

to labour, produced not by accident, but by disease or premature enfeeblement. To be classed under the head of invalidity, incapacity to labour must be more or less permanent, and therefore not dealt with under the head of sick-insurance. It need not be complete; any contributor disabled to the extent of one-third of his earning-power receives a proportionate annuity. In all cases the invalidity, however, must have lasted more than six months before an applicant can receive any payment on account of it. The compulsory payment of contributions in the invalidity and old-age division begins at seventeen years of age, and the law applies not only to ordinary wage-earners but to apprentices, foremen, overseers, clerks, and ship-captains. It must be borne in mind, however, that, as I have already said, all persons belonging to the above classes who may earn more than £100 a year are exempted. Employees earning between £100 and £150 a year may join the insurance voluntarily, as may also the masters of small workshops and some others of the *petite bourgeoisie*. On the other hand, certain divisions of employees are specially exempted from the liability to contribute. Such are public servants and teachers who may become entitled to a pension. In case a contributor to the invalidity insurance should die after paying his contribution for at least two hundred weeks, and should leave a widow or orphan children, these will be entitled to recover the amount of such contribution. Young-women workers also who may marry after contributing for at least one hundred weeks are entitled on marriage to receive their contributions back again; and a considerable sum is paid out under this head.

The right to receive an old-age pension is attained at seventy years of age. It is not restricted by any stipulations as to the property or earnings of the pensioner, but, as already pointed out, the system only applies to poorer class.

The pensions fund both for invalidity and old age is contributed in equal amounts by employers and their workpeople. The State supplements the contributions to each pension by a fixed payment of £2 10s. The office machinery both for effecting insurance and paying out pensions is provided by the State free of charge. Pensions are paid through the Imperial Post Office. The contributions are expected to be paid weekly, and in the case of workmen in actual employment are usually paid by the employer, who is entitled to deduct each workman's share from his wages. But many contributions are collected by local societies, and voluntary insurers look after their own payments. Every injured person is furnished with an annual receipt-card. Every week an insurance stamp with a face value equal to his or her weekly contribution is to be affixed to the receipt-card either by the contributor himself or by his employer. Contributors are divided into five classes according to their income. Each of these classes has to pay a special rate of weekly contributions. In the lowest of these classes the weekly payment is 14 pfennigs; in the highest it is 36 pfennigs. Within each class the contributions of all members are equal. They are graduated at such rates as to make the insurance system actuarially sound. The old-age pensions, which are paid monthly in advance, vary according to the class. In the lowest class they are about £5 10s. in English money, in the highest class about £11 10s. per annum. The invalidity pensions vary according to class, and also according to the number of weekly contributions which have been paid in. A pension under this head may be as low as £5 16s. or as high as £11 5s.

Accident Insurance in Germany.

If I devote but a brief space to the famous German accident law it is not because it lacks importance or interest. So far is the German law from lagging behind other countries that it stands in many respects at the head of all systems of the kind. As already indicated, it works on a vast scale, and, though obviously open to criticism in certain directions, it has, in my humble judgment, been productive of more material good than most social laws of our time.

Its repute, however, is so wide as to make it scarcely needful for me to give here a detailed account of its operation. As you are well aware, the pivot on which it turns is an elaborate system of trade insurance associations. These are district societies inasmuch as their limits are territorial; they are trade societies inasmuch as, unlike the Austrian insurance corporations, all their members belong to one trade. The whole of the funds of these societies are contributed by employers. Workmen make no contribution whatever. In this respect the accident division of German State insurance differs in a marked way from the invalidity and old-age pensions division already described, and also from the sick-fund division. Yet it must not be supposed that, because the funds provided for workmen's compensation for accidents come entirely from the pockets of the employer, therefore the whole burden of providing for workmen disabled by accident falls on the German employers. This is not the case. For the first three months (thirteen weeks) of disablement as the result of accident, the suffering workman is maintained not out of accident insurance funds, but out of sick-funds. To these sick-funds workmen contribute two-thirds of the money and the employers only one-third. The result is that about 8 per cent. of the money spent in support of those suffering from accidents comes out of the workers' pockets. But, after all, this is small compared with the 92 per cent. which the employers find, or with the 33½ per cent. which the employers contribute towards the sick-fund division. How great an improvement the accident-insurance system has made in the workmen's condition may be judged from a statement by Dr. Zacher that forty years ago no more than one-tenth of all industrial accidents were properly compensated in Germany.

Speaking generally, the accident-insurance law applies compulsorily to workmen, whether in town or country, on land or on sea, irrespective of the scale of their earnings, and to foremen and overseers earning less than £150 a year. Government workmen and even soldiers come under it. It may also be extended to small employers, to farmers, and to masterless persons engaged in domestic industries. The assistance given under the accidents law takes up the sufferer from accident at the point at which the sick-fund leaves him—namely, at the fourteenth week of disablement. The sufferer is supplied with medicine and medical attendance and maintenance-money, or he may be placed in a hospital. The maximum of the maintenance-money is two-thirds of his annual earnings when these are under £75; somewhat less if they are above that sum. His annual earnings are calculated for the purpose to be