

41. In 1890 a Bill was introduced in the English Parliament by the Bishop of Peterborough to amend the law relating to insurances on the lives of children. A large amount of evidence was taken before a Select Committee of the House of Lords on the subject of the Bill. Mr. Justice Day, one of the witnesses, expressed himself in favour of the re-enactment of the law forbidding insurance on the life of another without an insurable interest. In answer to question No. 1964 he said,—

I can only think of one practical remedy, and that is restoring the law to the state in which it was before the Friendly Societies Act was passed. On this subject let the working-people be in the same position as other people are. *Let there be no gambling with human life.* It is not a fit subject for speculation.

The majority of those witnesses, whose experience related to the slums of large towns, appear also to see only evil in the practice of infantile insurance. On the other side, representatives of the affiliated friendly societies and of the provident industrial assurance societies, as well as witnesses neither connected with, nor interested in, any such societies, gave evidence as to the advantages derivable from the existing legality of an insurance on the life of another within the present limits without an insurable interest. There was, however, a consensus of opinion that insurance on children's lives should be effected by their parents only, and by them only in one office, and that all classes of societies undertaking business of this kind should be compelled to register and be brought within the provisions of the Friendly Societies Act. The main arguments adduced in support of a continuance of the present law were that the crime of infanticide is not traceable to the practice of child-insurance; that ignorance and the conditions of life among the poor are causes of a very high rate of mortality among children; that in cases of infanticide other and more powerful motives lead to it; that children's insurance is not a speculation when done simply to provide for possible expenses of sickness and burial; that for a doubtful gain parents, by the abolition of the existing provisions, would be practically forbidden to give effect to the natural and proper desire to prevent the possibility of being driven to apply for parish aid or to seek help from their neighbours in the event of a child's death, which is a probable contingency; and that such restriction would operate to the general discouragement of thrift and of self-respect on the part of those thus pauperised. It may be added that the evidence before the Committee brought into view two matters to which prominence has already been given—viz., the expensive management of what are called "collecting societies," and of provident industrial assurance companies, and the desire on the part of friendly societies proper to be dissociated from the former in name, and to be legislated for separately.

42. Commenting on this Bill the English Chief Registrar of Friendly Societies writes as follows:—

There appears to be so little likelihood of the Bill passing in its present shape that the Chief Registrar does not feel called upon to criticize it in detail. He would wish, however, to make some observations of a general nature, as he fears the view of the question entertained by the public is a very loose one. He would begin by distinctly expressing his conviction that there is a large amount of insurance on the lives of children which, under the law as it stands, is substantially innocuous—viz., (1) where it is combined with the insurance of the child in sickness; (2) where the payments for both benefits are made in one sum, and at intervals, say, of a month or more, and at the office of the society. These are the conditions under which infant life is generally insured, both in or in connection with the affiliated orders, and in many separate societies. The danger begins where the insurance is on the child's life only, and is enormously increased where the premiums are collected at the parents' home at short intervals, especially where this is done not by a fellow-member but by a professional collector, whose emoluments only begin with 25 per cent. of the collections, the entrance-fees, and the whole of the first or second week's payments. Although there are many gradations and border cases, this distinction draws a line between infant insurance by the genuine friendly societies and infant insurance by the collecting societies (so-called friendly) and the industrial assurance companies, for experience, often repeated, has shown that it is impossible for a collecting society to carry on profitably a sickness insurance business. Thus, in the view of the Chief Registrar, infant insurance by a friendly society, properly so-called, is practically harmless. It is always dangerous in a large collecting society or company making a business of what is called "industrial assurance." The object of legislation should therefore be, he considers, to separate the larger collecting bodies from ordinary friendly societies, of which, as he has endeavoured to show before the House of Commons Committee of 1888, they are virtually the inversion. The slightest reflection will show that the combination of sickness with burial benefits is an immense security to the child. The sickness-benefit constitutes virtually that insurable interest which the law requires in ordinary cases of insurance. It is to the advantage even of the unnatural parent, who would embezzle for his own use his child's sick pay, to keep that child alive for the purpose. But let the insurance be only on the child's life, and its sickness becomes a mere uncompensated burden: the prospect of gain is involved only in its death. Then add the enormous moral difference between the payment of something for the insurance on a child's life as part of a lump sum once a month, or once in three months, at a meeting of fellow-members at which many other subjects are discussed, and the steady keeping before the parent's mind the idea of the child's death through the call, week after week, of a professional collector, and recollecting that the members of the best of these collecting societies are, according to the evidence of a witness of unquestionable authority on the point before the Friendly Societies Commission, Mr. Liversage, of the Royal Liver, "principally of the very poorest," it will be seen what awful temptations are placed before the minds of those least fitted morally to resist them through the system of infant life insurance divorced from sickness assurance, and combined with weekly collections. Probably not in one case out of a thousand is actual child-murder committed. But how little is needed to let a child die. A single draught of air may dispose of a baby. Later on the use of unwholesome food, mere omission to send for a doctor, or to give a prescription (all practices largely testified to by medical witnesses before the Commission), may suffice to bring in the death-insurance money. In an Oldham case, referred to by the Chief Registrar in his report for 1888, a mother, whose child, ten months old, and insured within the legal limit for £5, had swallowed a marble, did not send for a doctor till the morning after the accident, and when told by two doctors that only an operation could save the child, refused to allow it. Such cases may take place by the thousand. Even the religious feelings of the people may tend in the same direction. "Poor little fellow; he will be happier elsewhere," may salve over many an act of parental neglect, to which the real temptation lies in the burial-money. The Chief Registrar is inclined to think that the efficacy of the new Bill would be increased by requiring a child to have been insured for at least six months before any insurance-money can be paid, and that it might even go so far as to prohibit all payments on the death of infants under twelve months old. In justification of the lowering of the limits of payments, he would wish also to call attention to what he already pointed out to the House of Commons Committee of 1888—viz., the far lower scales voluntarily adopted by (genuine) friendly societies. The following figures are from the observation of rules which have come before him within the last year or two, and show both lower figures than those allowed by the Bill, and the extension of such lower figures to higher ages. *

* The Chief Registrar here quotes the scales of several societies.