

the problem of hidden injury and disease, by defining afresh the date of knowledge test and by conferring a discretion on the court to extend the time if it appears equitable.

When the Law Commission published its 58th Working Paper containing provisional proposals for the reform and codification of the law on breach of confidence, comments were invited by the end of April: a definitive report must be expected by the year end. The Law Commission's work was provoked by the report of the Younger Committee, published in 1972: that committee decided against recommending the establishment of any new law to give a general right of privacy, but thought that the Law Commission should examine our law on breach of confidence and proposed that a new civil action should be established to allow the individual harmed by disclosure of information obtained illegally, to obtain damages. In its Working Paper the Commission proposed the abrogation of the existing common law rules on breach of confidence and their replacement by three categories of statutory duty entitling the aggrieved citizen to sue for breach of confidence. The first category deals with commercial transactions, the other with the harm the individual may suffer: category two would give a right of action for pecuniary loss, category three would give a right of action for distress. If these new statutory duties are eventually established, both the definitions in and the scope of many public liability policies will need reappraisal.

At the beginning of February the Insurance Companies (Valuation of Assets) Regulations (S.I 1974 No.2233) made under s.78 of the Insurance Companies Act 1974, came into operation, and apply to the accounts produced by the companies this year. Nine categories of assets have been identified, including quoted shares and unquoted investments, investments independent companies, land and buildings, debts due and contractual rights, and equipment: for these categories the regulations prescribe in detail the methods by which the valuation of each category of asset is to be undertaken. These regulations were produced after long discussions with the company market, and the resulting standardisation must ease the D.o.T.'s supervisory problems. However assets are only one side of the coin, and parallel regulations dealing with the valuation of liabilities must surely be promulgated soon.

#### LEGAL EXPENSES INSURANCE

By the time this "Bulletin" is issued, B.I.L.A. members will have heard the thoughts of Maurice Bathurst Q.C. on legal expenses insurance - and we hope to include his paper in the next edition. Meantime we should record that a major step in this field has been taken by Phoenix Assurance in collaboration with Munich based Deutsche Automobile Schutz, which writes some £40 million legal expenses cover

in West Germany and which has specialist associates throughout western Europe. A jointly owned specialist company - DAS Legal Expenses Insurance Company Limited - has been set up, and at this stage two policies are being offered: a family legal protection policy covering motor and general risks, and a business vehicles protection policy for commercial motorists. The British DAS was on the drawing board before brokers Strover & Company of Colchester introduced their Lloyd's backed scheme, and the time taken in the preparation of the policies has made for greater certainty as to the scope of the DAS contracts, particularly in the field of legal defence costs.

But the prime purpose of these contracts is to provide the policyholder who does not qualify for assistance under the state scheme, and who is not wealthy enough to run his own court actions, with the finance whereby to sue in tort or for breach of contract when he suffers injury or damage. At this stage it seems uncertain if the British market will develop to any extent comparable with its Continental counterpart, which has owed its expansion primarily and substantially to the fact that most European motorists for many years have bought only third party insurance. Between 65 and 70 per cent of British motorists insure "comprehensively" - those who do not are not likely to be able, or to be willing, to find the premium to buy legal expenses insurance.

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