

will hereafter engage in the business of insurance. Conscious of the danger of imposition, without knowing from what quarter it may come, without facilities for investigation and without ability to discriminate between the good and the bad, the honest and the corrupt, the people of the several States have established systems of statutory regulation and department supervision and a kind of paternalism over insurance companies, that of necessity must apply to all, and therefore it is not surprising that some feel they are encumbered unnecessarily and perhaps harassed and oppressed. These may be inconvenient, burdensome and expensive, but they are necessary incidents in promulgating any such comprehensive system.

Complaints Sometimes Made.

The people have their complaints against insurance companies and the companies their complaints against the people—sometimes justifiable, sometimes groundless. The department, in a position between the companies and the people, incurs the criticism and often the hostility of both. The people, assuming the department exercises a larger guardianship over their rights and greater power over the companies than the law has granted, are apt to demand more from the department than it will give, and the companies are apt to demand more freedom and less control than the department will tolerate. Naturally there is constant contention between the department and some of the people and between the department and some of the companies. The result is the department is apt to be remembered by the people and the companies as they are remembered by the department for its errors, blunders and failures, and the disagreeable things it has done, rather than for the efficient or agreeable things it has done.

Supervision of insurance is necessary. The sum of all wisdom approves it. Therefore, we will always maintain it, and, in accord with the modern tendency, its influence constantly will be extended and it will not be for the companies

to determine how it shall be exercised. Insurance supervision in the future, as in the past, will be conducted in the manner prescribed by the people.

In a paper entitled "Facing the Situation," Mr. S. H. Wolfe, of New York, drove home many of the arguments previously advanced before the Convention. His interesting conclusion was as follows:—

It is hardly necessary for me to be more specific in pointing out the objectionable features which have crept into the accident business. We are all familiar with them. The Deputy Commissioner of one of the most conservative insurance departments in this country recently told me that his desk was never free from complaints against accident insurance companies. His statement interested me, and after making further inquiries, I found that practically every complaint was against one or two companies which had issued contracts which seemed to have but two objects, viz.: the collection of a small premium and the prevention of any possibility of recovery. And while this criticism could justly be aimed at these offenders only, all of the accident companies were suffering from the stigma.

I think you will all agree with me that some evil, such as the one to which I have just referred, was responsible for the birth of the idea that the State should take a hand in specifying the form of policy contract which companies would be permitted to issue. This idea now seems to have a firm hold on the supervising mind. In one State the law has been placed upon the statute books, and if it possesses annoying defects the blame for their existence must be placed upon the failure of some of your members to lend their valuable technical knowledge when the bill was drafted.



William BroSmith, Chairman Executive Committee,
Counsel Travelers Insurance Company,
Hartford, Conn.

And this, gentlemen, seems to me to be the key-note of the proposition. The situation that we are facing is one of the greatest importance to accident underwriters. As yet the governments of a number of countries have entered the insurance field for the benefit of the working class only. Whether the activity shall be limited to that field, it seems to me depends upon you. I would not for a moment urge you to do anything which would mar the beautiful idea of brotherly love and co-operation which seems to be the foundation stone of this Association, but I would urge you to realize the danger of permitting the whole institution to be judged by the acts of a few. It seems to me that you have no more important duty to perform than to decide that you will exercise a careful watch over any evils which may creep into the business, extirpate them when found and let the world realize that the International Association of Accident Underwriters stands for what is best in accident underwriting and for that only.

MR. HOOPER'S ADDRESS.

Mr. W. De M. Hooper read his paper on "Automobile Hazard." Mr. Hooper gave a large number of statistics to show that the automobile owner or chauffeur is a far greater risk than the man who never buys gasoline and tires. Figures were presented showing that it costs three and a half times as much for a company to insure an automobile owner or chauffeur than the man who uses the street cars. This report may lead to an increase of premiums for this class of insurers. Mr. C. A. Williams, of Chicago, also presented new statistics. He showed that every accident insurance company is doing only one-twentieth of available business. In the rush of important business handled by the underwriters.

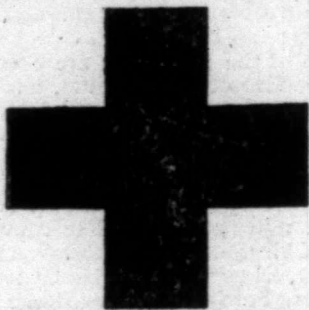
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Rules for the Prevention of Railroad Accidents

NEVER cross a railway at a grade crossing before making sure that no trains are approaching.

NEVER jump on or off cars in motion.

NEVER stand on platforms of cars in motion.

NEVER put head or other part of person out of car window.

NEVER cross in front or rear of standing or moving train without first making sure that there is no danger from some other train or cause.

NEVER disobey the cautionary rules for safety posted at stations, crossings, etc.

NEVER forget that carelessness on your part in regard to these precautions not only endangers your life, but the happiness and welfare of those most dear to you.

"Prevention of accidents and injuries by all legitimate means is a personal duty which everyone owes not to himself alone, but also to his family."

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