## BRITISH UNEMPLOYMENT INSURANCE.

The report for the first year of the operation of the unemployment insurance law under which provision is made during periods of unemployment and illness for the great body of employes in the United Kingdom shows that 2,508,939 unemployment books were issued; 559,021 claims for benefit were filed; 400,000 individual working men claimed benefits under the act; 774,494 payments were made; the total benefits paid aggregated $1,150,722; the lowest payment for any one week was $23,359, and the highest $93,436; the year's gross income amounted to $11,039,168; at the close of the year there was an invested balance of $7,835,065; the maximum of unemployed falling within the provisions of the act was 118,000; and the minimum, 67,000.

Of the total annual income derived under the insurance act, the employers and workmen contributed about three-quarters and the State one-quarter. In a large proportion of cases the unemployment was very short, 30 per cent. falling within the waiting week during which no claim could be made, 62 per cent. received benefits, while 7 per cent. were excluded for various reasons, and 1 per cent. represented unemployment which continued after the period during which benefits are paid.

## THE CAMPAIGN AGAINST TAXATION.

*(President Clark of the N. L. U. A.)*

It is the intention of this administration, in connection with the proposed campaign of education and conservation, to give such publicity to this important question for the benefit of the insuring public that policyholders and legislators may be fully advised as to the extent of this state and national disgrace.

Elizur Wright declared that the government should as soon tax its asylums or hospitals as to seek gain from the deposits which foresight and affection had set apart for the protection of thousands among the most helpless of its citizens. A tax on life insurance is nothing more than a tax upon widows and orphans. This declaration was made in 1867, yet the burdensome and unjust system of taxation has steadily increased from 70 cents at that time on each $100 in premium, to over $2 per $100, amounting in 1912 to more than $12,000,000 by the several states and federal government.

This taxation would provide over $500,000,000 additional insurance, increase the refunds of the companies over 15 per cent., pay all executive salaries several times over, or reduce expenses about 8 p.c.

The German government, notwithstanding its great demands for revenue through the medium of taxation, with limited sources, compared with the vast and legitimate sources in this country, exacts a tax of less than one-fourth of one per cent, on the premium income of its life insurance companies, or less than one-eighth of the percentage imposed by our state and federal governments; and as an offset contributes approximately $12,000,000, per annum towards compulsory life insurance, about thirty-six times as much as the revenue received by the government from the companies through the medium of taxation.

The importance of life insurance to the state is also recognized by England, to the extent of exempting from income taxation what a man pays for life insurance, up to one-sixth of his income, taxing the man who does not carry life insurance on his entire income.

## RISE OF INDUSTRIAL INSURANCE.

*(By Forest F. Dryden, President Prudential of Newark.)*

In the marvellous history of life insurance there is probably no more interesting chapter than the rise and development of the industrial business since its inception by the London Prudential in 1854, and the establishment of the American Prudential by the late John F. Dryden at Newark, N.J., in 1875. In a comprehensive article contributed to the fiftieth anniversary issue of the *Insurance Monitor*, Mr. Dryden gave a succinct account of the inception and early problems of industrial life insurance, including brief references to earlier forms of insurance, such as burial clubs and friendly societies, and critical observations on problems of poverty and social betterment.

As the founder of the American Prudential and the pioneer of industrial insurance in America, no one was better fitted to present the salient facts of this business. The article referred to concluded with the significant prophesy that "industrial insurance in years to come is certain to develop into an agency of still greater usefulness and assume more and more the character of a vast social institution, through which most of the uncertainties of life will be effectively provided for," and to the realization of this ideal as a national question Mr. Dryden gave his undivided thought and attention practically up to the hour of his death.

From the beginning, Mr. Dryden, in advance of his time, realized clearly the far-reaching importance of life insurance for small amounts as a factor in the economic development of the American nation.

### AN URGENT SITUATION.

In Mr. Dryden's own words, "the social and economic state of the industrial population of the United States in 1875 was such as to call imperatively for a new form of thrift, better adapted to the social needs than the existing methods represented by savings bank and insecure mutual aid associations."

Impressed with the urgency of the situation, as particularly reflected in an excessive amount of sickness, he first contemplated a friendly society, providing "for relief in sickness or accidents, a pension in old age, and an adult and infant burial fund." After a few years, however, the business was limited to the insurance of sums payable in the event of death, and this practice has continued to the present day.

In an illuminating account of the early problems of the Prudential Mr. Dryden has placed on record the original correspondence with the Company's first consulting actuary, Professor John E. Clark, of Yale College, with whom no doubt he had become acquainted during his university days. The most significant of these letters contains a statement by Professor Clark, evidently made in response to a request by Mr. Dryden to give consideration to the question of surrender values. The statement by Professor Clark reads: "I should advise you, by all means, to deal equitably with such cases as they arise, but I hardly think it advisable to make any stipulation upon the subject in your contract."

### ENORMOUS BUSINESS DEVELOPED.

Out of Mr. Dryden's project an enormous business has been developed in the course of thirty-eight years following the establishment of the Prudential. What at first was considered a visionary experiment in an