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The above figures show the paradoxical fact that the respectable working-men of this country receive often much less on the death of their children than the classes below them in the social scale. With respect to the age of insurance, the Chief Registrar regrets to see that the witnesses for the affiliated orders sought to break down what he deems the wholesome, though insufficient, restrictions of the present Acts. As the legal limits do not appear to be very clearly brought out, he would point out that—

(1.) Under section 8 (1) of the Act of 1875, parents, members of a society, may insure the funeral expenses of their children from birth upwards.

(2.) Under section 15 (8), as since amended, societies or branches, consisting wholly of members under twenty-one years, but exceeding three years, may be registered for any purposes of the Act—*i.e.*, a child of three may insure money on its own death, but subject to the limits and conditions of section 29.

(3.) But societies which, on the 1st of January, 1876, had any rule or practice for the admission of members under three may continue to admit such — *e.g.*, a new-born baby may, in the Royal Liver or Liverpool Victoria Legal, be supposed to insure money on its death.

Now, the weakness of the above provisions lies—

(1.) In the allowance of membership at all, as distinct from insurance by a parent, at so early an age as three.

(2.) In the privilege of membership, even below that age allowed to societies which had such privilege on the 1st January, 1876.

In the Chief Registrar's opinion it is full time that the latter privilege, at all events, should be taken away, and whatever limit of age is adopted for the commencement of infant membership should apply to all societies equally. But he thinks that no harm would be done if the limit were carried from three to seven. A child of three cannot in any true sense of the word be called a member of a friendly society. At seven he is at least capable of joining in a procession and appreciating a badge or a banner. The complaint that the affiliated orders cannot insure the children of outsiders really depends upon their own rules. If they choose to frame rules for admitting, say, without an upper limit of age or medical examination, a class of members above sixteen, solely insuring their children's funeral expenses, there is nothing to hinder them from doing so. But the Chief Registrar would greatly deprecate any modification of the present provision of section 28 (2) of the Act, forbidding payment to any but the parent, or "personal representative" of such parent, a term which he has always understood to mean, in its ordinary legal sense, the executor or administrator. It may, indeed, be necessary, after the evidence of Mr. Justice Day (which the Chief Registrar must admit he saw with the greatest surprise), to fix this meaning by an additional definition. But any legal allowing of guardians to insure, however well meant, can only act as an encouragement to the mischievous system of baby-farming. The attention of the Committee appears to have been called by Mr. Dewey, of the Prudential Assurance Company, to the proceedings of certain companies at Rochdale, formerly registered as friendly societies, but which had their registry cancelled on being converted into companies. It has been held by high authority (somewhat, the Chief Registrar must own, to his surprise) that friendly societies thus converted do not become life assurance companies within the meaning of the Life Assurance Companies Acts, and are not subject to the provisions of those Acts as to deposits, the separation of funds, the sending of yearly statements and valuations to the Board of Trade, &c. If not life assurance companies, they also escape the provisions contained in sections 28 and 30 of "The Friendly Societies Act, 1875," with respect to industrial assurance companies, since, under the definition in section 4 of the Act, an industrial assurance company must be a company "as defined by 'The Life Assurance Companies Act, 1870.'" Accordingly these companies now claim to pay money of any amount on death, at any age, on any evidence they may think fit. It is clear that this was never intended by the Legislature, and that steps ought to be taken to bring such bodies under the provisions of the Friendly Societies Acts with respect to infant assurance, as well as under those of the Life Assurance Companies Acts."

43. In Germany the principle of compulsory insurance has been completed by the passing of a law dealing with insurance against old age and infirmity. Mr. Esme Howard, Assistant Secretary of the British Embassy at Berlin, who has rendered the Act into English, says, in his letter to the English Ambassador at Berlin, covering the translation,—

This law may be looked upon as the crowning Act—to use the words of Mr. Rennell Rodd in his note to your Excellency of 28th September, 1888—of that great system of national insurance, which is destined ultimately to cover all classes of labourers and workmen throughout Germany. These words have been literally fulfilled in this Act by the provisions of which every labourer, workman, or servant in the empire may look forward to receiving some material assistance when rendered unable to earn his living owing to mental or bodily infirmity, or as soon as he has reached the age of seventy.

And in a summary of the said law, Mr. Howard writes as follows:—

The great structure of socio-political legislation for purposes of national insurance, upon which the German Government have been employed since 1881, was finally completed on 23rd May last, when the Bill, containing the most important and extensive scheme for State insurance ever yet devised by any Government, was voted by the German Reichstag, and became law. The extent of this measure being so infinitely greater and more ambitious than any of its precursors, the insurance statistics furnished by them, or by the various benefit and insurance funds distributed throughout the country, can hardly be considered to form a satisfactory foundation for so great a structure; and, indeed for this reason the National Liberal party in the Reichstag were at one time in favour of postponing the final decision upon the Bill until the autumn session, during which interval they hoped that more valuable data bearing upon the subject might have been collected, and the more advanced Liberals, while declaring themselves in favour of the principle of the Bill, desired that it might be indefinitely postponed with the same object. It was contended, on the other side, that it was evident that a measure, at once so novel and so extensive, could by no possibility be perfect at the first; that the best and only way of finding out how it could be worked with the greatest advantage was by putting it into execution as early as possible, and that postponement would therefore be only rather disadvantageous than otherwise. The National Liberals finally fell in with this view, and the Government was enabled to obtain a majority for the third reading of the Bill towards the end of May. The main difference existing between this measure and its forerunners—and in this respect the Government may be said to have adopted for the first time a really socialistic principle—lies in the fact that, while the burden of the contributions raised under the previous insurance laws was imposed, either upon employers alone, as in the law for insurance against accidents, or upon employers and insured, as in that against sickness, a third part will for this Act be contributed by the State. . . . All already existing benefit and insurance funds, whether simply local, or for trades, or Government services, are left untouched by this law, which officially recognises their existence, and relieves their members of compulsory insurance, provided that the regulations of such funds meet certain conditions; while the Act works conjointly with these funds as regards persons insured at one time with them, and at another under its own provisions. . . . Perhaps the most striking consideration in regard to this law as a whole is its irretrievable character, and when it is remembered that it touches the entire industrial population of the empire, this fact assumes an even greater importance. Isolated provisions and clauses may be altered and amended, but the effect of the whole will remain ever present and, like a rolling ball of snow once started, will continue to increase in bulk and volume until the moment may come when the hands that fashioned it are no longer able to impel it further or to guide its course. It will become a force that must ever be reckoned with and taken into account by future generations. The step once taken cannot be retraced, and the measure, such as it is, bringing in its train possibly incalculable benefits, possibly also unforeseen economic difficulties, must be considered as an unalterable fact, unless it be swept away with all other existing institutions by the wave of some mighty social revolution.