STRIKE INSURANCE

The Employers Mutual Insurance & Service Company, Maryland Trust Building, Baltimore, has prepared a brochure on the subject of Strike Insurance, which we understand will be mailed to Employers or others interested, upon request. In this connection, The Insurance Press, New York, says:

Employers will soon be able to obtain strike insurance policies to be issued by a large corporation that has been organized on the mutual plan.

The company's rates are based upon accurate strike data covering the period from 1881 to 1919; they have been developed from ascertained facts and upon a sound actuarial basis.

By a combination of every element which enters into loss cost equitable rates have been calculated for the principal industries in the United States, as well as for similar industries in different localities.

The company will operate under a charter granted by the State of Maryland.

Coverage of the Strike Insurance Policy

The policy will provide indemnity covering monetary loss sustained by an employer by reason of strikes, namely, the amount of the annual fixed charges during the period of complete or partial idleness; the pro rata of net profits sacrificed during the same period, as shown by the business records of the employer, and the legal expense to the employer, if any arising out of the strike.

The company plans to provide a service for the benefit of both employers and employees. Its postion as regards relations between employers and employes will be neutral and independent, in the broadest sense. It will stand for every principle of equity, justice and common sense. It will aim to keep the scales balanced, as exactly as possible, between employers and employes.

To equalize and stabilize

In passing upon claims under its policies and other questions that may come up, it will uphold that which is reasonable, right, honest and farsighted, without any obligation or purpose to support any of the extreme partisan views or prejudices which arise too often between employers and employes. It will represent the best interests and aims of the collective membership. Its declared purpose is to equalize and stabilize the interests of employers and employes to be constructive in all of its activities.

Necessarily the underwriting contract in strike insurance, as in any other form of underwriting, will be a very practical thing. Conditions will be dealt with as they exist. Risks will be calculated and rates determined on the basis of past experience and present circumstances.

Two thousand strikes called in seven months

Unhappily, employers and employes are not now in full accord. Strike are frequent in the United States and in other countries. It is said that during the period, 1901-1905, no less than 63,000 establishments in the United States were involved in strikes. In seven months of 1917, nearly 2,000 strikes were called. It has been estimated that what might be called "labor wastage" (due to strikes and other faulty conditions) in the United States and Great Britain, amounts roughly to $15,000,000,000 per annum in wage values. That is a tremendous burden on the men who work for wages. The losses to employers are incalculably large; also the losses that fall upon other people—the general population not directly involved in lock-outs or shut-downs.

The life insurance of business

The strike menace is a factor of great uncertainty in the calculations of every employer. A strike insurance policy will afford him a protection against the loss of fixed charges, net profits and the cost of litigation connected with the strike Very reasonably it may be said, that strike insurance may be the "life insurance of business."

The introduction of the insurance principle, to ameliorate the now costly conflicts between employers and employes will be a forward step toward stabilization that can hardly be over-estimated.

Evolution, not revolution

One need venture no prophecy with regard to changes that may come or may not come in the social structure in the near or remote future.

Wise men realize that, to be permanent and helpful, changes must be the result of evolution instead of revolution. Haste must be made slowly. Progress toward any higher or better level should be made on an inclined plane of easy grade, not by aeroplane spirals nor a balloon ascension.

Strike insurance has been thought of for a long time as a desirability — now it has become an actuality. The principle of average, as applied in insurance, will furnish relief and protection to the well meaning employer in whose welfare and reasonable prosperity his employes have a vital interest.

Many manufacturers have now more to fear from strike losses than from conflagration losses.

C. S. WAINWRIGHT APPOINTED SECRETARY, WESTERN ASSURANCE CO.

Mr. Cecil S. Wainwright has been appointed secretary of the Western Assurance Company in succession to Mr. C. C. Foster who has retired. Mr. Foster has been secretary of the company for twenty-nine years and Mr. Wainwright assistant secretary for twelve years.