord Onslow's Insurance."

It is no part of our subject to include more than a passing notice of the state of things divulged in the statements and evidence of accusations and recriminations respecting *bribery*, with which many folio pages of the Parliamentary Report on the subject are taken up. The itching for dispute got very strong among the lawyers—a sad *exposé* took place; and Sir William Thompson accused the Right Hon. Nicholas Lechmere (Sir Edward Northey's successor in the Attorney-Generalship) of receiving large sums of money from the parties contending for charters, which, Sir William Thompson averred, were put up to public bidding. Sir William summoned twenty-five witnesses to prove these matters. The twenty-five witnesses, however, did not convince the House of Commons, and it came to the resolution that the accusation against the Right Hon. Nicholas Lechmere was malicious, false, scandalous, and utterly groundless.

From one of the papers delivered in to the Committee by Mr. Case Billingsley, the acting partner of Bradly and Billingsley, it appears that the scheme for the "Public Assurance Office, with one or two millions of capital," was concocted by him and Bradly, and their friends, about the year 1716, and that subscriptions were entered into at that time.

Having said sufficient about this scheme, and which (adopting the system of nomenclature of the Report) we may call the *Billingsley Insurance*, the next project we have to notice is the "*Mines Royal Insurance*." This project was embodied in a petition of the "Mines Royal Mineral and Battery Works," praying to be incorporated for insuring ships and merchandise—the capital to be one million two hundred thousand pounds. Mr. Attorney-General Lechmere reported on this project, and included in his report several memorials and affidavits, which include some interesting practical evidence.

F. H.

(To be continued.)