

INTERESTING ACCIDENT CASE SETTLED.

After litigation lasting for several years, the case involving the cause of the death of the late John F. Bailey of The Spectator has been finally decided in favor of his estate by the United States Circuit Court of Appeals, three accident insurance companies being involved. The case was a most interesting one, in that it involved the drawing of a very fine distinction between an act which might be properly designated as accidental, though in a sense voluntary, and one which was purely voluntary. The facts were that Mr. Bailey pricked a pimple on his lip with a scarf pin, in consequence of which an infection arose which caused his death. Of course, it was freely admitted that the act of pricking the pimple was a voluntary one on Mr. Bailey's part, but the highest court has held that the accident companies were liable under their policies, for the reason that the death was due to accident—the element of accident consisting of the unintentional injection of germs into the tissue of the lip. In other words, while Mr. Bailey pricked the pimple as a measure of surgical relief, it was far from his desire or purpose to cause an infection which would bring about his death, and this was the accidental feature of the case, warranting judgment against the insurance companies. Stress was laid upon this particular point in a lower court, and the judge held that the deceased "clearly used something which he did not intend to use—he used not only the pin, but he used an infected pin—a poisoned pin. This infection was such that it could not, in the nature of things, but be discovered by him without perhaps a microscopic investigation. To my mind, the means were clearly accidental." It is apparent that the judge who used the foregoing language has now been upheld by the highest court, and the case thus decided in favor of Mr. Bailey's heirs.—Spectator.

NATIONAL LIFE ASSURANCE COMPANY.

Having completed the checking of the computation of the reserves of the National Life Assurance Company on August 15th, 1919, Mr. Miles M. Dawson, the eminent consulting actuary of New York, addressed the following letter to Mr. A. J. Ralston, vice-president and managing director of the company, which speaks for itself:

A. J. Ralston, Es.,

First Vice-President and Managing Director,
The National Life Assurance Co. of Canada,
Toronto.

My dear Sir:—

I am handing you herewith my certificate of the valuation reserve liabilities of the company on August 15th, 1919, by the Om.(5) and Hm. Mortality Tables, and 3½% interest. The cash capital

and surplus for the protection of policy-holders stood on that date at \$383,567.36, showing an improvement since December 31st, 1918, of upwards of \$100,000.00 in the surplus to policy-holders, calculated on a strict market value basis for all securities. This is particularly creditable in view of the large gain in insurance in force, amounting to no less than \$1,254,718.00.

This excellent result is in part due to the recovery in market value of the excellent list of securities owned by the company, and also in some part to the sale of some of its securities at a large profit, and the re-investment of the proceeds in high grade securities at a higher rate of interest, but very largely to the effective and economical management of the company, its low mortality, and its handsome returns upon investments.

The large increase in surplus has been secured notwithstanding that during this period the last entry completely charging off as assets the entire investment in furniture, equipment and treasury vault has been made.

Congratulating the directors, stockholders and policyholders of the company upon this splendid record, and the sound and prosperous condition of the company, I remain,

Yours very sincerely,

(Signed) MILES M. DAWSON, F.A.S., F.I.A.,
Consulting Actuary.

RECORD RIOT RISK.

What is said to be the largest policy "riot and civil commotion" policy ever written has been taken out by the Cleveland Railways Company through a Cleveland broker, who placed 90 per cent of it with the Western departments of 4 companies. The policy was for \$10,110,000, with premium of \$37,110. Recent industrial disturbances are causing a number of large industries to protect themselves by similar policies.

PRICE OF FOODSTUFFS.

There seems to be a conjunction of operations for keeping up the price of foodstuffs, when the foreign demand and the army and camp distribution have fallen off as much, while the farmers and producers complain that the prices which they are getting have no normal proportion to those which consumers have to pay. Those who have been testifying before the Agricultural Committees in Washington complain that their prices have been brought down, except in the case of wheat, which the Government holds up for them, and that keeping them up on the way from producer and consumer is a profiteering process. That is what the Attorney-General is working to put an end to with the hope of lessening the cost of living. There is need of as clear and complete an exposure of this as is attainable, for the persistent profiteering is one of the most pernicious agencies that are working now, and if brought into the light it is likely to evaporate.