

to do much immediate good, it might be of great value if made supplementary to a free system of State pensions for the destitute and deserving poor—such pensions as are paid in New Zealand. I have never been able to see why the two systems—the one of paying a small free pension to needy and reputable aged, the other of encouraging thrifty people to make a more liberal provision for old age—should not be established and managed concurrently by the Government.

No such idea, however, seems to have occurred to any one in this country. At present the tendency of the friends of old-age pensions seems to support some modified version of the free-pension schemes in existence in New Zealand, New South Wales, Victoria, and Denmark. Last year a Committee of the House of Commons reported in favour of granting a pension of from 5s. to 7s. a week to all deserving persons of sixty-five years old and upwards whose income does not exceed 10s. a week. The Committee advised that crime or chronic pauperism should disqualify for this pension, and also desired to insert a stipulation that any applicant for a pension would have to show that he has endeavoured to the best of his ability, by his industry or by the exercise of reasonable providence, to make provision for himself and those immediately dependent on him. The Committee were of opinion that the funds for these pensions should be contributed partly by local bodies and partly by the Imperial Treasury, and that the administration should be a local committee partly nominated by local poor-law authorities and partly by the Imperial Government. In reference to this recommendation of the parliamentary Committee, it is of interest to note that the official computation of the initial cost of such a pension scheme is about eleven millions a year. It is estimated that in fifteen years the sum required would have risen to between fifteen and sixteen millions a year.

THE POSITION IN THE UNITED STATES.

A very interesting contribution to the proceedings of the Conference was made by the delegate of the United States, Professor Charles Richard Henderson. But though his statement of the condition of workmen's insurance in the United States was valuable, this was not because America shows any example worthy of imitation by other countries. Precisely the contrary is the case. The United States are behind almost every civilised country in affording legal protection to workmen against the consequences of accident or sickness. As regards compensation for accidents, not only is there no system of State insurance, either compulsory or voluntary, but even the tortuous and expensive methods of litigation hold out less hope to the workmen than elsewhere. Professor Henderson frankly admitted that it is almost impossible for a working-man under American laws to secure adequate compensation for injuries in industry. True, while his case is before a Court of first instance a jury will generally decide against a rich employer or corporation and award a heavy sum for damages—often an unreasonable amount. But the case is usually carried up to a higher Court, and subjects the workman to a tedious and costly process which he rarely has means to prosecute. At every point the law requires the workman to bear the burden of proof, and to show beyond reasonable doubt that the employer has been criminally negligent, a fact which is seldom possible to prove. Generally the agent or lawyer of the corporation will hasten to the injured man and offer to pay him a paltry sum in cash to induce him to sign a paper releasing the employer from all legal liability for further payments and promising not to bring suit.

It is only fair to add that Professor Henderson pointed out that many American employers are not as heartless as the law permits them to be. Many of them as a matter of charity will extend a certain amount of help to workmen crippled or injured in their service. But such help is irregular, uncertain, and apt to be insufficient. A more common practice among large American employers is to insure themselves in some accident insurance company which undertakes to hold them harmless against all claims or actions at law by employees injured in their service. In the case of an accident the insurance company is notified, and it then either settles with the workman by offering him a small sum in satisfaction or provides the means of fighting him should he take his case into a law-court. This system seems to be as unsatisfactory to the employers as it is to the workmen. Professor Henderson mentioned that in five years (1894–98) ten companies received nearly four millions sterling in premiums, while they only paid out in losses something less than two millions. The result, therefore, of the process was to extract two millions sterling from the pockets of the employers which was not paid over in compensation to their workmen. This is very interesting, because it shows that whatever objections may be made to the burden imposed on employers by the workmen's compensation law in other countries, nothing could well be more burdensome than their position in America where the law notoriously favours the employer.

It appears that in America some of the municipalities are taking steps to provide pensions for their aged or disabled servants. These and the well-known United States Army pensions seem to comprise all that is done by Government or public bodies in the matter of old-age pensions in the States. Nor as regards private co-operative effort is the position at all hopeful. The American trades-unions are notoriously behind those of England in their benefit funds. Many of the unions have no funds worth mentioning even for provision against sickness. Provision against accident and old age appears to be almost unknown. Some of the larger employing firms (including some of the great railroad companies) have sick and accident funds which are said to be financially sound and honestly managed. Yet even in these cases the workmen are apt to be at the risk of losing all the benefit of their contributions should they quit or be discharged by the particular firm or company controlling the fund—a manifest justice.

A large number of burial clubs and small benevolent associations exist, the condition of most of which is described as more or less unsound and fluctuating. Generally the condition of things in the United States is not creditable to a highly civilised country. It would probably be found quite intolerable were it not that the high wages paid in many industries enable the more prudent and far-sighted of the younger workmen to lay up something against a rainy day.