The Responsibility of a Druggist.

Although the suit of England vs. Kerry, Watson & Co., which recently came before the judicial committee of the privy council has reference to the responsibility of wholesale druggists for mistakes committed through the negligence of their employees, the judgment cited cannot be taken as satisfactorily determining this point. The facts of the case were briefly these: Dr. England ordered from H. J. Dart & Co., retail druggists in Montreal, bismuth for his wife, who at the time was ill. A package marked "bismuth trisnit—two ounces," came to the house and of the contents Mrs. England took half a teaspoonful. She then became very ill and died some few days afterwards. An examination showed that the drug purchased from the Dart Company was not bismuth but tartar emetic or antimony. Mr. Dart stated that shortly before receiving Dr. England's order he (Mr. Dart) had ordered from the appellants two pounds of bismuth, and the appellants had supplied him, in a parcel marked, "Bismuth subnit,' with the drug which was afterwards supplied by him to Mrs. England. The infant son of Mrs. England then brought an action against Kerry, Watson & Co., alleging the death of Mrs. England by their negligence. The jury found that her death was due to previous disease, but was accelerated by the tartar emetic though not to any appreciable extent, and that the supply of the tartar emetic in the package marked "bismith subnit," by the defendants to Dart & Co., was due to neglect, carelessness, want of skill, and fault of the defendants or their employees. They awarded the infant son $1,000 as damages for the death of his mother. This judgment was not considered satisfactory, and after passing through the Canadian courts the case came before the Privy Council. For the appellants it was submitted that they had not been guilty of a breach of any duty which they owed to the respondent's wife, whose death was not such a consequence of their alleged act (assuming, which which they denied, that they sent to Messrs. Dart & Co. a packet of antimony labelled "bismuth"), as they could have reasonably foreseen. The fair and proper conclusion to be drawn from the evidence was, as the jury found, that Mrs. England died from previous existing disease and not from the tartar emetic. We are not yet in possession of the judgment of the judicial committee and cannot decide as to the value of the case in determining the responsibility of wholesale druggists for injury caused by their mistakes when the drug has been sold to the injured party by a third person. The pleas that, first, the death was not caused by the bismuth and second, that the appellants did supply the drug in question, bar the whole question of responsibility.

Mr. Boarder—Mrs. Caterer, let me tell you that if you want to be up to the times you'll have to get a sideboard.

Mrs. Caterer—And let me tell you Mr. Boarder, that if you ain't more up to time in your payments you'll have to get outside board.

INSURANCE

FRATERNAL INSURANCE.

I have called attention in my previous reports to the recognized defects in the fraternal society system. Although the number of assessments has increased again during 1897, in nearly all, no sufficient steps have been taken by any, but an insignificant number, to reform their methods and escape the evitable consequences of increasing assessments. It is true that with those whose new membership continues to be a large percentage of the whole body, the annual increase in amount of assessment is very gradual. But it is none the less sure; and when the period arrives, which in the very nature of things it must, that the individual payments approxominate to the price asked for insurance by regular companies which guarantee no increase the new membership falls off and healthy young lives drop out. Thereafter the increase in assessments becomes rapid, and the society soon comes to an end, leaving many moribund or unable to protect their families by insurance elsewhere. It is a disgrace that the laws of this state should permit the promotion of such incompetent schemes, but such is the number and power of these societies and the ignorance of the majority of legislators upon technical matters that the insurance departments have not been able to have their protests considered, and are remitted to such supervision as the inadequate statutes, mostly passed at the instance of the societies themselves, upon the books will permit. As in the case of the endowment orders, no really remedial legislation becomes possible until the situation becomes a public scandal.

This criticism does not apply to those secret orders, such as Masons, Oddfellows and the like, wherin the insurance feature is limited to a mere burial fund or temporary relief, and constitutes but a merely subordinate incident to other purposes. Such are usually and properly excused from departmental supervision. But it does apply with annually increasing force to those societies whose real purpose is the pursuit of the business of insurance under the more or less thinly disguised forms of secrecy, lodges, rituals, etc. It is also true that, in the larger and better conducted of these, the extravagantly titled managements have, in private, been fully alive to the dangers confronting their societies for several years. But this, coupled with the fact that no sufficient remedies have been applied, give ground for the fear that they do not possess sufficient power to bring about the reforms which they confess to be necessary. It is, therefore, in no unfriendly spirit, suggested that they undo the vicious legislation which they themselves have accomplished and seek the assistance of legislators in passing such laws as may compel their own membership to accept such changes in their system as will tend to save their societies before it becomes too late.

All insurance experience proves that the rate (or premium) must be increased to the cost at the attained age of each member in order to attain inequity and secure solvency. Or, if the rate is to be permanently fixed at age of entry, a considerable increase must be at once made which will furnish a large reserve to be used in part payment of claims. The fraternal societies have utterly ignored both of the mathematical axioms, and have attempted to proceed upon increasing rates fixed upon a ratio based upon the age of entry instead of at the age attained. Therefore those who have been long in the society and have become advanced in years still continue to hold the advantage of their early age of entry, to the detriment of all new entrants, who are saddled with part of the cost of carrying these older risks who thus escape paying their own actual cost of insurance. It requires no prophet to predict the inevitable end of such an enterprise; both mathematics and experience demonstrate its ultimate failure. This is still further aggravated by making post mortem assessments, which act as a premium upon lapsing, as any one can discontinue without paying for his last month's insurance. The remedy is legislation which will compel assessments, payable in advance, based upon attained age costs of insurance, whenever the society fails to have in hand a technical reserve, (computed by the insurance department) which will permit age at entry assessments to be maintained. Although it may be claimed that such legislation would be unconstitutional as impairing the obligations of previous contracts, it must be remembered that all such contracts are given under charters (which are part of the contract) by states which reserve the right to alter or amend the same at pleasure. And most of the by-laws of these mutual societies, which also form a part of the policy contract, reserved the right of change under certain formalities, which the legislatures may compel the management to make the requisite effort to institute. Besides, several tribunals have recently held that in mutual associations, minor and technical rights might be disregarded when equity and the carrying out of the major purposes of the association required a change not originally contemplated or reserved. The real difficulty of the situation consists in the impossibility of convincing the common membership, who are not versed in insurance problems, of the defects of their system and its impending collapse, together with the selfishness of the older members, who are generally in control, and adverse to any change which will compel them to pay their fair share of the common burden. As the legislature created these societies, it becomes its duty to see to it that they are properly conducted. And if constitutional questions stand in the way of reforming those originating in Connecticut, it can at least exclude those which originated in other states from doing business in this State, unless within prescribed methods. And similar retaliatory or reciprocal action in other states would immediately operate against our own societies to compel their reform.

It is not intended here to say anything to the real detriment of these societies, which have many excellent points to commend, among which is the careful selection and supervision of their risks, a small lapsing rate until assessments become abnormal, great economy of management, and a remarkable ability to get new busi-