

an amount considerably in excess of the total expenses in 1893.

The increase of expenses in fraternal societies, said Commissioner Hartigan, is due principally to two causes: first, the adoption of the deputy system, and, secondly, the multiplication of salaried officers; in other words to a commercializing of the fraternal system. The fraternal system was built upon the corner stone of low expense. New members were brought in by those who were already members; salaried officers were few and salaries were small. With the multiplication of societies and the consequent struggle for new members, came a gradual change in methods. Paid deputies were substituted for the voluntary workers, the number of salaried officers was increased, generally as the result of a need for more men to supervise a rapidly increasing business; in some few cases, perhaps, as a means to strengthen the hold of the officers on the control of the society, and in others, in response to the unfraternal and selfish demand for a participation in the loaves and fishes. The deputy system, said Commissioner Hartigan, is a serious handicap to the ultimate success of the fraternal society. It increases the cost of securing new business; it discourages and effectively stops the efforts of those who formerly secured new members without any financial reward; it results in the adoption of many unfit for admission from a physical, social and fraternal standpoint. The high pressure methods used at times by deputies bring in a class, who being unfit for membership, stay but a short time and produce nothing but a high lapse ratio.

From the sworn reports of fraternal societies reporting in Minnesota, Commissioner Hartigan quoted the following figures of the net gain made by several societies, and the expense for organizers as showing the waste of money and effort possible in the use of the deputy system:—

Society No. 1.—Expense for organizers during 1909, \$67,500; net gain, 17 members; cost for each member gained, \$4,000.

Society No. 2.—Expense for organizers, \$82,000; net gain, 3,000 members; cost for each member gained, \$27.

Society No. 3.—Expense for organizers, \$50,000; net gain, 7,000 members; cost for each member gained, \$7.

Society No. 4.—Expense for organizers, \$41,000; net gain, 16,500 members; cost for each member gained, \$2.50.

Society No. 5.—Expense for organizers \$4,000; net gain, 2,000 members; cost for each member gained, \$2.

Society No. 6.—Expense for organizers, \$150; net gain, 6,000 members.

It must be evident from these and other figures, said the Commissioner, that growth is not dependent upon the amount paid to organizers, nor is efficiency of management to be measured by the number of officers and the amount paid in salaries. He warned the fraternalists that there is a time of trial coming for their associations, and that there must be a return to the economical methods of the past by those who have deviated from them.

WORKMEN'S INSURANCE IN GERMANY.

The practice of insurance of workmen against accidents, sickness, etc., has been carried out in Germany with probably more thoroughness than in any other country. The movement

began 26 years ago, and the insurance organization is under the aegis of the Government. The insurance of all workmen, including apprentices, is compulsory, employer and employe being compelled to pay fixed premiums, as established by law, and the Government contributing a certain amount. Statistics show that between 1885 to 1907, employers contributions totalled \$973,300,000; those of workmen, \$851,587,500 and those of the Government, \$121,662,500, a total of \$1,946,550,000. In 1906, out of every 1,000 day-labourers, 863 were protected by sick benefits, all of them against accidents and 859 against old age and disability.

With regard to the sick fund, this had in 1907 a membership of 12,900,000, the membership having increased by 27 p.c. in seven years. Of the total receipts in 1906, \$74,851,000, there was paid out \$67,235,000 for sickness, medicine, medical service, assistance to relatives, hospitals, funerals, etc. In that year the workmen paid into the fund \$48,909,000 and received from it \$63,379,400 (128 p.c.) as insurance. The number of cases was 4,950,000 or 41 p.c. of the number insured. In recent years there has been a constant increase in the number of cases, but this is attributed to the greater readiness of workmen to apply for assistance rather than to an abnormal increase of disease.

More than 9,000,000 persons engaged in various industries and 11,000,000 engaged in agriculture and forestry are protected by accident insurance, for which the amount paid out in 1907 was \$35,771,400. With rising age, it is found that the frequency of accidents increases disproportionately. The greatest percentage of accidents, 16 p.c., takes place between the ages of 60 and 70. Over 70, the percentage drops perceptibly owing to the class of work such persons perform. Another fact of interest has also been established, that the greatest number of accidents occur on Mondays and Saturdays, but especially on Mondays.

Under the invalid and old age pension laws, 14,300,000 persons were protected in 1907, the increase in membership since 1900 being about 10 p.c. In 1907, \$41,174,000 was paid as pensions, benefits, etc., the premiums of workmen amounting to about \$19,516,000. Since 1907, the number of invalid pensions has risen very considerably, but owing to the efficiency of the department the strain on the fund has gradually diminished, the number of Old Age Pensions having decreased from 203,955 in 1896 to 108,637 in 1909. Up to the age of 35, it is found that more than half the recipients of invalid pensions in industrial occupations suffer from tuberculosis, the proportion in the younger classes being almost two-thirds. The sick insurance office is making great efforts to stamp out this plague by special treatment, and by the isolation of incurables in the consumptive stations at Berlin, etc.

The capital accumulations of the various funds are utilized principally in loans to villages and private persons, in supporting the credit of agricultural districts and in erecting workmen's dwellings, bath houses, sanatoriums and similar institutions. The mean rate of interest since 1900 varies from 3.53 to 3.55 p.c.