The Chronicle

Insurance & Finance.

R. WILSON-SMITH, Proprietor.

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

JOHN T. P. KNIGHT, Editor.

VOL. XIX. No. 48. MONTREAL, FRIDAY, DECEMBER 1, 1899.

SINGLE COPY - - .10
ANNUAL SUBSCRIPTION - $2.00

A Singular Accident Case.

A decision given in the case of Ward vs. Massachusetts Mutual Accident Association is of much interest not to companies only, but to accident policy-holders. The complainant having been assured by his own medical adviser and the company's physician that he had entirely recovered from the effects of an accident, signed a release, accepted a sum as indemnity, and gave up the policy. He applied for another policy which was issued to him, which was stated to be a substitute for the one surrendered, and all previous policies issued to him were acknowledged to be cancelled. This new policy provided that its provisions did not extend to death, or cover any bodily injury happening, directly or indirectly, wholly or in part, from any injury suffered prior to its issue. The policy-holder subsequently died as the result of an injury not known to exist when the discharge of the original policy was given. The Court decided that under neither policy could the heirs recover. The London Insurance "Observer" thinks an English Court would not take the same view, and "most assuredly in England very few accident companies would dispute their liability under the original policy, though legally they might consider they were not bound to pay." Some years ago, about 1866, a person living near Birmingham received a slight injury in a railway accident. He was interviewed by an agent of the railway before being taken home, and accepted a sum of money as compensation, for which he signed a release. He went back to business in a few days, but several months afterwards he died suddenly. It was proved at the inquest that death was the result of the railway accident. Suit was brought for damages. The railway put in the release as a defence, but the Court held that the injured man had signed under a belief that his injury was slight, consequently a verdict was rendered for substantial damages, and the railway authorities were censured for their hasty action.

Another case occurred in Toronto, which shows how extremely desirable it is to have an accident policy. A merchant struck his head against a beam. He was dazed for a while, and had headache attacks, but was not an hour away from business owing to the blow. Two months after he died suddenly, and the autopsy proved that what he had thought only a stun which caused mere momentary dizziness was in fact a fatal accident.

Ontario Wins.

The Government of Ontario has won in the suit brought against it by Michigan lumbermen. The Legislature of Ontario, some time ago, introduced a clause into its timber cutting licenses, requiring all logs cut on Crown lands to be sawn into boards in Canada. Certain Americans held licenses prior to this regulation. They claimed that the new regulation could not be legally enforced on old license holders. The Government's case was, that each license was an annual one, and, when renewed, was declared to be subject to whatever regulations might be imposed by Order in Council at the time of such renewal. The Michigan lumbermen resented the imposition of the new clause on the old license holders, when their license was renewed, as being a breach of contract, for which they sought heavy damages. The Court at Toronto dismissed their action with costs, on the ground that the plaintiffs knew their licenses to be annually renewable under whatever new regulations the Ontario Government thought well to establish, consequently no breach of contract had been committed. The point was also raised that the Ontario Legislature was not authorized to pass laws for regulating trade and commerce. This is so, but in this matter the Legislature was simply dealing with its own lands and timber, over which it has the same rights as a private owner, therefore, it can dictate whatever terms it chooses to those who wish to buy any part of such property. The decision was very emphatic in declaring that the Michigan lumbermen had utterly failed to establish their case.