AN IMPORTANT ACCIDENT CASE.

The case of Wadsworth vs. the Canadian Railway Accident Insurance Company, judgment in which was given last week by the Court of Appeals, is an important one for all accident underwriters. Briefly, the facts of the case are as follows:—Mr. James A. J. Wadsworth, of Ottawa, held a policy for $10,000 in the Canadian Railway Accident Company. Although the fact was unknown to the Company, he was subject to epileptic fits. While in an outhouse at the Fish and Game Club at Ottawa, he was seized with a fit, upset a lantern he had with him, was severely burned and died in a few days. The widow claimed double indemnity under the policy on the ground that the accident had occurred in a burning building, an accumulation of $750 added to the original $10,000 making the double indemnity claim $21,500. The Company, on the other hand, argued that a settlement must be made under a clause of the policy referring to fits, etc., and that the beneficiary was entitled only to one-tenth of the principal sum—one-tenth, that is, of single indemnity.

The Company's position was upheld originally at the trial and has now been sustained by the Court of Appeals. It was quite clearly proved to the satisfaction of the trial judge, and the point has now been confirmed by the higher Court, that the death of Mr. Wadsworth was the result of injuries happening from a fit, and that being the case, that the Company was correct in holding that a settlement of one-tenth of the amount of single indemnity was all that was called for under the policy. In no court was the burning building feature taken into consideration, so that the double indemnity question did not come into the case. Following a number of prior decisions, it was strongly argued on behalf of the plaintiff that death was the result of an accident whilst Mr. Wadsworth happened to be in a fit. But the phraseology of the Canadian Railway Accident company's policy was so clear that only one meaning could be given to it—that which involved the judgment now given.

While there are possibilities that this case may be further appealed, the judgments already recorded in favor of the Company suggest unmistakably the necessity of careful wording of accident policy clauses. Probably it is especially in this connection that Canadian accident insurance men will find this case of interest. To General Manager John Emo, of the Canadian Railway Accident, it must be a source of considerable satisfaction that his judgment in regard to this case has been thus far confirmed by the Courts.

Reports from many life companies show the present to be another record-breaking year, so far, for amount of business written.

RECENT DEVELOPMENTS IN ENGLISH INDUSTRIAL ASSURANCE.

English Actuary's Description of Companies' Great Work under National Assurance Act—Possibilities of Developments Favorable to Companies—What is being Done for Policyholders.

A paper by Mr. W. C. Sharman, F.I.A., of the Prudential of England, on the subject of recent developments in English industrial assurance, contains a number of points of distinct interest on this side, especially in connection with the operation of the English National Insurance Act, which came into force last year and in the administration of which the English industrial companies have played a leading part. It appears that out of some 13,000,000 persons who came under the National Insurance Act, a number not far short of 5,500,000 have been insured in approved societies formed by industrial assurance companies. As some 5,500,000 persons were already members of friendly societies before the Act came into operation, and the insurance of these in their existing societies was largely automatic, it is evident that a very large proportion of the residue relied upon the industrial societies for their insurance.

THE RESERVE SYSTEM VS. ASSESSMENTISM.

The financial features of the Act, Mr. Sharman described as a compromise between the reserve and assessment systems. The latter was adopted with regard to the proportion of the benefits and expenses borne by the State, these being met by a charge on the whole nation. The same system was also adopted in a somewhat different form in respect to sinking fund payments required to liquidate the initial reserves, the amount required in this case being met by a level charge on the members of the societies. The reserve system, which had been adopted in respect of the proportion of the benefits borne by the societies, had the advantage that it permitted them to retain their independence and also avoided any direct guarantee by the State. There was one feature which should afford life assurance officials every satisfaction. In the past they had consistently fought against assessmentism as applied to life assurance, and the reserve system had been definitely established as the only correct principle upon which their business could be worked. That this principle had been adopted by the State and applied to a scheme in which its advantages were not so apparent, was, Mr. Sharman observed, a fact of which they might well be proud.

THE RATE OF SICKNESS.

With regard to the important factor of the sickness experience of these societies, Mr. Sharman remarked that the industrial societies, with their large membership drawn from all parts of the country, might possibly approximate towards the average and would certainly be free from heavy variations in the sickness rates due to local causes. On the other hand, this aggregation precluded those classes which it might be presumed would experience very low rates of sickness from obtaining the full benefit of their light experience. The Prudential approved societies had endeavoured to overcome this disadvantage by forming separate societies for different classes such as domestic servants, laundresses, etc., which,