1933

Study of social and economic control in the United States and other nations.

Berg, Eva E.
Boston University

https://archive.org/details/studyofsocialeco00berg

Boston University
A Study of Social and Economic Control
in the U. S. and Other Nations

Submitted to the College
of
BUSINESS ADMINISTRATION
BOSTON UNIVERSITY
by
Eva E. Berg, B.B.A.
Boston University 1926

For the Degree
of
Master of Business Administration
March 15, 1933.
Table of Contents

Introduction 1

Chapter I. Unemployment Insurance.

(A) Introduction 3

(B) Unemployment Insurance in Foreign Nations
   (1) Unemployment Insurance in Great Britain 6
   (2) The Ghent System 13
   (3) Unemployment Insurance in Italy 17
   (4) Unemployment Insurance in Soviet Russia 18
   (5) Unemployment Insurance in Austria 18
   (6) Unemployment Insurance in Germany 19

(C) Unemployment Insurance in the United States
   (1) The Wisconsin Bill 21
   (2) The Massachusetts Bill 26
   (3) The Dennison Manufacturing Plant's Plan 26
   (4) The Cleveland Plan 27
   (5) The Amalgamated Clothing Workers' Plan 28
   (6) The Proctor and Gamble Plan 28
   (7) The General Electric Company's Plan 29
   (8) The Couzens Plan 34

(D) Conclusion 30

Chapter II. Old Age Pensions

(A) Introduction 37

(B) Old Age Pensions in Foreign Nations
   (1) Australia 53
   (2) Canada 57
   (3) Denmark 40
   (4) England 50
   (5) France 44
   (6) Germany 38
   (7) South Africa 54
   (8) Sweden 47
   (9) Wales 50

(C) Old Age Pensions in the United States
   (1) Alaska 64
   (2) California 68
   (3) Delaware 76
   (4) Idaho 76
   (5) Massachusetts 74
   (6) Nevada 64
   (7) New Hampshire 83
   (8) New York 71
   (9) Pennsylvania 65

(D) Conclusion 81
Chapter III. Employers' Liability or Workmen's Compensation

(A) Introduction

(B) Employers' Liability or Workmen's Compensation in Foreign Nations
   (1) Austria
   (2) Canada
   (3) China
   (4) Denmark
   (5) France
   (6) Germany
   (7) Great Britain
   (8) Mexico
   (9) Paraguay
   (10) Philippines Islands
   (11) Porto Rico

(C) Employers' Liability or Workmen's Compensation in the United States
   (1) Arkansas
   (2) California
   (3) Cheney Silk Mills
   (4) District of Columbia
   (5) Massachusetts
   (6) North Carolina
   (7) Wisconsin

(D) Conclusion

Chapter IV. Economic Control

(A) Introduction

(B) Economic Control in other Nations
   (1) Canada
   (2) Germany
   (3) Great Britain
   (4) Japan
   (5) Norway

(C) Economic Control in the United States
   (1) Forms of Organization
      (a) Pools
      (b) Trusts
      (c) Holding Companies
      (d) Consolidations
      (e) Interlocking Directorates and Trade Associations
   (2) Unfair Practices
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>(D)</td>
<td>Anti-Trust Legislation</td>
<td></td>
</tr>
<tr>
<td>(1)</td>
<td>Sherman Anti-Trust Act</td>
<td>159</td>
</tr>
<tr>
<td>(2)</td>
<td>Clayton Act</td>
<td>164</td>
</tr>
<tr>
<td>(3)</td>
<td>Webb-Pomerene Act</td>
<td>166</td>
</tr>
<tr>
<td>(4)</td>
<td>Capper-Volstead Act</td>
<td>168</td>
</tr>
<tr>
<td>(E)</td>
<td>Federal Trade Commission</td>
<td></td>
</tr>
<tr>
<td>(1)</td>
<td>Organization</td>
<td>163</td>
</tr>
<tr>
<td>(2)</td>
<td>Functions</td>
<td>169</td>
</tr>
<tr>
<td>(F)</td>
<td>Interstate Commerce Commission</td>
<td></td>
</tr>
<tr>
<td>(1)</td>
<td>Organization</td>
<td>171</td>
</tr>
<tr>
<td>(2)</td>
<td>Functions</td>
<td>171</td>
</tr>
<tr>
<td>(G)</td>
<td>Public Utilities Commission</td>
<td></td>
</tr>
<tr>
<td>(1)</td>
<td>Organization</td>
<td>173</td>
</tr>
<tr>
<td>(2)</td>
<td>Functions</td>
<td>174</td>
</tr>
<tr>
<td>(H)</td>
<td>Conclusion</td>
<td>175</td>
</tr>
<tr>
<td>(I)</td>
<td>Summary</td>
<td>177</td>
</tr>
</tbody>
</table>

Appendix

Cases arising under the anti-trust laws
- U. S. v. U. S. Steel Corporation et al. 182
- Early Practices of the National Cash Register Co. 183
- Patterson et al. v. U. S. 185
- Case of the American Can Co. 190
- U. S. v. American Can Co. et al. 191
- Methods of the Standard Oil Trust 194
- Standard Oil Co. of N. J. v. U. S. 198
- The Rule of Reason Standard Oil Case 198
- Standard Oil Co. v. U. S. 199
- The Rule Repeated in the Tobacco Trust Decision 205
- U. S. v. American Tobacco Co. 209

Map Showing Status of State Employment Offices 209

Map Showing Status of Compensation laws in the United States, July 1, 1932 210

Old Age Pension laws
- Alaska 211
- Arizona 212
- Arizona 213
- California 214
- Colorado 215
- Delaware 216
- Idaho 217
<table>
<thead>
<tr>
<th>State</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Massachusetts</td>
<td>218</td>
</tr>
<tr>
<td>Minnesota</td>
<td>219</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>220</td>
</tr>
<tr>
<td>New Jersey</td>
<td>221</td>
</tr>
<tr>
<td>New York</td>
<td>222</td>
</tr>
<tr>
<td>Utah</td>
<td>223</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>224</td>
</tr>
<tr>
<td>Report of Dept. of Public Utilities of Massachusetts</td>
<td>225</td>
</tr>
<tr>
<td>Mass. Workmen's Compensation Act</td>
<td>226</td>
</tr>
<tr>
<td>Bibliography</td>
<td>227</td>
</tr>
</tbody>
</table>
Introduction

The various individual phases of social and economic control have been widely discussed by many writers and welfare workers, each interested primarily in one particular phase. This paper is an attempt to discuss each of these subjects, and at the same time to show the correlation between each of the social elements, and the correlation between all the social control factors and the factor of economic control.

Although Germany enacted a workmen's compensation Law in 1884 and an old age pension law in 1899, an unemployment insurance law was not enacted until 1912, when the first law of this type was passed in England.

There has been no attempt in this paper to bring the material on this matter strictly up to date as it is my opinion that the conditions under which the laws have operated have been so exceedingly abnormal as to offer no fair basis for testing the efficiency of the acts, particularly unemployment insurance. The first unemployment insurance law was passed only two years prior to the World War, and since that time the entire economic world has been in such a state of chaos as to cause almost any relief measure to break down under the stress of world-wide unemployment and depression.

There is a close correlation between these social
factors and economic control. Perhaps if we had a properly functioning economic system, old age pensions would not be necessary. However, even with the present faulty capitalistic system, if accompanied with workmen's compensation and unemployment insurance, old age pensions might still be eliminated.
Chapter I
Unemployment Insurance

Is social and economic control a necessity? If so, how shall it be brought about, so as to benefit to the utmost both the individual and the public at large? The most important phases of social control are the elements of unemployment insurance, old age pensions, workmen's compensation, and control or regulation of the "trusts". Each of these will be taken under consideration beginning with unemployment insurance.

Unemployment may be due to any one of several causes, cyclical, seasonal or technological changes, strikes, lockouts or under-employment. It is the object of unemployment insurance to alleviate the suffering and distress due to those causes which are not the wilful acts of either employee or employer, namely, strikes and lockouts. These phenomena of our economic structure produce tremendous chronic unemployment, because there is just enough work in the various industries to keep the people within their ranks.

Unemployment Insurance is both an economic and a social problem of world-wide importance. The theory of Unemployment Insurance is based on two main doctrines:

1. The general principles of insurance.

2. The general doctrine of social liability and responsibility.
Insurance must furnish not only relief in time of need, but also act as a preventive measure to minimize unemployment.

Social insurance is provided for the wage earning class on the theory that usually the cause of unemployment is beyond the control of the worker and that his earnings while at work are not sufficient to allow for proper care during the periods of unemployment. The economic application of social insurance should comply with certain conditions, namely:

a. That the risk for the group covered should be fairly constant and possible to determine, in order to be able to set a reasonable amount for contribution and benefit.

b. That the risk for the group be reduced to a minimum by removing as far as possible the causes of unemployment.

c. That the insurance would not cover unemployment due to illness, or any other cause directly due to the act of employee or employer.

d. That the cost be so distributed according to responsibility due to other causes than those mentioned in "c" as to furnish an incentive to reduce unemployment to the minimum.

Public or social unemployment insurance measures have developed through the gradual process of evolution in accordance with their necessity as the result of increasing severity and frequency of the periods of unemployment and a growing realization of social responsibility due to the inability
of the individual to make adequate provision. Private measures served as the basis for social insurance which developed as a result of the impossibility of private measures to meet the situation. The most successful measures are those which have worked along the line of relief coupled with prevention.

Unemployment Insurance in Foreign Nations

Most of our social control legislation originated in Germany but this particular type, unemployment insurance, was first inaugurated in Great Britain and rapidly taken up by other European countries. Compulsory unemployment insurance now exists in Great Britain, Queensland, Austria, Bulgaria, France, Germany, Irish Free State, Italy, and Poland, while voluntary unemployment insurance exists in Belgium, Czechoslovakia, Denmark, Finland, Netherlands, Norway, Spain and Switzerland. Most of this legislation has been enacted since the World War, which means that it has been operating under great difficulty due to exceedingly abnormal conditions. In spite of all the difficulties and adverse criticism, none of these countries wish to abolish Unemployment Insurance.

The United States ought to be able to derive a great deal of benefit from the experiences of Europe, although owing to various natural differences our problem is not exactly the same. In view of this fact we shall examine some of the European methods beginning with the British.
Great Britain

Prior to 1886 there existed in Great Britain many unions and friendly societies which paid some unemployment benefits to their members. In 1905 the Royal Commission on Poor Laws and Relief of Distress recommended the unemployment act. The minority report urged the national labor exchanges which were enacted into law in 1909 by the Liberal Government, with the establishment of a chain of national labor exchanges which were to be the basis on which the Unemployment Insurance should function. The Labor exchanges were given two years to get under way before the insurance act should go into effect so that the plan could be successfully handled from the start. At the end of the two years, 1911, there were 225 national labor exchanges coordinating throughout Great Britain. The Unemployment Insurance Act became effective July 15, 1912.

There were several industrial groups, the building trades, shipbuilding, mechanical engineering, iron founding, construction of vehicles, and sawmilling, which were compelled to enter into the Unemployment Insurance System. These groups were chosen because they were most susceptible to unemployment and therefore had more available data than others. This insurance might take the form of direct insurance, or of subsidies up to three-fourths of the amount paid, to unions which were already paying benefits. Voluntary insurance by
other groups was encouraged but this was later abolished by the act of 1920. These industries cover about two and one quarter million workers, all those manual and other workers over sixteen years of age who receive less than 160 pounds sterling (approximately $800.) a year. The contributions come from employer, employee, and the government. The act is administered under the control of the Ministry of Labor.

It was not a plan for unlimited relief but was on a straight insurance basis giving one week's benefit, $1.70 (one half for minors) for five weeks' contributions, but no one being entitled to more than fifteen weeks' contributions, in any one year. The worker must have been employed twenty-six weeks per year for the preceding five years, when applying for relief must be unable to get suitable work, and must not have exhausted his right to benefit. Workmen reaching the age of sixty, who had made five hundred weekly contributions were entitled to a refund of such amounts as had not been drawn as unemployment benefits, plus interest, at the rate of 2½ per cent per year, on the amount due as a rebate.

The Insurance was intended to be self-supporting and contained a provision for the readjustment of contribution rates if there appeared to be any danger of the fund becoming insolvent. By August, 1914, there was a fund of 3,185 thousand pounds sterling and the scheme functioned successfully until
1920. In the years 1915 and 1916 the act was amended to cover a period of three years after the war so as to include workers in war materials, ammunition and explosives, chemicals, oil, lubricants, soap, candles, paints, color and varnish, metal and metal goods, rubber and rubbergoods, leather, and leather goods, brick, cement and other artificial building materials, machine woodworking and wooden cases. In 1919 benefits were increased to $2.67 per week for all workers (one half to minors).

The employee is supposed to have made thirty contributions to the fund before he is entitled to benefit, but the abnormal conditions following the war made it impossible to live up to this requirement, and the 1920 act was an amendment to allow for an out-of-work monthly payment for one year for unemployed soldiers during the period of rehabilitation. Benefits were increased to $3.65 per week for men, $2.92 for women and one half of that for minors. In 1920 the waiting period was reduced to three days. The fifteen weeks' benefit remained unchanged but the amounts increased to one week of benefit for every six contributions. The worker must have paid not less than twelve contributions to the fund. The refunds for those over sixty continued.

In March, 1921 the extended benefit act was passed to eliminate the requirement of thirty weeks' contribution from workers and the benefit was extended for an additional sixteen weeks, resulting in what is known as the "Dole". The benefits
were increased to $4.86 for men, $3.89 for women and one half for minors. The benefit period was extended from fifteen weeks to twenty-six. Unemployment was so severe that the large surplus fund was being exhausted. The workers were idle so long that there was much distress. The July, 1921 act reduced the benefits to $3.65 for men, $2.92 for women and one half for minors and the waiting period was increased from three to six days.

In 1925 under the Labor Government the benefit was extended to unlimited duration and in 1928 the Conservative Government passed an act supporting that of 1924. The present law covers more than twelve million people, ranging in age from sixteen to sixty-five, in all lines of employment except agriculture and domestic. As the act now exists there is no actuarial basis for operation and it is dependent upon treasury grants, as the contributions from employers and employees are practically nothing more than a means of taxation.

From 1920 to 1930 there was an expenditure of nearly three billion dollars, one half of which had come from the government treasury. The contributions, although they should be, are not proportioned to the degree of unemployment in the various industries. The percentage of unemployment varies from 3½ percent in commerce, banking, and professional service, tramway and bus service to above 28 per cent in shipbuilding and dock service. The industries with little unemployment
are forced to pay for those with great unemployment.

The Blanesburgh Committee, appointed in 1925 to investigate the general situation, has made the following recommendations:

The first necessity is to restore the unemployment fund to its original standing. This can be done only by means of a fixed contribution and a definite relation between contributions paid in and benefits paid out, the object of the insurance being to make the workers independent of public help or charity. The ultimate aim of Parliament is to relieve the burden placed on industry by reducing the rate of contribution from employee and employer. Those who have exhausted their rights to benefit must look to some other source for assistance. The prime function of the labor exchanges should be the placing of the unemployed. The insurance benefit would be generous, giving a man with a wife and three children thirty-two shillings a week, whereas the welfare allowance would give him a mere subsistence. This would tend to reduce to a minimum the abuses of the fund. Workers over fifty should receive only local help as they very likely will never work again. In the sections of greatest depression special grants may be allowed to the local authorities from the government treasury but they would have to be carefully supervised.

It is also suggested that Independent Commissions for special areas be organized and granted the following powers:
1. To permit, when advisable, temporary increase out of welfare allowance to those who have exhausted insurance benefit.

2. To expedite the transferring of unemployed to areas where work can be found for them.

3. To set up and supervise special training schools for young people.

4. To advise the government as to the desirability of utilizing public money to assist industrialists so that they may give more employment.

5. To advise the government as to assisting in establishing new industries within the various areas.

In February, 1931 the manufacturers collaborated in bringing forth the following recommendation: They declared that Unemployment Insurance, as then operated, was acting as a deterrent to trade and requested:

a. That rates be reduced 1/3.

b. That benefits be confined to those workers with six contributions for every week of benefit. The contribution of employers is about 16¢ per week, employees 14¢ per week, and the government 15¢ per week for every man. For women and children the contributions are slightly less. The post office sells the unemployment stamps and the employers check up on the books of the employees. The benefits run for fourteen weeks at the rate of $4.14 per week for men, $2.19 per week for adult dependents and 49¢ per week for each minor child.
The benefits for women and minors are a little lower. At the present time, of course, the payments are for an indefinite period of time. Unemployment insurance has been successfully linked up with the system of old-age pensions. During the financial year ending March 30, 1930 unemployment insurance in Great Britain cost £53,000,000, with additional expenditures of £38,000,000 for health insurance, and old age pensions amounting to £62,000,000.

The system of unemployment insurance has, of course, resulted in some gains and some losses to the country. The gains are:

1. The standard of living has been maintained.
2. Health has been maintained.
3. Crime has been kept down.
4. The loss of morale has been slight.
5. It has given greater social stability.

The losses are:

1. The risk of demoralization of government, employers, and unions to the extent of neglecting measures for the prevention of unemployment.
2. If the state makes it possible for unemployed workers to maintain a higher standard of living than industry can offer them under employment, permanent unemployment will be the result and this in turn will lessen the total product from which all incomes may be drawn.

Belgium

We shall now turn to a second method, The Ghent System which originated in Belgium and has served as a model for many European countries, especially France and Denmark. In 1898 a committee was appointed to study the unemployment situation, and in 1901 the Ghent System was put into practice for a three-year trial-period. In 1904 it was adopted as permanent. It is a system of public subsidy to private organizations, the government and the employer contributing. The weakness of the system lies in the fact that the workers make no contribution and are, therefore, encouraged to be lax in seeking employment.

The benefits from the public funds are to match the payments of the local unions but cannot be more than 100 per cent paid by a given union, nor exceed a specified amount per day. Most of the unions require at least six months' membership before a worker becomes eligible for benefit.

The public subsidies in Belgium have been 60 per cent of the benefits paid by the unions. No member is entitled to more than sixty days' benefit per year from the subsidy. The contributions have been based on past experience and set at a sum sufficient to meet the needs. There is also a provision for additional levies in case of necessity.

In Ghent a committee is appointed by the Municipal Council
for three years, to administer the funds. In France a state commissioner administers the law, and in Denmark the supervision of local funds is entrusted to an inspector of employment, who works with a committee appointed by delegates from separate funds, and is responsible to the Ministry of the Interior.

In 1908 the Belgian national government granted subsidies to local funds under the Ghent System. By 1914 there were 29 municipal funds representing 101 municipalities. During the war these were suspended but came back vigorously after the war was over. In January, 1921 there were 84 funds representing 627 municipalities. Because this method fails to help the unorganized worker, Belgium is leaning toward compulsory unemployment insurance on the following basis:

The local societies would include unions, and groups organized outside of unions.

All workers from sixteen to sixty-five must join one of four groups, according to the risk of unemployment, and the contributions are correspondingly adjusted on a graduated scale. In addition to dues, state subsidies equal to 50 per cent of the total member contributions plus Province and Commune subsidies equivalent to 20 per cent are also available.

The national re-insurance fund consists of contributions from employers equal to 50 per cent of workers' contributions, subsidies from state equal to 50 per cent of the employers'
contributions, and a contribution from the local societies not to exceed 5 per cent of their resources.

The benefits are to be fixed by each trade group but ordinarily not to exceed one half of the workers' wages. No one in a non-seasonal industry can receive benefit for more than sixty days in a year, and in a seasonal industry not more than thirty-six days. There is an optional plan by which married men may, if they wish, make provision for dependents. It is permitted, when necessary, to supplement these benefits by help from the state for thirty days in non-seasonal and eighteen days in seasonal industries. There is a waiting period of two days, and the worker must be a member of the organization for one year before becoming eligible for benefit. The modification of 1922 allows for the inclusion of agricultural workers, and provides that employers' contributions be made to the local societies which are controlled by the workers.

Denmark

Denmark, through codification of the regulations in 1920 and 1921, has developed the system most completely. The plan includes all the members of labor unions and other organizations which had made definite provision for unemployment benefits. Any person who does not belong to an organization could receive benefit upon furnishing satisfactory proof that he had saved for the contingency of unemployment but was unable to provide adequately. This particular section has never operated very successfully.
In Denmark the worker must have been a union member for at least one year and paid his contributions. He must have been employed ten months in two years and there is a waiting period of six days. The period of benefit, however, is fixed by the separate funds but it cannot be less than seventy days a year. If a worker has received the maximum benefit for three years he can get no additional benefits until one year has elapsed, in which he has been employed at least twenty-six weeks, and has paid complete contributions for the year. During periods of abnormal depression, as in 1921, there is a special fund to take care of the situation.

European Cities

Many European cities have organized municipal unemployment funds to be used as benefits for those individuals who have contributed during the preceding months to the funds, as a means of insurance. The first of these was in Berne, Switzerland, in 1891. Then followed others: Cologne, Germany and Bologne, Italy, in 1896; Venice, Italy, in 1901; Leipzig, Germany, in 1903; Geneva, Switzerland, in 1904; Basle, Switzerland, in 1909.

The Cologne fund is open to all men over eighteen years of age who have been residents for two years. They pay a definite weekly sum beginning April 1st each year for thirty-four weeks. In return they receive preference at the municipal labor exchanges and if unemployed get a fixed benefit.
for eight weeks during the period from December 15th to March 15th.

This fund is administered by three committees, representatives of the workmen, the municipalities, and private contributors. The system has never been self-supporting, as only those most likely to need it, became members. In the early years there was six times as much paid out as was received in dues. Ten years later 21 per cent of the total cost was contributed by the beneficiaries. The deficit is large because the financial arrangements are entirely without actuarial basis. Prior to the war 75 to 85 per cent of all those insured claimed yearly benefits and the amounts contributed by the beneficiaries average only about 40 to 50 per cent of the amount paid out as benefits.

Italy

In Italy for many years there were mutual benefit societies but these have not been incorporated in the compulsory insurance act of 1919. The contributions are from employer, employee, and the state. They include agricultural workers. A higher rate of contribution is demanded from seasonal workers and both contributions and benefits are on a graduated scale according to the wages earned. The plan has not been very successful despite the rather drastic rules governing employment, as follows:

1. No interruption of work is tolerated.
2. Strikes and lockouts are punished unconditionally under the law. When lockouts affect public service the penalty is heavier.

3. Strikes are punished and the penalty is heavier for the leaders, promoters and organizers of the strike. Added to this is the pecuniary liability of the unions.

In 1919, 1920, and 1921 there were respectively 18 million, 16 million, and 8 million days lost through these influences. In 1922 there were only 365,000 days lost and there have been no strikes or lockouts since that time. The people must recognize labor as a social duty. Collective bargaining is encouraged and only the legally recognized associations are permitted to appeal to the Labor Courts.

Russia

In 1918 Soviet Russia passed an unemployment insurance act. This is supported entirely by the employers who pay 4 per cent of each payroll, and for seasonal workers 5 per cent. Workers, when unemployed, are entitled to draw four-fifths of the wage received during employment.

Austria

Austria, in March, 1920, passed an unemployment insurance law. Here the state advances the fund and receives two-thirds of it during the following year through equal payments by employer and employee. Under abnormal conditions 50 per cent may be added to the required contributions from both employer
and employee. The success of the plan has been greatly hampered by the unstable financial condition of Austria since the war.

**Germany**

The German Unemployment Insurance Act which was passed in 1927 is based on the British plan. It includes all wage-earners getting less than $2,000 a year. It does not include agricultural workers. Contributions are made on the basis of 6 1/2 per cent of wages paid by both employer and employee. The government pays the cost of administration.

In order to be eligible for benefits the worker must have contributed for fifty-two weeks in two years and thereafter twenty-six contributions a year. There is a waiting period of fourteen days. In the case of dependents this waiting period is waived, if necessary. The remuneration varies inversely with the wage scale and the number of dependents, and ranges from 75 per cent in the lowest paid group to 35 per cent in the highest paid group. Upon failure to accept suitable work, the benefit is forfeited for eight weeks.

The administration is in the hands of a separate organization, subject to the control of the Minister of Labor. The main difficulty with the German system is the lack of labor exchanges, which seem to be necessary for the successful functioning of the system.

In November, 1930, Germany attempted to relieve the
unemployment situation by raising the school age one year for the years 1931 and 1932. It is claimed that the expense for the additional teachers is not any more than the cost of unemployment benefits would be. They also proposed to replace immigrant labor by German labor as they have over 100,000 Polish farm hands who are working for low wages and under wretched conditions. Public opinion is favorable to these regulations because of the dire distress under the present conditions. The government is to reclaim waste lands, and there is to be a reduction of the working week from forty-eight hours to forty hours. There is also to be a reduction of wages for all those who are working full time.

We are now ready to consider the situation in the United States. According to all indications we are not yet sufficiently social minded to be ready for public unemployment insurance although there is a growing tendency in that direction as several of the states have already passed Old-Age Pension Laws.

Unemployment Insurance in the United States

During the last decade unemployment insurance bills had been brought before the legislatures of several states but not one of them had been put through until January 28, 1932, when the Groves Bill was signed by Gov. Philip F. LaFollette of Wisconsin, eleven years after the first bill had been recommended.
Wisconsin

The Wisconsin bill, introduced in 1921, is one of the better-known and contains the following elements: It includes all persons over sixteen years of age whose employer has at least three employees, whose incomes are more than $1500 a year, except those employed in canneries or on farms, those who are dependent upon others for a living, or those who, in addition to their wages, have other income of $500 or more.

Those who have been out of work two days or more and have not refused other employment are entitled to benefit. If in temporary work which pays 75 per cent or less of his usual wage, a worker may be considered as unemployed. The benefit, beginning on the fourth day, is $1.50 per day, (one half that amount for those between sixteen and eighteen) payable weekly on the basis of one week's benefit for every four weeks of service, but not for more than thirteen weeks in any one year. The act contained a provision for changing the rate with the changing cost of living. An amendment to the act reduced the rate to $1.00 per day for adults and 50¢ for minors for a maximum period of six weeks during the first three years and no benefit at all to be paid for unemployment due to temporary unemployment of less than a month caused by fire, flood, etc., or by making repairs, taking inventory, or seasonal work. The amendment also struck out the requirement that the firm employ at least three persons, and included employees from farms,
canneries, and public service corporations, and removed the income limit.

The employer is forbidden to take contributions from employees either directly or indirectly. He must insure against the risk either with an insurance company or, if he prefers, in a mutual insurance organization which is required to have at least 200 members and cover 5000 separate risks. The members must belong to a bureau established to study and classify unemployment risks, and assist the compensation insurance board in determining, stabilizing, and reducing risks. An amendment later abolished the optional feature and required all employers to belong to an employers' insurance company unless the employer could prove his financial ability to carry his own risk.

The administration is in the hands of a state industrial commission working with the commissioner of insurance. The commissioner would appoint an unemployment advisory board consisting of representatives from employers and employees to assist in the administration, and deputies for the employment districts. All disputed cases are to be taken from the deputy to the commission, with the right to appeal to the Circuit Court. *The Groves unemployment reserve bill as passed on January 25, 1932 contains the following provisions:

1. Contributions will be made by employers at the rate of 2 per cent of the weekly pay roll. When the average reserve

*United States Daily - January 30, 1932
per employee has reached $55 the contribution drops to 1 per cent and ceases altogether when the average reserve has reached $75. Contribution from the employees is optional with the employees.

2. Only those persons earning $1500 or less per year are eligible for benefit which is not to be more than half of the employee's regular wage, and shall not in any case exceed $10 nor be less than $5 per week.

3. No worker may receive benefit for more than 10 weeks in any one year.

4. Only those employers who have more than 10 employees are affected by the law, with certain types of labor wholly exempt. Among these are farmers, seasonal employment, domestic service, teaching, employment by railroads engaged in interstate commerce, and logging.

5. No employee who is discharged because of misconduct, trade dispute, or who quits voluntarily, is eligible for benefit, nor are students working during vacations.

6. No employee who refuses other suitable work will be eligible for benefit.

7. The measure will be completely supervised by the State Industrial Commission, which will also have the power to make recommendations and regulations.

8. The employer's liability may be reduced if the reserve is reduced at the beginning of the month at the rate of $1
decrease in maximum benefit for five dollar decrease in reserve per employee.

9. All contributions are paid to the State, and may be invested by the Annuity Board.

"Perhaps the chief importance of this pioneer legislation lies in the principles it writes upon the statute books. Among these principles are the following:

The employee who has invested time and effort in a concern is given a status more nearly equal that of the stockholder and bondholder. He is entitled to some regularity of income and to something better than dismissal without notice. Industry has long maintained reserves for the payment of interest and dividends during dull periods. The employee is now also included among the beneficiaries of the reserve policy.

The act sets up the principle that part of the cost in unemployment can and should be made a direct charge upon industry. The general taxpayer should not be obliged to maintain employees brought to a city and kept there principally for the benefit of certain industries.

The act declares it to be the belief of the State that management can eliminate much unemployment if it will give the matter the same kind of attention that it has given to the development of industrial technique. The legislators followed the advice of Mr. William Mauthe, of Fond du Lac, who has had a reserve plan of his own in operation for a year and

who testified that management must be made to share in the
direct costs before it will be seriously concerned over lay-
ing off the steady workers."

The Wisconsin law differs radically from European
systems of unemployment insurance. Strictly speaking, the
Wisconsin system is not insurance at all. It treats unemploy-
ment as a cost, like depreciation, and insists that this cost
be included among the overhead expenses of industry. European
laws require contributions from employers regardless of the
nature of their business or their efforts to stabilize produc-
tion, and give steady work. These contributions are pooled
with those of employees and governments. The Wisconsin law
puts the burden upon industry and keeps the responsibility
clear and clean cut. The theory of the Wisconsin system of
contributions is that it will result in the maximum efforts to
reduce unemployment and that it is much fairer cost accounting
than any system of pooling. The Wisconsin law borrows more
from our experience with workmen's compensation laws than from
European unemployment insurance legislation.

The action of the Wisconsin Legislature in passing this
law is specially significant because it creates a precedent
for American legislation. Other states have become accustomed
to look to Wisconsin for leadership in labor legislation.
"If history repeats itself, a new type of job security law
is destined to be tried out in the United States."
Massachusetts

The Massachusetts bill, introduced in 1922, is very similar to the Wisconsin bill of 1921. It includes all workers over eighteen whose income is less than $1560 per year, except those who are in farm or domestic service, employees of the state, public authorities, charitable institutions, vessels and common carriers in inter-state or foreign commerce.

Benefits were to become operative after six days at the rate of $1.50 per day or 60 per cent of daily average wage for the last thirty days of employment, whichever is lowest. During the first year benefit was limited to three weeks, for the next two years to six weeks, and after that to thirteen weeks in any one year.

The employer is required to bear the cost and is also required to insure his liability. This may be through any commercial insurance carrier, subject to the control of the state. The compensation is to be paid by the insurance company, or through the State Commissioner of Insurance. The act also provides a merit rating system and rebates to establishments on the basis of their unemployment experiences.

The administration is conducted by the department of industrial accidents through the machinery already existing under the Workmen's Compensation Act. The state is to establish employment districts and free labor exchanges and the
act is to go into effect one year after it becomes law.

Although we do not, as yet, favor public unemployment insurance there are many private unemployment plans which seem to be operating quite successfully. Some of these are the Dennison Manufacturing Company, The General Electric Company, Proctor and Gamble Company, The Amalgamated Clothing Workers of America, and the Cleveland Plan. Some of these are supported entirely by the companies and some are of the contributory type, supported by both employer and employee.

The Dennison Manufacturing Company's Plan

The Dennison Manufacturing Company's plan, established in 1916 to 1919, is the oldest one in operation. The company is attempting in every way to reduce unemployment by eliminating, to the fullest extent, the seasonality of their business. In 1916, they set aside an unemployment fund out of profits and by 1921 this had accumulated to $140,000. In 1920 the plan for using the fund was put into effect as follows:

1. It may be used to pay laid-off workers.

2. It may be used to make up loss of wages due to transfer to another department, or to training in taking another job elsewhere which pays less.

3. It may be used to provide extra work in the plant in making goods for stock.

The administration of the fund is in the hands of a committee composed of employees and management, but the fund itself is held by three other trustees.
The benefits are as follows: 60 per cent of wages to those without dependents, 80 per cent to those with dependents, for one half day or over, for six consecutive days. After that time each individual case is given special consideration. In 1921, with the relief benefits ranging from 50 per cent to 90 per cent of the average wages, the plan cost the company 1 per cent of the total payroll.

The Cleveland Plan

The Cleveland Plan of 1921 is an agreement between the workers and manufacturers in the Cleveland Ladies' Garment Industry which is a highly seasonal one. This plan differs from unemployment insurance in so far as there is no fund for unemployment, but a guarantee of work for twenty weeks in each half year to regular employees. If the manufacturer complies with the agreement that is all there is to it, but if he fails to fulfill these terms the employee is entitled to two-thirds of the minimum wage for the unemployed time. No manufacturer, however, is liable for more than $7\frac{1}{2}$ per cent of the direct labor payroll.

The administration of this plan is carried on by a board of referees with an impartial chairman. The employer is obliged to report to the chairman the unemployed time of his workers and to deposit with him $7\frac{1}{2}$ per cent of the payroll. The funds of each manufacturer are kept separate and at the end of each six months the unused sums are returned.
In 1922 the arbitration board recommended a 10 per cent wage reduction if the employers would set aside 25 per cent of the payroll for a guarantee of forty-one weeks' work. Those not accepting this new arrangement were to continue under the old plan. The success of the old plan is plainly indicated by the fact that less than 50 per cent of the manufacturers applied for the new rate.

The Amalgamated Clothing Workers' Plan

The Amalgamated Clothing Workers of America, manufacturers of men's clothing in Chicago, Rochester, and New York, set up an unemployment insurance fund in May, 1923 which covers nearly 75,000 workers. The first benefits were paid in May, 1924. Until the spring of 1928 the funds were obtained by equal contributions from employer and employee amounting to 3 percent of the payroll, but at that time the contribution from the employers was raised to 3 per cent making a total of 4\% per cent of the payroll. From 1924 to 1931 the sum of 5 per cent, $341,000 has been distributed in benefits.

The Proctor and Gamble Plan

The Proctor and Gamble plan, adopted in 1923, does not include all the plants. The cost is borne entirely by the company as a production expense. The employee must have been with the company not less than six months and his wages must be under $2,000 per year. He must buy stock in the company to the value of one year's salary for which he pays in monthly
payments and he is then guaranteed forty-eight weeks' work per year. This plan covers about 90 percent of the personnel.

The General Electric Company's Plan

The General Electric Company first offered a plan of unemployment insurance to their employees in 1925 but they thought it unnecessary. However, they did organize a relief and loan society on the basis of equal contributions from the company and the employees.

By June, 1930 the employees had changed their attitude and unemployment insurance went into effect. It is a voluntary and contributory plan, funds to be supplied by equal contributions from the company and the employees. Before it becomes operative in any one plant it must be accepted by 60 per cent of the workers in that plant. In the spring of 1930 the plan was accepted in every plant by votes ranging from 75 per cent to 100 per cent making it the largest company plan in existence.

The employees contribute 1 per cent of weekly or monthly earnings provided they are not below 50 per cent of the average wage and the company matches the total thus received.

The benefits are paid after a waiting period of two weeks and are to be 50 per cent of wages with a maximum of $20 per week, and for not more than ten weeks in twelve consecutive months. Benefits were not to have been paid until six months
after the act became effective, but on December 1930 the company declared emergency unemployment and the benefits were paid. At this time there was a membership of 35,000 and a fund of $350,000.

During an unemployment emergency all the people in the company, whether members of the plan or not, from the president down to the office boy, contribute 1 per cent of earnings as long as they are working 50 per cent or more of their regular time. The company then pays in an amount which equals these contributions.

The company has established a trust fund on which it guarantees 5 per cent, and the management is in the hands of the company and the employees. During this present depression it has been necessary to cut the amount of benefit to $12.50 per week for married men and $8.00 for single men. The plan on the whole has been highly satisfactory.

Conclusion

Compulsory unemployment insurance, if it does come, and many of our leading people think it is inevitable, must be kept a tool for labor and not an incentive to voluntary idleness. It should be based on the following requirements:

1. The system should be linked up with a system of public employment offices, as in Great Britain.

2. It should be a contributory system on the part of both employer and employee.
3. The rate of contribution for each industry should be based upon the normal amount of unemployment in that industry.

4. Benefits should be for a definite period of time, after a definite waiting period, and should, in no case, allow the worker to maintain his usual standard of living.

5. There should be inter-state cooperation to make the measures as nearly uniform as possible under independent State legislation.

6. The state should have the power to compel attendance at adult schools, when deemed necessary, to prepare workers for alternative occupations, thus making the period of unemployment serve as a period of increasing capacity instead of one of moral degeneration, as is so often the case.

Before deciding upon the adoption of compulsory unemployment insurance it would be wise to investigate the advantages and disadvantages of the movement. Can the causes of unemployment be removed? To a certain extent, yes. Strikes and lockouts can be prevented through legislation by making them criminal acts, or without legislation through cooperation between employers and employees. Unemployment through accidents and industrial disease can be reduced to a minimum by the use of modern sanitary and safety devices. High production costs, poor factory management, poor sales methods, and seasonal unemployment can all be taken care of through budgeting, cost accounting, and dovetailing of industries.
Cyclical unemployment can be reduced by cooperation among industries in regard to getting statistical data in order to control production to the extent of keeping it within the purchasing power of the consumers. Normal unemployment in the United States is about 12 per cent of the working population or about one and one half million people. This average is nearly four times that of Europe, and most certainly all possible means to reduce it should be stringently applied. The risk should be figured on an actuarial basis, although that is rather difficult in the United States as there is not sufficient available data.

There have been many arguments offered on both sides of the question, some of which are as follows:

For:

1. It is in the interest of the public.
2. It would be a preventive measure, as is the workmen's compensation, and employment would be stabilized.
3. Much charity would be eliminated.
4. Public health would be maintained.
5. The cycle would probably be straightened out, neither prosperity nor depression periods reaching either a very high peak or a very low level.
6. It is a legitimate cost of industry, as are other forms of insurance.
Against:

1. It diminishes the individual's liberty when made compulsory.
2. It is impractical.
3. Labor is too mobile in the United States.
4. It would be difficult to get federal legislation, therefore there would have to be a mass of varying state laws.

These arguments against unemployment insurance are all rather weak as can be shown by the experience of Europe. Civilization means the giving up of a certain amount of individual liberty for the good of society, and labor, to a large extent would automatically become less mobile if employment were assured. The method of getting the law is of minor importance, and impracticability is not a sound argument because European experience proves that unemployment insurance is not only practical, but successful.

There is no doubt about Congress having, sooner or later, this question to deal with as a matter of federal legislation. Although no such act has as yet been seriously considered, numerous suggestions have been made for temporary relief, one of which was offered by Senator Couzens as an amendment to the LaFollette-Costigan Bill. All of these relief measures, however, are to provide funds for highway construction and other public works merely to carry us over the present
emergency and are not in any sense unemployment insurance.

*Senator Couzens of Michigan suggested a plan for Federal unemployment insurance, which was published in July of 1931. There are two phases to this plan, one dealing with unemployment relief, and the other with a system of credits for the wage-earners in prosperous times.

The contributions would be on the basis of 30 per cent from the federal government, 30 per cent from the state, 25 per cent from the employers, and 15 per cent from the employees. Benefits would be paid in periods of unemployment, and loans could be obtained during good times.

The funds would be collected and distributed by the state, but no state could benefit by the law until it had passed state laws in compliance with the federal act.

The act would cover only factory workers and the fund would be available for distribution when the industrial activity of the state had reached 85 per cent of normal.

Each state participating in the act would contribute $1\frac{3}{4}$ per cent of its industrial payroll. The accumulations would stop over a ten year period when it reached 70 per cent of the difference in total industrial payrolls for 1929 and 1930, these years representing the extremes of prosperity and depression.

Existing state facilities would be used for the collecting, auditing, and dispersing of the fund, and the Federal

* Boston Transcript, July 18, 1931
Reserve System would be used for investigating and safeguarding it.

If a state were hit by severe depression every worker on an industrial payroll could receive 70 per cent of his normal wage until six months after employment had returned to 90 per cent of the average for the preceding three years.

During normal times workers could borrow from the fund for purchases that would not be consumed before the debt had been paid off. This would help many workers to purchase their own homes.

Contributions from the state would come from the general tax, and the income-tax would supply the contribution from the federal government. Based on the 1929 payroll the federal and state contributions would be $4,410,000 each, the employers' $3,675,000, and the employees' $2,205,000 per year. The fund would reach its maximum at $294,000,000, which would be 35 per cent of the highest payroll of the last ten years.

Will the next Congress be sufficiently social-minded to enact this plan or will it meet the fate of the preceding attempts?

I believe that unemployment insurance must come, not as a matter of charity, but as one of the regular charges to industry, the cost of which should be borne by the employee as well as by the employer. We know, of course, that in England the unemployment insurance fund has had to be
supplemented by the "Dole", but if that fund had been allowed to grow until a certain minimum reserve had been reached before it could have been drawn upon, it probably would have been self-supporting as was intended.

A federal act such as that suggested by Senator Couzens would undoubtedly find many objectors on the basis of state's rights, but the states could pass independent laws which could later be brought into harmony under a plan similar to the uniform sales act. The law, however, should cover all labor, rather than only factory workers. Regardless of the method of passing the law, the building of the fund should start in a period of prosperity under so-called normal economic conditions and should not be drawn upon for a period of possibly two to five years, in order that a sufficient reserve might be created to successfully withstand any abnormal conditions arising after the law becomes effective.

*Ernest G. Draper, Vice-President of the Hills Brothers Company says, "Without a vision of the common good any people must perish. No civilization worthy of the name can be built upon a denial of justice to the most unfortunate victims of progress. In America we have an exceptional opportunity to attain a superior economic life. The measure of its superiority will be determined by the extent to which it gives expression to the social responsibility of dealing honestly and intelligently with such problems as involuntary unemployment."
Chapter II

Old Age Pensions

Although old age pensions are of earlier origin than unemployment insurance, the two are very closely allied. This is due to the fact that our modern economic system is forcing involuntary unemployment upon able-bodied, capable men and women at the age of fifty or thereabouts, with the result that they have been unable to accumulate sufficient funds to care for themselves during the later years of their lives. Hence, each year increasing numbers of people are becoming dependent upon old age pensions.

*The number of unemployed in the United States in 1928 was about four million or 1/10 of those employed in remunerative work. Modern machinery has so increased the production of manufactured goods that steel workers were producing at this time 53 per cent more steel in the same number of man-hours than in 1914; cement workers 57 per cent more, and in the automobile industry the production per man-hour was three times as great as in 1914. In the first ten months of 1927, 7 per cent more goods were made in our factories than in 1925 with 5 per cent fewer workers. Naturally, the first ones let out in order to reduce numbers are the aged and middle-aged who cannot work with the speed of the younger people.

Should there be old age pensions to take care of these "economic discards"? Some people think that the pensions will tend toward extravagance, wastefulness, and lack of a sense of responsibility on the part of the worker to provide for his own welfare in later life. Others say that it is not

*McAlister Coleman in Woman's Journal, March 1928, page 5
carelessness or thriftlessness that prevents this provision for old age, but absolute inability to lay aside enough during the best working years because it is during those years that the financial burdens of rearing a family use every penny that is not only earned but most wisely spent. Much can be inferred from the fact that the United States, China, and India are the only large countries that do not have old age or pension systems. This is not as much of an indictment against the United States as it sounds on first reading, because until the last comparatively few years we were an agricultural people, with most of our population rural, and self-sustaining at all ages. Now, however, we are facing this very serious problem and might well investigate the systems of Europe.

Old Age Pensions in Foreign Nations

Germany

"Germany was the first nation to introduce a system of Old Age Pensions which was done in 1899. The requirements of the act were as follows:

1. Compulsory Invalidity and Old Age Insurance for wage earners and salaried employees in industry, commerce, agriculture, and domestic service, with voluntary insurance for certain classes of independent persons, such as farmers and producers.

2. Equal contributions by employers and employees for

compulsory cases.

3. State subsidy of 50 marks (11.90) annually to each pensioner.

4. Special transitory privileges during period immediately following the enactment of the law for those too old to pay the full number of weekly contributions to acquire the right to benefits.

5. The old age pensions to begin at 70 years of age and the invalidity pension at time of loss of earning power.

6. Repayment to the insured person or his survivors, of contributions paid by him in case of death or industrial accident, and to females in case of marriage.

7. Individual accounts and computations of benefits according to number of contributions paid in.


9. Centralized system of management in territorial government institutions with representation of insured persons and employers.

10. Investment of accumulations by government territorial institutions in specified securities or in institutions to promote the welfare of the insured person."

This system calls for contributions from both employer and employee varying according to the wage scale from seven cents to forty-eight cents per week. The employees of the
lowest wage earning group are not obliged to pay anything, but the employer must pay the entire contribution of fourteen cents. In 1930 the government was paying $17.00 a year for every pension as its part of the contribution. The beneficiaries must be at least sixty-five years of age, must have made contributions for a definite number of weeks varying with the wage groups, in some cases as many as 500 contributions being required. The benefits are approximately $40.00 a year plus $17.00 from the government, plus 20 per cent of the payments made into the fund prior to 1921, and also $20.00 for each minor child. There was over $1,000,000 paid annually in old age pensions. The administration is in the hands of local insurance companies under the supervision of the Minister of Economics.

Denmark

The next country to enact an old age pension law was Denmark, and as Scandinavians are noted for their superior physical prowess and long lives this was quite an undertaking, since it meant more beneficiaries per 1000 population than in most countries. *Of the population over 20, the ratio per thousand of persons over 65 is in Denmark 134, in Norway 166, in Sweden 168.

There is, in Copenhagen, a foundation for aged dependents which was established in the twelfth century, and the building in use in 1914 was constructed in the sixteenth century.

*Katherine Coman, Twenty Years of Old Age Pensions in Denmark, Survey, January 17, 1914. Page 463
Every Danish town has done a great deal in regard to relief of the aged, but the first government action was in 1883. This bill was based on the principle of voluntary insurance, but it failed to pass the Folketing. The next measure was submitted in 1889-90, but was not enacted into law until two years later. This bill abandoned the contributory principle and substituted for the premiums adequate evidence of an honest and industrious life. The act clearly distinguished between paupers and old age dependents. The terms of the provision are very definitely set forth as regards character and cause of poverty as follows:

1. That the individual shall not have been convicted of any action dishonorable in the public estimation.

2. That poverty was not occasioned by spendthrift or dissolute habits, or by making over property to his children.

3. That he has been domiciled in Denmark for at least ten years prior to his application for pension and has never been a vagabond or mendicant, nor led a notorious life, (drunkenness, etc.).

4. That he has not received poor relief for ten years prior to his application.

These same conditions apply to unmarried women, but a wife, widow, divorced, or deserted woman is entitled to a pension equivalent to that which might have been paid to the man through whom she claims. In the case of a divorced or
deserted woman, the wrong act of the husband does not disqualify her.

The pension becomes operative for both men and women at the age of 60, and the amount is not designated in the law, but is left to be determined according to the circumstances and the merits of each individual case. In every instance it must be enough to provide care for the man and his dependents, but it may be given in the form of money payments, fuel, and food, medical care, or assignments to an old-age institution, at the discretion of the authorities.

The investigation is very rigid and requires the filling out of a form which must show in detail the exact social and financial status of the applicant. If it is later found that this form had been falsified, the imposter loses all rights to the pension and he or his heirs must reimburse the public treasury for the amount received. If the financial status of the pensioner improves, the pension may be decreased or discontinued.

The maximum amount which may be received as a pension is 30 krone per year for men, 20 krone for women, and 60 krone for married couples. An additional 8 krone is granted for each dependent child. In the case of those who are still capable of earning part of their sustenance, this may be reduced in proportion to their earnings. The smaller payment granted to single women than to men is justified on the basis
of the women doing their own cooking and sewing. If, for any reason, they are unable to do this they will receive 30 krone, as do the men.

A person may own property valued up to $1200 krone ($324) and still be eligible for a pension although the usual maximum is 600 krone ($162). In Copenhagen the maximum amount of revenue one may have and still be entitled to the benefits of a pension is 420 krone for men, 360 krone for women, and 720 krone for married couples. In other towns the maximum income permitted varies from 300 krone to 400 krone for single men and women, and 500 krone to 600 krone for married couples; while in the smaller rural communes it may fall as low as from 200 krone to 300 krone for single persons and from 300 krone to 400 krone for married couples. The minimum subvention may be as little as 50 krone ($13.50) per year. While the cost of living is very low in Denmark owing to their policy of free trade as regards food stuffs, the pensioner must, nevertheless, have a house and garden or a small savings account in order to be comfortable as the pensions represent a mere subsistence. Denmark is now paying pensions to one-fourth of its population over 60 years of age at a total expenditure of 13,000,000 krone ($3,510,000).

Pensions have none of the stigma that accompanies pauperism, nor do they carry any of the civil disabilities attendant upon pauperism. The Pensioner may vote, move from place to
place, or marry without the consent of the authorities, although if the marriage involves additional expense he may be obliged to forfeit his pension.

At the end of these twenty years' experience, opinion was divided as to the desirability of this particular type of pension. In 1908 two alternative projects of reform were reported:

1. Proposal to standardize pensions for town and rural districts after the Copenhagen model so as to introduce an element of certainty into the calculations for expenditures on the part of the government, and expectation of amount of pension on the part of the people.

2. Proposal of a reversion to the principle of insurance on the basis that there are many who could afford to pay a premium of from three to thirteen krone per year and they should be encouraged to do so.

Neither plan has as yet been adopted and Denmark continues to function under the old scheme.

France

In 1905 France, after discussing the matter for twenty years, passed a law on July 14, known as a law for compulsory relief of aged, infirm, and incurable persons in indigent circumstances. This firmly established the right of all persons over 70 years of age, with incomes under a specified amount, to receive relief.
The Act of 1905 had the following provisions:

1. Obligatory relief to all over 70 who are infirm or suffering from an incurable disease.

2. Duty to provide relief is in the commune or Department of State, according to the legal residence of the individual for purposes of relief.

3. Two forms of relief were provided, institutional and outdoor.

4. Outdoor relief consisted of monthly subsidies ranging from 5 to 20 francs (97¢ to $3.86).

5. Subsidy from the State and the Department of State to the communes, and from the State to the Department depending upon the economic status of the localities.

In 1910 when the new act was passed, half a million people were already receiving aid under the law of 1905.

The new law known as the Act of 1910 was adopted by the Senate on March 22, by the Chamber of Deputies on March 31, almost unanimously, and became active on April 5. This act contains 10 provisions as follows:

1. Compulsory for wage earners and salaried employees, in industry, commerce, agriculture, and domestic service, and optional for independent farmers and producers.

2. Equal contributions by employer and employee in the compulsory type.

3. State subsidy of 60 francs beginning at 65 years of
age is the compulsory type, and varying subsidy up to the same limit in the optional type.

4. Special privilege for those over 35 years of age at the time the law goes into effect, which is mainly an increase of government subsidy to compensate for the smaller pensions ranging from 62 francs ($11.97) for pensions up to 45 to 100 francs ($19.30) to persons of 65 years of age.

5. Invalidity provision consisting of anticipated liquidations of the pensions and a special subsidy in case of total disability.

6. Death benefits varying from 150 to 300 francs ($23.95 to $57.90) to the surviving family in case of death before liquidation of the pension.

7. Extension of the law of 1905 to all persons 65 years of age and over who are included in classes subject to compulsory insurance.

8. Individual accounts and computations on the basis of contributions.

9. Decentralized system; Preservation of non-governmental institutions and formation of new ones under state authorization and supervision.

10. Capitalization systems; Investment of accumulations through government financial institutions and in specified securities under government control.
Sweden

Sweden, the next in our list of countries to be investigated is the last of the non-English speaking nations which we shall consider.

As early as 1891 a commission was appointed to study the subject and it recommended a plan similar to the German scheme. A bill was drawn up on this basis, but was rejected in 1893 and again in 1898. It passed the lower house, but was rejected by the upper house, whose members were the representatives of the wealthy, tax-paying group. Again in 1905 several measures were voted down, but a little encouragement could be felt because the appointment of an Old Age Commission was brought about. Its study of statistics proved conclusively the need of old age pensions.

*The average wage for common laborers is 80¢ per day and at the time of these investigations there were 214,000 heads of families whose yearly income did not exceed 500 krone ($127.50). It was clearly impossible for such men to make provision for their old age, and the insurance companies consider this class of annuity risk as very unpromising. In 1907 the Commission handed in a very exhaustive report and the battle continued to wage until 1913. In 1911 the Liberal party came into power and the law was enacted July 24, 1913. It calls for obligatory contributions, men and women

*Katherine Coman, Old Age and Invalidity Insurance in Sweden, Survey, December 20, 1913. Page 318
alike, paying premiums from the sixteenth until the sixty-sixth year unless incapacitated prior to that time. The more democratic principle that every person should contribute to this common need prevailed in this land where "few are rich beyond the possibility of poverty, yet few are destitute." The contributions are based on income according to four classifications:

Class I Income less than 500 krone pay premium of 3 krone (82 ½%).

Class II Income from 500 to 799 krone pay premium of 5 krone.

Class III Income from 800 to 1199 krone pay premium of 8 krone.

Class IV Income of 1200 or more krone pay premium of 13 krone.

All unmarried women pay their own premiums whether or not they are wage earners, but the men usually pay the premiums for their wives and children. If a citizen is unable to pay his quota it must be met by the commune in which he is registered. Certain classes of people which have been made exempt are employees of state railways and telegraph service, civil servants already pensioned by the state, clergy of the established church and wives of all men so provided for, and all those under "poor rates", (the dependents).

The original bill provided that those with annual incomes

* Katherine Coman, Old Age and Invalidity Insurance in Sweden, Survey, December 20, 1913. Page 318
of 6000 krone ($1650) should not receive a pension; this was later raised to 10,000 krone, and still later the limitation was removed entirely on the democratic principle that every contributor was entitled to the pension, but it was hoped that those who did not need it would refuse it. Every man is to receive 30 per cent of the premiums he has paid in, but women are to receive only 24 per cent. Thus a man coming under class I who has paid 3 krone a year for 50 years receives a pension of 45 krone a year; class II, 75 krone; class III, 120 krone; and class IV, 195 krone. Women under the same classifications get 36, 60-90, and 156 krone a year respectively. These smaller payments to the women are justified on the actuarial grounds that they live longer and are invalided earlier. This backhanded reasoning results in the very illogical situation of providing least care for those in greatest need. As a pension of $12.27 a year is mere irony, an additional pension which approximates poor relief is provided for every person whose income from all sources is less than 300 krone ($82.50) per year. This is paid three-fourths by the state, and one-fourth by the commune concerned. The pensions are graded inversely to the income, but women are uniformly paid 10 krone less than the men are paid as illustrated in this table:
<table>
<thead>
<tr>
<th>Personal Income Krone</th>
<th>Additional Pension for men</th>
<th>Pension for women</th>
<th>Total for men</th>
<th>Income for women</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>150</td>
<td>140</td>
<td>$56.87</td>
<td>$47.70</td>
</tr>
<tr>
<td>50</td>
<td>150</td>
<td>140</td>
<td>71.37</td>
<td>62.15</td>
</tr>
<tr>
<td>60</td>
<td>140</td>
<td>130</td>
<td>71.37</td>
<td>62.15</td>
</tr>
<tr>
<td>70</td>
<td>130</td>
<td>120</td>
<td>71.37</td>
<td>62.15</td>
</tr>
<tr>
<td>80</td>
<td>120</td>
<td>110</td>
<td>71.37</td>
<td>62.15</td>
</tr>
<tr>
<td>90</td>
<td>110</td>
<td>100</td>
<td>71.37</td>
<td>62.15</td>
</tr>
<tr>
<td>100</td>
<td>100</td>
<td>90</td>
<td>71.37</td>
<td>62.15</td>
</tr>
<tr>
<td>110</td>
<td>95</td>
<td>85</td>
<td>72.75</td>
<td>63.42</td>
</tr>
<tr>
<td>120</td>
<td>90</td>
<td>80</td>
<td>74.12</td>
<td>64.90</td>
</tr>
<tr>
<td>130</td>
<td>85</td>
<td>75</td>
<td>75.37</td>
<td>66.27</td>
</tr>
<tr>
<td>140</td>
<td>80</td>
<td>70</td>
<td>76.87</td>
<td>67.65</td>
</tr>
<tr>
<td>150</td>
<td>75</td>
<td>65</td>
<td>78.25</td>
<td>68.92</td>
</tr>
</tbody>
</table>

Thus the additional pensions continue to dwindle until earnings from all sources amount to 280 krone ($75.20) in which case the man gets 10 krone and the woman nothing. With incomes of 300 krone men and women are, for the first time, on an equal basis, neither receiving any additional pension.

This unequal treatment may be justified under insurance, but it is difficult to see any justice in the discrimination in regard to the additional pensions.

Great Britain

Let us turn now to the methods of our Anglo-Saxon relatives. Great Britain's (England and Wales) is a very peculiar one because it is composed of two acts, the 1908 plan which is non-contributory, and the 1925 plan which is contributory. The act of 1908 grants pensions to all those of 70 years of age who have annual incomes of less than $240. The applicant must have been a British subject living in

* Including insurance pension after 50 years of contribution.
Great Britain for the last ten years, must not have received poor relief, been in an insane asylum, and must never have committed a major crime.

The pensions under this act were very small, ranging from $2.40 a week for the lowest income group to 25¢ a week for the highest income group. This act is one of the outstanding features resulting from the entrance of the Labor Party into Parliament, which occurred in 1905.

In 1925 the new contributory act was passed. This act covers both manual and non-manual workers earning less than $1200 a year. The employer and employee each pay 9¢ per week in the case of men, and 5¢ per week for women. The pensioners must contribute for at least five years. The government expected this bill to be self-supporting after a few years of government subsidy, but up to the present time this has been impossible.

At the age of 65 the pensions are paid at the rate of 10 shillings a week to both men and women and this continues until the pensioner reaches the age of 70 when he automatically passes under the control of the act of 1908.

*In 1911 old age pensions were being paid to 613,873 persons, 213,158 men and 395,715 women. The amount of money paid out for the fiscal year ending March 31, 1911 was £6,248,000. In 1925 the total number of pensioners had increased to 900,536, a growth of 46.7 per cent; the men

* Great Britain Board of Trade Statistical Abstract for the United Kingdom for each of the 15 years from 1911-1925, London 1927
increasing 52.3 per cent and the women 43.6 per cent. In 1911 the majority of the pensioners (569,190) received 5 shillings a week, and successively smaller groups received less by 1 shilling a week, until the lowest group, (4,134) received just 1 shilling a week. Up to 1919 no pension of more than 5 shillings had been paid, but that year the amount increased and in 1920, 658,346 of the pensioners were getting 10 shillings while only 899 were in the 1 shilling group. In 1925, 878,584 people, or over 97 per cent of the pensioners were receiving 10 shillings a week. The total paid out that year was 122,156,000. During the year 1930, 17,000,000 workers contributed to the fund and two million received pensions equivalent to about $120 each, while the government subsidy was $40,000,000.

"The Government Actuary shall report on the financial position of the scheme in 1935 and in every succeeding tenth year. Unless Parliament otherwise determines, the ordinary rates of contribution shall during the decennial period from January 1, 1936 be increased by two pence for men and one for women, divided equally between employer and employee, and similar additional increases in decennial periods from January 1, 1946 and 1956."

The cost of all this has increased tremendously, but the British government realizes that the people will no longer be satisfied unless they are given a fairer chance to get the

* The Nation, June 3, 1925. Page 638
necessities and some of the luxuries of life. Not only will the laborer refuse to accept his lot because it is better than that of a Chinese coolie, but on the basis of both social justice and economic value he must be kept content, because the happy worker is the productive worker. The question is can Great Britain afford to pay this pension in order to remove the burden of "dread of the poor-house" from the shoulders of her laboring classes. She not only can, but must; she dare not in this progressive, democratic age do otherwise.

Australia

Australia's old age and invalidity pensions increased considerably from 1921 to 1925, approximately 15\% per cent.

On June 30, 1924 the figures were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old Age</td>
<td>45117</td>
<td>67937</td>
<td>113054</td>
</tr>
<tr>
<td>Invalidity</td>
<td>19391</td>
<td>23226</td>
<td>42617</td>
</tr>
<tr>
<td>Total</td>
<td>64508</td>
<td>91163</td>
<td>155671</td>
</tr>
</tbody>
</table>

During that year 21,623 new pensions had been granted which consisted of 15,550 old age and 6,073 invalidity pensions. The maximum amount per pension is forty-five pounds, ten shillings per year, and at the time of this report 80.2 per cent of the old age and 90.7 per cent of all invalidity pensioners were getting the maximum. There were 197 old age and 74 invalidity pensioners for every 10,000 population with an annual cost of 6,862,138 pounds sterling.

During the year ending June 30, 1925, 14921 applications for pensions were granted while 1614 others were rejected. The age distribution for those granted is as follows:

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>60-64 years</td>
<td>1102</td>
<td>5112</td>
<td>6214</td>
</tr>
<tr>
<td>65-69</td>
<td>4263</td>
<td>1543</td>
<td>5806</td>
</tr>
<tr>
<td>70-74</td>
<td>1237</td>
<td>598</td>
<td>1835</td>
</tr>
<tr>
<td>75-79</td>
<td>419</td>
<td>261</td>
<td>680</td>
</tr>
<tr>
<td>80-84</td>
<td>143</td>
<td>118</td>
<td>261</td>
</tr>
<tr>
<td>85-90</td>
<td>38</td>
<td>20</td>
<td>58</td>
</tr>
<tr>
<td>90-over</td>
<td>9</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Total</td>
<td>7261</td>
<td>7660</td>
<td>14921</td>
</tr>
</tbody>
</table>

There were at this time pensions being paid to 117,516 persons, 60 per cent of whom were women and the amount paid to them or to institutions on their behalf was 6,992,905 pounds sterling at an administrative cost of 1.4 per cent or 94,486 pounds sterling. These pensions showed an increase of 35.8 per cent over previous years due, to a great extent, to the increase allowed for individuals from 28s. 9d. a fortnight in 1923 to 33s. 9d. in 1924.

South Africa

The South African government in February, 1926 appointed a commission of five known as the Old Age Pension and Social Insurance Commission to make a study of the matter, and its report was submitted early in 1927. The recommendation of the commission was that a system of non-contributory pensions be established for Europeans and colored persons. The applicant

must have been a British subject for 5 years, and a resident of the Union for 15 out of the 20 years immediately preceding the application. The pension was to begin at 65 with a maximum payment of 10s. per week, which should be proportionately reduced in accordance with other sources of income, no pension to be paid to anyone having an income of £52 or more per year. Invalidity pensions for the same amounts were to be given to persons between 61 and 65, who had been residents of the Union for 5 years and had become totally and permanently disabled. * It was estimated that the following members would be eligible for pensions under this act:

<table>
<thead>
<tr>
<th></th>
<th>Old Age</th>
<th>Invalidity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europeans</td>
<td>15518</td>
<td>8360</td>
</tr>
<tr>
<td>Colored</td>
<td>12580</td>
<td>7386</td>
</tr>
<tr>
<td>Asiatics</td>
<td>1557</td>
<td>1742</td>
</tr>
<tr>
<td>Total</td>
<td>29655</td>
<td>17488</td>
</tr>
</tbody>
</table>

The cost of the pensions on this basis is estimated to be £1,225,713 plus an annual increase of from £30,000 to £40,000 for each year between the recommendation and the introduction of the plan.

Subject to a few minor changes the act was gazetted early in June 1928 to go into effect January 1, 1929. A woman who is otherwise eligible does not become disqualified for a pension because of marriage to an alien. The act limits pensions to those whose incomes are not in excess of £51, for whites, and £33 for colored. Those white people whose

incomes are from £48-51 get a pension of £3 which increases as the personal income decreases until the amount of £30 is paid to those whose other income is £24 or less. The colored whose income is from £30-33 get £3 per year with corresponding increase as income diminishes until £18 is paid to those receiving incomes of £13 or less. Property or income belonging to married couples is considered on the basis of belonging one half to each of them.

The administration of the act is in the hands of a Commissioner of Pensions who has the power to reduce or discontinue the pension of any individual, if he finds sufficient reason for doing so after a thorough investigation. If a pensioner goes out of the Union for more than 60 days his pension is discontinued unless he has gone to a country where reciprocal arrangements have been made.

*If provision is made by law in any country outside the Union for the establishment of an old age pension scheme substantially corresponding to the Union Scheme; reciprocal arrangements may be made with the authority administering the foreign scheme, whereby residence in the one country shall for the purpose of qualification for pension in the other country, be treated as residence in that other country and pensions payable in the one country will then be payable to persons while resident in the other country.*

Canada

The outstanding achievement of the Labor movement in Canada was the passage of the old age pension bill in 1927 after a number of years of agitation and education.

The first attempt to bring the subject of old age pensions before the Canadian government was in 1906-7. The annuities law was passed in 1908 and that same year and again in 1912 and 1913 committees were appointed to study and report in regard to the matter of old age pensions. Then came the World War and the subject was dropped until 1922 when it again came up for discussion. In 1924 a special committee was appointed which reported on July 1, 1924 making the following recommendations:

1. Old age pensions should be established for deserving poor of 70 years or over.

2. The beneficiaries must be British subjects of at least 20 years residence in Canada, or naturalized citizens for at least 15 years with 25 years residence.

3. (a) A maximum pension of $20 a month less private income or earnings.

   (b) One-half to be paid by the Federal government, the other half by the Province, and the cost of administration to be borne by the Province.

The committee was reappointed in 1925 and this report included an opinion from the Department of Justice to the
effect that old age pensions were a matter for the Provinces to settle, but that the Dominion could grant financial aid. The bill which was introduced in 1926 passed the House but was defeated in the Senate, and then became one of the important issues of the general election of 1926. Some changes were suggested such as making the system a contributory one, increasing the amount of the pension, and making it wholly a Federal act. The bill was introduced, however, without these changes early in 1927 and on March 4 passed the House unanimously, on March 24 passed the Senate by a vote of 61-14, and was given the Royal assent on March 31.

The act, as passed, is optional with the various Provinces, and offers pensions to those over 70 years of age and is administered by the Department of Labor. At present five of the nine provinces have adopted the act: British Columbia, September 1, 1927; Saskatchewan, May 1, 1928; and Manitoba, September 1, 1928 being the first three.

Canada, like the United States, has a Federal government which must not be in conflict with the laws of the Provinces. Many of the Provinces felt that the act should be supported entirely by the Federal government, but the Dominion would not concede that. It was practically compulsory to make it a non-contributory scheme, as a contributory plan might have been found to violate the civil rights which are provincial, and thus the act could have been
declared ultra vires. This could have been avoided if the provinces had enacted concurrent legislation, but they would not all have been willing to do this.

The law as put into operation in British Columbia has the following requirements and conditions:

1. The applicant must be a British subject by birth, marriage, or naturalization; or if a widow who is not a British subject, she must have been before her marriage.

2. Must be 70 years of age; a resident of Canada for the 20 years preceding the application, and a resident of the Province 5 years preceding the application.

3. Is not an Indian.

4. Is not in receipt of an income in excess of $365 per year.

5. Has not made a voluntary assignment or transfer of property to qualify for the pension.

6. The maximum pension is $240 per year.

If the applicant has been a resident of the Province for 20 years the Province pays $20 a month. If the residence of the applicant has been divided between two provinces, the province of present residence pays the $20 and the other province reimburses the former proportionately if both provinces have the old age pension law. If one of the provinces does not have the law the pension is reduced proportionately.

A pensioner may own property up to the value of $2500
and get a full pension. All real and personal property is considered to earn 5 per cent per year, and any income in excess of $125 reduces the amount of the pension. The average pension is $18 per month, average age of pensioner is 75.4 years, and the average duration of the pension is 7 years.

The number of people receiving pensions in British Columbia in 1928 were 2,712; 47.16 per cent of the total population and 22.6 per cent of the population over 70 years of age. Among the pensioners 1,579 were men, 1,133 women; 43.6 per cent were born in Canada; 32 per cent in England; 9.9 per cent in Scotland; 4.7 per cent in Ireland. The Pensioners owned property to the value of $1,268,938 or an average of $467.90 per capita. The total amount paid out in pensions to March 31, 1928 was $262,904.

The only inactive provinces are Quebec, New Brunswick, and Prince Edward Island. The former has so many church charities that the pension is unnecessary and the latter being an agricultural section has not felt the need, as do the industrial centers.

An inter-provincial board has been established and each province in which the plan is operative is represented. It is the function of this board to meet for the purpose of reviewing progress and suggesting changes and amendments.

"Canada aims to extend relief to all who qualify, the funds coming out of public taxes. The 'fact' of the depend-

©E.S.H. Winn, Chairman Old Age Pension Department, American Labor Legislative Review, September 1929. Page 285.
ent condition, not the determining of 'fault' underlies this type of remedial social legislation."

Old Age Pensions in the United States

Let us now consider the situation in the United States. Investigations by both State and Federal authorities find, with remarkable uniformity, a marked similarity of conditions. They are practically agreed as to the cause of unemployment for the middle-aged which is largely due to the invention of machines requiring speed, alertness, and precision. These facts are found to be almost universal.

1. High percentage of persons over 70 without income.
2. Worthy character of these persons.
3. Pitiful and revolting conditions in almshouses.
4. Relatively high cost of maintaining these institutions as compared with Pension system.
5. Beneficial effect of pension system from both economic and humanitarian point of view.

The aged poor should be left as far as possible in familiar surroundings, with relatives and friends, and with the greatest possible amount of independence. Saving is very difficult for the average wage-earner, and insurance, unless compulsory leaves thousands without protection for their old age, beyond possibly just enough to pay their funeral expenses. Charity is repugnant to a self-respecting person because it exercises a degrading effect upon the recipient. Pensioners

are not treated as recipients of charity.

The social responsibility is inescapable, as well as inhuman and unjust. "The employer who ignores the economic and social dangers of creating an arbitrary low age barrier to employment, invites trouble. It is far better that men and women earn a livelihood than become a charge on the community. Men and women must be supported somehow. The creation of such a social burden is unnecessary, uneconomic, and unwise."

Despite the fact that the conservative and reactionary forces of the country tell us that pensions will destroy the self-reliance, thrift, and industry of our laboring classes, no one in the countries where the pension has been of longest standing and experience would want to abolish the system.

It is estimated that there are more than 1,250,000 people in the United States who are dependent on others. Only one out of ten men in the United States at 65 have enough to assure them of an income of $50 a month. Is it not better to pension these people than to put them in poor-houses, with all the attendant evils of loss of self-respect, personality, comfort, and interest in life? In this age of education and general reading it is not possible that young people will be so shortsighted as to think that the meager pensions which may come to them at the age of 65 and 70 could offer sufficient inducement to cast away all their earnings in

frivolity and good times rather than to provide if possible for an old age free from dependence. There are several types of old-age security to choose from. Which shall it be?

1. Non-contributory as in Denmark.

2. Partial non-contributory, as in Great Britain and Australia.

3. Compulsory contributory, as in Germany.

4. Voluntary contributory, with state subsidy, as in Belgium.

5. Annuity schemes under public administration as in Canada and Massachusetts.

6. Voluntary insurance under private management; insurance by insurance companies and pension systems by private companies such as the Standard Oil Company.

As in the case of Canada there can be no Federal action because that would be interference with state rights.

Old Age pensions had been considered as far back as 1903 in Massachusetts and the first investigation occurred there in 1907 although no action resulted. Most of the state laws are similar to the "Standard Bill" which was sponsored by the A. F. of L. in 1928.

Arizona had passed an old age pension law in 1914 but this was declared unconstitutional, which made Alaska the first United States territory to have an active old age Pension law.
Alaska

The Alaskan law was passed in 1915 and amended in 1923 and 1925. The maximum pension is $25 a month for men over 65 years of age, and $45 a month for women over 60 provided they are citizens of the United States and have been residents of Alaska for 15 consecutive years. The allowances, based upon the applicant's need, may be decreased or increased as the case might be. If the pensioner becomes able to support himself or can be supported by relations, the pension ceases. The following table shows a very considerable increase in amount of pensions paid since the inauguration of the act despite the fact that there has been a decreasing population since 1920:

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Pensioners</th>
<th>Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>1915</td>
<td>35</td>
<td>$1,116.</td>
</tr>
<tr>
<td>1916</td>
<td>101</td>
<td>$9,628.50</td>
</tr>
<tr>
<td>1917</td>
<td>148</td>
<td>$16,175.</td>
</tr>
<tr>
<td>1918</td>
<td>169</td>
<td>$21,787.50</td>
</tr>
<tr>
<td>1919</td>
<td>137</td>
<td>$20,241.</td>
</tr>
<tr>
<td>1920</td>
<td>105</td>
<td>$13,738.</td>
</tr>
<tr>
<td>1921</td>
<td>122</td>
<td>$14,776.</td>
</tr>
<tr>
<td>1922</td>
<td>145</td>
<td>$19,394.50</td>
</tr>
<tr>
<td>1923</td>
<td>189</td>
<td>$26,725.</td>
</tr>
<tr>
<td>1924</td>
<td>169</td>
<td>$28,490.</td>
</tr>
<tr>
<td>1925</td>
<td>224</td>
<td>$45,027.50</td>
</tr>
<tr>
<td>1926</td>
<td>256</td>
<td>$57,190.</td>
</tr>
<tr>
<td>1927</td>
<td>287</td>
<td>$66,430.</td>
</tr>
</tbody>
</table>

Total paid during the period $341,717.

Nevada

Nevada passed the first effective state law for old age pensions March 5, 1923. A tax levy of 2½ mills per $100 of taxable property to bring in the amount of $5,000 per

*Figures compiled by Office of Treasurer, Juneau, Alaska, July 19, 1928*
year was found to be wholly inadequate. The law calls for the administration of the act by County Old Age Pension Boards, made up of the county commissioners in each of the 17 counties of the state.

It was recommended that the county commissioners be authorized to pay what seemed necessary and it was considered that the local group could more intelligently handle the matter than others. During the first 8 months of 1924 no payments had been made under the act, although 343 persons had received indoor relief amounting to $91,574.10 and outdoor relief amounting to $35,732.06. During this time 319 requests for blanks had been received, but only 55 of these were filed. It was estimated that $27,500 per year would be required to give aid to all those who were eligible. This act was repealed in 1925 but a new one was passed to replace it.

Pennsylvania

Montana and Pennsylvania also passed similar laws in 1923. The movement started in 1917 in Pennsylvania and closed with the passing of the act in 1923. The commission of 1915 reported that there were 1,100 acts on the relief of the poor in the State of Pennsylvania and that 800 of them were local and special. This condition could only result in chaos and the law of 1923 was an attempt to unify these acts. However, the Dauphen County Court declared the act unconstitutional on August 4, 1924 and this decision was upheld by the courts.
in 1925. At this time a new commission was created to study the matter again and to find, if possible, some way to enact an old age pension law.

The investigations of these commissions revealed some very interesting facts regarding the people of Pennsylvania. First of all medical science had increased the span of life so that we now have more people living beyond the age of 65 with the possibility of earning steadily decreasing. During the high wage period of 1918, 29 per cent of the people over 65 were earning from $14 to $20 per week, 14 per cent less than $12, and 37 per cent nothing at all.

Most of these people were dependent, not because of thriftlessness but because of low wages all their lives, which were used to raise families, half of which consisted of more than four children.

Nearly 3,000 applications were received and three-fourths of these people had no remunerable occupation, and more than half of the rest were earning less than $4 per week. Three out of four had never earned more than $15 per week and only 5 per cent had ever earned more than $25 per week. *49.5 per cent were from 70-74 years of age; 33 per cent 75-79; 12 per cent 80-84; 4 per cent 85-89, and 1.5 per cent 90 or over; 35 per cent married; 51.4 per cent widowed; 11.2 per cent single; 2.4 per cent separated; 10 per cent foreign birth; 9.5 per cent from other states, 58.5 per cent born in

residence county; 22 per cent in other counties; 29.6 per cent living with family; 29.2 per cent living alone; 9.9 per cent with other relatives; 1.4 per cent with friends; 1 per cent in county institutions; and the rest were trying to keep their homes. It was concluded that a fund of $5,000,000 a year would be needed and that the cost of administration would approximate $300,000 yearly. The pensioner must be 70 years of age, a resident of the state for 15 years, and the pension, not to exceed $1.00 per day including other income, was to have been paid entirely by the state.

*In May 1928 there appeared a report from the Industrial Welfare Department of the National Civic Federation, which was the result of an investigation into the economic and physical status of persons 65 years of age and over in 11 cities and 2 country towns in New York, New Jersey, Pennsylvania, and Connecticut. The people investigated were selected from the census lists, registration lists, voters, and house to house canvassing, thereby making a fairly representative group, although there were no inmates of institutions in the group. All those who were already receiving military pensions were also excluded, which left a total of 13,785 individuals who owned property as indicated on this schedule:

<table>
<thead>
<tr>
<th>Property Owned</th>
<th>Number of Persons</th>
<th>Percentage of Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,000 or over</td>
<td>3546</td>
<td>25.8</td>
</tr>
<tr>
<td>7,500-9,999</td>
<td>244</td>
<td>6.1</td>
</tr>
<tr>
<td>5,000-7,499</td>
<td>1475</td>
<td>10.7</td>
</tr>
<tr>
<td>4,000-4,999</td>
<td>617</td>
<td>4.5</td>
</tr>
<tr>
<td>3,000-3,999</td>
<td>648</td>
<td>4.7</td>
</tr>
<tr>
<td>2,000-2,999</td>
<td>708</td>
<td>5.2</td>
</tr>
<tr>
<td>1,000-1,999</td>
<td>701</td>
<td>5.1</td>
</tr>
<tr>
<td>100-999</td>
<td>1024</td>
<td>7.4</td>
</tr>
<tr>
<td>Under 100</td>
<td>129</td>
<td>.9</td>
</tr>
<tr>
<td>None</td>
<td>4068</td>
<td>29.5</td>
</tr>
<tr>
<td>Not stated</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13785</strong></td>
<td><strong>100.</strong></td>
</tr>
</tbody>
</table>

The figures as to income were, however, a little more encouraging as only 19.1 per cent were without any income at all; 24.1 per cent had incomes of $1,500 or over, and 40 per cent, either singly, or married couples, had incomes of $1,000 or more per year and 16.8 per cent had neither property nor incomes. In other words from 20 per cent to 25 per cent of all business, professional, and working men are wholly dependent upon relatives, friends, or public or private charity; while another 20 per cent are partially dependent upon others.

California

Let us now consider the California act which was passed in 1929, the seventh state old age pension law to be passed. The bill had passed the House in 1925 but was vetoed by the Governor.

The committee, nevertheless, was convinced of the need of a survey because of the extreme dissatisfaction expressed
by the general public in regard to the wholly inadequate manner in which the non-institutional aged poor were being provided for. During this year there were in the community of San Francisco alone 21,156 dependents of 60 years of age or over. Of these 1,137 were in County Relief Homes, 364 in private pay homes, 280 in Little Sisters' Homes, and 375 were receiving outside relief at a total expenditure of $625,000 or an average of $300 per capita, per year.

The causes of poverty, as in other parts of the country were quite varied; unwise investments, uncompensated accidents, sickness, sudden death of the bread-winner, the fire and earthquake of 1906, industrial changes resulting in the inability of skilled workers to get jobs, destitution and loneliness, childlessness and widowhood. Adverse conditions figured in most of the cases.

San Francisco and Alameda County both had almshouses but the aged poor were reluctant to go there because of the "Mass" action and loss of individuality, and, too, those who have been accustomed to privacy find the dormitory life of the institution repugnant and are made very unhappy by it.

Alameda County did provide outside care for about one half of its poor, thus preserving the feeling of self-respect for those who were partially self supporting. San Francisco depended upon voluntary contributions which left out a small body of the needy who were dependent upon private charity.

Neither county, however, spent as much as $360 per capita per year, the amount recognized by all students of the old age pension plan as a minimum with which to supply the necessary modicum of health and decency.

In 1927 while the California legislature was again considering this matter, it passed an act requesting the California Department of Social Welfare to make a study of the old age pension system of other states and other countries, and to present a report to the 1929 legislature. This was done, accompanied by a draft of the proposed law to render assistance to the aged poor by means of a system similar to the "Mother's Pension".

The bill passed both Houses of the 1929 legislature, to go into effect January 1, 1930. The plan is to be administered by a division of the State Department of Social Welfare. The maximum pension is $30 a month to citizens of the United States who have been residents of California for 15 years, are 70 years of age or over at the time of application, and have an income of less than $1.00 per day.

There had been a state-wide educational campaign carried on by the Fraternal Order of Eagles for a number of years. In addition to this fact many of the legislators had had personal contact with cases in their home communities. Because of these facts the bill met with no opposition in either House of the legislature.
At this time there were 5,065 persons 65-70 years of age and 3,612 over 70 years of age in institutions. "It was estimated that not more than 5 per cent of the aged persons in these institutions would be able physically, mentally, or socially to live outside the institutions."

At the same time there were in their own homes 3,588 persons from 65-70 and 2,470 persons 70 years or over receiving public aid from the counties.

The state regards the county as being primarily responsible for the proper care of the local needy poor, while the state is to be a "supervising, standard-raising, and money sharing agency".

New York

The New York State investigations bring out a number of facts which indicate that conditions there are very similar to those found to exist in other parts of the country. About 50 years ago the population of New York state was rural, but now more than half of the inhabitants of the state live in greater New York City, which means that the more responsibility there is on the part of the working classes toward their aged, the less there can be for the children. There is no definite knowledge as to the number of aged dependents in the state but it is known that a large percentage of them would prefer starvation to the almshouse.

*Although many people seem to think that pensions are
* * California Rescuing her Aged. American Labor Legislative Review, March, 1929. Page 68
bound to lead to thriftlessness and extravagance, Professor Henry Seager of Columbia University thinks this a gross misrepresentation, and that the pension scheme is socially sound. He says that we have two safeguards:

1. That the character and habits of people are formed long before the age of dependency, which is approximately 65.

2. That there are natural limits to the number of those who would receive any benefit under the plan. While science has lengthened the average life, the expectancy of life after 65 has changed very little, from 11.96 years to 11.97 years.

Professor Seager speaks of 4 to 5 points which need very serious consideration in connection with an old age pension plan.

1. Since there are many worthy poor who would not under any circumstances consider institutional relief, there must be a gratuitous pension to provide for them.

2. The contributory system, if chosen, must be supplemented during the early years by a non-contributory plan.

3. The institutions could not be wholly eliminated because they are absolutely essential for the care of those who are mentally and physically unfit to live at home, and for those who have no families.

4. We must study the experience of Europe. Before the World War there were 10 pension plans in operation, but now there are 20. This situation is the result of necessity
arising from the changed economic conditions. There is an ever strengthening sense of the responsibility of the community to assume this burden as a social obligation and thus to take the strain from the family, the almshouse, and private charities.

5. Company plans for pensioning aged employees are not very successful because most companies cannot afford to undertake such an expense, therefore very few people ever gain any benefit in that manner.

The New York Commission submitted its findings to the legislature on February 17, 1930 with the following recommendations:

1. That as the earning capacity of persons over 70 does not change from day to day, neither does the need for assistance change, therefore there should be an improvement in the almshouses and county homes.

2. Not only must these aged dependents be supplied with the necessary food, clothing, and medical care but they should also receive some of the other things that make life worth living. Above all, those who are able to live outside of the institutions should be permitted to do so.

3. It was estimated that there were 350,400 people over 70 in need of aid in the state of New York on June 30, 1929, 51,000 of whom were not in institutions. The average cost per capita is estimated to be in the neighborhood of $242
annually. There should, however, be no fixed sum, the actual payments to vary according to the merits of the case.

4. The administration should not rest exclusively with the state but should be shared by the county or city and the state. Exclusive administration by the state is objectionable because it would necessitate too large a department, too many investigators, and a great deal of duplication of welfare work. It would probably interfere with the efficiency of the local workers in caring for those under 70. Exclusive administration by the county is opposed because then there might be the danger of the law being ignored, or interpreted in the spirit of the old "poor law" rather than in the modern liberal spirit. This might be particularly likely to happen if the whole financial burden were to be placed on the local tax-payers. The commission, therefore, recommended extensive supervision by the State Department of Social Welfare, with the power to make its own investigations and recommendations when necessary.

5. As poverty is not caused by purely local economic conditions the burden of support should not fall entirely upon the taxes of local real estate, as at present, but should be divided equally between the state and the county or city welfare districts. There are two advantages to be derived from this division of the financial burden. The first is the careful scrutiny by the tax-payers of the expenditures by the
local boards, which ought to curb extravagant and wrongful expenditures. The second is the uniformity of administration and the liberalizing of the point of view of the county administrations, resulting from the contacts with the state supervisors.

6. The financing of the plan should be assumed by the state as this would tend toward fairer distribution of the burden. The raising of the funds would then be divided between the real estate taxed by the counties, and the income and inheritance taxes collected by the state. The pensions should begin January 1, 1931 and the first payments should be made July 1, 1931.

7. The commission also recommended that the law of the City of New York be changed, so as to make it possible to render outside relief to the poor, in order that New York City should be on the same basis as the rest of the state.

8. The state should make every attempt to educate the people to self-reliance to make them self-supporting and to build them up mentally, physically, and economically so that they can learn to save during prosperity in order to support themselves and their dependents during periods of adversity.

9. The cost of administering a contributory plan would be equal to the cost of providing for the needy under the non-contributory plan, therefore, the latter is recommended. The applicant must be a citizen of the United States and a
resident of New York for 10 years, according to the most recent law.

Other States

Some of the other states which have also passed old age pension laws are Colorado and Maryland in 1927, Minnesota, Utah, and Wyoming in 1929, and in 1931 New Jersey, Ohio, West Virginia, Delaware, and Idaho.

In January 1931 Governor Buck of Delaware, and in February, Governor Ross of Idaho signed the old age pension bills. In both states the bills were compulsory and followed the Standard Bill. The pension is not to exceed $25 per month, and the applicant must be 65 years of age or over, and must have been a citizen of the United States for 15 years.

In Idaho a ten years' residence in the state is required, the payments are to be from county funds, and the administration by the county commissioners.

In Delaware only a 5 years' residence is required. This is the most liberal regulation of the 17 states having old age pension laws. Delaware is also the first state to burden the state with the entire cost of the plan. It is to be administered by an Old Age Welfare Commission which is entirely separated from the poor relief organizations.

Before the Delaware law was passed an old age pension commission, of which Alfred I. Du Pont was chairman, had made a report to the legislature recommending that almshouses
be abolished throughout the state, and declaring that non-contributory old age pensions would accomplish the "greatest good at the least cost." Mr. Du Pont, who had been paying pensions to the aged needy from his own funds said of the bill which the commission sponsored that "no other legislation ever presented to a Delaware legislature has received the support of a united press and united citizenship as has the proposed old age pension plan."

Massachusetts

We will now consider the situation in Massachusetts, the last of the states to be studied in detail. Massachusetts was the first state to introduce the old age pension for legislative considerations. This bill was brought out in 1903 but no real action resulted until about 20 years later. The Massachusetts Commission on Old Age Pensions was established in 1923 with instructions to make a thorough investigation and report in 1925.

A very complete field study was undertaken and the agents conducted personal interviews with about 9 per cent of the total population of Massachusetts of 65 years of age or over (approximately 225,000), 19,103 persons were interviewed and information was obtained concerning 12,300 others.

Of those between 65 and 70 who were interviewed, 1,114 or 6.4 per cent were found to have incomes under $100 per


year while 2912 others or 16.8 per cent were found to have no income at all; of those between 70 and 75, 8 per cent had incomes of less than $100 and 25 per cent had none at all. In Boston 25 per cent of those over 65 but under 70 had neither property nor income while 29 per cent of those over 70 were in the same plight.

The commission in its report of 1925 recommended that pensions be granted to those over 70 whose property was not in excess of $3000 or whose incomes did not exceed $365 per year. The maximum pension was to be $1.00 per day, with present incomes amounting to more than $150 per year to be deducted. The system was to be non-contributory, and according to all estimates there were approximately 8,000 people qualified to secure pensions at that time, which would cost five or six million dollars annually. It was suggested that this money be raised by a special poll tax of $2.00 per year for men and women, and an additional 1½ per cent payment on State Income Taxes.

The minority, consisting of two members, did not agree with these recommendations. Many legitimate objections were raised such as the fact that "pension" was not a true term as pensions are awarded to those who have rendered service, and it was merely another name for poor relief. The more vital objections were the inelasticity of the bill, as it gave the same treatment to all, making no allowances for
individual needs, administration costs would be excessive, the difficulty in connection with means qualifications which would have an unfavorable reaction upon the earnings, savings, and morale of the pensioners. The minority favored an act which would give "suitable and dignified care" according to the needs of the citizens. There should be State supervision of local administrative bodies, and the State should bear 1/3 of the cost.

*It was found that more than 2/3 of the dependent men had been employed in industry and the occupations open to them after reaching the age of 65 were those of janitor or elevator tenders. The old age occupations available to women were boarding and lodging-housekeepers, companions, laundresses, cleaners, and housekeepers.

On June 12, 1928 the first law in Massachusetts attempting to give old age relief was approved. The act called for the creation of a public bequest commission consisting of the State Secretary, the State Treasurer, and the Commissioner of State Aids and Pensions, who were not to receive any additional increment for this service. The act did not provide for any State Contributions, but for a "public bequest" by the commissioners with the State Treasurer acting as custodian. ©"When, and so long as, the principal of said fund amounts to $500,000 the Commission with the

approval of the Governor and council, may distribute in accordance with its rules and regulations relative thereto, the income from said fund to such worthy citizens of the Commonwealth, as in its opinion, by reason of old age and need, are entitled thereto; no man under 65 and no woman under 60 is entitled to assistance from such fund. The commission, subject to the approval of the Governor and council, may make, and from time to time may alter and amend, rules and regulations governing payments."

This act was not satisfactory to the advocates of the pension plan and their efforts continued until the old age pension act was approved and signed by Governor Allen on May 28, 1930. The act conforms very closely to the minority report of the 1923 commission and became effective July 1, 1931. The act provides adequate medical care such as examination and diagnosis treatment and diet to enable people to remain in their homes although institutional care is necessary for nearly all the people now in institutions. Expenditures of this nature increased from $1,216,041 in 1913 to $9,497,245 in 1929. *In Massachusetts there has always been a highly developed sense of local responsibility which resulted in the State being compelled to aid the outsiders. This movement began with the care of the inhabitants of Deerfield when they were driven out by the Indians in 1675. During the 19th century when immigration was at its height the work

was carried on by the Board of Alien Passengers Commission which was the precursor of the Board of State Charities, which was founded to care for unsettled persons and is the basis for the expenditure each year of $5,000,000.

The word pauper has been eliminated. Almshouses are being abolished, and are being replaced by infirmaries. In 1902 there were 211 almshouses in Massachusetts but by 1930 this number had decreased to 121. In 1930 the public welfare boards were spending $600,000 for the care of 26,555 persons 70 years of age or over, an average of $4.34 per week.

Any deserving citizen over 70 who has been a resident of Massachusetts for the preceding 20 years is entitled to assistance which will provide suitable and dignified care in his own home. There is no specified amount and this may come to as much as $12 or $15 per week when necessary, although the State enforces family responsibility whenever possible.

Conclusion

Do we need old age pensions? Based on statistical evidence we do, although in some States the amount of pension is so small as to be little more than a gesture. According to the American Federation of Labor Representative in May 1930 quoting from the Bureau of Labor Statistics report for 1924, there were at that time 85,389 people in the
Almshouses of the United States at a per capita maintenance cost of $334.64. In 1929, 279,000 workers were permanently disabled through industrial accidents. Since 1900 there have been 500,000 business failures, and in the last ten years 49,833 farmers have gone into bankruptcy. The life savings of all these people have been swept away through no fault of their own. Shall they be left to the suffering of poverty or shall they be cared for? Seventeen states at the present time are caring for their people through the old age pension plan.

*Analysis of Existing Old Age Pension Laws (May 1930)*

<table>
<thead>
<tr>
<th>State</th>
<th>Age</th>
<th>Years</th>
<th>Years</th>
<th>Plan</th>
<th>Funeral State Expense Aid</th>
<th>Amt. of Pensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calif.</td>
<td>70</td>
<td>15</td>
<td>15</td>
<td>Compulsory</td>
<td>---</td>
<td>yes $1 per day</td>
</tr>
<tr>
<td>Colo.</td>
<td>70</td>
<td>15</td>
<td>15</td>
<td>Optional</td>
<td>$100</td>
<td>no $1 per day</td>
</tr>
<tr>
<td>Ky.</td>
<td>70</td>
<td>15</td>
<td>10</td>
<td>&quot;</td>
<td>---</td>
<td>no $250 per year</td>
</tr>
<tr>
<td>Md.</td>
<td>65</td>
<td>15</td>
<td>15</td>
<td>&quot;</td>
<td>$125</td>
<td>no $125 per year</td>
</tr>
<tr>
<td>Minn.</td>
<td>70</td>
<td>15</td>
<td>15</td>
<td>&quot;</td>
<td>$100</td>
<td>no $1 per day</td>
</tr>
<tr>
<td>Mont.</td>
<td>70</td>
<td>15</td>
<td>15</td>
<td>Compulsory</td>
<td>$100</td>
<td>no $25 per month</td>
</tr>
<tr>
<td>Nev.</td>
<td>65</td>
<td>15</td>
<td>10</td>
<td>Optional</td>
<td>$100</td>
<td>no $1 per day</td>
</tr>
<tr>
<td>Utah</td>
<td>65</td>
<td>15</td>
<td>15</td>
<td>&quot;</td>
<td>$100</td>
<td>no $25 per month</td>
</tr>
<tr>
<td>Wis.</td>
<td>70</td>
<td>15</td>
<td>15</td>
<td>&quot;</td>
<td>$100</td>
<td>yes $1 per day</td>
</tr>
<tr>
<td>Wyo.</td>
<td>65</td>
<td>15</td>
<td>15</td>
<td>Compulsory</td>
<td>---</td>
<td>no $30 per month</td>
</tr>
</tbody>
</table>

*Old Age Pensions, Edward F. McGrady (Legislative Representative of the American Federation of Labor) American Federationist, May 1930. Page 546*

1. Not to exceed $130 per pensioner per year.
2. Three counties only
3. 1/3 of cost
Seven states have been added to the list of old age pension supporters since this analysis was made; namely, New York, Massachusetts, Delaware, Idaho, New Hampshire, New Jersey, and West Virginia.

Old Age pensions do not seem to me the proper way of caring for the people. While the old folks of this generation and possibly the next will have to be provided for in some such manner, the only ethical means of supporting the aged is to so arrange our economic system as to make a "living wage" mean enough to live on during the working years and the possibility of regular saving to provide for independence in old age.

Dependence upon a state pension (of not more than $365 per year in all states except New York and Massachusetts) or upon one's children, who are probably having a hard enough struggle to rear their own families, is only one step removed from pauperism, and is almost as repugnant to any self-respecting individual. And surely one dollar per day for all living expenses does not mean living, it means merely existing.

See copy of laws in appendix
Chapter III

Workmen's Compensation

While the Workmen's Compensation Act does not apply to the aged, it is, nevertheless, a vitally important social factor which diminishes state aid to many who would otherwise be dependent upon public or private charity during periods of unemployment resulting from industrial accidents.

Nearly all business men today recognize the necessity for workmen's compensation, which should be treated as one of the regular costs to industry. As a result of this recognition by legislators as well as by business men, workmen's compensation has now become almost universal in its application, as the law exists in twenty-six foreign countries and forty-four states and three territories of the United States.

In the early days of industry, and up to the last fifty years, industrial accident cases were treated under the old common law, whereby the injured workman brought suit against the employer. This is a very unsatisfactory method of handling the situation as the employer could only be legally liable in cases of negligence. Then, too, the juries were, almost without exception, prone to render unreasonably large verdicts in favor of the injured workman. Such a condition resulted in gross injustice to both employer and employee, with the natural result that a legal remedy was sought.
Workmen's compensation acts were the outcome and, on the whole, the method has apparently been found to be very satisfactory, if the rapidity with which it has spread in the last few years can be taken as a basis of opinion.

In the early history of labor it was not unfair to use "assumption of risk" by an employee as a defence, but with the coming of highly specialized industry that defence works unjustly to the employee, except, perhaps, in case of domestic service.

So many of the "liability" cases under the common law were lost by the injured worker, or the family of the deceased worker that thousands of children were forced into industry long before they were either mentally or physically fit for it, while countless others were thrown upon charity and many homes were broken up.

Much, though not all, of this is eliminated by workmen's compensation, which is carried as insurance, a perfectly reasonable charge to industry, and like all other costs, eventually borne by the consumer. Instead of this being an added burden to the consumer it is really a decrease in expenses because, although a cent or two is added to the cost of the article purchased, thousands of dollars are saved in taxes for the expense of running the courts, as this type of case occupied practically one-fourth of the time of the courts before the enactment of compensation legislation.
Some of the essential fundamental principles of workmen's compensation legislation are:

1. Compensation should cover all types of labor, including agricultural as well as industrial.

2. The compensation ought to be assured, chiefly through insurance.

3. It should be efficient, most of the premium going to the injured worker and not being used up in legal fees and expenses.

4. Every injury, not directly due to the criminal negligence of the worker, or drunkenness, should be covered.

5. There should be efficient inspection as to premium rates and safety devices for prevention of accidents.

6. The insurance should be compulsory.

7. The laws of the different states should be fairly uniform so as to prevent unfair competition in interstate commerce.

In many instances the insurance is on a voluntary basis rather than compulsory. The insurance companies favor the elective system; that is, the employer may insure in private companies instead of through the state funds, as this gives them a very profitable business.

The various state legislatures of the United States have been slow in passing workmen's compensation legislation as they wanted to be sure that they were expressing the
wishes of the people before passing legislation of such vital importance. They appointed commissions to study what had been done in the other states and in Europe before taking any action in their own states.

In 1911 when the matter began to be seriously considered by several states, although Massachusetts had first taken it under consideration in 1903, the foreign situation was very carefully studied. Workmen's compensation had been in operation in Europe at that time for more than twenty-five years, on the theory that as industry caused the accident, industry should assume the burden of payment. The European countries were not paying benefits in lump sums, but as a pension, in an attempt to keep the family income flowing in regularly. The only way to do this is through insurance with a definitely limited liability. As the accidents were always sudden, and usually serious in effects, relief must be immediate. This type of insurance originated in Germany, and had at this time reached its highest development in that country.

Workmen's Compensation in Foreign Nations.

There are two types of compensation acts prevailing in Europe; compulsory and voluntary, and these again are subdivided into two types each. The compulsory insurance may be (a) in prescribed institutions or (b) a choice of insurance institutions. Compulsory insurance in prescribed
institutions consists of government monopoly of the insurance as in Norway, or compulsory mutual associations controlled by the state. These are organized (a) on a territorial basis as in Luxemburg, Hungary, and Austria; or (b) on the basis of industry as in Germany, which has sixty-six, Greece, and New South Wales. Compulsory insurance with choice of institutions gives the employer a choice between private or mutual association insurance in competition with state insurance as in Italy and Holland, or a choice between the two without state competition as in Finland. Voluntary insurance may be with private or mutual associations with state competition as in Sweden and France, or without state competition as in Belgium, Denmark, Great Britain, the British Colonies, Russia, and Spain.

Germany

Germany's first compensation law was enacted July 6, 1884 to become effective October 1, 1885. Additional acts were passed May 25, 1885, May 5, 1886, July 11 and 13, 1887, and codification was effected June 13, 1900. The substance of the German law is as follows:

Any injury causing death, or disability for more than three days, is entitled to compensation if the worker is engaged in mining, salt-works, quarrying and allied industries, ship-yards, factories, smelting-works, building, chimney-sweeping, window-cleaning, butchering, transportation
and handling, agriculture, forestry or fisheries. It also includes government employees in postal, telegraph, and railway service, and those in the industrial departments of the army and navy, unless they are provided for through some other means.

All those workers whose earnings are less than 3000 marks ($714) per year are protected by the act which may be extended to others with the approval of the Imperial Insurance Office. The cost of medical and surgical care for the first 91 days and benefits from the third to the 91st day are borne by both employer and employee, one third being contributed by the employers and two thirds by the employees to the sick benefit funds used for that purpose. After the 28th day the payments are increased one third at the expense of the employer, and after the 91st day, or in case of death, the expense is then borne by the employers' association which is supported by the employers.

The compensation in case of death consists of the payment of funeral expenses up to an amount equal to 1/15th of the annual earnings of the deceased but not to be less than 50 marks ($11.90); a pension to the dependents not to be over 60 per cent of earnings of the deceased as follows: 20 per cent to the widow until death or remarriage, in which case she receives a sum equal to three annual payments, to each child under 15 years of age 20 per cent, each to be
reduced proportionately if the total is in excess of 60 per cent; heirs in ascending line receive 20 per cent or less if there is any residue, and orphan grandchildren receive 20 per cent or less if there is any residue left. If the earnings of the deceased were more than 1500 marks ($357) per year only one third of the excess is considered in adjusting the compensation.

The compensation in case of disability consists of:

1. Medical and surgical care for thirteen weeks by the sick benefit fund; after that by the employers' association.

2. For temporary or permanent total disability 50 per cent of the average daily wage, not to exceed 3 marks ($ .71) paid by the sick benefit fund from the third day to the end of the fourth week, from the fifth week to the end of the thirteenth week this same amount plus 16 2/3 per cent contributed by the employer directly. After the thirteenth week 66 2/3 per cent of annual earnings paid by the employers' association.

3. In complete helplessness, necessitating attendance, the compensation may be increased to 100 per cent of earnings.

4. For partial disability a proportionate reduction in the payment is made.

5. If the yearly earnings are over 1500 marks ($357) only 1/3rd of the excess is considered.
Where any change occurs in the condition of the worker a revision of payments may be made. The insurance is compulsory, and payments are made by Mutual Insurance Associations of Employers. All disputes are settled by "arbitration courts for workmen's insurance", which are composed of one government official and two representatives each for employers and employees. The payments are advanced by the state and at the end of the year the mutual associations repay the state by assessing the members for the amount. This method meant increasing cost to the association for a number of years, but after twenty-five years of operation the cost began to decrease because of the improvements in machinery and the increasing use of safety devices.

The amendments of May 12, 1925 and July 15, 1925 were aimed primarily at the extension of the act to include industrial disease and the prevention of accidents. The employer is obliged to render first aid to the injured, and to use all possible production developments directed toward greater safety for the workers. Under this new law the National Insurance Office has a right to demand that all supervising officers supply proof of their training. They must report to the Office in regard to the carrying out of accident prevention and the furnishing of first aid to the injured. The penalty for the violation of the accident prevention law has been increased, as have also the pecuniary
benefits. If the beneficiary is receiving 50 per cent of the full benefit he is entitled to 10 per cent more for each legitimate child under the age of fifteen. If the child has not by that time completed his vocational education and is still supported by the injured person the benefit may continue until the child reaches the age of eighteen. The total amount, however, cannot be in excess of the average annual earnings of the beneficiary. The word legitimate as applied to children includes the illegitimate children of an injured woman, the illegitimate children of an injured man if the paternity has been established, legitimate children, adopted children, and stepchildren and grandchildren who have been supported before the injury. The amount of compensation is based on earnings up to 8400 marks, and minors may receive an increased compensation after reaching the age of twenty-one.

Germany, here, as in most social legislation, has furnished the model for the rest of the world.

Austria

Austria followed in 1887 with a law under which the employer pays the entire premium. He has, however, the privilege of deducting 10 per cent of the premium charge from the wages of the employees as a contribution toward the premium. The method of rating is based upon gradations of industry with reference to the highest class as a basic
This may be altered, and in such a case all the rates go up or down accordingly. Every five years the conditions are investigated with consequent changes in rates and classification if necessary. In most respects the law is similar to that of Germany, therefore needs no detailed discussion, as is true of most of the countries of Europe.

France

France enacted her compensation law April 9, 1898 to go into effect July 1, 1899. This original act has been amended many times since. Compensation is due for all injuries received through labor which last for a period of more than thirteen weeks. The trades included under the act are mining, quarrying, manufacturing, building and engineering, transportation, telephone and telegraph, diving and salvaging, and agriculture.

All workmen and salaried employees are protected by the act, as well as Government employees engaged in any of the above industries, but the employer must bear the entire cost of the insurance.

The compensation payments are as follows:

In case of death:

1. Funeral expenses of not over 100 francs ($19.30)

2. Pensions to dependent heirs not over 60 per cent of annual wages of deceased; to widow or widower 20 per cent until death or remarriage of widow, in which case a
final sum equal to three annual payments is made; in case of children under sixteen, if one parent survives 15 per cent for one child, 25 per cent for two children, 35 per cent for three, and 40 per cent for four or more. To each child under sixteen if neither parent survives 20 per cent. To ascendant and descendant under sixteen if there is no widow or child 10 per cent -- the aggregate not over 30 per cent.

3. If the annual wages are over 2400 francs ($463.20) only 1/4th of the excess is considered in computing pensions.

Compensation for disability:

1. Expense for medical and surgical treatment.

2. For permanent total disability 66 2/3 per cent of the annual wage. For partial permanent disability 1/2 of the loss of the earning power, or if demanded, 1/4 of the capital value of the pension in cash, the pension to be reduced accordingly.

3. For temporary disability 50 per cent of the daily wages beginning with the 5th day and including Sundays and holidays. If the disability continues for more than ten days, the payments are due from the first day.

4. If the annual wages are over 2400 francs ($463.20) only 1/4 of the excess is considered in computing pensions.

5. Payments of not more than 100 francs ($19.30) per year may be replaced by a lump sum when the beneficiary is of age.
Revision of compensation because of aggravation or diminution of disability may be made within three years. Employers may transfer the burden to any approved insurance company, a national accident insurance, or a national old age pension fund. The state guarantees against loss of payments and is reimbursed by a special tax on the employers. Creditors for funeral expenses and medical aid, etc., have preferred claims on the property of the employer. When there is a question of dispute, cases involving more than 300 francs ($57.90) per year may be carried to the higher civil courts. The judgment of the local justice of the peace is final in other cases.

The amendments to the law were made December 15, 1922, April 30, 1926, June 30, 1926, and July 9, 1926. The act of April 30, 1926 extends the law to include agricultural workers and employees on farms engaged in cattle breeding, horse training, stud farms, offices and places of sale of agricultural products, and agricultural associations of all types. The act became effective six months after its publication. The other amendments increased the amount of payment due under accident disability because of the increased cost of living. The amount of compensation ranges from 20 francs per month for disability of 30 to 49 per cent, to 100 francs per month for disability exceeding 80 per cent.

The employer is directly liable for accidents resulting
in death, or disability beyond five days unless the accident was intentionally caused by the employee. If it was due to the inexcusable fault of the employee the amount of the compensation may be reduced, whereas, on the other hand, if due to the inexcusable fault of the employer the compensation may be increased, but not to a greater sum than the actual earnings of the injured person. The employers are not required to insure, but if they do they are released from liability. The state institution has only about 1 per cent of this insurance as its rates are higher than those charged by the stock or mutual companies.

In addition to this compensation there are two types of workmen's mutual aid societies in France which are very popular, free and approved societies. The free society has legal existence, may receive gifts and legacies, but may not hold real estate. It receives no direct assistance from the state. The approved society is under government control. The president is appointed by the government, but his name is generally proposed by the society. Any class of citizens, workingmen, clerks, shopkeepers, girls, or boys, can organize a society and have it approved. They must prove that the members are able to pay the monthly dues, to give aid in sickness, and to deposit in a government bank. The money is invested in government bonds which never pay over 3 per cent and sometimes the interest is less than that because of high
premiums. The government then appropriates enough to bring it up to 4\(\frac{1}{2}\) per cent which is left to accumulate for old age funds. The members may be from three to fifty years of age. In 1898, 46.75 per cent were from three to nineteen years of age.

Denmark

Denmark enacted her compensation law January 7, 1898 to become effective January 15, 1899. This law was amended May 15, 1903. It covers all injuries due to trade and lasting over thirteen weeks. It embraces the industries of mining, quarrying, manufacturing, building and engineering, transportation, telephone and telegraph, diving and salvaging, establishments using much power subject to factory inspection, and other industries designated by the Minister of the Interior. All those persons whose earnings do not exceed 2400 crowns ($643.20) are entitled to compensation, including government employees in any of the above industries. The burden of payment rests entirely on the employers.

The compensation in case of death is:

1. Funeral benefits of 50 crowns ($13.40).

2. A lump sum equal to four times the annual salary of the deceased, but not over 3200 crowns ($857.60) nor less than 1200 crowns ($321.60) to the widow, or a child if the child is the only heir. If there is no widow the sum is distributed to the children according to the decision of the
Insurance Council. If there is neither widow nor child the Council decides whether and to what extent the other heirs receive compensation.

Compensation for disability:

1. After thirteen weeks until the end of the treatment or until the disability is declared permanent a daily compensation of 60 per cent of earnings, not less than 1 crown ($0.27) nor over 2 crowns ($0.54) is allowed for total disability and proportionately for partial disability.

2. Permanent total disability entitles the injured worker to six times his annual earnings, not less than 1800 crowns ($482.40) nor more than 4800 crowns ($1286.40), while partial disability is entitled to a proportionate sum.

3. If the employee is male and between thirty and fifty-five he may demand the purchase of an annuity. If he is of any other age, and in the case of women and children, the Insurance Council may substitute an annuity if it chooses to do so.

The determination of the degree of permanent disability must be made as soon as possible after one year from the time of injury. If it is not possible a temporary determination may be made and a redetermination ascertained within the following two years, at which time a revision of the compensation may be made if necessary.

The employers may transfer the liability to authorized
insurance or mutual associations. Where the employer is not insured the indemnity is a preferred claim upon his assets. The employer is not liable for the first thirteen weeks. Insurance is not required, but if the employer does insure in an insurance company or association authorized by the state, he is entirely released. Adjustments of all claims are made by a state Insurance Council to which immediate notice must be sent. The Council makes its own investigation and determines the fact of liability and the amount thereof. The law does not consider the first thirteen weeks, but the employers often take insurance for this time and compel the employees very often to contribute. If this is not done the employees usually belong to sick insurance associations to which the employers sometimes contribute. This compensation also covers many occupational diseases. All disputes must be referred to the Insurance Council but appeal may be made to the Minister of the Interior.

Great Britain

Great Britain enacted the workmen's compensation law December 21, 1906 to become effective July 1, 1907 and replacing the acts of August 6, 1897 and July 30, 1900.

That covers any employment and any accident causing death, or disability for at least one week. Any person regularly employed whose annual earnings are less than £250 (§1216.63) is entitled to compensation, but manual laborers
are not subject to this limitation. Government employees engaged in civilian occupation are included in the act. The entire cost is met by the employer.

The compensation for death:

1. A sum equal to three years earnings but not less than £150 (\$729.98) nor more than £300 (\$1459.95) to those entirely dependent.

2. A sum less than above if the persons are partially dependent, the amount to be fixed by agreement of the party, or arbitration.

3. Reasonable expense of medical attendance and funeral, not to exceed £10 (\$48.67) if there are no dependents.

Compensation for disability:

1. A weekly payment of not more than 50 per cent of the average weekly earnings during the previous 12 months, but not over £1 (\$4.87) per week. If the person is incapacitated for less than two weeks, no payment is made for the first week.

2. During partial disability a weekly payment of not more than the difference between the average weekly earnings before the injury and the average earnings after the injury.

3. Minors may be allowed full earnings if not over 10s (\$2.43).

4. A sum sufficient to purchase a life annuity through the Post-Office Savings Bank of 75 per cent of the annual
value of the weekly payments may be substituted at the request of the employer for weekly payments after six months. Other arrangements may be made upon agreement between employer and employee. At the request of either party the weekly benefits may be revised under the regulation issued by the Secretary of State. In case of bankruptcy of the employer the amount of compensation up to $100 (§486.65) is a preferred claim, or where the employer has entered into a contract with the insurers the employee assumes the rights of the employer. Questions arising under the law are settled either by a committee representative of the employer and his workmen, by an arbitrator chosen by both parties or, if they cannot agree, by the Judge of the County Court, who has the privilege of appointing an arbitrator to act in his place.

The accident risk was at an approximate level from 1897 to 1907 as the increased risk due to the increased use of machinery was counteracted by improved inspection and greater care. Since 1907 the tendency to decrease is due to improved safety devices and still greater care.

Labor did not at first approve of the act because it was under the impression that it would put the old men out of work and cause some of them to pretend to have been injured. As old men are more easily hurt and do not recover as rapidly as the younger men it was thought that they would
be a greater burden on industry and therefore would not be kept. It was supposed that the Union's demand of equal pay for all, and its refusal to allow the old men to be kept at smaller wages on easy jobs would also cause many of them to be discharged. The act is responsible for much unemployment as the insurance companies are more particular about the physical condition of a man who is hired for work in an industry which is subject to industrial disease compensation. The higher premiums result in a higher cost of production. Many industries are included under the amendment which were not under the original act, and the two weeks waiting period was reduced to one.

The following tables taken from the Monthly Labor Review for April 1927 and April 1928 show some interesting figures.

Number of Employees and Ratio of Compensation Cases to Persons Employed in Great Britain, 1925.

<table>
<thead>
<tr>
<th>Industry</th>
<th>Numbers Employed</th>
<th>Number of Cases per 1000 persons employed.</th>
<th>Fatal</th>
<th>Non-Fatal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shipping</td>
<td>207,194</td>
<td>1.5</td>
<td>33.4</td>
<td></td>
</tr>
<tr>
<td>Factories</td>
<td>5,319,658</td>
<td>.2</td>
<td>38.1</td>
<td></td>
</tr>
<tr>
<td>Docks</td>
<td>142,550</td>
<td>.9</td>
<td>86.9</td>
<td></td>
</tr>
<tr>
<td>Mines</td>
<td>1,157,085</td>
<td>1.1</td>
<td>134.2</td>
<td></td>
</tr>
<tr>
<td>Quarries</td>
<td>76,274</td>
<td>1.2</td>
<td>88.5</td>
<td></td>
</tr>
<tr>
<td>Constructional Work</td>
<td>108,813</td>
<td>.6</td>
<td>81.2</td>
<td></td>
</tr>
<tr>
<td>Railways</td>
<td>530,440</td>
<td>.4</td>
<td>41.8</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>7,541,014</td>
<td>.4</td>
<td>62.7</td>
<td></td>
</tr>
</tbody>
</table>
The number of fatal cases rose 5.3 per cent and the compensation paid then increased 10 per cent. The number of non-fatal cases decreased 3 per cent and the payments decreased 1.9 per cent.

Number of Compensated Cases of Industrial Accidents in Great Britain and Payment for Compensation, 1919-1926

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Cases</th>
<th>:</th>
<th>Payment for Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fatal : Non-Fatal : Total</td>
<td></td>
<td>Fatal : Non-Fatal : Total</td>
</tr>
<tr>
<td>1921</td>
<td>2385 : 223,361 : 226,724</td>
<td></td>
<td>518,084 : 4,291,733 : 5,509,495</td>
</tr>
<tr>
<td>1923</td>
<td>2657 : 477,372 : 499,335</td>
<td></td>
<td>591,164 : 8,642,932 : 7,134,093</td>
</tr>
<tr>
<td>1924</td>
<td>2972 : 497,442 : 492,139</td>
<td></td>
<td>782,444 : 8,208,459 : 9,063,921</td>
</tr>
<tr>
<td>1925</td>
<td>3050 : 473,250 : 376,083</td>
<td></td>
<td>904,780 : 5,772,204 : 6,676,020</td>
</tr>
<tr>
<td>1926</td>
<td>2845 : 308,563 : 370,202</td>
<td></td>
<td>671,511 : 5,932,310 : 6,606,821</td>
</tr>
</tbody>
</table>

The reduction in 1926 was due to the coal stoppage (strike). Compensation was paid in twenty-seven cases where death was caused by industrial disease and in 14,751 cases of disablement from disease. The twenty-seven fatal cases were divided as follows:

Nine lead poisoning.

One anthrax.(1. a carbuncle caused by infection in coal mining. (2. a highly virulent disease (usually fatal) (contracted from handling the wool of diseased (sheep.)

One poisoning by nitrous fumes.

One of dermatitis. (inflammation of the inner layer of skin.

Ten of epitheliomatous cancer. (cancer of tissues lining the various cavities (such as the nose.
Four of nystagmus. (an involuntary oscillation of the eyeballs due to muscle spasms.

One of beat knee. (an inflamed throbbing condition of the knee due to infection.

The majority of the cases, 80. per cent, are due to the mining industry.

On November 18, 1925 Great Britain and Denmark entered into a compact for reciprocal workmen's compensation for citizens of each of these countries employed in the other. The ratification of the compact was signed April 5, 1927. Under the act British subjects employed in Denmark may receive compensation under the Danish laws and Danish subjects employed in Great Britain may receive compensation under the British law. This agreement is to remain in effect in both countries until one year after it has been renounced by either.

In Great Britain and Northern Ireland the act covers Danish workers as follows:

(a) The compensation shall in every case be fixed by an award of the County Court.

(b) The County Court shall have the power to issue letters of request for the examination of witnesses and these letters are to be admissible as evidence.

(c) The Courts shall, for the purpose of claims of British subjects under Danish insurance, have the power to examine under oath witnesses within its jurisdiction and transmit such statements to Denmark.
(d) All Danish workmen are exempt from Court fees in regard to settlement of claims.

(e) At the beginning of each year the British Secretary of State must send to the Ministry of Social Affairs in Denmark a record of all the judicial decisions given in regard to Danish workers who have been injured by accident in Great Britain or Northern Ireland.

The Danish government makes all arrangements that are necessary to insure:

(f) That the statements of witnesses resident in Great Britain or Northern Ireland made under oath shall be admissible as evidence.

(g) That letters of request issued by a County Court of Great Britain shall be received by the Danish Workers' Insurance Council and transmitted by them to the proper court where the witnesses will be examined and their statements authenticated for transmission to the County Court which issued the letter of request.

(h) British subjects shall be exempt from fees related to the examination of cases by the Council or the submission of cases to the Ministry of Social Affairs.

(i) At the beginning of the year the Danish government will send to the Principal Secretary of State of
Great Britain a record of all the cases handled relating to British subjects in reference to accident insurance.

This agreement shall not apply to increased compensation for seamen in cases of accident resulting from war. This document was signed by Austen Chamberlain for Great Britain and P. Ahlefeldt-Laurvig for Denmark.

As all other European acts are similar to those already discussed we shall now consider the situation in China before turning our attention to North America.

China

In China no accurate records are kept and usually only the serious accidents are considered as accidents. In 1924 the record of hospital patients (from the cotton industry) recorded at the Industrial Hospital was 374 industrial accidents of which 231 were men, 43 were women, and 100 were children from 5 to 15 years of age. The following table shows the situation in 1928.

<table>
<thead>
<tr>
<th>Mill or Industry</th>
<th>Number of Workers</th>
<th>Fatal</th>
<th>Non-Fatal</th>
<th>Total Injured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shanghai—Linghua Arsenal</td>
<td>2600</td>
<td>6</td>
<td>82</td>
<td>88</td>
</tr>
<tr>
<td>Szen Ching Iron Works, Hangchow</td>
<td>12</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Hangyang Arsenal</td>
<td>5000</td>
<td>1</td>
<td>215</td>
<td>216</td>
</tr>
<tr>
<td>Heng Toi Iron Pot Mfg. Co., Hangchow</td>
<td>26</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pao Chang Iron Works, Hankow</td>
<td>1300</td>
<td>35</td>
<td>102</td>
<td>137</td>
</tr>
<tr>
<td>Ying Chou Chwang Iron Works, Hangchow</td>
<td>16</td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Hwa Tung Mack. Mfg. Co., Shanghai</td>
<td>600</td>
<td>5</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td>Kiangnan Shipbuilding Co., Shanghai</td>
<td>2120</td>
<td>3</td>
<td>71</td>
<td>74</td>
</tr>
</tbody>
</table>

* H.R. Lamson Assoc. Prof. Sociology Shanghai College
Industrial Accidents for 1928 — continued

<table>
<thead>
<tr>
<th>Mill or Industry</th>
<th>Number of Workers</th>
<th>Fatal</th>
<th>Non-Fatal</th>
<th>Total Injured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shanghai-Marking R.R. &amp; Factory</td>
<td>400</td>
<td>1</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td>Shanghai-Ningpo-Hangchow Railway</td>
<td>240</td>
<td>2</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>Kiangnan Paper Co., Shanghai</td>
<td>30</td>
<td>-</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Pei Sah Tso Paper Mill</td>
<td>520</td>
<td>-</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Shun Hsin Flour Mill, Pootung</td>
<td>720</td>
<td>4</td>
<td>70</td>
<td>74</td>
</tr>
<tr>
<td>Foo Sing Flour Mill, Shanghai</td>
<td>890</td>
<td>-</td>
<td>102</td>
<td>111</td>
</tr>
<tr>
<td>Wei Cheng Weaving Co., Hangchow</td>
<td>620</td>
<td>-</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>Sun Kee Silk Filature, Hankow</td>
<td>1300</td>
<td>-</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Hung Feng Silk Filature, Shanghai</td>
<td>1018</td>
<td>10</td>
<td>99</td>
<td>110</td>
</tr>
<tr>
<td>Kong Lee Rice Mill, Wuku</td>
<td>450</td>
<td>-</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Hwa Sun Elec. Appliance, Shanghai</td>
<td>376</td>
<td>1</td>
<td>21</td>
<td>22</td>
</tr>
<tr>
<td>Electricity Plant, Wuku</td>
<td>260</td>
<td>1</td>
<td>29</td>
<td>30</td>
</tr>
<tr>
<td>Chen Tung Kee, Bldg'g Construction</td>
<td>250</td>
<td>1</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>Siu Kee Bldg'g Construction</td>
<td>32</td>
<td>-</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Yo Cheng Kee Bldg'g Construction</td>
<td>35</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Lee Yu Chwang Bldg'g Construction</td>
<td>43</td>
<td>-</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Total for 26 Establishments</td>
<td>10800</td>
<td>50</td>
<td>927</td>
<td>1007</td>
</tr>
</tbody>
</table>

These figures are very incomplete as minor accidents are not reported at all and in many cases it is only the memory of the manager that can be depended upon as no records are kept.

The reasons for considering accident conditions bad in China are those which make for higher frequency and severity rates as follows:

"(1) Absence of laws compelling application of safety devices to dangerous machinery.

(2) Prevalence, in many plants, of old machinery which was built before modern safety engineering made machinery safer.

(3) Absence of any safety movement to create sentiment for safety work.

(4) Lack of factory discipline about handling machines.

"H. R. Lamson Assoc. Prof. Sociology Shanghai College
China Weekly Review Feb. 15, 1930 Page 397
(5) Practice of workers themselves getting substitutes, without much regard for the knowledge and experience of those substitutes.

(6) Old buildings unfit for heavy modern machinery.

(7) Lack of building laws and fire prevention requirements.

(8) Conversion of residences into factories, with inadequate exits.

(9) Poor lighting for both day and night work.

(10) Long hours inducing over-fatigue.

(11) Lack of adequate understanding of the nature of the machine before beginning to work with it.

(12) Lack of efficiency engineering, and want of the spirit of precision.

(13) Absence, of physical and mental tests to decide whether a worker is fit for the job required.

There is no set policy for compensation in China but the employer usually assumes some responsibility. This varies with the individual concerns from medical care and nothing more, to some compensation to the family in case of death, plus funeral expenses, and some compensation for either a limited time for permanent disability. None of them, however, are adequate.

In March 1923 the Ministry of Agriculture and Commerce in Peiping issued a provisional regulation concerning labor, to apply to factories employing one hundred or more, to extra
hazardous types, or to those detrimental to public health. It provided for full wages during illness, plus medical care, but no other compensation. Other sections of China have taken similar action but there is as yet no national law for workmen's compensation. In the labor law for 1929 compensation and safety were discussed. It was suggested that for workers injured in the course of their employment, the factory should bear the medical expenses, the workers should not be discharged, and should receive full wages during the period of medical treatment. In case of permanent disability the factory should pay in addition full wages for six months and half wages for life. In the case of death the legal heirs should get $100 (gold) for funeral expenses and the equivalent of one year's wages plus $400. If the factory has a capital of less than $30,000 it may petition the authorities to revise the sum to be paid. If the factory refuses to pay it is liable to legal action by the worker.

Canada

Workmen's compensation in Canada is enacted by the Provinces and not by the Dominion. The conditions there were similar to the United States under the old common law liability. The British Act of 1897, extended in 1900, and replaced by the act of 1906 furnished the model for the earliest legislation of the Provinces. The following Provinces now have workmen's compensation laws which were passed in the years indicated:
The outstanding feature of the Ontario Act is its dispensing with the common law defences. The employees covered are wage-earners in extractive, manufacturing, and transportation industries. Farm-laborers, retailers, and domestic servants are not included. The act is administered by a commission of three members, appointed by the Lieut-Governor-in-Council and designated as "The Workmen's Compensation Board". Each Commissioner is appointed for ten years and may be reappointed but cannot hold office after reaching the age of seventy-five. No appeal can be made from the ruling of the Board. Its affairs are examined yearly by the Provincial Superintendent of Insurance or his representative. The employer must notify the Compensation Board within three days of any accident which impairs the earnings of workmen. A fine of not over $50 is imposed upon the employer who fails to make such a report. No compensation is paid for disability which does not exceed seven days.

Scale of Compensation in case of death:

(a) Funeral expenses up to $75.

(b) Twenty dollars a month to a widow or an invalid husband if the only dependent.
(c) Twenty dollars to a widow plus five dollars per child under sixteen years, but the total cannot be over $40.

(d) Where all the dependents are children $10 a month under sixteen but the total not over $40.

(e) Where the workman was under twenty-one dependent parents get $20 a month until the workman would have become twenty-one.

(f) Where the dependents are other than those mentioned a sum reasonable and proportionate to actual financial loss, but not over $40.

The total compensation must not in any case be over 55 per cent of the average monthly earnings.

In case of permanent disability a weekly payment for life equal to 55 per cent of the average weekly earnings for the previous year is granted.

In the case of partial or temporary disability a weekly payment is made proportionate to the loss of earning power but not over 55 per cent of the weekly earnings. This sum is payable while the disability lasts and the payment may be converted into a lump sum if the board considers it wise.

Upon remarriage a widow is entitled to a lump sum equivalent to two years' payments while the compensation for minor children continues.

The cost is borne entirely by the employers. They, however, claim that the cost is so high as to make competition difficult.
The 1902 Act of British Columbia continued until 1916; the 1908 Act of Alberta until 1919; new laws were enacted in Nova Scotia in 1915, in Manitoba in 1916 and again in 1920, and a revision and consolidation took place in Quebec in 1923 and in 1928. These new laws are more like the laws of the United States than Great Britain. Most of the laws are administered by special boards instead of by arbitrators and judges of the court as under the old laws, the one exception being the Yukon Territory. Saskatchewan and Prince Edward Island, as yet, have no compensation laws. The Act of the Dominion Parliament of 1918 brings the employees of the Federal government under the law of the province in which the accident occurs.

There is more uniformity in the laws of the Provinces than in the states of the United States. All the laws are compulsory; all include occupational disease except Quebec and Yukon Territory; and in all but these last two there is exclusive state insurance fund. There is no appeal to the Courts except in Nova Scotia and New Brunswick, and in most cases the compensation is for a stipulated sum rather than on a percentage basis.

Mexico

*The first movement for Workmen's Compensation Act in Mexico was in 1917, which constitution has Article 123 embodying six different sections dealing with relations between

employer and worker. The constitution merely sets forth the principle and leaves it to the different states to enact their legislation.

In the state of Coahuila permanent total disability brings compensation equal to the full salary during the probable life. This probable life is based on the table of life expectancy. At the age of ten the life expectancy is forty years, therefore, the worker would get forty years' salary. This act has a great tendency to prevent child labor.

In Chihuahua permanent disability compensation pays 25 per cent more than in the case of death. The compensation for death is 150 weeks' salary; for permanent disability it is 175 weeks' salary. The administration is in the hands of District and State Boards of Conciliation. The cases go before these Boards, which are composed of two representatives each of employers and employees and one government representative. All laborers except servants are included under the act and many of the largest employers have entered into agreements with the workingmen's organizations in regard to compensation which includes tables or the payments to be made in cases of accident.

"In Yucatan the law includes factories, industrial establishments, users of explosives and inflammable substances and electricity, railroad, construction, building repairs, transportation and port works, telephone and telegraph, and

"Workmen's Compensation Law of Yucatan, Monthly Labor Review August 1925
all work which endangers the lives of the workers. The compensation is based on the average yearly wages but those earning over 7000 pesos are not entitled to any compensation. The benefit may be paid either as a lump sum or a pension and the employer whose total capital is less than 50,000 pesos need not pay over 3,000 pesos.

In the case of death the benefit consists of funeral expenses and 1000 days' wages not to exceed 5000 pesos; 60 per cent to minor children, 40 per cent to the widow, but if the children are of age, 40 per cent to the children and 60 per cent to the widow. If there are no children, 50 per cent to the widow and 50 percent to ascendants. The compensation for permanent total disability is the same as for death. In the case of temporary disability it is full wages until the injured man returns to work. The employers are allowed to insure the risk, and benefits cannot be attached. All accidents and industrial diseases must be reported within 24 hours under a penalty of a fine of 100 to 500 pesos. All claims must be made within five years of the accident. If an industrial disease has been contracted under a previous employment the present employer who is paying the compensation has the right of contribution from the former employer. Likewise, in the case of an accident caused by a third party the employer has a legal right of action against that party.
Paraguay

On September 7, 1927 President Oyala signed the workmen's compensation law of Paraguay which had passed the Senate and Chambers of Deputies on August 1, 1926. The law offers protection to those engaged in manufacturing, shopwork, other industrial occupations, construction, repair and maintenance of buildings, railroads, port works, dams, canals, etc., agriculture, stockraising, refrigeration, mining, quarrying, transportation, loading and unloading, the manufacture of explosives and inflammables, electricity, telephone and telegraph, and the preparation of yerba mate. The State and Municipalities are treated as employers.

An employer is exempt from liability:

(1) If he employs less than seven.

(2) When the act which caused the accident was intentional on the part of the victim.

(3) When the worker was under the influence of liquor.

(4) When due to force majeure.

The compensation is based on the daily earnings of the injured worker but there is no compensation for any injury which does not cause loss of time for ten days or more. The compensation cannot exceed 50,000 pesos nor may the salary be figured at less than 15 pesos per day, even in the case of an apprentice who is not on salary.
In the case of death the compensation consists of funeral expenses up to 2,000 pesos and daily earnings for 1,000 days. This can be given only to the widow and minor children unless the ascendants had previously lived with and depended upon the deceased. For permanent disability the compensation is 1,000 days' wages and for permanent partial disability it is an amount equal to 1,000 times the loss in daily earnings caused by the accident. For temporary disability the compensation is 2/3 of the regular wages for one year. If the disability continues beyond that time the permanent disability benefit is granted. In the case of disease, compensation is due from the employer where the disease originated. If the condition is a developing thing the last employer has the right of contribution from the other employers. The worker is entitled to a first payment of 15 percent of the whole and if the total is less than 10,000 pesos it is given in a lump sum.

The employer must report all accidents within thirty days to the nearest judicial authority. Failure to do this bears a penalty of a fine of 100 to 1000 pesos.

If a disabled worker leaves the country he loses his right to compensation. Heirs of deceased foreigners are not entitled to compensation if they are not living in the country. All claims must be made within one year of the accident. If the accident was caused by a third party the
employee has a right of action against that party and if he does not bring action within eight days the employer may do so. Any agreement entered into which is contrary to this law is null and void.

Porto Rico

Porto Rico began a study of workmen's compensation in 1910, but the first act was not passed until 1916. This act was optional but the results were so good that in 1913 the act was made compulsory. It works under the state fund system and there were many injunctions as the law was attacked as being unconstitutional. In 1926 the United States Supreme Court declared the act constitutional. It is administered by a commission composed of six members, three appointed by the Governor, and three elected every four years at the general election, representation being given to each of the political parties. The first three members administer the law and devote their full time to it, the others only come to the meetings for the adjustments of claims which are held three times a week. The commission must pay its own expenses from the premiums. The chairman receives $4000 and the other two $3000 each per year.

Persons earning more than $1500 a year are not entitled to protection under the act. The commission fixes the premium rate each year according to the experience of the previous year. The chief industries covered are sugar, tobacco, and
coffee and 2/3rds of the fund comes from them. The premiums are collected by the Treasurer, just as the taxes are collected. The act covers industrial disease as well as accident. There is a waiting period of seven days after which the compensation is one half of wages while under treatment. They have a fixed table of compensations for permanent partial incapacity ranging as high as $2000, while for permanent total disability or death the compensation is from $2000 to $4000.

Philippine Islands

In the Philippines the law, which is compulsory, applies to both public and private employment. It was enacted December 10, 1927 and became effective June 10, 1928. The compensation covers both accident and illness and the awards are according to wages, the maximum being 3000 pesos ($1500). Notice of accidents must be sent to the Bureau of Labor. The act includes all industries except those where the gross income is less than 40,000 pesos, agriculture, charitable institutions, and domestic service. It covers all persons except canal employees or those receiving more than 42 pesos a week, public officers who are elected by vote, and those earning more than 100 pesos a year.

The compensation in case of death consists of burial expenses of not more than 100 pesos, 45 per cent of average weekly earnings to the widow if there are no children; 50 per cent if there are one or two children; and 60 per cent
if there are three or more children. If there is no widow 30 per cent goes to one or two orphans with an extra 10 per cent for each additional child up to a maximum of 50 per cent. If there is neither consort nor child then the other dependents get from 25 per cent to 40 per cent. The payment to the widow ceases at her death or remarriage, to a son or daughter at the age of eighteen, to parents, grandparents, grandchildren, brothers, or sisters at the end of the dependency. No payment, however, may continue for more than 208 weeks. The average weekly wage maximum is 30 pesos and the minimum is 4 pesos but the total compensation must not exceed 3000 pesos.

The compensation includes medical, surgical, and hospital care and supplies. In the case of total disability a weekly payment is made after the first seven days to the extent of 60 per cent of the average weekly wages which must not be more than 12 pesos nor less than 4 pesos, while the total payment must not exceed 3000 pesos. For partial disability a payment equal to 50 per cent of the loss of earning power from the day of disability, but this must not exceed 10 pesos nor the total be over 3000 pesos and the time does not extend beyond 208 weeks. The compensations for permanent partial disability and serious disfigurement are similar to that of partial disability. The payment may be made in a lump sum. The employer may insure but if he does not, compensation has
the same priority as wages and is exempt from creditors' claims. In case of dispute the Bureau of Labor, if requested, will act as referee but the claimant, if he wishes, may go directly to the court.

Workmen's Compensation in the United States

Let us now consider what has been done in the United States. While it was possible to get considerable assistance from a study of foreign compensation laws it was impossible to model our laws after that of Germany because of the great difference in the methods of keeping records. We had neither the uniformity nor the accuracy of her data in reference to births, deaths, place of residence, or removals.

Cheney Silk Mills

Before compensation legislation had become popular we had several instances of voluntary company insurance by the various industries, one of the best known being that of the Cheney Silk Mills in Manchester, Connecticut. They extended their non-contributory pension system to include sickness, accident, annuities, and death benefits. The firm carries the full expense of the work, accident and death payment, but only those who have paid 2 percent of their wages towards the sickness and death from disease, and annuities fund are eligible for accident compensation.

The compensation in case of death consists of three years' wages and moderate funeral expenses, while for total
incapacity the compensation which begins after three days, is half pay for not over six years. In case of partial incapacity the benefit is half of the difference between the wages earned before and after the accident. All payments are increased 1 per cent for every year of service beyond the fifth year and 5 per cent for each minor child under sixteen but no increase can exceed 25 per cent. All medical and surgical expenses are also paid.

The total contributions of the employees plus a 25 per cent contribution from the firm constitutes the sick and annuity fund. If an employee leaves the firm he receives that part of his contribution which would otherwise be used on his annuity, and in case of death the annuity contribution plus 4 per cent is paid to the survivors. If a woman employee marries the amount is paid to her as a dowry. The sick benefit compensation is 1/2 pay for 52 weeks and 1/4 pay for another 52 weeks.

The firm keeps for itself the privilege of appointing the Treasurer and the majority of the Board of Trustees.

Of the 48 states and the territories we have workers' compensation laws in 44 states and the 4 territories, and of these, 11 states, California, Connecticut, Kentucky, Illinois, Massachusetts, Minnesota, New Jersey, New York, North Dakota, Ohio, and Wisconsin, and three territories, Hawaii, Porto Rico, and the Philippines include occupational
diseases as being eligible for benefit under the compensation laws.

"The adoption of workmen's compensation for industrial injuries in lieu of the rule of the employer's liability for injuries due to his negligence stands out in its effect on the status of the workmen as one of the most important legal-economic developments of modern times."

New York

New York in 1910 passed a law which was the first attempt to follow the example of the English theory of compulsory insurance. This law, however, like the early laws of Montana, in 1900, and Kentucky, in 1914, was declared unconstitutional because of the compulsory feature and later laws were enacted which were made elective. The Industrial Compensation Board draws an aggregate salary of $36,000 merely for the act of overseeing and approving agreements, but the matters of fixing rates and administering the funds are left to the State Insurance Department.

The benefit is 50 per cent of wages but not to exceed $10 a week. The employers may choose between this state insurance and voluntary insurance, either through self-insurance, mutual insurance, or in the casualty companies.

Other States

West Virginia passed a law February 22, 1913 which went into effect in October. It is the elective system, the fund

United States Bureau of Labor Bulletin April 1929 Page 788
being contributed by employer and employee. The law is administered by the Public Service Commission and the administration expenses are paid by the state. The state is divided into 23 industrial classifications, the premium rates for which are determined each year by the commission. The compensation consists of medical benefit of not more than $150, and funeral expenses of not more than $75 in case of death. In case of injury the benefits begin after one week and may be in some cases 50 per cent of wages while in other $20 a month for one dependent and $5 more for each additional dependent until the maximum of $35 is reached. Non-resident aliens are included as beneficiaries.

Oregon soon followed, her act being passed February 20, 1913 and becoming effective July 1, 1914. It is administered by a commission of three, whose salaries are paid out of the funds. Contributions are made by both employers and employees but in hazardous occupations the employers pay twice as much as the employees. To this fund the state contributes an initial payment of $50,000 and an annual payment of 1/17 of the total.

In the case of death the compensation for one dependent is $30 a month plus $6 each for other dependents up to a maximum of $60 a month. The parents of a minor get $25 per month until he would have reached the age of twenty-one.

Partial temporary disability receives compensation for
a limited period in proportion to earning capacity as related to the payment for permanent disability which are the same as payments in the case of death. If the beneficiaries are living outside of the state the payments are paid in a lump sum. Funeral expenses of not more than $100, first aid, and medical and surgical expenses of not over $250 are also awarded.

In March 1913, Ohio passed a compulsory insurance law in place of its elective one in which the contributions are paid by employers in all industries.

California

California had sixteen deaths from occupational diseases during the four years from 1924 to 1927. During the same years there were one permanent and 5,315 temporary injuries in the nature of disease. As these are only a small part of nearly 1,000,000 industrial deaths and injuries for the four years, industrial disease does not present any great problem. The increase in insurance due to industrial disease has not exceeded 1 per cent of the cost of all other injuries, and many of these cases can be prevented by safety measures such as good air, light, ventilation, and a study in regard to the fatigue point. If a man is readily susceptible to a particular industrial poison he should be put in another department. This condition should relate not only to recognized disease but also to special cases when they are proved and substantiated by medical men.
District of Columbia

In the District of Columbia prior to July 11, 1919 there was no compensation for anyone, not even government employees. The citizens had for many years been demanding this protection but Congress had persistently refused to take any action. On July 11, 1919 Congress enacted a workmen's compensation law for government employees only, for the District, which went into effect retroactively from July 1, 1919.

Wisconsin

The Wisconsin law was passed and put into effect May 3, 1911. Every employer keeping three or more employees must have workmen's compensation as must also the state, all counties, municipalities, and school districts. Other employers may come under the act if they choose. The benefits consist of medical and surgical care as well as hospital care, medical supplies and artificial aids such as crutches, braces, and limbs. The employer must provide the names of a group of physicians from which the employee may choose one, to be paid by the employer. The benefit is payable only for those injuries which continue for more than three days, and not until after the third day if the injury does not continue beyond ten days. In all other cases compensation is due from the first day and consists of 70 per cent of the loss of wages, but the maximum wage for computation is thirty dollars
per week. In case of death the widow receives a sum equal to four times the average yearly earnings of her husband. The maximum wage here is considered as $1500 so the widow would get $6000, payable in weekly instalments. If the employee does not leave anyone entirely dependent the death benefit is not based on the weekly wage method. Parents receive $1200 while other dependents are compensated on the basis of anticipated support. In all cases funeral expenses up to $200 are paid. Since the time of the enactment of the law in 1911 until the end of March 1932 the Commission had taken care of 335,108 cases and the total benefits paid up to that time were $63,498,029. In order to enforce the use of safety devices under the law, the benefits to the employee are automatically increased 15 per cent if the accident was due to lack of proper safety measures, and in order to put the teeth into the law, that 15 per cent must be paid by the employer and not by the insurer.

The payments to children of deceased workers are handled differently from the payments than in any other state. The children are paid from a fund in the hands of the state treasury. The money for this fund is obtained by compulsory payment of $1600 by every employer of a man killed by accident or disease but leaving no total dependents. The purpose of this act is to prevent discrimination in the hiring of men with dependents.
The Southern States are among the latest to become interested in workmen's compensation, but as industry is rapidly moving south it is becoming of greater importance. The Federation of Labor has unsuccessfully advocated workmen's compensation laws since 1914. Opposed to them have been the Railroad Brotherhoods, who are under the protection of the United States Employers' Liability Act. Because of this lack of agreement on the part of labor itself, the various legislatures have been slow to act.

Arkansas

Arkansas is rapidly becoming an industrial state because of the development of hydro-electric power, the discovery of important coal fields and oil, and extensive timber resources. There are many industries which will come as a result of these developments. Among them are paper mills, oil and cotton seed mills, textile mills, glass factories, furniture plants, iron foundries, and cement mills. Along with them must necessarily come industrial accidents and disease. The old method of treating such cases is one of the chief causes of lack of investment in industries in Arkansas. Under the common law a case is usually settled for about one tenth of the amount of the suit. After all expenses and lawyers' fees were paid the family usually received approximately $1000 or less, which is about 1/5th of the amount which would have been received under the proposed compensation law of 1929.
Despite all this evidence in favor of the law it was so strenuously opposed by damage suit lawyers, Railroad Brotherhoods, and employers who were opposed to compensation of any kind that the bill was killed by a vote of 23 to 8. Some of the arguments used against it were the benefits were too high, the benefits were too low, the small employers would be put out of business, the coal-operators would be put out of business, the Commission was too expensive and, besides, the law was unconstitutional.

North Carolina

North Carolina was the last state to enact a compensation law. This occurred on March 11, 1929 after a long and bitter struggle similar to that waged in Arkansas.

As all the compensation laws of the United States resemble each other so closely, it is obviously unwise to go into each of them minutely, so it seems advisable to confine that detailed description to the state of Massachusetts.

Massachusetts

In November 1910 a conference was held in Chicago in response to a request from the Massachusetts Commissioners who wished to get the opinions of the commissioners from several other states before preparing their bill for the 1911 legislature. Eight states, namely Illinois, Massachusetts, Minnesota, Montana, New Jersey, New York, Ohio, and Wisconsin were represented by Commissioners, and Connecticut had special
delegates. The conference included large employers, small employers, representatives of labor, legislators, and special students of compensation legislation. The conference was conducted on the basis of questions and answers and no doubt the answers served their purpose in the production of the Massachusetts' law.

The law was enacted July 28, 1911 and went into effect July 1, 1912, and has since been amended almost every year.

Compensation is granted for all injuries and industrial disease after a waiting period of seven days. All labor, except farm and domestic, is covered under the act and the employer may include these if he wishes. All employees whether private or public are eligible for compensation with the exception of masters of vessels and seamen engaged in interstate or foreign commerce, and casual employees.

The compensation in case of death is:

(a) A burial expense up to $150.

(b) To widow alone $10 weekly for not over 400 weeks. If one child the widow receives $12, if two children $14, if more than two children $16 per week.

(c) To other persons wholly dependent 2/3rds of the average weekly wage which must not be less than $4 nor more than $10 for 500 weeks.

(d) To partial dependents a sum is given in proportion
to the amount which has been contributed by the deceased. Children cease to be dependents (unless mentally or physically unable to support themselves) at the age of eighteen, or at sixteen if not living with the surviving parent.

The compensation for disability is:

(a) Medical and hospital service and medicines for two weeks, but longer if considered necessary by the Board.

(b) For total disability a sum equal to 2/3rds of the average weekly wage to be not less than $7 nor over $16 for 500 weeks, the total not to exceed $4000.

(c) For partial disability 2/3rds of the wages lost, but not over $16 a week nor more than $4000 in the aggregate.

(d) In the case of specified injuries such as mutilations 2/3rds of the weekly wages not to be over $10 nor less than $4 for fixed periods in addition to other compensation.

Either party may demand a revision of the compensation at any time that the condition warrants it. The employer must insure in either the state insurance or some authorized company. Compensation payments are not subject to assignment, attachment, or execution. Disputes are settled by members
of the Industrial Accident Board subject to review by the entire Board and with limited appeal to the Courts.

The Industrial Accident Board consists of seven members whose duties are efficiently and speedily performed without the interference of official red tape. Massachusetts has the record for promptness of payment in compensation cases which makes her the envy of the compensation world. The basic principle of the law is that injuries are a part of production cost.

The Massachusetts Board has given a very broad but fair interpretation of the law which is consistent with its humanitarian purpose. The phrase "Personal injury" refers not only to accidents but also to any injury or industrial disease arising out of and in the course of employment which produces inability to work and prevents the employee from earning his living.

After twenty years of operation new questions are still coming up almost daily. The findings of the Board are final if the evidence gives sufficient support. Any person may see any member of the Board at any time in order to obtain advice in regard to his rights under the law and thousands of employees take advantage of this opportunity each year.

Every injured workman is a potential case in the eyes of the Board and each case is investigated regardless of the source of information, whether through newspaper reports of
accidents, through the clipping service subscribed to by the Board, or through oral or written communications.

In 1912 ½ million employees were covered by insurance.
In 1928 1¼ million employees were covered by insurance.
In 1912 18,000 employers had insurance policies.
In 1928 50,000 employers had insurance policies.
In 1912 90,000 reported injuries.
In 1928 170,000 reported injuries.

The increase in compensation was from $1,500,000 to over $8,000,000.

The following procedure is followed in all cases. The report of the injury is time-stamped and numbered, indexed, notice sent to employee, follow-up for agreement to pay compensation. This is then compared to decide whether the compensation agreed upon is correct, and inspected to determine whether additional compensation is due. This is then followed-up to see that the payment is actually made. Certain cases are referred to impartial medical examination and medical reports are received from the insurers in serious cases. These reports are carefully examined to see if there are any rights due to the employee and are then followed up to see that those rights are put into effect. The average weekly wage question is then investigated to make sure that the total sum paid agrees with the records of the Board. Notice is paid to the wages of the injured man upon his return to work and
if he is receiving less than he earned before the injury
the cause of the decrease is found. If it is due to the
injury adjustment is made according to the law.

In regard to fatal cases a complete investigation and
report is secured in regard to facts, source of information,
witnesses, and attending physician by an experienced inspector.
In most of the cases the compensation is paid promptly. If
the widow does not have counsel she is advised to do so if
the Board considers it necessary and to those without the
necessary means the Boston Legal Aid Society is suggested.
All cases of young and inexperienced workers are carefully
investigated.

Under the law compensation must not be discontinued
without the written consent of the employee or the Board
unless the employee has returned to work and is receiving
full wages. In the case of a lump sum settlement an inspector
makes a careful study of the case on its merits and the
reasons for the settlement and a report on the services rendered
by the attorney. The Board determines what fee the attorney
shall receive and then approves of the settlement only if it
is for the best interests of the employee.

For disputed cases a conference system is used and
interpreters are available for foreigners. The cases are
heard in chronological order, usually within four weeks, but
if necessary within 24 to 48 hours. The members of the Board
go to the homes of the injured workers or to the hospital to hear the cases and all endeavor to file their reports and their decisions within two weeks of the hearing. Impartial physicians attend the cases and make their reports and many of the best specialists in the state have offered their services for this work. They are paid by the Board, but these sums are refunded to the Board by the insurance companies.

If either the employee or the insurer appeals from the decision rendered by a single member the case goes to a reviewing Board which consists of three members. The Reviewing Board has the right to affirm, reverse, or modify the decision of the Board member. The most important cases are reviewed by a Board of five members.

The Industrial Accident Board takes its work seriously, will not permit breach of the law and encourages full cooperation in the administration if the law. Massachusetts ranks with the highest in its administration of the workmen's compensation law.

Conclusion

The following table shows the dates on which the compensation laws of the various states of the United States were enacted.
States and Territories having compensation laws with the dates of enactment and coming into effect:

<table>
<thead>
<tr>
<th>State</th>
<th>Approved:</th>
<th>Effective:</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>May 30, 1908</td>
<td>August 1, 1908</td>
</tr>
<tr>
<td>Washington</td>
<td>March 14, 1911</td>
<td>October 1, 1911</td>
</tr>
<tr>
<td>Kansas</td>
<td>March 14, 1911</td>
<td>January 1, 1912</td>
</tr>
<tr>
<td>Nevada</td>
<td>March 24, 1910</td>
<td>July 1, 1911</td>
</tr>
<tr>
<td>New Jersey</td>
<td>April 4, 1911</td>
<td>July 4, 1911</td>
</tr>
<tr>
<td>California</td>
<td>April 8, 1911</td>
<td>September 1, 1911</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>April 15, 1911</td>
<td>January 1, 1912</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>May 3, 1911</td>
<td>May 3, 1911</td>
</tr>
<tr>
<td>Illinois</td>
<td>June 10, 1911</td>
<td>May 1, 1912</td>
</tr>
<tr>
<td>Ohio</td>
<td>June 15, 1911</td>
<td>January 1, 1912</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>July 28, 1911</td>
<td>July 1, 1912</td>
</tr>
<tr>
<td>Michigan</td>
<td>March 20, 1912</td>
<td>September 1, 1912</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>April 29, 1912</td>
<td>October 1, 1912</td>
</tr>
<tr>
<td>Arizona</td>
<td>June 8, 1912</td>
<td>September 1, 1912</td>
</tr>
<tr>
<td>West Virginia</td>
<td>February 22, 1913</td>
<td>October 1, 1913</td>
</tr>
<tr>
<td>Oregon</td>
<td>February 25, 1913</td>
<td>July 1, 1914</td>
</tr>
<tr>
<td>Texas</td>
<td>April 16, 1913</td>
<td>September 1, 1913</td>
</tr>
<tr>
<td>Iowa</td>
<td>April 18, 1913</td>
<td>July 1, 1914</td>
</tr>
<tr>
<td>Nebraska</td>
<td>April 21, 1913</td>
<td>July 17, 1913</td>
</tr>
<tr>
<td>Minnesota</td>
<td>April 24, 1913</td>
<td>October 1, 1913</td>
</tr>
<tr>
<td>Connecticut</td>
<td>May 29, 1913</td>
<td>October 1, 1913</td>
</tr>
<tr>
<td>New York</td>
<td>December 16, 1913</td>
<td>July 1, 1914</td>
</tr>
<tr>
<td>Maryland</td>
<td>April 16, 1914</td>
<td>November 1, 1914</td>
</tr>
<tr>
<td>Louisiana</td>
<td>June 18, 1914</td>
<td>January 1, 1915</td>
</tr>
<tr>
<td>Wyoming</td>
<td>February 27, 1915</td>
<td>April 1, 1915</td>
</tr>
<tr>
<td>Indiana</td>
<td>March 8, 1915</td>
<td>September 1, 1915</td>
</tr>
<tr>
<td>Montana</td>
<td>March 8, 1915</td>
<td>July 1, 1915</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>March 22, 1915</td>
<td>September 1, 1915</td>
</tr>
<tr>
<td>Vermont</td>
<td>April 1, 1915</td>
<td>July 1, 1915</td>
</tr>
<tr>
<td>Maine</td>
<td>April 1, 1915</td>
<td>January 1, 1916</td>
</tr>
<tr>
<td>Colorado</td>
<td>April 16, 1915</td>
<td>August 1, 1915</td>
</tr>
<tr>
<td>Hawaii</td>
<td>April 28, 1915</td>
<td>July 1, 1915</td>
</tr>
<tr>
<td>Alaska</td>
<td>April 29, 1915</td>
<td>July 28, 1915</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>June 2, 1915</td>
<td>January 1, 1916</td>
</tr>
<tr>
<td>Kentucky</td>
<td>March 23, 1916</td>
<td>August 1, 1916</td>
</tr>
<tr>
<td>Porto Rico</td>
<td>April 13, 1916</td>
<td>July 1, 1916</td>
</tr>
<tr>
<td>South Dakota</td>
<td>March 10, 1917</td>
<td>June 1, 1917</td>
</tr>
<tr>
<td>New Mexico</td>
<td>March 13, 1917</td>
<td>June 8, 1917</td>
</tr>
<tr>
<td>Utah</td>
<td>March 15, 1917</td>
<td>July 1, 1917</td>
</tr>
<tr>
<td>Idaho</td>
<td>March 16, 1917</td>
<td>January 1, 1918</td>
</tr>
<tr>
<td>Delaware</td>
<td>April 2, 1917</td>
<td>January 1, 1918</td>
</tr>
</tbody>
</table>

1 Public employees only
2 Earlier laws declared unconstitutional, Montana 1908, New York 1910, Kentucky 1914
Approximately $150,000,000 a year has been paid out in compensation chiefly to the moderate wage earners, thus keeping these families independent and free from charity.

"The protection of the economic and social unit of the family through suitable compensation awards, instead of proving to be paternalistic and undermining family initiative and morale, is proving itself to be a wise extension of the power of the state to protect its families from economic disaster and make them again, at an early date, independent productive family units."

"If a community is weakened by poverty and destitution or by reduced productive power following industrial accidents the employer cannot escape the consequence."

The interests of the employer and employee are identical. If one man is injured it very often affects several others who are working with him on the same job or the same machine. Usually the damage to the equipment is great and the cost of labor turnover is high. Workmen's compensation eliminates friction and antagonism between

---

* States:
  - Virginia
  - North Dakota
  - Tennessee
  - District of Columbia
  - Alabama
  - Georgia
  - Missouri
  - North Carolina

Approved:
  - March 21, 1918
  - March 5, 1919
  - April 15, 1919
  - July 11, 1919
  - August 23, 1919
  - August 17, 1920
  - April 30, 1925
  - March 11, 1929

Effective:
  - January 1, 1918
  - July 1, 1919
  - July 1, 1919
  - July 1, 1919
  - January 1, 1920
  - March 1, 1921
  - November 16, 1926
  - July 1, 1929

---

Public employees only
@ American Labor Legis. Review Dec. 1928 Page 363,
Bailey B. Burritt
# American Labor Legis. Review March 1929. Page 17,
Robert H. Tucker
the employer and the employee, as well as much litigation. All employers are on a par as regards competition, and payments, being out of the hands of the jury, are commensurate with the injury. The increasing recognition of ethical standards in business as well as in private life has caused the use of this type of insurance, rather than a resort to the law courts in cases of industrial accidents or disease. Workmen's compensation is one of the most valuable features of social control, as has been made apparent by its practically universal adoption.
Chapter IV

Economic Control

Having surveyed these three important phases of social control let us now consider that which has, more than any other single factor perhaps, been the basic element in causing the conditions which have made it necessary to introduce such an extensive system of social legislation, namely, the trust.

The word "trust", as used here, refers to that type of business organization which has earned such an odious reputation for itself in the mind of the public. It is associated with that form of business which has resulted in a practical monopoly with the resultant fixing of prices and restraining of trade.

In the latter part of the eighteenth century the invention of machines for the manufacturing of cotton turned many of the people from agriculture to factory work. Even the handicrafts suffered under the competition and the result was what has been known in history as the Industrial Revolution, through which the nations as well as the people became industrial instead of agricultural.

Despite this change, the European countries did not develop the same conditions that have appeared in the United States, therefore, many of them have no anti-trust laws and no economic control of any kind. As a rule this situation is found to exist in those countries lacking sufficient capital.
to make the "trust" form of organization possible.

Economic Control in Foreign Nations

Great Britain

Great Britain as the seat of the Industrial Revolution should perhaps be studied first. There is no statute in regard to the regulation of trusts or the size of any organization. The matter is efficiently handled through the common law which is powerful enough to prevent the organization of big combines, as contracts in restraint of trade are in themselves unenforceable, except where the restraint is only that which is necessary to protect the other party. The British courts have even gone so far as to sanction trade boycotts in some instances where trade associations have used them to strengthen their position against competitors.

In 1918 the government did appoint a committee to investigate the need of protecting the public interests against the probable industrial growth. The committee recommended action similar to that of the United States and some of the British colonies, but the Profiteering Act which was passed in 1919, vesting authority in a Board of Trade which was somewhat similar to the Federal Trade Commission of the United States lapsed in 1921, and since then there has been no authority with power to carry on these investigations.

Canada

Canada has a Combines Investigation Act, passed in 1923
which automatically repealed the act of 1919, which in turn had superseded the act of 1910. The word "combine", as used here, refers to any form of organization whether individual proprietorship, merger, or trust, which operates against public welfare, in any line of activity, which would tend to limit facilities of transportation, production, manufacturing, etc., or to act in restraint of trade in any manner whatsoever.

The administration of the act is in the hands of a registrar of investigations who is, in turn, responsible to the Minister of Labor. The registrar must bring before the Minister of Labor the applications for investigation which have been submitted to him.

The application must be made in writing by six British subjects, residing in Canada, all of whom must be 21 years of age or over. The evidence which they consider sufficient to warrant the application must accompany it, and also a statement which shows:

*(a) "The names and addresses of the applicants and the name of a solicitor whom they have authorized to receive any communication made pursuant to this act,

(b) The nature of the alleged combine and the names of the persons believed to be concerned therein and privy thereto,

(c) The manner in which, and, where possible, the extent to which, the alleged combine is believed by the applicants

* The Trust Problem in the U.S. - Eliot Jones Ph.D. Page 293
to operate, or to be about to operate, to the detriment of
or against the interest of the public, whether consumers,
producers, or others."

The registrar then has an inquiry made and if he thinks
an investigation is unnecessary he so reports to the minister,
who then makes the final decision as to whether or not an
investigation is needed. If he agrees with the opinion of
the registrar, he notifies the applicant of his decision,
from which there is no appeal.

The Governor in Council has the power to appoint com-
missioners to assist in conducting these investigations and
they have the same powers as the registrar to compel the
attendance of witnesses and the submission of documentary
evidence. The proceedings are private, but the minister has
authority to make public any portion of the proceedings as
he sees fit. Enforcement of penalties and prosecution against
offenders are under the Criminal Code of Canada and are
commenced upon the recommendation of the solicitor-general of
Canada, or the attorney-general of any of the provinces.

Similar laws exist in the Union of South Africa,
Australia, and New Zealand.

Norway

Norway has, since the World War, enacted legislation
against trusts and price control as has Sweden, France, and
Argentina. Peru prohibits all industrial monopolies and
cartels, retaining that privilege as a purely state function to be used only for the benefit of the nation as a whole.

Japan

Japan has no such legislation, but does have a controlling body to supervise the purchase and withholding from the markets of the chief articles of industry when it is done for the express purpose of price fixing, or acquiring excessive profits.

Germany

Germany, on the other hand believes in combinations, operated for the good of the nation, as the best means of conserving valuable natural resources for the benefit of future generations. Since 1923 Germany has enforced the Cartel Decree which does not prohibit combinations, only the abuse of powers. The Cartel Decree established a Court of Cartels, attached to the Economic Court of the Reich. The Minister of Public Economy is in control of the administration and all contracts and resolutions of the cartel must be approved by him. Among the cartels established and successfully operated are the coal, potash, iron, and lucifer match syndicates. The government is running the railroad under the name of the German National Railway Company, which has a separate budget and must make that budget balance just as any private corporation must do. The government is also slowly gaining control of the electric power industry by
buying the stock of the private concerns. The big objective in the German policy is to discourage unfair destructive competition and to encourage full cooperation and conservation in every field for the benefit of Germany. They have been staunch believers in both direct and indirect control, although they have recently been considering anti-trust legislation similar to that of the United States.

Economic Control in the United States

It is not difficult to see that in view of our vast economic and financial resources, as well as our varying social needs that the "trust" problem in the United States would be far different from that of the countries of Europe and other parts of the world.

The "trust" is only one of the forms of organization used by big business as a tool by which to gain its ends. Prior to the Civil War there were no such combinations, but then came various types in the following chronological order:

1. Civil War--1875: Trade Associations and Pools
2. 1875-1892--Trusts--the development of integration of industry
3. 1892-1903 -- Holding companies
4. 1900-1911 -- Mergers and Consolidations
5. 1911 to date -- interlocking directorates and trade associations.

* Element of Business Finance -- Joseph Howard Bonnerville, Page 246
The lack of these combinations before the Civil War was due primarily to two factors:

1. poor methods of transportation
2. poor methods of communication

Both were so difficult and cumbersome that it would have been practically impossible to cut into a competitor's business, but with the coming of the railroad and the telephone all that was changed, resulting in the formation of agreements of various types as follows:

1. Gentlemen's agreement
2. Speculative pool
3. Regulating of output pool
4. Division of the field pool
5. Selling pool
6. Patent pool

Pools

The Gentlemen's agreement was the least binding of these forms, as there were no written contracts, signed papers, or penalties; merely the moral obligation of a gentleman to keep his promise, either expressed or implied. Of course the primary purpose of any pool is to eliminate or restrict competition, and the best examples of the Gentlemen's agreement are to be found in the iron and steel industry, and in the anthracite coal industry, particularly those activities known as the "Gary dinners". At these dinners the leaders of
the various steel companies would meet for informal discussion of the various phases of the industry with no definite binding promises exchanged in reference to the maintenance and fixing of prices, but nevertheless with that result not only intended but also achieved.

This type of organization while fairly successful was not at all stable because any gentleman who became disgruntled, or felt that he was not getting the utmost advantage possible could simply withdraw. This of course frequently happened, thus preventing the complete success of these organizations and they were eventually abandoned.

The speculative pool was only a temporary arrangement by means of which the members hoped to "corner" some stable commodity and thus gain a monopoly control. *One of the examples of that type is the French Copper Syndicate of 1887, which attempted to control the world's supply of copper by buying it at above market price. It had succeeded in getting from 80-85 per cent when, fortunately for the public, somebody started a run on the bank which was financing the pool, thus bringing its activities to an abrupt close. The market became glutted.

*The Trust Problem in the United States Eliot Jones, Ph.D.
with copper and prices dropped to a much lower level than that which had prevailed previous to the artificial advance caused by the syndicate.

The third type, that for the regulation of output as a means of controlling price, was handled in different ways. Usually there was an agreement to limit production and to divide the production. Sometimes, however, there was a central committee appointed with authority to command the various individual firms to reduce their output. Examples of this type of pool are the steel rail pool of August 1887 and the cotton bag pool of 1883.

In the steel rail the members of the pool produced more than 90 per cent of the steel output in this country, which was divided among them on a pro rata basis. The management was in the hands of a Board of Control which had the power to increase the output if 75 per cent of tonnage consented. This condition naturally led to an understanding in regard to prices. The very nature of the industry was of tremendous assistance to the successful functioning of the pool, because such a large capital was required for operation that competitors were practically eliminated. Then too, owing to the fact that the railroads

#House Report #4165, 50th Congress, 2nd session page 144
@ Report of the Commissioner of Corporations in the Steel Industry part I page 68-72
bought the entire year's supply at once, production was stabilized. But human nature being what it is, this pool, like all the others, finally broke up in 1893 because the members could not agree as to the distribution of tonnage. At the same time the depression of that year made curtailment necessary. The pool was reorganized in 1894, but in 1896 the members were once more violating their agreements and the pool was again abandoned in 1897. Immediately there was a drastic reduction in price from $28.50 to $16.50 per ton.

The chief difficulty with this type is to keep the members satisfied with the percentage allotment of output. Very often the manufacturers would expand their plants for the sole purpose of getting a larger allotment at the next distribution. This eventually destroyed the pool, and prices reached a lower level than had prevailed prior to the organization of the first pool.

Division of territory was the fourth type of pool attempted, illustrated by the Addystone Pipe and Steel Company. In this instance the United States was divided into three territories, Reserve Cities, free territory, and pay territory. The reserve cities were exclusively for certain companies and the others must not encroach upon them, the free territory was open to all, while the pay territory was under strict control. All inquiries
were referred to a Board of Managers which had the power to fix the price to be charged. All the members bid on the job but the one that offered the highest bonus got the contract which was carried out at the price set by the Board. In order to be assured of this the others would submit bids to the prospective purchaser as blinds, always in excess of the bid of the company to which the contract had been awarded by the pool. At the end of the year these bonuses were divided among the members, thereby increasing the profits for the year.

The fifth type were merely selling agencies. The manufacturers turned their entire output over to the pool, which regulated the price. This method eliminated competitors and price cutting. *The Michigan Salt Association of 1876 is an example of this kind of pool."

The last type is the patent pool. The first of such pools was formed in 1896 by the General Electric Company and the Westinghouse Company which, together, controlled 90 per cent of the patents for manufacturing electrical supplies. By pooling the use of the patents, expenses were tremendously reduced because of elimination of competition to buy patents from inventors, and also the elimination of expensive litigation over patent rights and infringements.

The advantages of pools for restraining competition are:

1. Could cooperate as regards price and trade conditions, yet maintain a degree of independence.

2. Did not cause over capitalization nor increased expenses in the way of taxes and fees.

3. Did not remove financial inducement to economical administration.

4. Flexible form of organization.

The disadvantages are:

1. Unstable both as to prices and industrial policy; often wrecked because of desire to get rich too quickly; only temporarily successful for restraining competition because of "greed".

2. At variance with common law; non-enforceable in court; negatively illegal. Became positively illegal by court action even before the enactment of the Sherman Anti-trust Act of 1890."

Because the pool did not prove to be successful as desired by the big business men, they proceeded to another
type of organization known as the voting trust. Before 1879 John D. Rockefeller and his associates had bought up a number of concerns for the Standard Oil Company. The shares were held by various individuals, but for the company. In 1879 they organized the Standard Oil "trust" for the purpose of centralizing control. There were 40 companies included in this agreement and between them they controlled from 90 to 95 per cent of the oil refining in the United States. There were nine trustees, including John D. and William R. Rockefeller and John Archibold. These trustees were given voting power over the assigned stock, giving the owners in exchange "trust certificates". This assigned stock was held for joint accounts, the individual owners losing all claim to any particular stock. The trustees, themselves, owned 466,280 trust certificates out of a total of 700,000 and four of the nine held a majority of the total, which of course gave them absolute control.

The trustees had power to:

1. Collect interest and dividends on securities held in trust.

2. Distribute them as they saw fit to the holders of the trust certificates.

3. Use any surplus trust funds to purchase stocks

*The Trust Problem in the United States-Eliot Jones Ph.D. page 20
and bonds of other companies.

4. Dismantle the poorly located companies and build new ones at more advantageous points.

5. Provide for admission of new companies and to establish a Standard Oil Company in any state in the United States.

6. The life of the organization was for 21 years after the death of the last surviving trustee but

7. It could be terminated within one year of its execution by the vote of nine-tenths of the certificate value, and within ten years by a two-thirds vote.

The success of the Standard Oil Company caused many other similar organizations to be formed and this in turn aroused the opposition of the public. As the prime objective of the trust appeared to be to acquire a monopoly or to restrain trade of all competitors for the purpose of price fixing, the public felt justified in its attitude of distrust. In addition to the monopoly and price fixing aspect of the trust there was the still more odious element of unfair practices which were indulged in to the greatest extremity by some companies, among which
were *the Standard Oil Company and the National Cash Register Company whose ability along that line was astonishing. The latter case was in the United States courts in 1915, and the United States Steel Corporation in 1920, which however, was considered a good "trust" as it was found not to be guilty of any of the acts of unfair competition charged against the trusts. Many of the other trusts were also brought before the courts and most of them were ordered to dissolve.

The Holding Company

In order to evade the enforcement of both state and Federal laws the trusts were abandoned for another form of organization known as the Holding Company which was effected in two ways:

1. By means of security holding corporation, that is a company owning all or part of the securities of other companies.

2. A property holding Corporation, one owning outright the plants and other property of the companies to be united in the trust.

There must be legislative authority to sanction the existence of the holding company, and New Jersey was the first of the states to pass such legislation. The controlled companies do not lose their identity and continue

*See appendix for cases: The Trusts and Economic Control Roy Emerson Curtis Ph.D. 1931
to elect their own officers and managers but are actually controlled by the holding company through the directors elected by the holding company. This form of organization is merely a modification of the trust but it had the advantages of not yet having been declared illegal as regards restraint of trade, and did offer a temporary respite.

The act of New Jersey in passing legislation so favorable to big business, meant a surplus of fees and taxes for New Jersey, and a dearth of them for the other states. Hence, many of the states including Delaware, Maine, West Virginia, and New York, followed in the footsteps of New Jersey and passed laws similar to her 1895 act which permitted any corporation to own the stock of any other corporation regardless of the type of business or place of incorporation. There were not a great many companies formed from 1893-1897 partly because of the depression, and also partly because of the use of a new type of organization, the *property owning corporation brought about:

1. By consolidation or merger
2. By purchase

The holding company, like any other organization has both advantages and disadvantages. The advantages are:

1. Centralized administration, maintaining individuality of various companies together with their good will.
2. Through incorporation in different states they can more readily comply with the laws of those states.
3. Easy to form because it is necessary to acquire only a majority of the stock of the separate companies.

The disadvantages are:

1. Complex business and financial structure.
2. If all the stock is not acquired, control of the business by only part of the stockholders may cause friction, manipulation of the accounts, and the sacrifice of one set of stockholders for the benefit of the others.

As compared to this form the advantages and disadvantages of the trust that owns property outright are:

Advantages:

1. Unified operating unit.
2. Interests of each became the interests of all.

Disadvantages:

1. Sacrifices independence of separate concerns.
2. Cannot accommodate itself to local conditions.
3. Difficult to form because of charter and statutory regulations.

All industrial combinations are not trusts and neither are they all monopolistic, although many of them were. *"The following table prepared by Luther Conant, subsequently Commissioner of Corporations, shows the number of industrial combinations, with a capital of $1,000,000 or over, effected from 1887 to 1900, with their authorized capitalization."

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Combinations</th>
<th>Total Capitalization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Stocks and Bonds</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$216,226,000</td>
</tr>
<tr>
<td>1887</td>
<td>6</td>
<td>$216,226,000</td>
</tr>
<tr>
<td>1888</td>
<td>3</td>
<td>23,600,000</td>
</tr>
<tr>
<td>1889</td>
<td>12</td>
<td>152,179,000</td>
</tr>
<tr>
<td>1890</td>
<td>13</td>
<td>155,156,000</td>
</tr>
<tr>
<td>1891</td>
<td>17</td>
<td>166,200,000</td>
</tr>
<tr>
<td>1892</td>
<td>10</td>
<td>193,412,000</td>
</tr>
<tr>
<td>1893</td>
<td>6</td>
<td>239,015,000</td>
</tr>
<tr>
<td>1894</td>
<td>2</td>
<td>30,400,000</td>
</tr>
<tr>
<td>1895</td>
<td>6</td>
<td>107,255,000</td>
</tr>
<tr>
<td>1896</td>
<td>5</td>
<td>49,850,000</td>
</tr>
<tr>
<td>1897</td>
<td>4</td>
<td>81,000,000</td>
</tr>
<tr>
<td>Total 1887-1897</td>
<td>86</td>
<td>$1,414,293,000</td>
</tr>
<tr>
<td>1898</td>
<td>20</td>
<td>$708,600,000</td>
</tr>
<tr>
<td>1899</td>
<td>87</td>
<td>2,243,995,000</td>
</tr>
<tr>
<td>1900</td>
<td>42</td>
<td>831,415,000</td>
</tr>
<tr>
<td>Total 1898-1900</td>
<td>149</td>
<td>$3,784,010,000</td>
</tr>
<tr>
<td>Total 1887-1900</td>
<td>235</td>
<td>$5,198,303,000</td>
</tr>
</tbody>
</table>

Some of these organizations were trusts but the majority of them were merely combinations. Probably

*The Trust Problem in the United States Eliot Jones, Ph.D. Page 39
not more than 20 or 25 of these concerns were sufficiently monopolistic to be considered "trusts" according to the popular conception of that term. The real trust movement was at its height from 1898-1900. During this short period there were twice as many trusts formed as during the preceding eleven years.

The effect of trusts on prices is questionable. No doubt, in many cases it did result in high prices, but on the other hand the efficiency of large scale production and vertical combination in many other cases resulted in lower prices, despite the elimination of competition, and a high protective tariff in some industries. If the demand for the article is inelastic the price is apt to be high, but if elastic the price is likely to fall to meet the demand as production cost permits. Although ordinarily competition increases production, while monopoly limits it, a monopoly, for the following reasons, does not have absolute power over price fixing:

1. Potential competition from new companies.
2. Possibility of substitution.
3. Sales made to another trust (very rarely)
4. Fear of Public opinion.
5. May be influenced by a sense of reasonableness.

*The Trust Problem in the United States Eliot Jones Ph.D. Page 277
6. Because of inert management may not try to secure the maximum net profit.

7. May be unable to determine the price that will produce the greatest net revenue.

The holding company was followed by the interlocking directorates and trade associations.

The combinations, as such, cannot be particularly harmful unless they indulge in unfair practices, act in restraint of trade or become absolute monopolies. The chief cause of trouble was the indulgence in unfair practices as shown by the Standard Oil case and the National Cash Register case.

The Interlocking Directorate

The interlocking directorate is dangerous because it is very difficult to get people whose sense of business ethics is so highly developed as to be able to serve honestly and efficiently on the board of directors of more than one company. Most people would be tempted to vote at the meetings of one group to the advantage of the other concern, rather than for the sole benefit of the stockholders of the company where the business is being done.

The Trade Association

The trade association is a very beneficial organization when carried on for its legitimate purpose which
is the dissemination of knowledge necessary to the trade, and not for the purpose of price fixing or eliminating of competition.

"There are only 3 ways of dealing with the trusts and pools.

1. Prevent them from competing unfairly and deprive them of special privileges which give advantage over competitors, but otherwise let them alone.

2. Permit them to exist, but regulate their prices and profits.

3. Destroy them."

The first method would not be adequate and the last would be quite futile as new ones would be constantly forming.

Because of the public attitude much anti-trust legislation, both State and Federal was passed which made these acts of unfair competition criminal as well as unenforceable. The most important of the Federal laws are the Sherman Anti-Trust Act of 1890, the Clayton Act of 1914, The Webb-Pomerene Act of 1913, and the Capper-Volstead Act of 1922, although others are also discussed.

*The Trust Problem, Edward David Durand. Page 15
The Sherman Anti-Trust Act.

The Sherman Anti-Trust Act was first introduced by Senator Sherman of Ohio on December 4, 1889, but did not pass the Senate until April 8, 1890 when it went through by a vote of 52-1. The bill was taken up in the House on May 1 and passed with one amendment. As the Senate would not accept the amendment a conference became necessary. The amendment was withdrawn and the bill passed by a vote of 242-0 on June 20, to become a law on July 2, 1890 when President Harrison affixed his signature to it.

The law declares illegal every contract, combination, as trusts or otherwise, in restraint of interstate or territory, or foreign commerce and provides a penalty. It is directed against monopoly in regard to domestic or foreign trade and provides a penalty for any contract in restraint of trade in any State, Territory, or the District of Columbia. The circuit courts are authorized to enforce the law. The Government may bring suit in equity and may seize and condemn property being transported in interstate commerce under any contract prohibited in Section 1.

The first addition to the law was in 1894 through the Wilson tariff bill which made every contract illegal which was intended to be in restraint of trade. There
was no other Federal legislation until 1903. In 1900 the Industrial Commission, which was appointed in 1898 to investigate trusts and monopolies made its report recommending more detailed supervision over industrial corporations engaged in interstate operations. The public at this time was greatly aroused and opposed to trusts and both parties made an issue of it in the 1900 campaign. Many bills were introduced in the House during 1900 but none were passed. However, in 1902 two laws were passed. ¹President Roosevelt in his first annual message to Congress said, "The first essential in determining how to deal with the great industrial combinations is knowledge of the facts--publicity." In his second message he said, ²"Publicity can do no harm to the honest corporation, and we need not be overtender about sparing the dishonest corporation."

In 1903 Congress established in the Department of Commerce a Bureau of Corporations, which, under the Secretary of Commerce and Labor, was to investigate the affairs of Independent Corporations engaged in interstate commerce. The President was to determine what part of the information was to be made public. A Commissioner was placed at the head of the Bureau, appointed by the President, with a salary of $5000 per year. He had power to compel

¹ page 327-Congressional Record December 3, 1901, page 83
² "Ibid" December 2, 1902, page 7
attendance and testimony of witnesses and the production of documentary evidence. By passage in 1903 of this act, the Expediting Act and the Elkins Act dealing with railroad rebates much progress was made during President Roosevelt's first term. Nothing was accomplished in his second term, although Roosevelt made several recommendations and took up the matter in detail March 25, 1908. He pointed out that the Sherman Act forbade all combinations, whereas these were necessary to farmers, laboring men and some business men and recommended that the law be made effective only in case of unreasonable restraint of trade. A bill of this nature was introduced but was reported on adversely. There was much discussion in Congress but no action taken.

During Taft's administration only a few minor changes were made despite Taft's great interest and efforts. In 1913 an act was passed to provide for publicity in taking evidence under the Sherman Act. The Democrats promised warfare on industrial monopoly when nominating Wilson. The Republicans congratulated the party on the passage and enforcement of the Sherman Anti-Trust Act. They advocated additional legislation and suggested a Federal Trade Commission to take over any of the functions of the Court in connection with trusts. The Progressive Party under Roosevelt was even more vigorous. It advo-
cated a Commissioner to execute control over the trusts, and to regulate prices where necessary. Roosevelt advocated legislation to prohibit unfair practices such as price discrimination and rebates but favored the recognition of some trusts as a natural evolution instead of a fraud. Wilson promised anti-trust legislation, but declared that first there must be tariff and banking reform. The Simmons-Underwood bill passed October 3, 1913 was regarded as partial remedy for trusts, and the Federal Reserve Act was passed on December 23, 1912. Wilson's message on trust legislation was delivered to Congress January 20, 1914. His program consisted of 1laws that would prevent interlocking directorates; 2a law that would confer power on the Interstate Commerce Commission to regulate financial operations of Railroads. 3An explicit legislative definition of policy and meaning of existing anti-trust law. 4Creation of an interstate trade commission to serve as an instrument of information and publicity and to assist in the dissolution of concerns combined to a degree inconsistent with public interest and freedom of trade. 5That penalties and punishment should not fall upon the business itself, but upon those individuals who did the wrong act of misusing the business. 6Prohibition of holding companies. 7Relief for individuals
injured by these trusts.

The House immediately voted to refer those parts of the message relating to a Trade Commission, to the Committee on Interstate and Foreign Commerce and the balance to a Committee on the Judiciary. Two days later it was publicly announced that trust legislation would be in five separate bills: 1. The Trade Commission bill. 2. An Interlocking Directorates bill. 3. A Definition bill. 4. A Trade Relation bill, and 5. A Railroad Securities bill. These were later condensed to three bills: 1. The Trade Commission bill, 2. The Clayton bill which included the Interlocking Directorates bill and the Trade Relation bill, 3. Railroad Securities bill. This bill passed by the House on June 5, but early in September Wilson consented to postpone the measure because of the war in Europe. The Trade Commission bill was introduced in the House on January 22, 1914 by Representative Clayton. At the same time it was introduced in the Senate. As the bill did not fully carry out the President's idea, it was redrafted and eventually passed the House by a 151-19 vote. It was then referred to the Senate committee and reported on June 13. The Committee struck out all the House bill except the enacting clause and substituted the Senate Bill. Finally on August 5, the bill with many amendments passed the Senate by a vote of 53-16 (27 not
The House disagreed as to the amendments and much discussion followed. The Conference Committee labored over it for a month. The Senate agreed to the conference report on September 8, by a vote of 43-5, and the House on the tenth. President Wilson signed it September 26, 1914.

The Clayton bill was introduced in the House on April 14, 1914, and referred to the Committee on Judiciary which reported on May 6, and passed by the House on June 6, referred to the Committee on Judiciary and reported July 22. Consideration by the Senate was begun August 11, and on September 2, with many vital amendments to the bill, passed by a vote of 46-16. Because of the amendments another conference was necessary. The Committee report was sent to the Senate September 23, and after debate and discussion finally was passed on October 5 by a vote of 35-25. The Report was sent to the House on October 7, and passed October 7, by a vote of 245-52. It was signed by the President October 15, 1914.

The Clayton Act

The Clayton Act deals with a wide variety of subjects, of which the leading provisions are:

1. Congressional Record August 5, 1914, page 13319
2. Congressional Record September 8, 1914, page 14802
3. Congressional Record September 10, 1914, page 14933
4. Congressional Record September 2, 1916, page 13732
5. The Trust Problem in the United States, Jones, page 380
6. The Trust Problem in the United States, Jones, page 380
7. Congressional Record June 13, 1917, page 3584
1. A set of positive prohibitions dealing with local price discriminations, tying contracts, holding companies, and interlocking directorates;

2. Remedies;

3. Labor provisions;

Four leading remedies are provided:

1. Enforcement through the Federal Trade Commission, or Interstate Commerce Commission, or Federal Reserve Board.

2. Individual suits for three-fold damages.


4. Individual suits for injunctive relief. If the government has proved the facts against the trust it is not necessary for private individuals to do so again in bringing suit. Formerly only the government could get an injunction, but now any corporation or individual could do so. Formerly suit could be brought only in the jurisdiction where the corporation was an inhabitant but now in any jurisdiction where it does business. This makes it easier to bring suit and greatly reduces costs because of distance.

The act appears to legalize strikes, picketing, and boycotts, although court decisions are to the contrary. It does, however, grant to laborers, agricultural, and horticultural workers the privilege of organization.
The Webb-Pomerene Act

One of the most important anti-trust acts since 1914 is the Webb-Pomerene Act. Its purpose is to legalize associations for export trade in order to meet the competition of large foreign combinations, especially in Germany but also in Holland, Belgium, Italy and Japan. Great Britain, although it has no large combinations, does have a large foreign trade. The law enables the small concerns as well as the large ones to participate in foreign trade. The advantage is most marked in manufactured staples.

The act secures to all the advantages of the selling agencies, the obtaining of better credit information, better financing, greater ease of carrying initial costs, granting of longer credit when desirable, a larger assortment of goods, and a more advantageous exchange of ideas.

The campaign for this act was launched in May 1914 at the first convention of the National Foreign Trade Council in Washington. In May 1915 the Federal Trade Commission began investigations and in May 1916 strongly recommended permissive legislation. The Webb Bill was introduced in the House by Representative Webb of North Carolina August 8, 1916. After being amended it passed the House by a vote of 199-25. The Senate adjourned six days later, so no action was taken. President Wilson in
his address to Congress on December 5, 1916, urged the passage of the bill, but no progress was made in the session from December 4, to March 4, 1917. The Senate Committee on Interstate Commerce reported out the bill on February 16, 1917 with amendments but it was not discussed in either the Senate or the House. During the next session (April 2, to October 6, 1917) it passed the House for the second time on June 13, by a vote of 242-29 but was not voted on in the Senate.

Wilson again urged its passage on December 4, 1917 and on December 12, it was passed by a vote of 51-11. The House objected to the Senate amendments and a conference was appointed. The report of the conference was presented April 2, 1918, accepted by the Senate and the House April 6, and signed by the President April 10, 1918.

The disadvantages of the Act are:

1. It may be used as a means of restricting competition in the domestic market.

2. It will promote international combinations and further extensions of foreign combinations in order that foreign buyers may bargain more with selling agencies.

3. Lastly there is the danger of combinations resulting in international competition resulting probably, in another war.

2. Trust Problem in the United States Eliot Jones page 380
3. Trust Problem in the United States Eliot Jones page 380
4. Congressional record June 13, 1917 page 3584
5. Congressional record December 12, 1913 page 186
Capper-Volstead Act.

The Capper-Volstead Act passed on February 19, 1922 was primarily for the purpose of making combinations legal for agricultural concerns, just as the Webb-Pomerene Act did for exporters. Farmers, Ranchers, Dairymen, nut and fruit growers may form associations for the selling of their own products in interstate and foreign commerce provided that the association works for the mutual benefit of all the members. The Secretary of Agriculture has power to supervise the activities of such associations and if he finds them monopolistic or acting in restraint of trade he may order them to cease and desist from such practice. The enforcement of the order is in the hands of the Department of Justice.

Federal Trade Commission Act

The Federal Trade Commission Act was passed September 26, 1914 providing for the commission as follows:

There are to be 5 commissioners appointed for a term of 7 years, by the President with the consent of the Senate, but not more than three of them may belong to the same political party. The members then choose one of the five as the chairman and none of them may have any other business or employment. The President has the power to remove any member of the commission for inefficiency, neglect, or malfeasance. Each commissioner receives a salary of $10,000 per year, and the secretary appointed by the commissioner receives $5,000.
per year. The commission may also employ attorneys, special experts, examiners, clerks, etc., as may be necessary. The principal office of the commission is to be in Washington, D.C. but the commission may carry on its duties and functions in any part of the United States. The following chart which was copyrighted in 1927 by the United States Daily Publishing Corporation and was approved by the Federal Trade Commission clearly depicts the organization:

The duties and functions of the commission are:

1. To prevent individuals, partnerships or corporations, except banks and common carriers, from using unfair methods of competition.

2. When such cases are found the commission shall issue a cease and desist order.

3. If the party so notified does not obey the demand
the commission may apply to any circuit court of appeals in the United States to enforce the order but

4. The party notified by the commission may obtain a review of the case in the circuit court of appeals and pray that the order be set aside and the subsequent action of the court would then be final.

5. The commission has power to compile information and to investigate the organization, business, practices, etc., of any of the firms above mentioned.

6. To require corporations to file reports at the request of the commissioner.

7. To transmit to the attorney-general a report of any case in which there has been a decree against a defendant corporation in a suit brought by the United States.

8. To make public such information as it may deem wise in regard to the corporations investigated.

9. To make rules when necessary for the proper carrying out of the Act.

10. To investigate conditions in foreign countries and to report to Congress where conditions may affect the foreign trade of the United States.

11. To act as master in chancery when so requested by the Court if the court decides that the complainant is entitled to relief.

All those various functions are distributed among the different
departments such as the Board of Review, the Legal Investigating Division, and the Export Trade Section as indicated on the Chart.

The Interstate Commerce Act

The Interstate Commerce Act of 1887 provided for a Commission composed of five members who had the power to collect data, call witnesses, etc.; in fact, to act in relation to common carriers, just as the Federal Trade Commission does to corporations.

"The Interstate Commerce Act of 1887:

1. Provides that all charges should be just and reasonable.

2. Forbade personal discriminations in the form of special rates, rebates, or otherwise.

3. Forbade discriminations between localities, classes of freight, and connecting lines.

4. Forbade a greater charge for a short haul than for a long.

5. Prohibited Pooling.

6. Ordered that all rates and fares should be printed and publicly posted, and no advance be made except after ten days notice.

The railroads, of course, strenuously objected to the act and evaded it on every possible occasion. The Elkins Act of 1903 was aimed primarily at the practice of rebates,

* American Economic History Harold Underwood Faulkner, page 466.
while the Hepburn Act of 1906 increased the field of activity of the Commission to include express and sleeping car companies, pipe lines, and terminal facilities. The Commission was now increased to seven members, only four of whom could belong to the same political party, and was now given power to determine what was a reasonable rate and to force the common carriers to abide by its decision. The Mann-Elkins Act of 1910 cleared up the situation in regard to the distinction between the short and the long haul as set out in the Interstate Commerce Act, and still further increased the power of the Commission by giving it the power to suspend the operation of a new rate scale for six months to allow it time to make a thorough investigation. The Act also authorized a special Commerce Court to handle all railroad cases.

The railroads, like all other corporations, had been forbidden to form pools or other combinations to eliminate competition, but with the entrance of the United States into the World War the government took over all the railroads which were then operated as a unit. The success of this method of operation dispelled much of the opposition on the part of the public, so that since the war many people have come to look with favor upon the unification of the railroads, but of course, with strict supervision and government regulation to be maintained.
The Public Utilities Commission

The Public Utilities Commission has control over intrastate public utilities just as the Interstate Commerce Commission does over inter-state commerce. The law does not definitely state what are public utilities, so that is generally left for the courts to decide. However, those industries which are usually considered as public utilities are the railways, gas and electric companies, insurance companies, telephone and telegraph companies, and water supply companies when not under government or municipal ownership. As all of these industries are at their best when on a monopolistic basis it is necessary to have either government ownership or government control. As the people of the United States have not in the past been believers in government ownership, the control has been placed in the hands of the various State commissions.

The Department of Public Utilities in Massachusetts is operated by a commission consisting of five members, one appointed each year, by the Governor with the consent of the council. The term of each member is for five years. The Governor designates the chairman, whose salary is not to exceed $8000 per year, while the salary of the other members must not exceed $7000 per year. The commission has authority to employ any experts needed in the various departments and a clerk, whose salary must not exceed $3000 per year. No member is permitted to own any stock of, or be employed by
any public utility, whatsoever.

The main objective of any government control over a public utility is to see that the public gets a satisfactory service at a reasonable rate. If this cannot be done under private ownership then the people will be likely to insist on public ownership, either state or municipal.

Massachusetts was the first state to establish commissions for the control of public utilities. The first attempt was in the regulation of the turnpikes in 1804, then came the establishment of a commission for railroads in 1869, a commission for the fixing of rates and regulations of gas companies in 1885, and another for electric companies in 1887. This State has not planned on a fixed rate of return on capital invested, but has worked on the basis of an equitable return on capital for the investor and at the same time the giving of a satisfactory service at a rate not more than a reasonable amount above the cost.

That all concerned have been satisfied with this method is evidenced by the fact that in all these years only twice have the electric companies resorted to the Federal courts and in both instances the cases were abandoned. All are on a sound financial basis and have had no trouble in getting all the capital necessary for growth and expansion.

"We believe the regulation of utilities to be primarily a legislative function, rather than a judicial one, and we

* Henry C. Atwell, chairman, Department of Public Utilities, Commonwealth of Massachusetts, United States Daily, November 15, 1931
do not want our efforts to regulate strangled by judicial formality and procedure.

We may be forced into some form of contractual relation. Failing that, I am sure the people of Massachusetts will abandon regulation and substitute therefor public ownership."

Conclusion.

After all these years of experience with the trusts and other types of combination, is the attitude of the public just as it was in the beginning of the period? I believe not. There are many factors to indicate that public opinion has changed considerably. We have seen the benefit of unification of the railroads during the World War, and many are now advocating the consolidation of the roads. The advantages of large scale operation are daily shown in the low prices charged by the chain stores of all kinds. The people are also getting away from the laissez-faire idea and are more and more advocating the principle of government ownership of the natural resources such as fuel and minerals, or, failing that, a strict government regulation of these resources as well as the great public utilities such as the railroads, telephone, telegraph, light, water, and power companies.

While the trust, as such, is not sanctioned as a means of private gain, I believe that we should do something similar to Germany's cartel system in order to conserve the natural
resources still left to us, and to use them and the public utilities for the benefit of the nation as a whole, including future generations as well as our own.
SUMMARY

Unemployment Insurance, as one of the primary social problems of our day, is deserving of considerable study and serious consideration. It has been operating in many of the European nations since the World War, despite the terrific handicap under which the present economic system is laboring, due to the exceedingly abnormal condition of business throughout the entire world.

In addition to the many public movements, which may be only one of several types, there have been many private plans, particularly in the United States. The most important European plans which have served as models for the other nations are the systems of Great Britain and Germany, and the Ghent system.

Many plans have been discussed in the United States among which the Wisconsin Bill and the Massachusetts Bill are perhaps the best known as regards public insurance. In July 1930, Senator Couzens introduced a plan for Federal Unemployment Insurance, but as yet we do not seem to feel the social responsibility, therefore we are without public Unemployment Insurance.

We have, however, many successfully operating private plans including that of the Dennison Manufacturing Plant, the General Electric Company's plan, and the Proctor and Gamble plan, all of which have been discussed in detail in
The matter of old age pensions has not fared much better in the United States than has unemployment insurance, as only seventeen states have as yet adopted old age pension laws, although practically all of the countries of Europe have an old age relief system of some kind. In most of the states that have enacted such a law the amount of the pension is so inadequate as to keep people from applying for it except as a last resort. Seldom is the recipient allowed more than one dollar per day as a total income, that is, if the pensioner has a private income amounting to fifty cents per day he can receive a pension of another fifty cents. In Europe the sums are equally as small in proportion to the monetary system and standard of living in the respective countries. Only in New York and Massachusetts is there no stipulated amount, that being left to the discretion of the Board to decide, each case on its own merits. In Massachusetts the rule is to supply a sum sufficient to render "suitable and dignified care" according to the previous standard of living of the individual, and the amount may be as high as fifteen dollars per week in some cases. This has not been a pressing need in the United States until recent years, as the United States has been primarily an agricultural country, with a self-supporting population, regardless of age. Since, however, the country has been so rapidly industrialized
the care of the aged has been an increasingly important problem, which probably will be recognized in the form of some type of pension system, sooner or later, by all the states.

Workmen's Compensation, on the other hand, has been almost universally recognized and enforced. It exists in twenty-six foreign nations and forty-four states and four territories of the United States. Many of these have been discussed in detail in the foregoing pages and need no further enlargement here, beyond the statement that the matter is so closely tied up with our entire economic system as to receive the support of the financial world as well as the legislative bodies. The compensation awards, while varying tremendously in actual amounts in various countries probably approximate a relatively equal real income. At any rate it succeeds in attaining its prime objective, the self-respect and independence of the injured worker and his family, while forcing industry to bear the burden which is a legitimate cost of production. This cost is eventually passed on to the consumer, as are all other industrial costs.

This brings us to the last topic, economic control. In view of what has been brought out as the unfair practices and positively illegal acts of some of the biggest industries of the country surely some type of control is necessary. Whether that control be government regulation or government
ownership is still a matter of personal opinion. Europe, because of economic conditions, has not the same need for specific control that appears to be necessary in the United States, although Germany has gone to the opposite extreme and brought practically all natural resources and monopolistic industries under government control in the form of cartels.

This prolonged and severe depression has caused much serious thought on the subject of the economic situation of the entire world. What is the remedy? Is it more control, less control, or an entirely new economic system? Perhaps Edward Bellamy in his book "Looking Backward", written in 1887, was a better prophet than he realized. He did not know that he was forecasting the coming of the radio, but it did come within forty years, so why not his ideal economic order, or something approaching it, in which there can be no poverty and therefore, no need of either economic or social control?

I am not capable of formulating the ideal, yet practical, economic order, but it seems to me that it should be based on several very definite factors:

1. Government ownership of all natural resources, which should be used with the utmost economy.

2. A decided slowing up of the nerve wracking pace at which we are living.
3. Complete annihilation of the fortunes of millionaires, to be confiscated by the government for the good of the people.

4. Success to be measured by accomplishment rather than by dollars earned.

5. Enforcement of birth control as a means of regulating the population and the supply of labor.

6. Proper distribution of labor through government control of education, vocational training, and employment offices.

7. Workmen's compensation for industrial accidents and disease.
GOOD AND BAD TRUSTS

In the course of time a remarkable change came about in the application of the rule of reason. No doubt, in the early cases, the purpose of the court was to exclude from the operation of the Sherman Act those agreements which involved only an incidental restraint of trade while having no other direct purpose than the ordinary conduct of normal business relations. But in later cases, the idea seems to have been accepted that no "contract, combination, or conspiracy" (to use the phrases of the statute) is illegal, even though it undertakes a restraint of trade, until the parties to the undertaking have committed some subsequent act which in itself constitutes an offense, and unless, judged by its subsequent results, the undertaking proves to be practically a menace to the business of the country as a whole. The following quotations are from the opinion in the case of the U.S. Steel Corporation:


We have seen that the judges of the District Court unanimously concurred in the view that the corporation did not achieve monopoly, and such is our deduction, and it is against monopoly that the statute is directed, not against an expectation of it, but against its realization, and it is certain that it was not realized.*

* It is well to recall in this connection that the Sherman Act forbids any attempt to monopolize. Ed.
The corporation was formed in 1901, no act of aggression upon its competitors is charged against it, it confederated with them at times in offence against the law, but abandoned that before this suit was brought, and since 1911 no act in violation of the law can be established against it except its existence be such an act. This is urged, as we have seen, and that the interest of the public is involved, and that such interest is paramount to corporation or competitors. Granted—though it is difficult to see how there can be restraint of trade when there is no restraint of competitors in trade nor complaints by customers—how can it be worked out of the situation and through what proposition of law? Of course it calls for nothing other than a right application of the law and to repeat what we have said above, shall we declare the law to be that size is an offence, even though it minds its own business, because what it does is imitated? The corporation is undoubtedly of impressive size and it takes an effort of resolution not to be affected by it or to exaggerate its influence. But we must adhere to the law and the law does not make mere size an offence or the existence of unexerted power an offence. It, we repeat, requires overt acts and trusts to its prohibition of them and its power to repress or punish them. It does not compel competition nor require all that is possible.

We do not see how the Steel Corporation can be such a beneficial instrumentality in the trade of the world and its
beneficence be preserved, and yet be such an evil instrumentality in the trade of the United States that it must be destroyed.

In conclusion we are unable to see that the public interest will be served by yielding to the contention of the government respecting the dissolution of the company or the separation from it of some of its subsidiaries; and we do see in a contrary conclusion a risk of injury to the public interest, including a material disturbance of, and, it may be serious detriment to, the foreign trade. And in submission to the policy of the law and its fortifying prohibitions the public interest is of paramount regard.

EARLY PRACTICES OF THE NATIONAL CASH REGISTER COMPANY


The following are the allegations of the indictment, which were answered by a demurrer, in a case involving the National Cash Register Company.

1. Inducing, hiring, and bribing employees of the competitors of the National Cash Register Company, named, to disclose to it the secrets of their business, particularly as to prospective buyers, customers who had ordered, customers who had not fully paid, shipments to customers, agents, and dealers, volume of business, places where done, inventions, financial conditions, and connections.

2. Inducing, hiring, and bribing employees of carters, truckmen, express companies, railroad companies, and telephone and telegraph companies to disclose to it the secrets of their employers pertaining to the carriage and transportation of the cash registers of such competitors.

3. Instructing and requiring all its sales agents to ascertain and report all facts and details pertaining to the business of such competitors, and particularly of competitors coming into the competitive field.

4. Using its influence and that of its agents with, and the making of unwarranted and false statements to, banking and other institutions, to injure the credit of such
competitors and prevent them from securing accommodation
of money, credit, and supplies.

5. First. Instructing and requiring all its agents
to interfere with, obstruct, and prevent, in every way
possible, sales of such competitive cash registers by such
competitors, and their agents and dealers in cash registers,
and by any and all means to bring about sales of its cash
registers, and the displacement of such competitive cash
registers and the substitution of its genuine cash registers
therefor in the hands of users of cash registers, and
particularly

a. By making to prospective purchasers of such
competitive cash registers false statements derogatory of
same, and reflecting injuriously upon the business character
and financial credit of such competitors, and their ability
and intention to perform their undertakings and make good
their warranties and promises, and offering to sell to them
cash registers at prices much less than the regular and
standard prices and on unusually favorable terms as to
payment.

b. By inducing persons who have already ordered such
competitive cash registers to cancel their orders and pur-
chase its cash registers through such statements and offers.

c. By inducing purchasers of such competitive cash
registers who had only partially paid therefor to repudiate
their contracts of purchase through such statements and offers and allowing them the amount they had paid.

d. By inducing purchasers of such registers, whether they had paid in full or not, to surrender them to it, in exchange for its registers for the purpose of exhibiting them in the windows of its stores where its registers were on sale, bearing placards with the word "Junk" or "For Sale at Thirty Cents on the Dollar" printed thereon.

e. By offering, to prospective purchasers of such registers, registers in similitude of any competitive registers they were contemplating buying, at a price much lower than the regular price thereof, and in cases at much less than the manufacturer's costs, which registers so offered were manufactured by it solely as a so-called "knocker", so as to cause such purchasers to believe that it was of such cheap and poor construction that it was a waste of money to purchase it or such registers.

f. And by offering to prospective purchasers of such registers such knockers with weak and defective mechanism, and claiming that the registers they were contemplating buying had the same weak and defective mechanism.

Second. And instructing and requiring its sales agents secretly to weaken and injure the interior mechanism, and remove and destroy parts of such mechanism of the cash registers of such competitors in actual use by purchasers,
and thereby to cause them to become dissatisfied and substitute for them its cash registers.

6. Making by it to such competitors and to purchasers and prospective purchasers of their cash registers of threats to begin suits in the courts against them for infringing and having infringed its patent rights pertaining to its cash registers, when, as each of them well knew, no such patent rights existed, and no such suit was contemplated or would really be begun, and such threats were made merely to harass such competitors, purchasers, and prospective purchasers, and deter such competitors from manufacturing and selling such competitive cash registers in such inter-state trade and commerce and such prospective purchasers from buying and using such competitive cash registers.

7. Beginning, in other cases, by it against such competitors and against purchasers of such competitive cash registers, of suits, when in those cases, they each well knew no patents upon which such suits could be maintained were in existence or owned or controlled by it, and when, as they each well knew, none of those suits would be further pressed, but all such suits would be kept pending only as long as they served the purpose of harassing such competitors and purchasers.

8. Organizing cash register manufacturing concerns and cash register sales concerns and maintaining them,
ostensibly as competitors of their company, but in fact as convenient instruments for use in gaining the confidence and obtaining the business secrets of competitors and accomplishing the objects of the conspiracy and making such use of competitive concerns from time to time acquired by it.

9. Inducing by offers of much greater compensation the agents and servants of such competitors and dealers patronizing them to leave their employment and cease patronizing them and to enter its employment and patronize it.

10. Applying and causing application to be made for patents upon the cash registers and the improvements thereupon of such competitors, for the purpose of harassing them by interference proceedings and suits and threats to institute such proceedings.

11. Using of or originating and using of and instructing and requiring of its agents and sales agents to use or to originate and use such other unfair means excluding other concerns besides it from engaging in said interstate trade as might at any time become or appear to them or those agents or sales agents to be necessary or convenient to accomplish the object of the conspiracy, a description of which means other than already described, the grand jury are unable to set forth, because such means were so numerous in kind and shifting in character as to make such description impossible.
CASE OF THE AMERICAN CAN COMPANY AND OTHERS


The practices of the American Can Company and others are disclosed in the following statement by the court.

Much can-making machinery, more or less in use as late as 1900 had never been patented, or, if it had been, the patents on it had expired. A great many of these machines were of such construction that they could be made in almost any fairly equipped machine shop. To secure control of all such would have been impossible. Some of the most modern machines, those by which a large part of the work formerly done by hand was performed automatically, were, however, covered by patents. If these patents could be secured and arrangements made with the few machine shops in the country which were then equipped for turning out machinery of that class, competition in can-making and can-selling would be greatly hampered. Indeed, if the possibility of competitors obtaining such machinery could be cut off for a comparatively limited period, possibly even for a year or two, the can company which acquired a number of plants equipped with such machinery, and which could obtain more of it from the manufacturers, could, if its operations otherwise were wisely carried on, secure a domination of the market, which could not be seriously shaken for years to come. The record shows that the defendant did acquire such control, although, for
reasons to be subsequently pointed out, it did not reap all of the results which it naturally expected therefrom. It sought for six years to close to its competitors the machine shops which really counted. The largest manufacturer of automatic machinery for can-making purposes was the E. W. Bliss Company. For the sum of $25,000 a quarter, that company agreed that for six years it would not make certain can-making machinery for anybody other than the defendant. The latter had made some claim that patents owned by it covered such machines. The Bliss Company did not think they did. In any event, it is unusual for the owner of patents to pay somebody else $100,000 a year not to infringe. From the Adriance Machine Company defendant agreed it would annually for six years take $75,000 worth of machinery. That amount represented the full capacity of the machine company. To the Ferracute Machine Company, in return for exclusive privileges, the defendant guaranteed a profit of $10,000 a year for six years. Defendant induced the Bliss Company to break contracts which the latter had already made to furnish such machinery, and, when the injured parties sued the Bliss Company for damages thus resulting, the defendant paid both the expense of defending the suits and the substantial judgments some of the aggrieved parties recovered.

The record amply justifies the assertion that for a
year or two after defendant's formation it was practically impossible for any competitor to obtain the most modern, up-to-date, automatic machinery, and that the difficulties in the way of getting such machinery were not altogether removed until the expiration of the six year for which the defendant had bound up the leading manufacturers of such machinery.

The defendant began to shut up plants so soon as it got possession of them. It kept on shutting them until by April 21, 1903, it was operating only 36 can factories, and 3 machine shops, and it then proposed to close 5 more of the former and 1 or 2 of the latter. There has been a good deal of profitless dispute as to the proper term to describe what was done. What the government terms "dismantling" the defendant prefers to speak of as "transferring or concentrating". What actually took place is clear enough, whatever one may choose to call it. Two-thirds of the plants bought were abandoned within two years of their purchase. Many of them were never operated by the defendant at all, and others were closed after a few weeks or a few months. Where they had any machinery for which use could be found at some other of defendant's plants, such machinery was transferred to the place where it could be used, which might be a few blocks away in the same city or hundreds of miles off in another state. Where it was possible that a
piece of machinery might some day be of some use, although there was no immediate call for it, it was sent to some abandoned factory building to be stored there until it was wanted, or until it became clear that it never would be. Such machines, and there appear to have been many of them, as were too obsolete for economical use, were broken up and their fragments sold as junk.

How were so large a proportion of the can makers induced to sell? Fear of what would happen to them, if they did not, unquestionably had more or less influence with a good many of them. There is some testimony that Norton told some of them that if they did not sell out they would be put out.

The record does not affirmatively show that such threats were frequently made. They were not required. Apart from anything he said, apprehension was quite general that the only choice was between going out or being driven out. The country was at that time familiar with stories of the fate of those who in other lines of business had refused liberal offers from combinations previously formed. The records of the so-called anti-trust cases have since shown that some of these tales were not without foundation in fact.
METHODS OF THE STANDARD OIL TRUST

The record of the Standard Oil Trust is too voluminous to be repeated here. A suggestion of its character is to be found, however, in the following quotations from the Supreme Court and from the "History of the Standard Oil Company" by Miss Ida M. Tarbell. The court briefly summarizes the practices of the trust:

Standard Oil Co. of New Jersey et al. v. U.S. 1, 42, (1911)

Without attempting to follow the elaborate averments on these subjects spread over fifty-seven pages of the printed record, it suffices to say that such averments may properly be grouped under the following heads: Rebates, preferences and other discriminatory practices in favor of the combination by railroad companies; restraint and monopolization by control of pipe lines; contracts with competitors in restraint of trade; unfair methods of competition, such as local price cutting at the points where necessary to suppress competition; espionage of the business of competitors, the operation of bogus independent companies, and payment of rebates on oil, with the like intent; the division of the United States into districts and the limiting of the operations of the various subsidiary corporations as to such districts to that competition in the sale of petroleum products between such corporations had been entirely eliminated and destroyed; and finally reference was made to what
was alleged to be the "enormous and unreasonable profits" earned by the Standard Oil Trust and the Standard Oil Company as a result of the alleged monopoly.

Says Miss Tarbell:


In 1872 Mr. Rockefeller owned a successful refinery in Cleveland. He had the advantage of water transportation a part of the year, access to two great trunk lines the year around. Under such able management as he could give it his concern was bound to go on, given the demand for refined oil. It was bound to draw other firms to it. When he went into the South Improvement Company it was not to save his own business, but to destroy others. When he worked so persistently to secure rebates after the breaking up of the South Improvement Company, it was in the face of any industry united against them. It was not to save his business that he compelled the Empire Transportation Company to go out of the oil business in 1877. Nothing but grave mismanagement could have destroyed his business at that moment; it was to get every refinery in the country but his own out of the way. It was not the necessity to save his business which compelled Mr. Rockefeller to make war on the Tidewater. He and the Tidewater could both have lived. It was to prevent prices of transportation and of refined oil going down under competition. What necessity was there for Mr. Rockefeller
trying to prevent the United States Pipe Line doing business—only the greed of power and money. Every great campaign against rival interests which the Standard Oil Company has carried on has been inaugurated, not to save its life, but to build up and sustain a monopoly in the oil industry. These are not mere affirmations of a hostile critic; they are facts proved by documents and figures...

Very often people who admit the facts, who are willing to see that Mr. Rockefeller has employed force and fraud to secure his ends, justify him by declaring, "It's business." That is, "It's business" has come to be a legitimate excuse for hard dealing, sly tricks, special privileges. It is a common enough thing to hear men arguing that the ordinary laws of morality do not apply in business. Now, if the Standard Oil Company were the only concern in the country guilty of the practices which have given it monopolistic power, this story would long ago have made short work of the Standard Oil Company. But it is simply the most conspicuous type of what can be done by these practices. The methods it employs with such acumen, persistency, and secrecy are employed by all sorts of business men, from corner grocers up to bankers. If exposed, they are excused on the ground that this is business. If the point is pushed, frequently the defender of the practice falls back on the Christian doctrine of charity, and points that we are erring mortals
and must allow for each other's weaknesses -- an excuse which, if carried to its legitimate conclusion, would leave our business men weeping on one another's shoulders over human frailty, while they picked one another's pockets.
THE RULE OF REASON. STANDARD OIL CASE

The pronouncements of the majority of the Supreme Court in the Standard Oil and American Tobacco cases introduced into the interpretation of the Sherman Act a principle called the "rule of reason" and by so doing threw the court, and the public as well, into an extended controversy which has not yet come to an end. The quotations following are intended to define the rule, to show with what arguments it was presented and defended, what objections, logical and practical, were raised against it, and what precedent there may have been for it. The decisions of the two cases mentioned did not depend upon this rule, and, therefore, the opinion of the court in this matter was of no binding effect at the time. The remarks of the court, in legal terminology, was obiter dicta. It was clearly the intention of the court, however, to employ the rule in later decisions.

Mr. Chief Justice White delivered the opinion of the court in the Standard Oil case, from which the following excerpts are taken.


In view of the common law and the law of this country as to restraint of trade, which we have reviewed, and the illuminating effect which that history must have under the rule to which we have referred, we think it results:
a. That the context manifests that the statute was drawn in the light of the existing practical conception of the law of restraint of trade, because it groups as within that class, not only contracts which were in restraint of trade in the subjective sense but all contracts or acts which theoretically were attempts to monopolize, yet which in practice had come to be considered as in restraint of trade in a broad sense.

b. That in view of the many new forms of contracts and combinations which were being evolved from existing economic conditions, it was deemed essential by an all-embracing enumeration to make sure that no form of contract or combination by which an undue restraint of interstate or foreign commerce was brought about could save such restraint from condemnation. The statute under this view evidenced the intend not to restrain the right to make and enforce contracts, whether resulting from combination or otherwise, which did not unduly restrain interstate or foreign commerce, but to protect that commerce from being restrained by methods, whether old or new, which would constitute an interference that is an undue restraint.

c. And as the contracts or acts embraced in the provision were not expressly defined, since the enumeration addressed itself simply to classes of acts, those classes being broad enough to embrace every conceivable contract or
combination which could be made concerning trade or commerce or the subjects of such commerce, and thus caused any act done by any of the enumerated methods anywhere in the whole field of human activity to be illegal necessarily called for the exercise of judgment which required that some standard should be resorted to for the purpose of determining whether the prohibitions contained in the statute had or had not in any given case been violated. Thus not specifying but indubitably contemplating and requiring a standard, it follows that it was intended that the standard of reason which had been applied at the common law and in this country in dealing with subjects of the character embraced by the statute, was intended to be the measure used for the purpose of determining whether in a given case a particular act had or had not brought about the wrong against which the statute provided.

And, of course, when the second section is ... harmonized with and made as it was intended to be the complement of the first, it becomes obvious that the criteria to be resorted to in any given case for the purpose of ascertaining whether violations of the section have been committed, is the rule of reason guided by the established law and by the plain duty to enforce the prohibitions of the act and thus the public policy which its restrictions were obviously enacted to subserve.
And in order not in the slightest degree to be wanting in frankness, we say that in so far, however, as by separating the general language used in the opinions in the FREIGHT ASSOCIATION and JOINT TRAFFIC CASES from the context and the subject and parties with which the cases were concerned, it may be conceived that the language referred to conflicts with the construction which we give the statute, they are necessarily now limited and qualified. We see no possible escape from this conclusion if we are to adhere to the many cases decided in this court in which the anti-trust law had been applied and enforced and if the duty to apply and enforce that law in the future is to continue to exist. The first is true, because the construction which we now give the statute does not in the slightest degree conflict with a single previous case decided concerning the anti-trust law aside from the contention as to the FREIGHT ASSOCIATION and JOINT TRAFFIC CASES, and because every one of those cases applied the rule of reason for the purpose of determining whether the subject before the court was within the statute. The second is also true, since, as we have already pointed out, unaided by the light of reason it is impossible to understand how the statute may in the future be enforced and the public policy which it established be made efficacious.

DISSENT FROM THE RULE OF REASON

Justice Harlan in his concurring and dissenting opinion
foresaw clearly what the practical effect of such an opinion as the majority had delivered would be:

When counsel in the present case insisted upon a reversal of the former rulings of this court, and asked such an interpretation of the anti-trust act as would allow reasonable restraints of interstate commerce, this court, in deference to established practice, should, I submit, have said to them: "That question, according to our practice, is not open for further discussion here. This court long ago deliberately held (1) that the act, interpreting its words in their ordinary acceptation, prohibits all restraints of interstate commerce by combinations in whatever form, and whether reasonable or unreasonable; (2) the question relates to matters of public policy in reference to commerce among the states and with foreign nations, and Congress alone can deal with the subject; (3) this court would encroach upon the authority of Congress if, under the guise of construction, it should assume to determine a matter of public policy; (4) the parties must go to Congress and obtain an amendment of the anti-trust act if they think this court was wrong in its former decisions; and (5) this court cannot and will not judicially legislate, since its function is to declare the law, while it belongs to the legislative department to make the law." Such a course, I am sure, would not have offended the "rule of reason".
But my brethren, in their wisdom, have deemed it best to pursue a different course. They have now said to those who condemn our former decisions and who object to all legislative prohibitions of contracts, combinations, and trusts in restraint of interstate commerce, "You may now restrain such commerce, provided you are reasonable about it; only take care that the restraint is not undue". The disposition of the case under consideration, according to the views of the defendants, will, it is claimed, quiet and give rest to "the business of the country". On the contrary, I have a strong conviction that it will throw the business of the country into confusion and invite widely extended and harassing litigation, the injurious effects of which will be felt for many years to come. When Congress prohibited every contract, combination, or monopoly, in restraint of commerce, it prescribed a simple, definite rule that all could understand, and which could be easily applied by everyone wishing to obey the law, and not to conduct their business in violation of law. But now, it is to be feared, we are to have, in cases without number, the constantly recurring inquiry-- difficult to solve by proof-- whether the particular contract, combination, or trust involved in each case is or is not an "unreasonable" or "undue" restraint of trade, in any form, and this court solemnly adjudged many years ago that Congress meant what it thus said in clear
and explicit words, and that it could not add to the words of the Act. But those who condemn the action of Congress are now, in effect, informed that the courts will allow such restraints of interstate commerce as are shown not to be unreasonable or undue.
THE RULE REPEATED IN THE TOBACCO TRUST DECISION

Mr. Chief Justice White delivered the opinion of the court in the case of the Tobacco Trust also and reaffirmed the position the court had taken in the Standard Oil case:


The obscurity and resulting uncertainty however, is now but an abstraction because it has been removed by the consideration which we have given quite recently to the construction of the anti-trust act in the STANDARD OIL CASE. In that case it was held, without departing from any previous decision of the court that as the statute had not defined the words restraint of trade, it became necessary to construe those words, a duty which could only be discharged by a resort to reason. We say the doctrine thus stated was in accord with all the previous decisions of this court, despite the fact that the contrary view was sometimes erroneously attributed to some of the expressions used in two prior decisions. * That such view was a mistaken one was fully pointed out in the Standard Oil Case as follows "The Act of Congress must have a reasonable construction, or else there would scarcely be an agreement or contract among business men that could not be said to have, indirectly or remotely, some bearing on interstate commerce, and possibly to restrain it." Applying the rule of reason to the construction of the statute, it was held in the STANDARD OIL CASE

* The Trans-Missouri Freight Association and Joint Traffic cases, 166 U.S., 290 and 171 U.S., 505.
that as the words "restraint of trade" at common law and in the law of this country at the time of the adoption of the anti-trust act only embraced acts or contracts or agreements or combinations which operated to the prejudice of the public interests by unduly restricting competition or unduly obstructing the due course of trade or which, either because of their inherent nature or effect or because of the evident purpose of the acts, etc., injuriously restrained trade, that the words as used in the statute were designed to have and did have but a like significance. It was therefore pointed out that the statute did not forbid or restrain the power to make normal and usual contracts to further trade by resorting to all normal methods, whether by agreement or otherwise, to accomplish such purpose. In other words, it was held, not that acts which the statute prohibited could be removed from the control of its prohibitions by a finding that they were reasonable, but that the duty to interpret which inevitably arose from the general character of the term restraint of trade required that the words restraint of trade should be given a meaning which would not destroy the individual right to contract and render difficult if not impossible any movement of trade in the channels of interstate commerce -- the free movement of which it was the purpose of the statute to protect. The soundness of the rule that the statute should receive a
reasonable construction, after further mature deliberation, we see no reason to doubt. Indeed, the necessity for not departing in this case from the standard of the rule of reason which is universal in its application is so plainly required in order to give effect to the remedial purposes which the act under consideration contemplates, and to prevent that act from destroying all liberty of contract and all substantial right to trade, and thus causing the act to be at war with itself by annihilating the fundamental right of freedom to trade which, on the very fact of the act, it was enacted to preserve, is illustrated by the record before us. In truth, the plain demonstration which this record gives of the injury which would arise from and the promotion of the wrongs which the statute was intended to guard against which would result from giving to the statute a narrow, unreasoning and unheard of construction, as illustrated by the record before us, if possible serves to strengthen our conviction as to the correctness of the rule of construction, the rule of reason, which was applied in the STANDARD OIL CASE, the application of which rule to the statute we now, in the most unequivocal terms, reexpress and reaffirm.

Justice Harlan again expressed his dissent:

By every conceivable form of expression, the majority, in the TRANS-MISSOURI and JOINT TRAFFIC CASES, adjudged that the act of Congress did not allow restraint of interstate
trade to any extent or in any form, and three times it expressly rejected the theory, which had been persistently advanced, that the act should be construed as if it had in it the word "unreasonable" or "undue". But now the court, in accordance with what it denominates the "rule of reason", in effect inserts in the act the word "undue", which means the same as "unreasonable", and thereby makes Congress say what it did not say, what, as I think, it plainly did not intend to say and what, since the passage of the Act, it has explicitly refused to say. It has steadily refused to amend the Act so as to tolerate a restraint of inter-state commerce even where such restraint could be said to be "reasonable" or "due". In short, the court now, by judicial legislation, in effect amends an act of Congress relating to a subject over which that department of the Government has exclusive cognizance. I beg to say that, in my judgment, the majority, in the former cases, were guided by the "rule of reason"; for, it may be assumed that they knew quite as well as others what the rules of reason require when a court seeks to ascertain the will of Congress as expressed in a statute...
TERRITORY OF ALASKA
OFFICE OF THE SECRETARY
JUNEAU, ALASKA

CHAPTER 65.

AN ACT [S.B. 76]

To revise and codify the laws relative to the care and support of the destitute or needy, to repeal (a) Chapter 80 Session Laws of Alaska, 1913, An Act to Provide a Home for Indigent Prospectors and Others; (b) Chapter 64, Session Laws of Alaska, 1915, Chapter 46 Session Laws of Alaska, 1923, An Act to Provide Allowances to Aged Residents of Alaska and the Acts amendatory thereto being Chapter 49 Session Laws of Alaska, 1917, Chapter 17 Session Laws of Alaska 1919, Chapter 21 Session Laws of Alaska 1921, Chapter 65 Session Laws of Alaska, 1925; (c) Chapter 23 Session Laws of Alaska, 1919, An Act to Provide that the Territory have a preferred claim against estates of beneficiaries; (d) Chapter 45 Session Laws of Alaska, 1921, An Act to Provide for filing claims against estates of beneficiaries; (e) Chapter 51 Session Laws of Alaska, 1913, An Act to Provide for Relief of Destitution and Chapter 45, Session Laws of Alaska, 1919, amendatory thereto; and (f) Chapter 78 Session Laws of Alaska, 1923, An Act to make further relief for the needy; to repeal all Acts or parts of Acts inconsistent with this Act, and to give this Act immediate effect.

Be it enacted by the Legislature of the Territory of Alaska:

Article I

ALASKA PIONEERS' HOME

Section 1. Creation of Alaska Pioneers' Home. The Territory shall maintain an institution for the care of such needy persons as shall be entitled to the benefits thereof under the provisions of this Act, which institution shall be known as the “Alaska Pioneers' Home”. The institution (now situated at Sitka, Alaska, and any
H. B. No. 50

Introduced by Mr. Callahan of Maricopa

AN ACT

TO BE HEREAFTER NAMED AND CITED AS THE OLD AGE PENSION ACT, DESIGNATING THE BOARDS OF SUPERVISORS OF THE RESPECTIVE COUNTIES OF THE STATE OF ARIZONA AS THE OLD AGE PENSION COMMISSION FOR THEIR SEVERAL COUNTIES, PRESCRIBING THEIR DUTIES AS SUCH AND GIVING TO SAID OLD AGE PENSION COMMISSION POWER TO MAKE SUCH RULES AND REGULATIONS AS SHALL BE NECESSARY TO CARRY OUT THE PROVISIONS OF THIS ACT, PROVIDING THAT CERTAIN PERSONS OVER THE AGE OF SIXTY YEARS MAY BE GRANTED OLD AGE PENSIONS, DESCRIBING THEIR QUALIFICATIONS THEREFOR AS TO RESIDENCE, CHARACTER AND PROPERTY; PROVIDING FOR THE REPAYMENT TO THE SEVERAL COUNTIES OF ALL MONEY PAID IN OLD AGE PENSIONS UNDER CERTAIN CONDITIONS; PROVIDING THE REQUIREMENTS TO BE MET BY AN APPLICANT BEFORE AN OLD AGE PENSION MAY BE AWARDED; PROVIDING FOR OLD AGE PENSION CERTIFICATES AND RENEWAL THEREFOR; PROVIDING FOR PAYMENT OF OLD AGE PENSIONS; PROVIDING THAT OLD AGE PENSIONS SHALL NOT BE SUBJECT TO ASSIGNMENT, SALE, ATTACHMENT OR EXECUTION; PROVIDING FOR CANCELLATION OF OLD AGE PENSION CERTIFICATES UNDER CERTAIN CONDITIONS; PROVIDING PENALTIES FOR OBTAINING OR AIDING AND ABETTING IN OBTAINING OLD AGE PENSIONS THROUGH FALSE REPRESENTATION OR FRAUD; PROVIDING FOR THE DISQUALIFICATION OF APPLICANTS UNDER CERTAIN CONDITIONS; PROVIDING FOR THE ESTABLISHMENT OF OLD AGE PENSION FUNDS AND THAT OLD AGE PENSIONS ARE TO BE PAID FROM THE OLD AGE PENSION FUND OF THE
VARIOUS COUNTIES; PROVIDING FOR THE REPORTS OF OLD AGE COMMISSIONS TO THE STATE AUDITOR, AND REPEALING ALL ACTS IN CONFLICT WITH THIS ACT, AND DECLARING AN EMERGENCY.

Be It Enacted by the Legislature of the State of Arizona:

1 Section 1. There shall be established in each County of the State of Arizona a County Old Age Pension Board, hereinafter called the Old Age Pension Commission, and the Boards of Supervisors of the respective Counties of the State of Arizona are hereby designated as the Old Age Pension Commissioners of their respective Counties to serve as such without any additional compensation.

2 DUTIES OF COMMISSION

3 Section 2. The Old Age Pension Commission shall perform all the duties imposed upon it by this Act and shall have authority to make such rules and regulations consistent with the provisions hereof as are necessary to carry out the provisions of this Act. The Old Age Pension Commission shall meet at such times and places as shall be fixed by its rules.

4 PERSONS ENTITLED TO PENSION

5 Section 3. Every person (man or woman, married or single) shall, in the discretion of the Old Age Pension Commission, while residing in the State of Arizona, be entitled to a pension in old age subject to the restrictions and qualifications hereinafter provided.

6 AMOUNT OF PENSION

7 Section 4. The amount of said pension shall be fixed by the Old Age Pension Commission with due regard to the conditions in each case; but in no case shall it exceed Fifty ($50.00) Dollars per month.

8 CONDITIONS NECESSARY TO GRANT PENSION

9 Section 5. An Old Age Pension may be granted only to an applicant who,

10 (a) Has attained the age of 60 years or upwards.

11 (b) Has been a citizen of the United States for at least fifteen (15) years before making application for a pension.

12 (c) Resides and has his or her domicile in the State of Arizona and has so resided and had his or her domicile continuously therein for not less than fifteen (15) years immediately preceding the date of the application for a pension; five years thereof immediately preceding the time of the making of the said application in the County where
application is made, provided, that the continuous resi-
dence in the State shall not be deemed to have been in-
terrupted by occasional absences therefrom, where the to-
tal period of such absence does not exceed three years; or
by absence from the State while in the employ or service
of the State or of the United States.
(d) That during the period of ten (10) years preceding
such date of application he has not been imprisoned for
any offense punishable by imprisonment in State or Fed-
eral Penitentiary.
(e) That the claimant, if a husband, has not during
the period of fifteen (15) years immediately preceding
such date of application for a pension for a period of six
months or upwards, deserted his wife, or without just
cause, failed to provide for her with adequate means of
maintenance or neglected to maintain and provide for
such of his children as were under the age of fifteen years;
or if a wife, deserted her husband or such of her children
as were under age without cause.
FURTHER CONDITIONS—DEATH OF PENSIONER
Section 6. The income of the claimant from all sources
at the date of application for relief shall not exceed six
hundred ($600.00) dollars per annum.
(a) The claimant must not have deprived himself or
herself, directly or indirectly, of any property for the
purpose of qualifying for old age relief.
(b) The aged person must have no child, or any other
person legally responsible for the support of the aged
person under the laws of the State of Arizona fully able
to support the applicant.
(c) At the death of the person to whom the pension is
granted, or of the last survivor of a married couple, the
total amount of the pension since the first grant, together
with three (3) per centum of interest shall be deducted
and allowed by the proper courts out of the proceeds of
his or her property as a preferred claim against the estate
of the person so assisted, and refunded to the County
Treasurer to the credit of the Poor Fund, leaving the bal-
ance for distribution among the lawful heirs in accordance
with law; provided, that the Old Age Pension Commis-
sion may demand the assignment or transfer of such prop-
erty upon the first grant of such pension. The Old Age
Pension Commission shall establish such rules and regu-
lations regarding the care, transfer, management, and sale
of such property as it deems advisable, and also provide
for the return of the balance of the claimant's property
into its hands whenever the pension is withdrawn or the
claimant ceases to request it.

METHOD OF DETERMINING INCOME FROM
PROPERTY

Section 7. The annual income of any property, in-
clusive of a homestead, shall be computed at three (3) per
centum of its determined value.

(a) In ascertaining a claimant's income and the amount
of pension, his income for the last preceding year shall
be deemed his annual income, and the property owned
at the end of that year as his accumulated property, pro-
vided, that when the claimant shows to the satisfaction
of the Old Age Pension Commission the loss of personal
income derived from personal earnings, it shall be de-
ducted from the income of the preceding year in con-
sidering the amount of pension to be granted.

STATEMENT OF CLAIMANT

Section 8. A claimant for an Old Age Pension under
this Act shall deliver his or her claim in writing to the
Old Age Pension Commission of the County in which
the claimant resides in the manner and form prescribed
by the Old Age Pension Commission. All statements in
the application shall be sworn to and affirmed by the ap-
plicant setting forth that all the facts are true and cor-
rect in every material point.

CERTIFICATE BY COMMISSION TO COUNTY TREAS-
URER

Section 9. When the claim is established, and the
rate of the first year's Old Age Pension is fixed, the Old
Age Pension Commission shall, in the manner it may
prescribe, certify the same to the County Treasurer of
such County and shall issue to the claimant an Old Age
Pension Certificate which shall state the date of issuance,
the Claimant's name, age and residence and the amount
of monthly payment which certificate shall be good for
one year unless sooner revoked.

(a) The Old Age Pension Certificate shall be required
each subsequent year; to be renewed after satisfactory
investigation.

COMMENCEMENT OF PENSION—PAYMENT

Section 10. The Old Age Pension shall commence on
the date named in the certificate issued to the claimant.

(a) All Old Age Pensions shall be paid in monthly
payments by County warrants, drawn on the County
Treasurer and on the Old Age Pension Fund thereof.
DUTY OF PENSIONER IF PROPERTY ACQUIRED—
RECOVERY IN CASE OF DEATH
Section 11. If at any time during the currency or con-
tinuance of an Old Age Pension Certificate, the recipient,
or the wife or husband of the recipient, becomes pos-
sessed of any property or income in excess of the amount
allowed by law in respect to the amount of pension grant-
ed, the Old Age Pension Commission may, on inquiry,
either cancel the pension or vary the amount thereof dur-
ing the period of the certificate, and it shall be the duty of
the recipient immediately to notify the Old Age Pension
Commission of the receipt and possession of such property
or income.
(a) If, on the death of any recipient of an Old Age
Pension, it is found that he, or she, was possessed of prop-
erty in excess of the amount allowed by law in respect
to the amount of pension granted, double the total amount
of the relief granted in excess of that to which the recipi-
ent was by law entitled, may be recovered by the Old
Age Pension Commission as preferred claim from the
estate so found in excess. The attorney general or county
attorney shall take the necessary proceedings to recover
such claim and the amount so recovered shall be paid into
the county treasury of such county.
PAYMENTS AFTER DEATH OF PENSIONER
Section 12. On the death of a recipient of old age pen-
sion, the installments then accruing, and such other rea-
sonable funeral expenses as are necessary for the burial
of such person shall be paid to such person or persons as
the Old Age Pension Commission directs; provided, that
these expenses do not exceed One Hundred ($100.00)
Dollars and provided, further, that the estate of the de-
ceased is insufficient to defray the expenses.
(a) It is provided, further, that these provisions for
providing old age pensions shall not be construed as a
vested right in the pensioners.
REMOVAL TO ANOTHER COUNTY
Section 13. During the continuance of the Old Age
Pension no recipient shall receive any other relief from
the State, or from any political subdivision thereof ex-
cept for medical and surgical assistance. In case the re-
cipient of a pension under the provisions of this act shall
be required, by reason of illness or other justifiable cause,
to remove from the county paying such pension to another
county within this state, the county paying such pension
at the time of such removal, shall continue to pay such
pension until such time as said pensioner shall have qualified to receive a pension from the new county in which he has located. The provisions of this act, however, shall not apply in case of the permanent removal of the pensioner from the State.

Section 14. All old age pensions shall be absolutely inalienable by any assignment, sale, attachment, execution or otherwise, and in case of bankruptcy the old age pension shall not pass to any trustee or other persons acting on behalf of creditors.

PENSION IMPROPERLY OBTAINED—INQUIRY

Section 15. If at any time the Old Age Pension Commission has reason to believe that any Old Age Pension Certificate has been temporarily obtained, it shall cause special inquiry to be made by the County Attorney and may suspend payment of any installment pending the inquiry. If, on inquiry, it appears that the certificate was improperly obtained, it shall be cancelled by the Old Age Pension Commission, but if it appears that the certificate was properly obtained, the suspended installment shall be payable in due course.

PENALTY FOR OBTAINING PENSION FRAUDULENTLY

Section 16. Any person, who by means of a wilfully false statement, or representation, or by impersonation, or other fraudulent device, obtains, or attempts to obtain, or aids or abets any other person to obtain

(a) An Old Age Pension Certificate to which he is not justly entitled,
(b) A larger amount of assistance than that to which he is justly entitled,
(c) Payment of any forfeited installment grant,
(d) Or aids or abets in the buying or in any way disposing of the property of an old age pension recipient, without the consent of the Old Age Pension Commission, shall be guilty of a misdemeanor and upon conviction thereof shall be sentenced to pay a fine of not exceeding Five Hundred ($500.00) Dollars or to undergo imprisonment not exceeding six months, or both.

VIOLATION—PENALTY

Section 17. Any person who violates any provisions of this Act for which no penalty is specifically provided shall be guilty of a misdemeanor and be subject to a fine not exceeding Five Hundred ($500.00) Dollars or to undergo
imprisonment in the County Jail not exceeding six months, or both.

(a) Where an old age pension recipient is convicted of an offense under this Section, the Old Age Pension Commission may cancel the pension certificates in respect to the issue of which the offense was committed.

FORFEITURE OF PENSION

Section 18. In case of forfeiture of any Old Age Pension certificate the person whose pension is so forfeited shall be disqualified from making an application for a new certificate until the expiration of one year from the date of forfeiture.

PAYMENTS MADE FROM POOR FUND

Section 19. The funds for the payment of the old age pensions shall be furnished by the respective counties and all expenses incurred in the administration of the act shall be paid from the funds of the several counties and paid by the County Treasurer from the Old Age Pension Fund of such county.

REPORT OF COMMISSION

Section 20. Within ninety (90) days after the close of the calendar year the Old Age Pension Commission of each County shall make a report of the preceding year to the State Auditor of the State of Arizona stating:

(a) The total number of recipients.
(b) The amount paid in cash.
(c) The total number of applicants.
(d) The number granted pensions, the number denied, the number cancelled during the year and such other information as the State Auditor may deem advisable.

RULES AND REGULATIONS

Section 21. All methods of procedure in hearings, investigations, recording, registration, and accounting pertaining to the Old Age Pensions under this act shall be in accordance with the rules and regulations as laid down from time to time by the Old Age Pension Commission.

PENSIONS MAY BE AFFECTED BY AMENDMENT

Section 22. Every Old Age Pension granted under the provisions of this Act shall be deemed to be granted and shall be held subject to the provisions of any amending or repealing act that may hereafter be passed, and no recipient under this act shall have any claim for compensation or otherwise by reason of his old age pension being affected in any way by any such amending or repealing act.
PURPOSE OF ACT—LIMIT OF EXPENDITURES

Section 23. The care and relief of aged persons who are in need and whose physical or other condition or disabilities seems to render permanent their inability to provide properly for themselves is hereby declared to be a special matter of State concern and a necessity in promoting public Health and Welfare. In furtherance of the aforesaid purpose, this Act is being enacted into law for the purpose of enabling the Boards of Supervisors within the various counties in the State to more economically and efficiently handle the care and maintenance of aged persons who are residents within their respective counties; it being recognized that under the present system the cost of maintaining the dependent poor is greatly in excess of the amount which this act proposes to allot to each of such persons. Therefore nothing in this act shall be construed to authorize the Supervisors or the Old Age Pension Commission to pay out during any one calendar year an amount of money for old age pension which shall be in excess of an amount of money represented by a levy of two-fifths of one mill on the total assessed valuation of the property within the particular County paying out said old age pension, and which shall constitute and be known as The Old Age Pension Fund.

USE OF MASCULINE PRONOUN

Section 24. That whenever in this act the masculine pronoun is used, it shall be held to include the feminine pronoun also.

NAME

Section 25. This Act shall be named and cited as the Old Age Pension Act of the State of Arizona.

REPEAL

Section 26. This Act shall take effect and be in force from and after June 1, 1931.

Section 27. All acts and parts of acts conflicting with the provisions of this act are hereby repealed.

Section 28. Whereas, an immediate operation of this Act is necessary for the preservation of the public peace and safety, an emergency is hereby declared to exist and this Act shall be in full force and effect from and after its passage and its approval by the Governor and is hereby exempted from the referendum provisions of the State Constitution.
AN ACT

PROVIDING FOR OLD AGE AID, METHOD OF ITS ENFORCEMENT AND OPERATION, MAKING AN APPROPRIATION THEREFOR; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF THE PROVISIONS OF THE ACT.

Be It Enacted by the Legislature of the State of Arizona:

1. Section 1. Subject to the provisions of this act, every person residing in the State of Arizona, if in need, shall be entitled to aid in old age from the state.

2. Section 2. Aid may be granted under this act to any person who:

   (a) Has attained the age of seventy years;

   (b) Has been a citizen of the United States for at least fifteen years before making application for aid;

   (c) Resides in the county in which the application is made from, and has so resided continuously for at least one year immediately preceding the date of application;

   (d) Resides in the state, and has so resided continuously for at least fifteen years immediately preceding the date of application, but continuous residence in the state shall not be deemed to have been interrupted by period of absence therefrom if the total of such periods does not exceed three years; or has so resided twenty-five years, at least five of which have immediately preceded the application.

   (e) Is not at the date of making application for aid an inmate of any state, county, or municipal institution, and is not receiving compensation under any existing act for the relief of the poor, indigent, or needy, unless the applicant shall, upon being awarded aid under this act, forthwith leave such institution, and forego and give
up any care, support, or maintenance therefrom, and shall
forego and give up any further relief or compensation
being received under existing acts for the relief of the
poor, indigent, or needy;
(f) If married, has not, during the fifteen years pre-
ceding the date of application deserted the other spouse
or without just cause failed to provide legal support for
such other spouse and the minor children, if any, of such
applicant;
(g) Has no children or other person able to support
him and responsible under the law of this state for his
support.
Section 3. In the event any person awarded aid under
this act shall thereafter become an inmate of any state,
county or municipal institution, the right of such person
to receive further aid under this act shall terminate, and
no further payments shall be made as long as such person
remains an inmate of such institution.
Section 4. In the event any person awarded aid under
this act, shall thereafter become able to support and main-
tain himself without the assistance of such pension, the
right of such person to receive pension theretofore award-
ed, shall forthwith cease, and no further payments shall
be made as long as such ability shall continue.
Section 5. In the event any person awarded aid under
this act, shall depart from the State of Arizona and live
without the State of Arizona for other than temporary
trips, the right of such person to receive aid under this
act shall cease, and no further payments shall be made
as long as such person lives outside this state. Persons
receiving aid under this act intending to make temporary
trips outside this state must first obtain written permis-
sion from the Chief Inspector to make such trips. Failure
to obtain such permission shall be considered prima facie
evidence that such person intended to reside outside the
state.
Section 6. The amount of aid to which any such
person shall be entitled shall be fixed with due regard to
the conditions and circumstances existing in each case,
but in no case shall it be an amount which, when added
to the income of the applicant from other sources, includ-
ing income from property, as computed under the terms
of this act, shall exceed a total of one dollar per day.
The annual income of such person at the time of applica-
tion shall be computed on the basis of income of the
applicant during the twelve months next preceding the
date of application, provided that the annual income of
any property which does not produce a reasonable income,
but which is capable of producing a reasonable income,
shall be computed at five per cent of the value of such
property.

Section 7. Administration of this act shall be by the
board of directors of state institutions, which may adopt
such reasonable rules and regulations as may be neces-
sary for the proper and convenient administration of this
act.

Section 8. If the board believes the work occasioned
by this act cannot be conveniently handled and performed
by the secretary of the board, it may appoint a chief
inspector, who shall hold office during the will and pleas-
ure of the board, and shall fix his compensation. If the
work can be conveniently handled and performed by the
secretary, then the duties by this act delegated to the
chief inspector shall be performed by the secretary.

Section 9. The chief inspector shall be responsible for
the investigation and supervision of state aid under this
act, and for the performance of such other duties as may
be assigned to him by the board.

Section 10. The chief inspector may from time to time,
with approval of the board, appoint assistant inspectors
in each county in the state, who shall be persons experi-
enced in social welfare work, or persons recommended
by the board of supervisors of the counties in which the
appointments are made. Such assistant inspectors shall
cooperate with the chief inspector in the investigation of
any applicant for aid under this act, as well as the sub-
sequent investigation of any person receiving aid under
this act, upon request of the chief inspector. Assistant
inspectors shall be paid mileage of ten cents per mile
necessarily traveled in the investigation of any applicant
or person receiving aid under this act, and no further
compensation.

Section 11. (a) If, at any time during the continuance
of aid, the recipient thereof, or the husband or wife of the
recipient, becomes possessed of any property or income
in excess of the amount allowed by law in respect to the
amount of aid granted, it shall be the duty of the recipient
to immediately notify the board of the possession of such
property or income, and the board may either cancel the
aid or vary the amount in accordance with the circum-
stances, and any excess aid theretofore paid shall be re-
turned to the state, and be recoverable as a debt due the
state, and when recovered shall be paid into the treasury
of the state and credited to the old age aid fund.

(b) If, on the death of recipient of aid, it is determined
that he was possessed of property or income in excess
of the amount allowed by law, then, double the amount
of aid paid in excess of that to which the recipient was
legally entitled may be recovered by the state, as a pre-
ferred claim against his estate, and any money so re-
covered shall be paid into the treasury of the state and
credited to the old age aid fund. Such claim may be filed
in the estate of deceased by the chief inspector, or secre-
tary of the board, and allowed in the manner provided
for other claims in the estates of deceased persons.

Section 12. All aid given under this act shall be per-
sonal to the applicant, and shall be absolutely inalienable
by any assignment, sale, attachment, garnishment, exec-
cution, or other process, and in case of bankruptcy the
aid shall not pass through any trustee or other person
acting on behalf of creditors.

Section 13. Any and all aid granted under the pro-
visions of this act shall be deemed to be granted and
held subject to the provisions of any law that may here-
after be enacted amending or repealing in whole or part
the provisions of this act, and no recipient under this
act shall have any claim for compensation or otherwise
by reason of his aid being affected in any way by any
such amending or repealing act.

Section 14. Every applicant for aid shall file his appli-
cation, in duplicate, under oath, with the clerk of the
superior court of the county in which the applicant re-
sides. The clerk shall forthwith mail one of the dupli-
cate applications to the board of directors of state insti-
tutions at Phoenix, for its information. The board may
prescribe, prepare and supply the clerks of the superior
courts with all necessary forms. It shall be the duty of
the county attorney of each county to prepare the ap-
plications for applicants, and to call the applications to
the attention of the court. The court shall make full in-
vestigation and examination into the facts surrounding
each applicant. The board of directors of state insti-
tutions may grant aid to an applicant when he presents a
certified copy of an order of the superior court of the
county in which he resides, stating that a full examina-
tion and investigation reveals the fact that the applicant
possesses the qualifications prescribed by this act. The
board, however, shall determine the amount of aid to be
granted each applicant, after receipt by it of such order.

Section 15. No costs or fees shall be charged the applicant by either the board or the clerk of the superior court, or otherwise.

Section 16. It shall be within the power of the board to cancel aid, for cause, and it may, for cause, suspend payments for such periods as it may determine necessary. If, at any time, it appears that aid was obtained improperly it shall be cancelled by the board, but where payments have been suspended, pending investigation, the suspended payments shall be paid if it appears that the person was lawfully entitled thereto.

Section 17. Any person who by means of a false statement or representation or by impersonation or other fraudulent device obtains or attempts to obtain or aids or abets any person to obtain under this act:

(a) Old age aid to which he is not entitled;
(b) A larger amount of aid than that to which he is justly entitled;
(c) Payment of any forfeited installment grant;
(d) Or knowingly aids or abets in buying or in any way disposing of, or concealing the property of an applicant without the consent of the board of directors of state institutions, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than five hundred dollars, nor more than one thousand dollars, or imprisoned for not to exceed one year in the county jail, or by both such fine and imprisonment.

Section 18. There is hereby appropriated the sum of Fifty Thousand Dollars for the administration of this act, and for the payment of old age aid, which shall be raised by taxation, and placed in the treasury in a fund to be known as the Old Age Aid Fund.

Section 19. It is not the intention of this act to abolish any existing state, county, or municipal institution, nor to repeal any existing law for relief of the poor, infirm, or indigent except in so far as inconsistent therewith, and the provisions of this act shall be construed as an additional method of supporting and providing for the aged poor. This act shall be liberally construed, and wherever the masculine gender is used, it shall include the feminine gender. If any portion of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such judgment shall not affect, impair or invalidate the remainder of this act.
Old Age Security Act

[Approved May 28, 1929; Stats. 1929: 914; amended 1931, Ch. 608]

SECTION 1. Subject to the provisions of this act, every person residing in the State of California, if in need, shall be entitled to aid in old age from the state.

Eligibility.

SEC. 2. Aid may be granted under this act to any person who:

(a) Has attained the age of seventy years;
(b) Has been a citizen of the United States for at least fifteen years before making application for aid;
(c) Resides in the State of California and has so resided continuously for at least fifteen years immediately preceding the date of application, but continuous residence in the state shall not be deemed to have been interrupted by period of absence therefrom if the total of such periods does not exceed three years; or has so resided forty years at least five of which have immediately preceded this application;
(d) Resides in the county or city and county in which the application is made and has so resided continuously for at least one year immediately preceding the date of application;
(e) Is not at the time of receiving such aid an inmate of any public or private home for the aged, or any public home, or any public or private institution of a custodial, correctional, or curative character, except in the case of temporary medical or surgical care in a hospital;
(f) Has no relative of the following degree of kindred: husband, wife, parent or child, able and responsible under the law of this state for his support;
(g) Has not made any voluntary assignment or transfer of property for the purpose of qualifying for such aid. [Amended, Stats. 1931, ch. 608.]

Proof of age.

SEC. 24. For the purpose of determining the age of an applicant for aid under this act consideration should be given to any of the following documents:

(a) Certificate of birth;
(b) Certificate of baptism;
(c) Statement of age as recorded on marriage license or certificate;
(d) Statement of age of the applicant as recorded by the registrar of voters of this state or any subdivision thereof at least five years prior to the date of such application as shown by the records of the department of elections of this state or any subdivision thereof;
(e) Entries in a family bible or other genealogical record or memorandum of the family of such applicant;
(f) The returns of the United States census taken at least five years before the date of such application;
(g) The affidavit of a reputable citizen not related to the applicant if it is based on personal knowledge of facts which would determine probable age, and is not merely a statement of belief based on applicant's personal appearance.

Such affidavit shall contain statements of the circumstances upon which said affiant’s knowledge is based and shall be submitted to the department of social welfare, and where such affidavit does not present satisfactory evidence the state department may require a second affidavit of more conclusive proof. Such affidavit shall not be accepted to establish proof of age until all reasonable efforts to produce documentary evidence have failed;

(h) Such other evidence as the state department of social welfare may approve. [Added, Stats. 1931, ch. 608.]

Aid dependent upon income.

Sec. 3. The amount of aid to which any such person shall be entitled shall be fixed with due regard to the conditions existing in each case, but in no case shall it be an amount which, when added to the income of the applicant from all other sources, including income from property as computed under the terms of this act, shall exceed a total of one dollar per day.

Property of applicants.

Sec. 4. Aid under this act shall not be granted or paid to any person the value of whose real property, or, if married, the value of the combined real property of husband and wife, at the time of such application exceeds three thousand dollars. [Amended Stats. 1931, ch. 608.]

Income from property.

Sec. 5. The annual income of any property of an applicant for aid which does not produce a reasonable income shall be computed at five per cent of the value of such property. [Amended, Stats. 1931, ch. 608.]

Division created; duties; policy; supervisors duties.

Sec. 6. (a) There is hereby created in the state department of social welfare a division to be known as the division of state aid to the aged. The duties of this division shall be to supervise and pass upon the measures taken by county or city and county boards of supervisors for the care of needy aged citizens, to the end that they may receive suitable care in their old age and that there may be, throughout the state, a uniform standard of record and method of treatment of aged persons based upon their individual needs and circumstances.

The state department, through the division of state aid to the aged, and the board of supervisors of each and every county and city and county in the state shall follow the policy of giving the aid provided for under this act to each and every applicant in his own or in some other suitable home, in preference to placing him in an institution.

(b) The board of supervisors of each and every county and city and county in the state, in addition to their other powers and duties in
relation to the care and support of the poor, as provided by law, are hereby authorized and empowered, and it shall be their duty, to receive and act upon applications for aid under and in accordance with this act, and to provide funds in their respective county or city and county treasury, and to do all other acts and things necessary in connection with the same, for the purpose of carrying out the provisions of this act in so far as such provisions relate to such county or city and county.

Chief of division; appointment; compensation; duties.

Sec. 7. The division of state aid to the needy aged shall be administered by a chief. The director of social welfare, with the approval of the governor and the members of the social welfare board of the state department of social welfare, shall appoint and fix the compensation of the chief of the division of state aid to the aged, who shall be a person with training and experience in relief work and familiar with the social and economic conditions in California. The chief of the division shall be responsible for the investigation, determination and supervision of state aid given under this act and for the performance of such other duties as may be assigned to the division by the director of social welfare.

County advisory boards.

Sec. 8. The chief of the division, with the approval of the director of social welfare, may appoint in each county and city and county an advisory board of citizens whose duty it shall be to cooperate with the proper state and county authorities in the investigation and supervision of aid given to the aged under this act and to make report upon the same with recommendations to the board of supervisors and to the department of social welfare. In counties or in any city and county where there is an existing county or city and county department of public welfare or board with similar functions in public relief, this body shall be appointed as the advisory board.

Transfer of property to county.

Sec. 9. If the board of supervisors shall deem it necessary, it may, with the consent of the state department, require as a condition to the grant or continuance of aid in any case, that all or any part of the property of a person applying for aid be transferred to said board of supervisors. Such property shall be managed by said board of supervisors which shall pay the net income thereof to such person; said board of supervisors shall have power to sell, lease, or transfer such property or defend and prosecute all suits concerning it and to pay all just claims against it and to do all things necessary for the protection, preservation and management thereof. If, in the event such aid is discontinued during the life time of such person, the property thus transferred to the board of supervisors exceeds the total amount paid as aid under this act, the remainder of such property shall be returned to such person; and in the event of his death such remainder shall be considered as the property of the deceased for proper administration proceedings. The board shall execute and deliver all instruments necessary to give effect to this section.
Additional property or income.

Sec. 10. (a) If, at any time during the continuance of aid, the recipient thereof or the husband or wife of the recipient, become possessed of any property or income in excess of the amount allowed by law in respect to the amount of aid granted, it shall be the duty of the recipient immediately to notify the board of supervisors of the receipt and possession of such property or income and the board may, on inquiry and with the approval of the state department, either cancel the aid or vary the amount thereof in accordance with circumstances, and any excess aid theretofore paid shall be returned to the State of California and be recoverable as a debt due the State of California.

Recovery in case of false representation.

(b) If, on the death of recipient of aid under this act, it is found that he was possessed of property or income in excess of the amount allowed by law in respect to the amount of aid, double the amount of the aid paid in excess of that to which the recipient was legally entitled may be recovered by the department of social welfare as a preferred claim from his estate and upon recovery shall be paid into the treasury of the State of California.

Aid inalienable.

Sec. 11. All aid given under this act shall be absolutely inalienable by any assignment, sale, attachment, execution, or otherwise and in case of bankruptcy the aid shall not pass through any trustee or other person acting on behalf of creditors.

Effect of alteration of act.

Sec. 12. Any and all aid granted under the provisions of this act shall be deemed to be granted and held subject to the provisions of any law that may hereafter be enacted amending or repealing in whole or in part the provisions of this act, and no recipient under this act shall have any claim for compensation or otherwise by reason of his aid being affected in any way by any such amending or repealing act.

Applications; form; inmates of institutions; verification.

Sec. 13. Every applicant for aid shall file such application in writing with the board of supervisors of the county or city and county in which he resides, in the manner and form prescribed by the state department. An inmate of a public or private home for the aged, or of any public home, or of any public or private institution of a correctional, custodial or curative character, may make an application for aid while in such a home or institution, but the aid, if granted, shall not begin until after such applicant ceases to be such an inmate. All statements in the application shall be verified, under oath, by the applicant. [Amended Stats. 1931, ch. 608.]

Investigation.

Sec. 14. The board of supervisors, directly or through the advisory board or other authorized investigator, shall upon the receipt of an
application for aid, promptly, without any unnecessary delay, and with all diligence, make the necessary investigation.

Allowance or rejection; appeal.

The board shall, upon receipt of the report of the investigation, decide upon the amount of aid, if any; provided, however, that in any case where such application is denied by the board of supervisors, the applicant, upon filing a petition with the department of social welfare setting forth the facts in full as to the necessity of such aid, verified by five reputable citizens of the county, shall have the right of appeal direct to said department of social welfare, and if the appeal is sustained by said department the payments of aid in the amounts determined by said department must be paid by the county or city and county as herein provided.

Renewal of application.

An applicant whose application for aid under this act has been rejected may not again apply for such aid until the expiration of one year from the date of the previous application, except with the consent of the county or city and county.

Payment; renewed.

If the application for aid be granted, the clerk of the board of supervisors shall report the fact to the auditor of the county or city and county. All payments of aid under this act shall be made monthly by the treasurer of the county or city and county in the manner provided by law for payment of claims against the county or city and county. All aid under this act shall be renewed annually on verified applications and after such further investigations as the board may deem necessary, and the amount of aid may be changed if the board finds that the recipient’s circumstances have been changed.

Cancellation; suspension.

It shall be within the power of the board of supervisors to cancel and revoke aid for cause and it may for cause suspend payments for aid for such periods as it may deem proper. [Amended, Stats. 1931, ch. 608.]

Reports to state; claims for state aid.

Sec. 15. The clerk of the board of supervisors of each county and city and county shall report monthly to the said state department in such manner and form as the latter may prescribe, the number of applications granted, and the grants of aid changed, revoked or suspended under this act by the board during the preceding calendar month, together with copies of all applications received and a statement of the action of the board thereon, and shall report the amount of aid to aged paid out under this act by said county or city and county during said period. Claims for state aid granted under this act shall be presented by the respective counties and city and county semi-annually in January and July of each year. Such claims shall be
audited by the state department of social welfare and the state controller and, when approved, the state controller shall draw the necessary warrants and the state treasurer shall pay to the treasurer of said county or city and county a sum equal to one-half of the total amount of payments made by said county or city and county to aged citizens as aid under the provisions of this act during the period for which said claim is made.

Forms; rules and regulations.

Sec. 16. The state department of social welfare shall have power to and shall prescribe the form of application, the manner and form of all reports and such additional rules and regulations as are necessary for the carrying out of the provisions of this act, and not inconsistent therewith. [Amended, Stats. 1931, ch. 608.]

County expense.

Sec. 17. All necessary expense incurred by county or city and county boards of supervisors and advisory boards, in carrying out the provisions of this act, shall be paid by the county or city and county in the same manner as other expenses of such county or city and county are paid.

Aid improperly granted.

Sec. 18. If at any time the state department has reason to believe that aid to the aged has been obtained improperly, it shall cause special inquiry to be made and may suspend payment of any installment pending the inquiry. It shall notify the board of supervisors and advisory board of such suspension. If it appears upon inquiry that the aid was obtained improperly, it shall be canceled by the state department, but if it appears that aid was obtained properly, the suspended payments shall be payable.

Change of residence.

Sec. 18½. Any person qualified for and receiving aid hereunder in any county or city and county in this state, who removes to another county or city and county in the state, shall be entitled to aid under the provisions of this act after a one-year residence in the county or city and county to which such person has removed; provided, an agreement in writing has been entered into by and between the two counties concerned approving such transfer or removal, and thereupon the county of first residence of such person shall continue his aid for one year and until the aforesaid residence has been established by him in the second county or city and county. [Added, Stats. 1931, ch. 608.]

False statements; penalty.

Sec. 19. Any person who by means of a false statement or representation or by impersonation or any other fraudulent device obtains or attempts to obtain or aids or abets any person to obtain under this act:

(a) Old age aid to which he is not entitled;

(b) A larger amount of aid than that to which he is justly entitled;
(c) Payment of any forfeited installment grant;
(d) Or knowingly aids or abets in buying or in any way disposing of the property of an applicant without the consent of the board of supervisors, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than five hundred dollars or by imprisonment for not more than six months or both such fine and imprisonment.

Other offenses, penalty.

Sec. 20. Any person who knowingly violates any provision of this act for which no penalty is specifically provided shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than five hundred dollars or imprisoned for not more than six months or by both such fine and imprisonment.

State appropriation.

Sec. 21. There is hereby appropriated out of any moneys in the state treasury not otherwise appropriated to each and every county and city and county maintaining or supporting aged persons who come within the provisions of this act, aid not in excess of one hundred and eighty dollars per annum for each such aged person maintained or supported by such county or city and county. Payments of said aid shall be made in the manner provided in section 15 of this act.

Construction: constitutionality

Sec. 22. Nothing in this act shall be construed as repealing any other act or part of an act providing for the support of the poor except in so far as inconsistent therewith, and provisions of this act shall be construed as an additional method of supporting and providing for the aged poor. This act shall be liberally construed. If any portion of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such judgment shall not affect, impair or invalidate the remainder of this act. [Amended, Stats. 1931, ch. 608.]

Short title.

Sec. 23. This act may be cited as the old age security act of the State of California. [Amended, Stats. 1931, ch. 608.]
COLORADO
OLD AGE PENSION
ACT

As Amended 1931

EFFECTIVE JANUARY 1, 1932
AN ACT

RELATING TO OLD AGE PENSIONS, AND TO PROVIDE FOR THE PROTECTION AND ASSISTANCE OF AGED INDIGENT PERSONS UNDER CERTAIN CONDITIONS, PROVIDING FOR THE ADMINISTRATION AND CARRYING OUT OF THE PROVISIONS OF THIS ACT, PROVIDING FOR THE NECESSARY FUNDS TO CARRY OUT THE PROVISIONS OF THIS ACT, AND PROVIDING PENALTIES FOR THE VIOLATION OF THIS ACT.

Be It Enacted by the General Assembly of the State of Colorado:

SECTION 1. The Board of County Commissioners in each County or City and County of this State shall establish a system of old age pensions in accordance with the provisions of this Act.

SECTION 2. Any person qualified as herein provided, while residing in a County or City and County in this State, who shall comply with the provisions of this Act, shall be entitled to an old age pension as herein defined. The amount of such pension shall be fixed with due regard to the conditions in each case, but in no case shall it be an amount which, when added to the income of the applicant, including income from property, as computed under the terms of this Act, shall exceed a total of one dollar ($1.00) per day.

SECTION 3. An old age pension or assistance may be granted only to an applicant who:

A. Has attained the age of sixty-five years or upwards;
B. Has been a citizen of the United States for at least fifteen years before making application for such pension;
C. Has resided in the State, and County or City and County in which he makes application, continuously for at least fifteen years immediately preceding the date of such application; provided, however, that continuous residence in the State and County shall not be deemed to have been interrupted by occasional periods of absence therefrom, if the total of such periods of absence does not exceed three years; provided, further, that absence in the service of the State of Colorado, or of the United States, shall not be deemed to interrupt residence in the State or County, if a domicile be not acquired outside the State or County;
D. Is not, at the date of making application, an inmate of any prison, jail, workhouse, infirmary, insane asylum, or any other public correctional institution;
E. During the period of ten years immediately preceding such date, has not been imprisoned for a felony;
F. If a husband, has not deserted his wife or children, and has not, without just cause, failed to support his wife and his children under the age of fifteen years, for six months or more during the fifteen years immediately preceding the date of application for a pension;
G. If a wife, has not deserted her husband, or such of her children as are under fifteen years of age;
H. Has not, within one year preceding such application for pension, been an habitual vagrant or beggar;
I. Has no child or other person responsible under the laws of this State, for his support and able to support him.

SECTION 4. No old age pension shall be granted or paid to a person:
A. While or during the time he is an inmate of and receives the necessities of life from any charitable institution maintained by the State, or any political sub-division of the State, or of a private charitable, benevolent, or fraternal institution, or home for the aged;
B. If the value of his property, or the value of the combined property of husband and wife living together, exceeds $3,000;
C. Who has deprived himself directly or indirectly of any property for the purpose of qualifying for old age pension.

SECTION 5. The annual income of any property belonging to an applicant which is not so utilized as to produce a reasonable income, shall be computed at five per cent (5%) of its actual value.

SECTION 6. On the death of a person pensioned pursuant to the terms and provisions of this Act, or of the survivor of a married couple, both of whom were so pensioned, the total amount paid as pension, together with simple interest thereon at three per cent (3%) annually shall be allowed and deducted from the estate of such person or persons by the County having jurisdiction to settle said estate. The amount so recovered should be paid into the Treasury of the County or the City and County contributing to the pension received by the deceased or to the married couple of which the deceased was a survivor.

SECTION 7. If the County Judge deems it necessary, he
may require as a condition to the grant of a pension certificate that all or any part of the property of an applicant for a pension be transferred to the Board of County Commissioners of the County where such applicant resides. Such property shall be managed and controlled by said Board of County Commissioners and they shall pay the net income to the person or persons entitled thereto. The Board shall have power to sell, release, or transfer such property, or to defend and prosecute all suits concerning it, and to pay all just claims against it, and to do all things necessary for the protection, preservation and management of the property.

If, in the event that the pension is discontinued during the lifetime of the pensioner, the property thus transferred to the Board of County Commissioners exceeds the total amount paid as pension, with simple interest at three per cent (3%) annually, the remainder of such property shall be returned to the pensioner; and in the event of his death, such remainder shall be considered as the property of the pensioner, to be disposed of in accordance with the laws of descent and distribution in this State. The Board of County Commissioners shall execute and deliver all necessary instruments to give effect to the provisions of this Section of this Act.

The County Attorney, at the request of the Board of County Commissioners, shall take the necessary proceedings and represent and advise the Board in respect to any matters arising under this Act.

SECTION 8. An applicant for a pension shall file his application, in writing, with the County Judge of the County in which he resides, in such manner and form as shall be prescribed by the Board of County Commissioners. All statements in the application shall be sworn to or affirmed by the applicant as being true in every material point. No docket fee shall be required for such filing.

SECTION 9. Immediately upon the filing of said petition or application, the County Judge shall promptly make, or cause to be made, such investigation as he may deem necessary in order to determine the qualifications of the applicant and the merit of said application. The County Judge shall decide upon the application and fix the amount of the pension with the approval of the Board of County Commissioners if any, within thirty days after the filing of said petition or application, and the decision of such Court and Board shall be final. An applicant whose application for a pension has been rejected may not again apply for a pension until the expiration of twelve months from the date of the rejection of his previous application.
SECTION 10. The County Judge shall issue to each applicant to whom a pension is allowed a certificate stating the date upon which pension payments shall commence and the amounts of each installment, which may be paid monthly or quarterly as such Judge may determine.

Each pensioner under the provisions of this Act shall file such reports with the County Judge as the Board of County Commissioners may, from time to time, require. If it appears, at any time, that the applicant's circumstances have changed, the County Judge may revoke or modify any pension certificate issued. Any pension paid in excess of the amount due under the provisions of this Act shall be returned to the County and may be recoverable as a debt due the County.

SECTION 11. On the death of a pensioner, such reasonable funeral expenses for burial shall be paid out of the pension fund as the County Judge may direct; provided, that such funeral expenses shall not exceed one hundred dollars ($100.00) in any case, and provided, further, that the estate of the deceased is insufficient to defray such expenses.

SECTION 12. During the continuance of the pension no pensioner shall receive any other relief from the State or from any political sub-division thereof, or from the United States except for medical and surgical assistance.

If the pensioner is, on the testimony of at least three reputable witnesses, found incapable of taking care of himself or his money or property, the County Judge may direct the payment of the installments of the pension to any responsible person or corporation for the benefit of the applicant, or may suspend payments for such period as the Judge shall deem advisable.

SECTION 13. All pensions shall be exempt from any tax levied by the State, or by any sub-division thereof, and shall be exempt from levy and sale, garnishment and attachment, or any other process whatsoever and shall be inalienable in any form.

SECTION 14. If at any time the County Judge has reason to believe that a pension certificate has been improperly obtained, he shall cause special inquiry to be made and may suspend payment of any installment pending the inquiry. If, on inquiry, and after ten days' notice to the pensioner, it appears that the certificate was properly obtained, the suspended installment shall be payable in due course.

SECTION 15. Any person who by means of a willfully false statement or representation, or by impersonation or other fraud-
ulent means or device obtains, or attempts to obtain, or aids or abets any person to obtain:

A. A pension certificate to which he is not entitled;
B. A larger pension than that to which he is justly entitled;
C. Payments of any suspended or forfeited installment;
D. Or aids or abets in buying or in any way disposing of the property of a pensioner without the consent of the County Judge in whose County said petition is filed or to be filed;

shall be guilty of a misdemeanor and upon conviction thereof, shall be fined in a sum not exceeding five hundred dollars ($500.00) or be imprisoned in the county jail for not more than one year, or be punished by both such fine and imprisonment in the discretion of the Court.

SECTION 16. Any person who violates any provision of this Act for which no penalty is specifically provided, shall be deemed guilty of a misdemeanor and shall be subject to a fine not exceeding five hundred dollars ($500.00) or to imprisonment not exceeding one year, or, in the discretion of the Court, such person may be punished by both such fine and imprisonment.

Where a pensioner is convicted of an offense under this Act, the County Judge shall cancel the certificate.

SECTION 17. If a pensioner is convicted of any misdemeanor, felony, or other offense punishable by imprisonment for one month or longer, payments of pension shall not be made during the period of imprisonment.

SECTION 18. The Board of County Commissioners of each County or City and County shall annually appropriate a sum of money sufficient to carry out the provisions of this Act, so far as the same relates to such County. Upon the orders of the Judge of the County Court, the County Treasurer shall pay out the amounts ordered to be paid as pensions, pursuant to the terms of this Act.

SECTION 19. Not later than thirty days after the close of each calendar year the Board of County Commissioners of each County shall make a report for the preceding year to the Secretary of State, showing:

A. The amount paid by such County for pensions;
B. The total number of applications for pensions made during the preceding calendar year;
C. The number of pensions granted, number denied and the number cancelled during such year, together with such other information as may be required by the Secretary of State.

SECTION 20. The Board of County Commissioners shall, from time to time, prescribe and promulgate rules and regulations to efficiently carry out the provisions of this Act, and shall publish such information as it may deem advisable to acquaint aged persons and the public generally with the old age pension plan herein provided.

SECTION 21. The General Assembly hereby declares that this Act is necessary for the immediate preservation of the public peace, health and safety.

SECTION 22. In the opinion of the General Assembly an emergency exists; therefore, this Act shall take effect and be in force from and after its passage.

This Act as amended shall take effect on the first day of January, 1932.

Original Act Approved: March 19, 1927.
Amended Act Approved: March 3, 1931.
AN ACT

TO CREATE THE STATE OLD AGE WELFARE COMMISSION; TO DEFINE THE POWERS AND DUTIES OF SAID COMMISSION; TO PROVIDE FOR THE ASSISTANCE OF OLD AGE PERSONS THROUGH THE AGENCY OF SAID COMMISSION, UNDER CERTAIN LIMITATIONS AND RESTRICTIONS; TO MAKE APPROPRIATIONS OF PUBLIC FUNDS FOR CARRYING OUT THE PURPOSES OF THIS ACT; AND TO PRESCRIBE PENALTIES FOR THE VIOLATION OF ITS PROVISIONS.

1 Be it Enacted by the Senate and House of Representatives of the State of Delaware in General Assembly Met:

1 SECTION 1. There is hereby created the State
2 Old Age Welfare Commission, consisting of four
3 members, one from the City of Wilmington, one from
4 Rural New Castle County, one from Kent County
5 and one from Sussex County.

SECTION 2. The first members of said Com-
2 mission shall be appointed by the Governor, within
3 thirty days after the approval of this Act; one for
4 one year, one for two years, one for three years, and
5 one for four years. Vacancies occurring in said Com-
6 mission, from any cause, shall be filled by the Chief
7 Justice. Appointments by the Chief Justice shall be
8 only for the unexpired term of a member of the Com-
9 mission holding office under an original appointment;
10 but in every case where a vacancy shall occur, by rea-
11 son of the expiration of the full term of a member of
12 the Commission, the appointment by the Chief Justice
13 shall be for the full term of four years; provided, that
14 if a majority of the Commission shall request the re-
15 moval of a member of the Commission, the Chief Jus-
16 tice may, upon a full presentation of the facts, re-
17 move such member from the Commission and fill the
18 vacancy thus created.
SECTION 3. The members of said Commission shall be duly sworn or affirmed, according to law, to faithfully perform the duties of their office. They shall serve without salary, but shall be entitled to receive a fee of Five Dollars ($5.00) for attending each meeting of the Commission and, in addition, a reasonable allowance for actual expenses incurred in the performance of their duties.

SECTION 4. It shall be the duty of the said Commission, and it is hereby authorized and empowered, to grant assistance to old age persons, under the limitations and restrictions and in the manner hereinafter provided; and for this purpose, and generally for the exercise of its powers and the performance of its duties, the said Commission shall adopt such rules and regulations as may be deemed advisable or necessary.

SECTION 5. The said Commission shall have power to appoint subordinate officers, who shall hold office during the pleasure of the Commission. The
Commission shall define the duties of such subordinate officers and fix their salaries, which salaries shall not exceed in any one case Thirty-six Hundred Dollars ($3600.00) annually.

SECTION 6. An old age person, within the meaning and for the purposes of this Act, and under its limitations and restrictions, is hereby defined to be a person, man or woman, sixty-five years of age or over, who has been a resident of the United States for fifteen years and who has resided in the State of Delaware for not less than five years, (temporary absence from the State not being considered); who has no child or any other person capable and responsible for the support of such old age person, without undue sacrifice on the part of such child or other person, or his or her wife or husband, or his or her children; who has not deprived himself or herself, directly or indirectly, of any property or income, for the purpose of obtaining assistance from the State, and who by assistance from the State can enjoy the
essentials of life, of which he or she would be otherwise deprived.

SECTION 7. The amount of assistance allowed in each case of an old age person shall be limited by the circumstances of such case as ascertained, after full and complete investigation, by the said Commission. The amount of assistance allowed in each case shall be determined by the Commission with due regard to the circumstances, but in no case shall it be an amount which, when added to the income of the old age person, including income from property or other sources, as ascertained by the Commission, will be equal to or exceed Three Hundred Dollars ($300.00) annually. In no case shall the amount of assistance allowed exceed Twenty-five Dollars ($25.00) monthly.

SECTION 8. An old age person desiring assistance from the State shall make application in writing, under oath or affirmation, to the Commission in such form as the Commission may prescribe, setting
forth that the statements in such application are just
and true; and upon receiving such application the
Commission shall cause an investigation to be made
to verify the statements contained in said application
and to ascertain all the circumstances surrounding
the applicant. In each case the Commission shall in-
clude in its investigation careful inquiry as to every
possible source of income of the applicant. In ascer-
taining the applicant’s income and determining the
amount of assistance to be allowed, the applicant’s
income for the last year preceding the application
shall be deemed the annual income, and the property
owned at the end of that year as the accumulated
property of the applicant; provided that, if the ap-
plicant should show to the satisfaction of the Com-
mission a decrease of income the amount of such de-
crease shall be deducted from the income of the pre-
ceding year in determining the amount of assistance
to be allowed. For the purpose of such investigation
poena issued under its authority, the attendance and testimony of witnesses and the production of books and papers. All witnesses shall be examined under oath or affirmation, which may be administered by any member of the Commission.

SECTION 9. Upon the determination by the Commission that the application of an old age person should be granted, it shall cause a certificate to be issued to such person, in form prescribed by the Commission, stating the amount of assistance allowed, to be paid monthly, which said certificate shall be good for one year from the date thereof, unless sooner revoked for cause, and shall be renewable by the Commission annually upon ascertaining that the old age person is entitled to such renewal. The Commission shall report to the State Treasurer the granting of the application and the issuance of the certificate, and the renewals thereof, and the State Treasurer shall pay to the person named therein the amount set forth in said certificate. If, however, the old age person to
whom assistance has been allowed shall be found incapable of taking care of his or her money, or himself or herself, on the testimony of at least three credible witnesses, not members of his or her immediate family, the Commission may direct the payment of the amount set forth in said certificate to be made to a person of good reputation who will expend the same for the benefit of such old age person.

SECTION 10. Upon the death of an old age person, to whom a certificate allowing assistance has been issued, further allowance for reasonable funeral expenses, not exceeding One Hundred Dollars ($100.00) may be made by the Commission, if warranted by the circumstances of the case, and the amount so allowed shall be paid by the State Treasurer, together with such unpaid installments as may be due under said certificate, to the legal representative of the deceased.

SECTION 11. During the continuance in full of a certificate allowing assistance to an old age person,
such person shall not receive any other assistance
from the State, or from any political subdivision
thereof, except for medical or surgical treatment, and
then only in an extreme emergency.

SECTION 12. If at any time during the contin-
uance of a certificate allowing assistance to an old age
person, the said old age person, or the husband or
wife of such person, shall become possessed of any
property, or income, in excess of the amount of which
he or she was possessed at the time of making appli-
cation for assistance, the Commission may either can-
cel the certificate or vary the amount thereof during
the period of such certificate; and it shall be the duty
of such old age person immediately to notify the Com-
mission of the receipt and possession of any such
property or income.

SECTION 13. If at any time the Commission
shall have reason to believe that the certificate issued
to an old age person has been improperly obtained, it
shall cause special inquiry to be made, and, if neces-
5 sary, may suspend payments under said certificate
6 and if it should appear that the certificate was im-
7 properly obtained, the same shall be cancelled.
1 SECTION 14. In case of forfeiture of a certifi-
2 cate allowing assistance to an old age person, the per-
3 son whose certificate is so forfeited shall be disquali-
4 fied from making application for another allowance
5 until the expiration of one year from the date of the
6 forfeiture.
1 SECTION 15. When an old age person to whom
2 assistance has been allowed under this Act, shall be-
3 come an inmate of any charitable or benevolent insti-
4 tution, the amount of assistance shall cease and deter-
5 mine and the certificate issued to such person shall
6 be cancelled.
1 SECTION 16. No assistance shall be allowed to
2 an old age person who is an inmate of any prison,
3 jail, workhouse, infirmary, insane asylum, almshouse,
4 or any public reform or correctional institution, or
5 who, during a period of one year prior to making ap-
plication for assistance, shall have been a professional
tramp or beggar.

SECTION 17. If any old age person, to whom
assistance has been allowed under this Act, shall be
convicted of any crime, misdemeanor, or felony, or
other offense, punishable by imprisonment for one
month or any longer period, the Commission shall
direct that payments be not made during such period.

SECTION 18. Every allowance to an old age
person of assistance under the provisions of this Act
shall be deemed to have been allowed under and shall
be held subject to the provisions of any amending or
repealing Act that may hereafter be passed, and no
old age person receiving assistance under this Act
shall have any claim for compensation by reason of
the allowance for assistance being affected in any
way by any such amending or repealing Act.

SECTION 19. All certificates allowing assis-
tance to old age persons shall be absolutely inalienable
by any assignment, sale, charge, execution or other-
wise, and in case of bankruptcy the assistance allowed shall not be payable to any attorney, assignee, receiver or trustee acting on behalf of the creditors of such old age person.

SECTION 20. The property of old age persons to whom assistance has been allowed shall be wholly exempted from taxation and assessment for public purposes by the State, or any political subdivision thereof, whether county, hundred, city or town, but such exemption shall be terminated upon the discontinuance of the assistance allowed such old age person.

SECTION 21. Any person who by wilful false statements, or misrepresentations, or other fraudulent devise, obtains or attempts to obtain, or aids or abets any other person to obtain a certificate allowing assistance to an old age person, to which he or she shall not be legally entitled, or a larger amount than he or she shall be legally entitled to receive, or the payment of a forfeited or forbidden installment under a cer-
tificate, or aids or abets in the buying or in any way disposing of the property of an old age person without the knowledge or consent of the Commission shall be guilty of a misdemeanor and upon conviction thereof shall be sentenced to pay a fine not exceeding Five Hundred Dollars ($500.00) or to undergo imprisonment not exceeding three years, or both in the discretion of the Court.

SECTION 22. All expenses incurred by the Commission and all salaries fixed by the Commission shall be paid from the appropriation named in Section 24 of this Act as appropriated, by the State Treasurer, upon vouchers duly verified and presented by the Commission.

SECTION 23. The Commission shall report annually to the Governor, within ninety days after the close of each calendar year, all expenditures made by it, or under its authority, and such other information regarding its procedure as will fully and clearly set forth all the particulars of such procedure, including
the number of old age persons to whom certificates allowing assistance have been granted, classified as to men and women according to their color, the number of certificates cancelled and the number of applications denied.

SECTION 24. The Sum of Two Hundred Thousand Dollars ($200,000.00) annually is hereby appropriated for the period of two years beginning July 1, 1931, out of the General Funds in the State Treasury for the purposes of this Act.
OLD AGE PENSION

ESTABLISHING AN OLD AGE PENSION COMMISSION FOR THE SEVERAL COUNTIES OF THIS STATE, PROVIDING THAT THE PROBATE JUDGE AND THE BOARD OF COUNTY COMMISSIONERS OF THE SEVERAL COUNTIES SHALL CONSTITUTE SUCH COMMISSION, PRESCRIBING THEIR DUTIES AND IMPOSING UPON THE DEPARTMENT OF PUBLIC WELFARE THE DUTY OF PRESCRIBING SUCH RULES, FORMS AND REGULATIONS AS SHALL BE NECESSARY TO CARRY OUT THE PROVISIONS OF THIS ACT, PROVIDING THAT CERTAIN PERSONS OVER THE AGE OF 65 YEARS MAY BE GRANTED OLD AGE PENSIONS, PRESCRIBING THEIR QUALIFICATIONS; PROVIDING FOR REIMBURSEMENT TO THE SEVERAL COUNTIES OF ALL MONEY PAID IN OLD AGE PENSIONS UNDER CERTAIN CONDITIONS; PROVIDING THE REQUIREMENTS TO BE MET BY AN APPLICANT BEFORE THE OLD AGE PENSION MAY BE COLLECTED; PROVIDING FOR THE ISSUANCE OF CERTIFICATES, RENEWAL AND PAYMENT THEREOF; PROVIDING THAT THE STATE SHALL NOT BE SUBJECT TO ASSIGNMENT, SALE, ATTACHMENT OR EXECUTION; PROVIDING FOR THE CANCELLATION OF SUCH CERTIFICATES, AND PRESCRIBING PENALTIES FOR A VIOLATION OF THE PROVISIONS OF THIS ACT; PROVIDING FOR THE DISQUALIFICATION OF APPLICANTS, PROVIDING THAT OLD AGE PENSIONS ARE TO BE PAID FROM THE POOR FUND OR THE COUNTY CURRENT EXPENSE FUND OF THE VARIOUS COUNTIES, AND PROVIDING FOR REPORTS OF THE OLD AGE PENSION COMMISSION TO THE DEPARTMENT OF PUBLIC WELFARE AND REPEALING ALL ACTS IN CONFLICT HEREWITH.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF IDAHO:

Section 1. There is hereby established in each county of the State of Idaho, a County Old Age Pension Commission, hereinafter designated

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF IDAHO:

Section 1. There is hereby established in each county of the State of Idaho, a County Old Age Pension Commission, hereinafter designated as the Commission, consisting of the Probate Judge and the Board of County Commissioners of the respective counties of the State, who shall serve as such without any additional compensation.

Section 2. The Commission shall perform all the duties imposed upon it by this act, relative to ascertaining the facts and determining who shall be entitled to the benefits thereof, under such rules, forms and regulations for applications, reports, affidavits and such other forms as the Department of Public Welfare, of the State of Idaho, shall promulgate, prescribe, and determine to the end that this act shall be uniformly interpreted, operated and carried into effect throughout the several counties within the State.

Section 3. Every person (man or woman, married or single), shall in the discretion of the Commission, while residing in the State of Idaho, be entitled to a pension in old age, subject to the restrictions and qualifications hereinafter noted.

Section 4. The amount of said pension shall be fixed by the Commission, with due regard to the conditions in each case; but in no event shall it exceed Twenty-five ($25.00) Dollars per month.

Section 5. An old age pension may be granted only to an applicant who, (a) Has attained the age of sixty-five years or upwards.

(b) Has been a citizen of the United States for at least fifteen years before making application for a pension.

(c) Resides in the State of Idaho, and has so resided continuously for not less than ten (10) years immediately preceding the date of application, and in the county in which the applicant is filed three years next preceding the date of the filing thereof, and who has during such period pursued some useful occupation or profession to the extent of his or her ability: Provided, that continuous residence in the State of Idaho shall not be deemed to have been interrupted by occasional absence therefrom where the total period of such absence does not exceed one year, or by absence from the State while in the employ or service of the State or United States, and PROVIDED FURTHER, that person having a proper county residence as hereinafore provided, who has resided in the State of Idaho, fifteen (15) years, at least five of which have been immediately preceding the date of application, and is not at the date of making such application in an insane or any other public reform or correctional institution, shall be deemed qualified in respect to residence.

(d) That during the period of ten years immediately preceding such date he has not been imprisoned for any offense punishable by imprisonment in the State penitentiary.

(e) That the claimant, if a husband, has not during the period of ten years immediately preceding such date, made application for a pension, for a period of six months or upwards, deserted his wife or without just cause failed to provide for her with adequate means of maintenance,

(f) That the claimant, if a woman, has not during the period of ten years immediately preceding such date, made application for a pension, for a period of six months or upwards, deserted her husband or without just cause failed to provide for him with adequate means of maintenance,

(g) That the claimant has not during the period of ten years immediately preceding such date, been convicted of a felony or a breach of the peace of a crime punishable by imprisonment in the State penitentiary, or by a period of imprisonment in a State reformatory, or sentenced for any offense punishable by imprisonment in a State prison.

(h) That the claimant has not during the period of ten years immediately preceding such date, been convicted of a crime punishable by imprisonment for a period of one year or upwards, or convicted of a breach of the peace, or convicted of a violation of any state law or any local ordinance, or sentenced for any offense punishable by imprisonment for a period of six months or upwards.

(i) That the claimant has not during the period of ten years immediately preceding such date, been convicted of a crime punishable by imprisonment for a period of one year or upwards, or convicted of a breach of the peace, or convicted of a violation of any state law or any local ordinance, or sentenced for any offense punishable by imprisonment for a period of six months or upwards.

(j) That the claimant has not during the period of ten years immediately preceding such date, been convicted of a crime punishable by imprisonment for a period of one year or upwards, or convicted of a breach of the peace, or convicted of a violation of any state law or any local ordinance, or sentenced for any offense punishable by imprisonment for a period of six months or upwards.
or neglected to maintain and provide for such of his children as were under the age of fifteen years; or, if a wife, deserted her husband or such of her children as were under age.

(p) That he has not been within one year preceding such application, a professional thief or beggar.

Section 6. (a) The income of the applicant from all sources at the date of application, shall not exceed the sum of Three Hundred (-300.00) Dollars per annum, and any pension (rented hereunder, together with the applicant's income shall not annually exceed said sum.

(b) The applicant must not have deprived himself or herself, directly or indirectly, of any property for the purpose of qualifying for a pension.

(c) The aged person must have no child or any other person responsible for his or her support under the laws of this State, able to support the applicant.

(d) At the death of the person to whom the pension is granted or of the last survivor of a married couple, as pensioned, the total amount of such pension since the first allowance thereof, together with five (5) per centum of interest per annum from date of allowance shall be presented as a claim in said estate by the prosecuting attorney of the county wherein said pension was granted and shall be deducted and allowed by the proper courts out of the proceeds of his or her property, including the homestead and other exempt property, as a preferred claim against the estate of the person so pensioned, and refunded to the county treasury to the credit of the poor fund or the county current expense fund, as the case may be, leaving the balance for the payment of debts and distribution among the lawful heirs in accordance with law: PROVIDED, that the Commission may demand the assignment or transfer of such property upon the first grant of such pension. The Commission shall establish such rules and regulations regarding the care, transfer, management and sale of such property as it deems advisable, and, shall after reimbursing the county for all sums advanced, provide for the return of the balance of the applicant's property in its hands whenever the pension is withdrawn or the applicant accesses to request it.

Section 7. (a) The annual income of any property inclusive of a homestead, shall be computed at five (5) per centum of its determined value.

(b) In ascertaining an applicant's income and the amount of pension, his income for the last preceding year shall be deemed his annual income, and the property owned at the end of that year as his accumulated property, provided that when the applicant shows to the satisfaction of the Commission the loss of personal income derived from personal earnings, it shall be deducted from income of the preceding year in considering the amount of pension to be granted.

Section 8. (a) An applicant for a pension under this act, shall file his or her application in writing with the Probate Judge of the County in which the applicant resides in the manner and form prescribed by the Commissioner of the Department of Public Welfare. All the statements in the application shall be sworn to or affirmed by the applicant, setting forth that all facts are true and correct in every material point.

(b) After proper investigation of said application by the Probate Judge, he shall present the same to the County Commissioners at their next meeting with his recommendation for their approval. In the event the Commissioners, or a majority thereof, approve the recommendation of the Probate Judge, their action shall be final, unless the applicant shall, within ten days from receiving notice of such action, demand a hearing upon said application, in which event the Probate Judge shall fix a date for the hearing thereof, which shall be attended by the County Attorney and a majority of the County Commissioners, with full power of investigation. The applicant shall be notified, sufficiently in advance, of the date of the hearing or which he may attend to support his application, and if such hearing the decision of the Probate Judge, with the approval of the County Commissioners, shall be final.

(c) For the purpose of such investigation, the applicant or any member of the Board of County Commissioners shall have the right to request the issuance of subpoenas, or the Probate Judge on his own motion, may do so, compelling the attendance of witnesses and the production of books and papers. All witnesses shall be examined on oath or affirmation administered by the Probate Judge, and their testimony may be taken in shorthand by the county stenographer, and the County Attorney shall examine or cross examine the applicant or any witness concerning such hearing.
Section 9. (a) When the application is allowed and the rate of the first year's pension fixed, the Probate Judge with the approval of the Board of County Commissioners, shall issue to the applicant an old age pension certificate setting the amount of the monthly payment, which shall be good for one year, except as otherwise provided in this act.

(b) Such certificate shall be required to be removed or issued each subsequent year after satisfactory investigation.

Section 10. (c) The pension shall commence on the date named in the certificate, which shall be the first day of the month within which the certificate is issued; PROVIDED, that where an application is allowed, the certificate shall be issued not later than three (3) months after application has been made.

All installments shall be paid monthly, the payments to be made in such form and manner as may be ordered by the Commission.

Section 11. (a) If at any time during the currency or continuance of an old age pension certificate, the recipient or the wife or husband of the recipient becomes possessed of any property, or income in excess of the amount allowed by law in respect to the amount of pension granted, the Commission shall either cancel the pension or vary the amount thereof during the period of the certificate. And it shall be the duty of the recipient to immediately notify the Probate Judge of the receipt and possession of such property or income, and give him full and complete information with respect thereto, and in the event such property or income is in excess of the amount allowed by law for the allowance of a pension hereunder, then on to such excess the commission shall have a lien thereon, prior to all other liens, except general taxes, for the repayment of all sums advanced, and in the event the same is not paid within such time as the Commission may fix, the County Attorney shall commence an appropriate action in the name of the Commission to enforce said lien and recover the amount so advanced, and the proceeds of such action shall be paid into the fund from which the pension was granted.

(b) Whenever during the life, or upon the death of any recipient of an old age pension certificate, it is found that he, or she, was possessed of property in excess of the amount allowed by law in respect to the amount of pension granted, double the total amount of the relief granted in excess of that to which the recipient was by law entitled, may be recovered by the Commission as a preferred claim from the estate so found in excess. The County Attorney shall institute and prosecute the necessary proceedings to recover such claim and all property of the recipient, including homestead and other exempt property shall be liable therefor and the amount recovered shall be paid into the county treasury, and credited to the fund from which the pension was paid.

Section 12. (a) On the death of a recipient of an old age pension, the Commission shall pay such reasonable funeral expenses as are necessary for the burial of such person, PROVIDED, that those expenses shall not exceed One Hundred (100.00) Dollars, and provided further that the estate of the deceased is insufficient to defray these expenses.

(b) And PROVIDED FURTHER, that those provisions for providing for old age pensions shall not be construed as a vested right in the pensioner.

Section 13. (a) When an old age pension recipient becomes an inmate of any charitable or benevolent institution, payments accruing upon the certificate or such amount thereof as may be necessary shall be paid to the governing authorities of that institution, and shall be applied toward defraying the actual expenses of such institution: PROVIDED, that the Commission has approved, and that it and its agents are permitted freely to visit and inspect said institution. It shall not be lawful for the authorities of any charitable institution receiving public moneys, to refuse admission as an inmate of such institution or to refuse relief on the ground that the person is an old age pension recipient under this act.

(b) During the continuance of the pension no recipient shall receive any other relief from the state or from any political subdivision thereof, except for medical and surgical assistance.

Section 14. No old age pension certificate shall be sold, assigned, or be subject to execution or attachment or other process, and in case of bankruptcy the same shall not pass to a bankrupt, his assigns or other persons acting on
Section 15. If at any time the Commission has reason to believe that any certificato has been improperly obtained, it shall cause special inquiry to be made, and may suspend payment of any installment pending inquiry. If, on inquiry, it appears that the certificato was improperly obtained, it shall be cancelled by the Probate Judge with the approval of the County Commissioners, but if it appears that the certificato was properly granted, the suspended installment shall be payable in due course.

Section 16. Any person who by means of a wilful false statement or representation, or concealment of facts relative to his property, or by impersonation, or other fraudulent device, obtains, or attempts to obtain, or aids or abets any other person to obtain,

(a) A pension certificato or any payment thereon to which he is not justly entitled,
(b) A greater allowance than that to which he is justly entitled,
(c) Payment of any forfeited installment certificato,
(d) Or aids or abets in the buying or in any way disposing of the property of an old age pension recipient, without the consent of the Commission shall be guilty of a misdemeanor and upon conviction thereof, shall be punished by a fine not exceeding Three Hundred ($300.00) Dollars, or imprisonment in the county jail not exceeding six (6) months, or both, in the discretion of the court.

Section 17. (a) Any person who violates any of the provisions of this act for which no penalty is specifically provided, shall be subject to a fine not exceeding Three Hundred ($300.00) Dollars, or imprisonment in the county jail, not exceeding six (6) months, or both, in the discretion of the court.

(b) Where an old age pension recipient is convicted of an offense under this act, the Commission shall cancel the pension certificato in respect to the issuance of which the offense was committed.

Section 18. If any recipient under this act is convicted of any crime, misdemeanor or felony, punishable by imprisonment for one month or longer period, the Commission shall direct that payment be not made during such period. If the recipient is found "incapable of taking care of his money or himself on the testimony of at least three reputable witnesses, the Commission may direct the installment of his pension to be paid to any other reputable person for his benefit, or may suspend the same for such period as it deems proper.

Section 19. In case of forfeiture of a pension certificato the person whose certificato is so forfeited shall be disqualified for making any application for a new certificato until expiration of one year from the date of forfeiture.

Section 20. Funds for the administration of this act and the payment of pensions issued thoroan, shall be provided by the several counties of this state from the poor fund or county current expense fund, as the case may be, used by the county in caring for its poor.

Section 21. Within ninety (90) days after the close of each calendar year, the Commission for the several counties of this state shall make a report to the Department of Public Welfare of this state, stating,

(c) The total number of recipients.
(b) The amount paid in cash.
(c) The total number of applications.
(d) The number granted pensions, the number denied, the number cancelled during that year and such other information as the Department of Public Welfare may deem advisable.

Section 22. The primary and active administration of the provisions of this act shall devolve upon the Probate Judge, who shall keep a record of each application and all proceedings had and taken thereon. It being the intention to confer upon the Board of County Commissioners such supervisory power and control as may be necessary, to the end that the provisions of this act are not abused, nor any deserving person denied relief thoroan.

Section 23. Every pension granted under the provisions of this act shall be deemed to be granted and shall be held subject to the provisions of any amending or repealing act that may hereafter be passed, and no recipient under this act shall have any claim for compensation or otherwise by reason of his certificato being affected in any way by any such amending or repealing act.

Section 24. That whenever in this act the masculine pronoun is used, it shall be held to include the feminine pronoun.
Massachusetts.

[Chap. 402.]

AN ACT PROVIDING FOR ADEQUATE ASSISTANCE TO CERTAIN AGED CITIZENS AND FOR A REPORT BY THE COMMISSIONER OF CORPORATIONS AND TAXATION AS TO WAYS AND MEANS FOR RAISING THE REQUIRED REVENUE.

Be it enacted, etc., as follows:

SECTION 1. The General Laws are hereby amended by inserting after chapter one hundred and eighteen, under the title, Adequate Assistance to Certain Aged Citizens, the following new chapter:—

CHAPTER 118A.

ADEQUATE ASSISTANCE TO CERTAIN AGED CITIZENS.

Section 1. Adequate assistance to deserving citizens in need of relief and support seventy years of age or over who shall have resided in the commonwealth not less than twenty years immediately preceding arrival at such age, subject to such reasonable exceptions as to continuity of residence as the department of public welfare, in this chapter called the department, may determine by rules hereinafter authorized, shall be granted under the supervision of the department. Such assistance shall, wherever practicable, be given to the aged person in his own home or in lodgings or in a boarding home, and it shall be sufficient to provide such suitable and dignified care. No person receiving assistance hereunder shall be deemed to be a pauper by reason thereof.

Section 2. Each board of public welfare shall, for the purpose of granting adequate assistance and service to such aged persons, establish a division thereof to be designated as the Bureau of Old Age Assistance. In determining the need for financial assistance, said bureaus shall give consideration to the resources of the aged person and to the ability of children and others to support such aged person. Separate records of all such aged persons who are aided shall be kept and reports returned in the manner prescribed by section thirty-four of chapter forty-one and by sections thirty-two and thirty-three of chapter one hundred and seventeen.

Section 3. In respect to all aged persons in receipt of assistance under this chapter, the town rendering the
assistance shall, after and subject to approval of the bills by the department and subject otherwise to the provisions of section forty-two of chapter one hundred and twenty-one, be reimbursed by the commonwealth for one third of the amount of assistance given, or, if the person so aided has no settlement in the commonwealth, for the total amount thereof. If the person so aided has a legal settlement in another town, two thirds of the amount of such assistance given may be recovered in contract against the town liable therefor in accordance with chapter one hundred and seventeen.

Section 4. The department shall supervise the work done and measures taken by the boards of public welfare of the several towns in respect to persons aided and service given under this chapter; and for this purpose may make such rules relative to notice and reimbursement and such other rules relating to the administration of this chapter, as it deems necessary, and may visit any person aided, and shall have access to any records and other data kept by the boards of public welfare or their representatives relating to such assistance, and may require the production of books and papers and the testimony of witnesses under oath.

Section 2. The commissioner of corporations and taxation is hereby directed to consider ways and means for raising the revenue required by the commonwealth and by the cities and towns thereof to carry out the terms of this act from sources which, so far as may be, will not constitute an additional burden on real estate, and shall especially consider some form of taxation on amusements, proprietary articles and luxuries, and shall report to the general court his findings and recommendations, together with drafts of legislation necessary to carry his recommendations into effect, by filing the same with the clerk of the house of representatives not later than the first Wednesday in December of the current year.

Section 3. Section one of this act shall not become operative until July first, nineteen hundred and thirty-one.

Approved May 28, 1930

Chap. 40. page 2
-32-2M
Minnesota
Old Age Pension Law

Being
Chapter 47—Laws 1929

Issued By
MIKE HOLM,
Sec'y of State
CHAPTER 47—S. F. No. 102

An act relating to old age pensions and providing penalties.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Counties may establish old age pensions.—Any county in this state is hereby authorized to establish a system of old age pensions. Before so doing the proposition of the establishment of such a system shall be duly submitted to the legal voters of the county at the ensuing general election to be held therein, and if a majority of the legal voters voting at such election shall vote in favor of the establishment of such a system then it shall be established in said county pursuant to the conditions of this Act. A resolution submitting such proposition to the legal voters of the county must be duly adopted by the county board by a majority vote thereof before such proposition shall be so submitted. After having operated under such system for one year or more any county may abandon such system by a majority vote of the county board voting in favor of such abandonment.

Sec. 2. Persons entitled to pensions—Amount of pension.—Any person while residing in a county, which maintains a system of old age pensions, who shall comply with these provisions, shall be entitled to a pension. The amount of such pension shall be fixed with due regard to the conditions in each case, but in no case shall it be an amount, which, when added to the income of the applicant, including income from property, as computed under the terms of this act, shall exceed a total of one dollar per day.

Sec. 3. Who may receive.—An old age pension may be granted only to an applicant who:

(1) Has attained the age of seventy years or upwards.

(2) Has been a citizen of the United States for at least fifteen years before making application for a pension.

(3) Has resided in the state and county in which he makes application:

(a) Continuously for at least fifteen years immediately preceding the date of application, but continuous residence in the state and county shall not be deemed to have been interrupted by periods of absence therefrom if the total of such periods does not exceed three years, or,

(b) Forty years, at least five of which have immediately preceded the application;
(c) Provided, that absence in the service of the state of Minnesota or of the United States shall not be deemed to interrupt residence in the state or county if domicile be not acquired outside the state or county.

(4) Is not at the date of making application an inmate of any prison, jail, workhouse, infirmary, insane asylum, or any other public correctional institution;

(5) During the period of ten years immediately preceding such date has not been imprisoned for a felony;

(6) If a husband, has not without just cause, failed to support his wife and children under the age of fifteen years for six months or more during the fifteen years preceding the date of application;

(7) Has not, within one year preceding such application, been a habitual tramp or beggar;

(8) Has no child or other responsible person under the law of this state liable for his support and able to support him.

Sec. 4. Restrictions.—No old age pension shall be granted or paid to a person:

(1) While or during the time he is an inmate of and receives the necessities of life from any charitable institution maintained by the state or any of the political subdivisions of the state, or of a private charitable, benevolent or fraternal institution, or home for the aged;

(2) If the value of his property or the value of the combined property of husband and wife, living together, exceeds three thousand dollars;

(3) Who has deprived himself, directly or indirectly, of any property for the purpose of qualifying for old age relief.

Sec. 5. Computation of income.—The annual income of any property which is not so utilized as to produce a reasonable income, shall be computed at five per cent of its value.

Sec. 6. Estate to pay pension in certain cases.—On the death of a person pensioned, or on the death of the survivor of a married couple, both of whom were so pensioned, the total amount paid as pension, together with simple interest at three per cent annually shall be allowed and deducted from the estate of such person or persons, by the court having jurisdiction to probate the estate. The amount so recovered
shall be paid into the treasuries of the county, town, village or city, in the proportion in which they respectively contributed toward the total of the pensions received by the deceased or by the married couple of which the deceased was the survivor.

Sec. 7. **District Court may require property to be deeded to County.**—(1) If the district judge deems it necessary, he may require as a condition to the grant of a pension certificate, that all or any part of the property of an applicant for a pension be transferred to the county. Such property shall be managed by the board of county commissioners, which shall pay the net income to the person or persons entitled thereto. The board shall have power to sell, lease or transfer such property or defend and prosecute all suits concerning it and to pay all just claims against it and do all other things necessary for the protection, preservation, and management of the property, provided that the property acquired by the county under the provisions hereof shall be sold, leased or transferred only in the manner provided by Section 638, General Statutes 1923.

(2) If in the event that the pension is discontinued during the lifetime of the pensioner the property thus transferred to the board of county commissioners exceeds the total amount paid as pensions with simple interest at three per cent annually, the remainder of such property shall be returned to the pensioner; and in the event of his death such remainder shall be considered as the property of the pensioner for proper probate proceedings. The board of county commissioners shall execute and deliver all necessary instruments to give effect to this sub-section.

(3) The county attorney at the request of the board of county commissioners shall take the necessary proceedings and represent and advise the board in any matters arising under this section.

Sec. 8. **Applications.**—An applicant for a pension shall file his application in writing with the district judge of the county in which he resides in such manner and form as shall be prescribed by the county attorney. All statements in the application shall be sworn to or affirmed by the applicant, setting forth that all facts are true in every material point. Upon the filing of such an application, the district judge shall make an order fixing a time and place for the hearing thereon, which hearing shall be not sooner than thirty days after the making of such order. The clerk of the district court shall forthwith upon the making of such order mail a copy of the
same and of the application to the clerk or recording office of the city, town or village of which the applicant is a resident; a like copy of such order shall be mailed to the applicant.

Sec. 9. **Judge to direct investigation.**—The district judge shall promptly make or cause to be made such investigation as he may deem necessary. The district judge shall decide upon the applicant, and fix the amount of the pension, if any, and such decisions shall be final. An applicant whose application for pension has been rejected, may not again apply for a pension until the expiration of twelve months from the date of his previous application.

Sec. 10. **Judge to issue certificates.**—(1) The district judge shall issue to each applicant to whom a pension is allowed, a certificate stating the date upon which pension payments shall commence and the amount of each installment, which may be monthly or quarterly, as the judge may decide.

(2) Each pensioner shall file such reports with the district judge as the said district judge may from time to time require. If it appears at any time that the applicant's circumstances have changed, the district judge may revoke or modify any pension certificate issued. Any pension paid in excess of the amount due shall be returned to the county and may be recoverable as a debt due the county.

Sec. 11. **Funeral expenses.**—On the death of a pensioner such reasonable funeral expenses for burial shall be paid to such person as the district judge may direct; provided that these expenses do not exceed one hundred dollars, and provided further that the estate of the deceased is insufficient to pay these expenses.

Sec. 12. **Not to receive other aid.**—(1) During the continuance of the pension no pensioner shall receive any other relief from the state or from any political subdivision thereof, except for medical and surgical assistance.

(2) If the pensioner is, on the testimony of at least three reputable witnesses, found incapable of taking care of himself or his money, the district judge may direct the payment of the installments of the pension to any responsible person or corporation for his benefit or may suspend payment for such period as the district judge shall deem advisable.

Sec. 13. **Pensions exempt from tax or process.**—All pensions shall be exempt from any tax levy by the state or by any subdivision thereof, and exempt from levy and sale, garnishment, attachment, or any other process whatsoever, and shall be inalienable in any form.
Sec. 14. Revocation of certificate.—If at any time the district judge has reason to believe that pension certificate has been improperly obtained, the district judge shall cause special inquiry to be made and may suspend payment of any installment pending the inquiry. If on inquiry it appears that the certificate was improperly obtained, it shall be cancelled, but if it appears that the certificate was properly obtained, the suspended installments shall be payable in due course.

Sec. 15. False statements a misdemeanor.—Any person who by means of a wilfully false statement or representation, or by impersonation, or other fraudulent device, obtains, or attempts to obtain, or aids or abets any person to obtain:

(1) A pension certificate to which he is not entitled;
(2) A larger pension than that to which he is justly entitled;
(3) Payment of any forfeited installment grant;
(4) Or aids or abets in buying or in any way disposing of the property of the pensioner without the consent of the district judge;
   Shall be guilty of a misdemeanor.

Sec. 16. Violation a misdemeanor.—(1) Any person who violates any provision for which no penalty is specifically provided shall be guilty of a misdemeanor.

(2) Where a pensioner is convicted of an offense under this section the district judge may cancel the certificate.

Sec. 17. Pension shall cease when.—If a pensioner is convicted of any misdemeanor, felony, or other offense punishable by imprisonment for one month or longer, payments shall not be made during the period of imprisonment.

Sec. 18. County Board to provide for funds.—(1) The county board of each county which establishes an old age pension system shall annually appropriate a sum of money sufficient to carry out the provisions of this Act. Upon the orders of the judge of the district court, the county auditor shall draw his warrant on the proper fund in accordance with said order of said court and the county treasurer shall pay out the amounts ordered to be paid as pensions, under the provisions of this act.

(2) Each city, town and village, shall reimburse the county for all amounts of money paid in old age pension to its residents, except that such reimbursements shall not be required for persons who have not been residents thereof for at
least five years. The county auditor shall make a report to the county board at its annual meeting showing in detail the amounts which under this sub-section are chargeable to each city, town and village, and the county board at such meeting shall determine the amount to be raised and paid by each such city, town and village, to reimburse the county. The county auditor shall charge the amount so determined to such city, town or village, and shall certify the same to the city, town or village clerk. Each city, town or village shall annually levy a tax sufficient to meet such charges, which shall be collected as are other taxes, and paid into the county treasurer. Provided, the foregoing provisions of this sub-division shall not apply in counties operating under a county system of caring for the poor. In any county where the commission system of caring for the poor is in operation, all sums paid as pensions under the law shall be paid out of the revenue fund of said county.

Sec. 19. **County Auditor to make report.**—Within thirty days after the close of each calendar year, the county auditor of each county shall make a report for the preceding year to the board of county commissioners stating:

(1) The amount paid for pensions and to whom and in what amount paid;

(2) The total number of applications for pensions and the name of each applicant;

(3) The number granted, the number denied, the number cancelled during that year, the name of each applicant and such other information as the board of county commissioners may deem advisable.

Sec. 20. **County Board shall make rules.**—The board of county commissioners shall from time to time prescribe and promulgate rules and regulations to efficiently carry out the provisions of this act and shall publish such information as it may deem advisable to acquaint aged persons and the public generally with the old age pension plan of this state.

Sec. 21. This act shall take effect and be in force from and after its passage.

Approved March 1, 1929.
section and substituting therefore the following:
8. Penalty. Any distributor, dealer, or purchaser of such fuel who shall violate any provision of this chapter, or shall wrongfully claim such refund, or wrongfully fail to pay the road toll to any dealer or distributor, shall be fined not more than one hundred dollars. If any distributor fails to render reports or to make payment of road tolls at the times specified by statute the commissioner may suspend or revoke his license.

5. Takes Effect. This act shall take effect upon its passage, but nothing herein shall be taken to repeal the provisions of chapter 1, special session Laws of 1927 and chapter 41 of the Laws of 1928, enacting such appeals as authorized an additional cent of road toll.

Approved May 7, 1931.

Chapter 160.

AN ACT amending "An Act relative to the taxation of gas and electric utilities."

Be it enacted by the Senate and House of Representatives in General Court convened:

1. Amendment. The act relative to the taxation of gas and electric utilities, approved April 28, 1931, is hereby amended by renumbering section 20 as 21, and is further hereby amended by striking out section 19 of said act and inserting in place thereof the following section 19 as amended: "Current Year. For the period from June first, 1931, to April first, 1932, the tax herein provided shall be assessed upon values as of June first, 1931, which shall be presumed to be the same as those of April first, 1931, in the absence of evidence tending to show different values, and which shall be otherwise determined as herein provided. The rate of taxation to be used in assessing the property to be taxed for said period shall be five sixths of the average rate of taxation upon other property throughout the state for the tax year dating from April first, 1931. Except as this section expressly and specially provides otherwise, all the other provisions of this act shall be applicable hereto; provided that the tax commission may extend the time for the filing of statements in the year 1931 under the provisions of section 6 for not more than two months, and in the case of such extension the certificate of tax shall be filed within three months after the last day as extended for such filing under section 6, and the tax shall be paid within three months and fifteen days after the last day as extended for such filing under section 6.

20. Disposition of Revenue. The revenue derived under this act shall be covered into a special fund constituted by an act providing a special fund for the rehabilitation of treasury balances and the retirement of state indebtedness and distributed in accordance therewith.

2. Takes Effect. This act shall take effect upon its passage.

Approved May 7, 1931.

Chapter 161.

AN ACT relating to bail and recognizances.

Be it enacted by the Senate and House of Representatives in General Court convened:

1. Appeals. Amend section 3, chapter 166 of the Public Laws by striking out the words "five hundred" in the third line and inserting in place thereof the words, "two thousand, so that said section as amended shall read as follows: 3. — Ball. Before the appeal is allowed the applicant shall enter into recognizance, with sufficient sureties, in such sum as the court shall order, not exceeding two thousand dollars, to appear at the court of appeal, to prosecute his appeal with effect, to abide the order of the court thereon and, if so required, to be of good behavior in the meantime; or shall surrender himself to the proper authority for the purpose of commitment to the county jail or house of correction, pending such appeal."

2. Amendment. Amend section 48 of chapter 144 of the Public Laws by striking out the words "five hundred" in the seventh line thereof, and inserting in place thereof the words, two thousand, so that said section as amended shall read as follows: 48. Recognition. If, upon proceedings had before a justice or municipal court for any offense mentioned in this chapter which said justice or court has not jurisdiction to hear and determine, the accused shall plead not guilty, and the justice or court, on hearing the evidence, is of opinion that he is guilty of the offense charged, he shall be ordered to recognize, with two or more sufficient sureties, in a sum not less than two hundred nor more than two thousand dollars, to appear at the next term of the superior court or the district court of the county, and to abide the order of the court and in the meantime to be of good behavior and not to violate any provision of this chapter, and to stand committed until the order is complied with.

3. Repeal; Takes Effect. All acts or parts of acts inconsistent with this act are hereby repealed and this act shall take effect upon its passage.

Approved May 7, 1931.

Chapter 162.

AN ACT relating to conservators.

Be it enacted by the Senate and House of Representatives in General Court convened:

1. Amendment. Amend section 12, chapter 291, of the Public Laws, by inserting after the word "spendthrift" in the second line thereof, the words, or the conservator of a person under mental or physical disabilities, so that said section as amended shall read: 12. Authorization. The judge may, on petition after notice, license the guardian of an insane person or spendthrift, or the conservator of a person under mental or physical disabilities, who has a family, to purchase with the funds of his ward real estate situated in this state, as a homestead for his ward and his family.

2. Takes Effect. This act shall take effect upon its passage.

Approved May 7, 1931.

Chapter 163.

AN ACT relating to the regulation of small loans.

Be it enacted by the Senate and House of Representatives in General Court convened:

-220-
1. New Section. Chapter 269 of the Public
Laws is hereby amended by adding there to a new section, to be inserted at the end of section 1 of said chapter and to read as follows: 1-s. Term of License. Each such license shall terminate on the April first next following its issue, and the licensee shall thereafter do such business as is defined in section 1 only after securing a new license in the manner and upon the condition specified in this chapter prescribed for obtaining licenses.

2. Issue. Section 6 of said chapter 269 is hereby amended by inserting after the word "shall" in the second line of said section the words, if the applicant is safe, reliable and entitled to confidence, so that said section as amended shall read as follows: 6. Issue. Upon the filing of such application, the approval of said bond and the payment of said fee, the commissioner shall, if the applicant is safe, reliable and entitled to confidence, issue a license to the applicant to make loans in accordance with the provisions of this chapter until April first next following. Such license shall not be assigned.

3. Commission. The governor, with the advice and consent of the council, is hereby authorized and directed to appoint five competent persons to constitute a commission to study and analyze the true net income of licensees under Public Laws chapter 269 and the effect of the rate of interest charged by said licensees, on loans of three hundred dollars or less, upon the general welfare of the state of New Hampshire and its citizens. The members of such commission shall serve without compensation but shall be reimbursed for their actual expenses and the commission shall have power to employ any necessary legal, expert, clerical and stenographic assistance, the accounts therefor to be approved by the governor and council. The governor is authorized to draw his warrant for the same sum of any money in the treasury not otherwise appropriated. Said commission shall report to the bank commissioner on or after January 1, 1932, its findings on said matters and recommendations based on said findings as to the rate of interest said licensees should be allowed on loans of three hundred dollars or less. The bank commissioner, if, in his opinion, the public good requires, may reduce the rate of interest which may be charged by licensees on loans of three hundred dollars or less to the rate recommended by the commission.

4. Present Licenses Terminate When. All licenses issued under chapter 269 of the Public Laws prior to the time when this act shall take effect, shall terminate on April first in the year 1931, and shall confer upon the licensee no authority to continue after that date in the business regulated by said chapter 269 of the Public Laws. Any person continuing after that date to do such business without a new license shall be punished by the penalties prescribed in said chapter 269 for breach thereof.

5. Takes Effect. All acts and parts of acts inconsistent with this act are hereby repealed, and this act shall take effect upon its passage.

Approved May 7, 1931.

CHAPTER 164
An Act enacting the jurisdiction of certain municipal courts.

Be it enacted by the Senate and House of Representatives in General Court Convened:

1. Assistance Established. For the more humane care and relief of aged and dependent persons, a system of assistance is hereby established. Such assistance shall be administered by the board of commissioners in each county by the commissioners as hereinafter provided, and the cost of such assistance, together with the expense occasioned thereby, shall in the first instance be paid by the county; but the county shall be reimbursed by each town legally chargeable for such assistance rendered, together with the expense occasioned thereby.

2. Assistance to Whom. Old age relief or assistance shall be given to any person of the age of seventy years, who (a) is unable to support himself and has no children or other persons of sufficient ability to pay, who is responsible for his support under the laws of New Hampshire; (b) has been a citizen of
or such part thereof as the funds of the estate will permit, and any insurance payable to the estate shall be subject to a lien therefor and for funeral expenses not to exceed one hundred and twenty-five dollars. If the insured’s dependents who may become public charges, the county commissioners, as trustees, are authorized to waive any such claim in behalf of the county, city or town entitled thereto. If the property transferred to the county commissioners as provided by section 4 exceeds the total amount of assistance rendered, with simple interest at four per cent, the remainder of such property or the proceeds thereof shall be returned to the beneficiary or his estate after the death of the beneficiary or the discontinuance of such assistance. The county commissioners, as trustees, are authorized to execute and deliver whatever instruments are necessary therefor.

7. Legal Aid. The attorney-general or the county solicitor, at the request of the county commissioners, shall bring all necessary proceedings and represent and advise said officials in respect to any matters arising under this act.

8. Penalty. Any person who, by means of wilfully false statements or representation, or other fraud, attempts to obtain or obtains any assistance pending any application to which he is not entitled or in disposing of any property without the consent of the commissioners, or who violates any other provision of this act shall be fined not more than five hundred dollars or imprisoned not exceeding one year or both.

9. Disbursements. Unless otherwise arranged with the proper officials of towns and state, the county treasurer shall pay the commissioner or the commissioners, the town and state officials whose duty it is to furnish assistance to those in need are hereby authorized to make such agreements with the commissioners as shall make the purposes of this chapter possible.

10. Records. All records, papers and other documents pertaining in any way to such assistance shall be maintained in a suitable and proper manner by said commissioners, and shall remain the same in their custody, and which may be opened to inspection by any person interested at any time.

11. Annual Report. On or before the first day of February in each year, the commissioners of each county shall make a written report for the preceding year to the mayor and council of each city, and to the board of selectmen of each town, to residents of which assistance has been rendered, said report to contain: (a) the total number of applications for assistance; (b) the amount paid out as assistance; (c) the total number granted, the number denied, the number cancelled, the number chargeable to the county, and to each city and town, and such other information as may be deemed advisable. The names of those receiving assistance shall not be printed but such amounts shall be stated generally in any printed reports of town, county or state, together with such other information as may be deemed useful for the information of the public.

12. Audit. The accounts of the commissioners as affected by the provisions of this act shall be examined and audited annually by the auditors of each county.

13. Limitations. No beneficiary shall be prevented from choosing the assistance provided by chapters 105, 106 and 107 of the Public Laws or other laws of this state, in lieu of the assistance provided by this chapter. No one receiving assistance under this chapter shall lose his settlement while receiving such assistance.

14. Takes Effect. This act shall take effect September 1, 1931. Approved May 7, 1931.

CHAPTER 106.

An Act to prohibit stocking.

Be it enacted by the Senate and House of Representatives in General Court Convened:

1. Amendment. Amend chapter 206, section 12, of the Public Laws by striking out all of said section and inserting in place thereof the following: 18. Prohibited Stocking. No person shall bring or cause to be brought into the state any live game bird or any live game animal or fur bearer unless he first obtains a permit from the commissioner of the Department of Fish and Game, nor shall any person liberate any bird or animal other than birds used as decoys at the time of such liberation, nor shall any person introduce in the public waters of the state any fish or the eggs or fry thereof except in accordance with the provisions of an outstanding permit issued to him. The commissioner may in his discretion issue such a permit and may include therein reasonable conditions as to importation, stocking of such birds, animals or fish. Any such bird or animal which is brought into the state for liberation under authority of a permit granted herein and is found upon inspection to be diseased may be confiscated by any officer empowered to enforce this chapter and shall be forfeited as the commissioner shall deem best. Any person or persons attempting to stock or introduce any fish in any waters without such permit shall be subject to a fine as prescribed for violation of this section.

2. Takes Effect. This act shall take effect upon its passage. Approved May 7, 1931.

CHAPTER 107.

An Act relating to investigations by the insurance commissioner.

Be it enacted by the Senate and House of Representatives in General Court Convened:

1. Insurance Commissioner. Amend chapter 271 of the Public Laws by inserting after section 12 the following new sections: 12-a. Investigations Authorized. The insurance commissioner, upon written complaint of any person holding a policy in any surety or insurance company doing business within this state that he is aggrieved by any act of such company, shall cause such investigation to be made of such complaint as he may deem necessary. Said commissioner may hold a public hearing, if he deems it advisable, after giving reasonable notice to the company and persons involved. 12-b. Findings. After the investigation the commissioner shall, within thirty days, make known his findings to all persons involved.

2. Takes Effect. This act shall take effect upon its passage. Approved May 7, 1931.
the United States for at least fifteen years before making application for old age assistance; (c) has been a resident of the parish in which he makes application, for at least fifteen years immediately preceding his application for relief, but continuous residence shall not be deemed to be interrupted by periods of absence therefrom if the total of such periods does not exceed three years, provided such applicant shall not have gained a legal residence out of the state during the year previous to such application; and absence in military service of the state or of the United States and shall not be deemed to interrupt residence in this state if acquired outside the state or county.

3. Persons Excluded. Such assistance shall not be granted or paid to a person: (a) while a inmate of, or receiving the necessaries of life from any charitable institution maintained by the state or by any political subdivision, or of a private charitable, benevolent, or fraternal institution, or home for the aged except in the case of temporary medical or surgical care; (b) if on account of his physical or mental condition is in need of continued institutional care; (c) if the value of the combined property of husband and wife living together, exceeded two thousand dollars; (d) who has depri ved himself, directly or indirectly of any property for the purpose of qualifying for old age assistance; (e) who is at the time of making application or later an inmate of any prison, jail, workhouse, infirmary, insane asylum, any public correctional institution, or other public correctional institution; (f) who during the ten years immediately preceding such date has been imprisoned for a felony; (g) who has been adjudged an imbecile or idiot; (h) (if a husband) has deserted his wife and his children under the age of sixteen years for a period of six months or more during the ten years preceding the date of application for old age assistance; (h) (if a wife) has deserted her husband and said applicant has within one year received public aid for such assistance been a habitual tramp, beggar, or drunkard.

4. Trustees. The county commissioners may require as a condition to the granting of such assistance, that all or any part of the property of the applicant be transferred to the county commissioners, or to such person or persons as may be assigned by the commissioners as trustees aforesaid, who shall pay the net income to the person or persons entitled thereto, deducting from any income in excess of his personal property for his support, and in case of his death, his personal property for the benefit of his family; and to do all other things necessary for the protection, preservation and management of the property.

5. Regulations. The commissioners shall from time to time prescribe and promulgate rules and regulations necessary for the carrying out of the provisions of this act to the end that such relief may be extended in a humane and efficient manner. They shall make investigations and decisions as to the amount to be granted, if any, and their decision shall be final. Any applicant shall be entitled to a hearing and opportunity to present evidence before any decision becomes effective, provided he files a petition for hearing with the commissioners within fourteen days after the date of application. The commissioners shall fix the date of such hearing to be within seven days after the petition is filed and notify the applicant and the applicant’s guardians, if any, of the time and place of hearing. The decision of the commissioners shall be made fourteen days from the date of application or earlier, if no hearing is asked, or within seven days after the date of final hearing if hearing has been asked. Any application that has been rejected or allowed to discontinue may not again apply for assistance until the expiration of six months from the date of his previous application or discontinuance. The application shall be verified as to the truth of all facts required in the application. Such application shall be filed in the office of the state or of the United States and shall not be deemed to interrupt residence in this state if acquired outside the state or county.

6. Assistance Recovered. The administration of the estate of any person assisted for such assistance shall be at the discretion of the county commissioners, and in the event of the decease of such person any sum paid for assistance to the person or to such person’s husband or wife together with four per cent interest
State of New Jersey

DEPARTMENT OF STATE

CHAPTER 219, P. L. 1931.

An act to provide for the protection, welfare and relief of aged persons in need, and residents in the State of New Jersey, and providing for the administration therefor and dedicating certain income of the State therefor and prescribing penalties for the violation thereof.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. Subject to the provisions of this act, every deserving poor person, residing in the State of New Jersey, seventy years of age or upwards, shall while in the State of New Jersey be entitled to relief in old age from the State.

2. Old age relief shall be granted under this act to any person who:

(a) Has attained the age of seventy years;

(b) Is unable to maintain himself, either in whole or in part, and has no children or other persons able to support him or responsible under the laws of this State for his support;

(c) Is a citizen of the United States;

(d) Is a resident of and domiciled in the State of New Jersey, and has so resided and been domiciled therein continuously for at least fifteen years immediately preceding the date of application, but continuous residence in the State shall not be deemed to have been interrupted by occasional periods of absence therefrom if the total of such periods of absence does not exceed two years, and during the five years immediately preceding the date of application has not removed from this State and remained therefrom for a period in the aggregate of one year;

(e) Is a resident of and domiciled in the county in which the application is made, and has so resided continuously for at
least one year immediately preceding the date of application
and has a legal settlement in a county of the State;

(f) Is not, because of his physical or mental condition, in
need of continued institutional care;

(g) Has not made a voluntary assignment or transfer of
property for the purpose of qualifying for such relief;

(h) Has never been convicted of a felony or high mis-
demeanor:

(i) If any recipient of old age relief is convicted of any
misdemeanor, or other offense, and punished by imprisonment,
payments shall not be made during the period of imprisonment;

(j) Does not possess real or personal property in excess
of three thousand dollars ($3,000).

3. There is hereby created in the Department of Institutions
and Agencies, in accordance with the provisions of chapter
seventy-six, laws of one thousand nine hundred and twenty-one,
a division to be known as the division of old age relief. The
division of old age relief shall be in charge of a qualified expert
who shall be appointed by and receive the compensation fixed
by the commissioner, with the approval of the State board,
subject to appropriations made therefor. As chief of the divi-
sion of old age relief, such qualified expert shall be responsible
for the investigation, determination and supervision of old age
relief furnished under this act. Said division of old age re-
lied shall prescribe a uniform system of records and accounts
in relation to old age relief to be kept by the county welfare
board, and shall supervise the administration of old age relief
by said county welfare board to the end that there may be
throughout the State a uniform standard of record and method
of treatment of aged poor persons, based upon their individual
needs and circumstances. The division of old age relief shall
have the power to and shall prescribe a form of application,
the manner and form of all reports and such additional rules
and regulations as are necessary for the carrying out of the
provisions of this act, subject to the approval of the commis-
sioner. All rules and regulations made by the division of old
age relief under this act shall be binding upon the county wel-
fare boards as the county bureaus of old age relief throughout the State.

4. In any county in this State in which there now is or may hereafter be established a county welfare board said county welfare board, in addition to their other powers and duties in relation to the settlement and relief of the poor, as provided by law, shall constitute the county bureau of old age relief, and in each and every other county until such time as a county welfare board is established therein a county welfare board (for the supervision of old age relief) shall be appointed by the board of chosen freeholders and constituted and composed as follows: Five citizens of each said respective county and not holding the office of freeholder, at least two of whom shall be women, to be appointed by the board of chosen freeholders, who, with two designated members of the board of chosen freeholders and the county adjuster, when not serving as director of old age relief, as ex-officio members, shall constitute the county welfare board. Members shall hold their offices for five years, except that the first appointments shall be respectively for one, two, three, four and five years. which terms as to duration shall be in order of appointments as made and indicated. Vacancies in such offices shall be filled for the unexpired term only. The holding of any other office by any member of said county welfare board shall not constitute such holding as incompatible with his office as a member of such county welfare board. They shall meet regularly once each month, and such other times as may be necessary or as they may by rule provide. They shall receive no compensation for their services, but shall be allowed their actual and necessary expenses, on the approval of the director of the board of chosen freeholders, all of which shall be audited and paid in the same manner as other expenses are paid in and for such county.

Said county welfare boards are hereby authorized and empowered and it shall be their duty to receive and act upon applications for relief under and in accordance with this act, and to do all other acts and things necessary in connection with the same, for the purpose of administering and carrying out
the provisions of this act, as herein provided. Funds for the administration of this act, and the payment of old age relief granted, thereunder, shall be provided by the board of chosen freeholders of each and every county as hereinafter provided.

Said county welfare board shall elect from among its members a president, vice-president and secretary-treasurer. The director of old age relief appointed as herein provided shall not be a member of the board, and shall hold office for the term of five years or until appointment of his successor, unless sooner removed for cause, after due notice and hearing. Said county welfare board shall appoint such other officers, assistants and employees as may be necessary to carry out the provisions of this act. They shall fix the salaries of the director of old age relief and such officers, assistants and employees within the limits of the appropriation made therefor by the board of chosen freeholders, and such salaries shall be compensation in full for all services rendered. The director of old age relief, officers, assistants, and employees shall be subject to such rules and regulations in the discharge of their duties as may be provided by said county welfare board. All employees of the county welfare board shall hold their office or employment during good behavior, and may be removed upon written charges and after hearing, due notice of which shall be given therefor by the county welfare board, for misconduct, neglect or incompetency.

5. Said county welfare board shall appoint, subject to the approval of the board of chosen freeholders, a director of old age relief, who shall have the qualifications as herein provided.

The county adjuster when qualified may be appointed for this office, but when so appointed shall not serve as an ex-officio member of the county welfare board.

The director of welfare shall be the clerk of said bureau of old age relief and shall serve as such without additional compensation.

The director of old age relief shall be a citizen of the State and of the United States: such appointee shall be able to read and write the English language, and be capable of making and keeping such records and reports as are lawfully required of
him, and shall have complete knowledge of the laws concerning old age relief and shall be a trained and qualified expert in the field of welfare service, with administrative experience therein; the county welfare board may appoint a deputy director of old age relief, who shall have resided at least one year in the State, and have other like qualifications as those necessary to the appointment of directors of old age relief, and be under the direction of such director of old age relief, and be vested on approval of the county welfare board with the same power as a director of old age relief, in the distribution of relief, with like authority for the prosecution or defense in court proceedings as is now vested in a director of old age relief.

6. It shall be the duty of the county welfare board as the bureau of old age relief to provide adequately for those eligible for old age relief under the provisions of this act. The amount and nature of relief which any such person shall receive, and the manner of providing it, shall be determined by the county welfare board as the bureau of old age relief with due regard to the conditions existing in each case, in accordance with the rules and regulations made by the division of old age relief, but in no case shall it exceed the rate of one dollar a day.

Whenever practicable relief may be granted in the form of cash or check. The relief granted under this act shall be provided for the recipient in his own or some other suitable family home; provided, that the county in which such person has a legal settlement shall be chargeable for the relief provided for in this act, and be it further provided, that where it appears that the legal settlement of the applicant is in a county other than the one in which the application is made, it shall be referred to the county adjuster, who shall refer it to the county in which the legal settlement of the applicant appears to be, and the said county adjuster shall proceed the same way and manner to obtain the consent of the said county to accept the chargeability for the said applicant for old age relief as is provided for in an act entitled "An act concerning the charitable, correctional, reformatory and penal institutions, boards and commissions, located and conducted in this State which are sup-
ported in whole or in part from county, municipal or State funds”, approved February twenty-eight, one thousand nine hundred and eighteen, and the various amendments and supplements thereto. In the event, however, the said counties cannot agree as to the legal settlement of the said applicant, then it shall be referred to the court having jurisdiction in the county wherein the application was made for a judicial finding as to legal settlement in accordance with the procedure provided for in the said act aforementioned and the said judicial finding shall be binding upon both counties.

7. If any county bureau of old age relief shall deem it necessary, it may, with the consent of the division of old age relief, require as a condition to the grant of continuance of relief in any case, that all or any part of the property, either real or personal, of a person applying for relief be transferred to said county upon the order of the court of common pleas. Such property shall be managed by said county bureau of old age relief under the direction of the board of chosen freeholders, which shall pay the net income thereof to such person: said bureau of old age relief under the direction of the board of chosen freeholders shall have the power to sell, lease or transfer such property or defend and prosecute all suits concerning it and to pay all just claims against it and do all things necessary for the protection, preservation, and management thereof. If, in the event such relief is discontinued during the life time of such person, the property thus transferred to the county bureau of old age relief exceeds the total amount paid as relief under this act, the remainder of such property shall be returned to such person, and in the event of his death such remainder shall be considered as the property of the deceased for proper administration proceedings. The county bureau of old age relief shall execute and deliver all instruments necessary to give effect to this section.

8. If, on the death of the recipient of old age relief, it shall appear to the satisfaction of the county welfare board as the bureau of old age relief that his estate is insufficient to pay his funeral expenses, the county welfare board shall have the power to order the payment of the installment of old
age relief then accruing and such additional sum as may be necessary, not exceeding the total sum of one hundred dollars, to such person as the county welfare board may direct for the funeral expenses of the deceased aged poor person.

9. Subject to partial reimbursement by the State, as hereinafter provided, each county welfare board shall furnish old age relief provided for in this act to the persons eligible thereto, who reside in its jurisdiction. Each board of chosen freeholders shall annually appropriate and make available to the order of the respective county welfare boards as the bureaus of old age relief, such a sum as may be needed for old age relief, together with a sufficient sum to defray administrative expenses to be incurred in connection therewith, and include such sums in the taxes to be levied in the territory responsible for such old age relief. Should the sum so appropriated, however, be expended or exhausted, during the year and for the purpose for which it was appropriated, additional sums shall be appropriated by such board of chosen freeholders as occasion demands to carry out the provisions of this act, from funds in the county treasury available therefor. Where such county funds are not available or adequate, or should there be no such county funds, such additional sums shall be raised by temporary loans or notes, certificates of indebtedness or temporary loans bonds, to be issued as otherwise provided and limited by law for counties of this State, and the amounts necessary to pay such obligations shall be placed in the budget for the next ensuing fiscal year.

10. The State shall reimburse each county to the extent of three-fourths of the amount expended for relief for each aged poor person which has been granted under the provisions of this act, and in accordance with the rules of the division of old age relief.

11. Claims for reimbursement under this act shall be presented quarterly by the board of chosen freeholders of the respective counties through the division of old age relief to the comptroller of the treasury in January, March, July and September.

12. The approval of such claims for said reimbursement shall be made by the division of old age relief to the extent
of three-fourths of the payments made in accordance with the provisions of this act and the rules of the division of old age relief. The division of old age relief shall certify to the comptroller of the treasury the amount to which each county is entitled. The amount so certified shall be paid from the State treasury upon the audit and warrant of the comptroller to the fiscal officers of the respective counties entitled thereto from monies made available as hereinafter provided.

13. The Governor shall fix and determine and state in his annual budget message a sum sufficient to pay the estimated amount of the State's share of the old age relief reimbursement together with any deficiencies, if any, incurred in any previous year. The Legislature shall include the amount so determined and stated in the annual appropriation bill. For the payment of said amount there is hereby dedicated annually so much of the monies received under the provisions of an act entitled "An act to tax the transfer of property of residents and non-resident decedents, by demise, bequest, descent, distribution by statute, gift, deed, grant, bargain and sell, in certain cases," approved April twenty, one thousand nine hundred and nine, and several supplements and amendments thereto hereinafter collectively referred to as the inheritance tax.

14. For the payment of the State's share of old age relief as herein provided, there is hereby further dedicated all monies hereafter received by the State Treasurer pursuant to the aforesaid inheritance tax after deducting therefrom annually, (1) the amount annually determined and stated by the Governor as aforesaid; and (2) the sum of twelve million dollars per annum which is hereby reserved for the general treasury funds of the State. The surplus, if any, then remaining and thus dedicated shall constitute a separate fund which shall be invested and re-invested from time to time by the State House Commission in such securities as are lawful for investment by trustees. The custody of said fund and income thereof shall be entrusted to the State Treasurer. The income from said fund shall be available for and devoted to the payment of the State old age relief as provided in this act and shall, to the extent thereof, to be used for the payment of such relief in lieu
of the monies to be annually determined and stated by the Governor as aforesaid. For this purpose the Governor shall include in his budget message such a statement of income and the same shall be deducted from mandatory appropriation by the Legislature as aforesaid; provided, however, that if the income from the said fund hereby created shall be sufficient to wholly defray the State's share of old age relief then such income shall be used for that purpose in the first instance and any excess thereof shall become a part of the corpus of said fund.

15. It is the intent of the Legislature that the State's share of old age relief, as provided in this act, shall be provided from the revenue produced by the inheritance tax, and that the first monies received in any one year from that source shall be dedicated to that purpose, and that after sufficient funds have been so accumulated then the sum of twelve million dollars, if so much further shall be received, shall be available for appropriations to general State purposes, and that any surplus of inheritance tax revenue then remaining shall become a capital fund to be invested as herein provided, the income from which shall be used in the first instance to pay the State's share of old age relief pensions, and that such capital fund be accumulated until such fund alone will yield sufficient income to pay all of the State's share of such old age relief.

16. An applicant for old age relief shall make his application therefor to the county welfare board as the bureau of old age relief for the county in which the applicant resides. The person requesting relief may apply in person or the application may be made by another in his behalf. The application shall be made in writing or reduced to writing, in manner and form prescribed by the division of old age relief. All statements in the application shall be verified under oath by the applicant.

17. Whenever the county welfare board as the bureau of old age relief receives an application for relief, an investigation and record shall be promptly made of the circumstances of the applicant. The object of such investigation shall be to ascertain the facts supporting the application made under this act and such other information as may be
required by the rules of the division of old age relief. Upon the completion of such investigation the county welfare board shall decide whether the applicant is eligible for and should receive old age relief under this act, the amount and nature of relief, the manner of paying or providing it, and the date on which the relief shall begin. It shall notify the applicant of its decision in writing. The county welfare board shall at once report to the division of old age relief its decision in each case together with copies of the application and record of investigation. Such decision shall be final; provided, however, that where an application is not acted upon by the county welfare board within thirty days after the filing of the application or is denied or the grant is deemed inadequate, either by the division of old age relief or by the applicant, the applicant may appeal to the division of old age relief by filing a petition with the division of old age relief, setting forth the facts in full as to the necessity of such relief, verified by five reputable citizens of the county, and if the appeal is sustained by the division of old age relief, the payments of relief in the amounts determined by said division must be paid by said county as herein provided.

18. An applicant whose application for relief under this act has been rejected may not again apply for such relief until the expiration of six months from the date of the previous application. If the application for relief be granted, the county welfare board shall report the fact to the auditor of the county. All payments of relief under this act shall be made monthly by the treasurer of the county in the manner provided by law for payment of claims against the county to the county welfare treasurer, who shall disburse the relief herein provided, either in cash or by check monthly, semi-monthly or as otherwise provided by the regulations of the welfare board. All relief under this act shall be renewed every six months on verified applications and after such further investigation as the county welfare board may deem necessary, and the amount of relief may be changed if the county welfare board finds that the recipient's circumstances have been changed. It shall be within the power of the county welfare
board to cancel and revoke old age relief for cause and it may for cause suspend payments for old age relief for such periods as it may deem proper.

19. Any person who has knowledge that old age relief is being improperly granted or administered under this act may file a complaint in writing with the division of old age relief setting forth the particulars of such violation. Upon receipt of such complaint, the division of old age relief shall make an investigation of the allegations set forth in such complaint, or, if at any time the division of old age relief has reason to believe that the relief to the aged poor persons has been improperly granted, it shall cause an investigation to be made. It may suspend payment of any installment pending an investigation. It shall notify the county welfare board of any such proposed investigation. If it appears as a result of any such investigation that the old age relief was improperly granted, such old age relief shall be cancelled by the division of old age relief, which shall immediately notify the county welfare board that it will not approve any payment made after such suspension, but if it appears, as a result of such investigation that the relief was obtained properly, the suspended payments of relief shall be payable.

20. Any person who by means of a false statement or representation or by impersonation or other fraudulent device obtains or attempts to obtain or aids or abets any person to obtain old age relief to which he is not entitled, or a larger amount of relief than that to which he is justly entitled, or payment of any forfeited installment grant; or knowingly aids or abets in buying or in anyway disposing of the property of an applicant without the consent of the county welfare board, shall be guilty of a misdemeanor and punished accordingly.

21. Any person who knowingly violates any provision of this act for which no penalty is specifically provided shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than one thousand dollars, or imprisoned for not more than one year, or by both such fine and imprisonment.
22. All old age relief under this act shall be reconsidered from time to time, or as frequently as may be required by the rules of the division of old age relief. After such further investigation as the bureau of old age relief may deem necessary or the division of old age relief may require, the amount and manner of giving relief may be changed or the relief may be withdrawn if such county welfare board finds that the recipient's circumstances have changed sufficiently to warrant such action. It shall be within the power of the county welfare board as the bureau of old age relief at any time to cancel and revoke old age relief for cause, and it may for cause suspend payments for relief for such periods as it may deem proper, subject to review by the division of old age relief, as provided in section fourteen of this act.

23. Each county welfare board as the bureau of old age relief shall report to the division of old age relief at such times and in such manner and form as the division may prescribe, the number of applications granted and the grants of old age relief changed, revoked or suspended under this act by such county welfare board, together with copies of all applications and supporting affidavits received and a statement of the action of such county welfare board thereon, and shall report the amount of relief to aged poor persons paid out under this act by the county welfare board as the bureau of old age relief, and make such other reports as the division of old age relief may require either by rules or requests in individual cases.

24. A person seventy years of age or more not receiving old age relief under this act is not by reason of his age debarred from receiving public relief and care under the provisions of any other law, but no recipient of old age relief, while receiving the same, shall receive any other relief from the State or any political subdivision thereof except for medical and surgical assistance.

25. All amounts paid as old age relief shall be exempt from any tax levied by the State or by any subdivision thereof, and exempt from levy and sale, garnishment, attachment, or any other process whatsoever and shall be inalienable in any form, and in case of bankruptcy shall not pass to the trustee or other
person acting on behalf of the creditors of the aged poor person.

26. Nothing in this act shall be construed as repealing any other act or part of an act providing for the settlement and relief of the poor except in so far as inconsistent therewith, and the provisions of this act shall be construed as an additional method of supporting and providing for aged poor persons. This act shall be liberally construed. Any part or parts of this act which may be found to be invalid or unconstitutional shall be severable, and the remainder of the act shall stand, and the provisions contained in this act shall not be construed to be exclusive and shall not be construed to repeal other provisions of the law not inconsistent herewith. Any particular grant of power contained in this act shall be held to be in specification but not in limitation of general powers. Nothing in this act shall operate to repeal or nullify the provisions of an act entitled "An act regulating the employment, tenure and discharge of certain officers and employees of this State and of the various counties and municipalities thereof, and pro- providing for a civil service commission and defining its powers and duties," approved April tenth, one thousand nine hundred and eight, and the acts supplementary thereto and amendatory thereof.

27. No person receiving relief under this act shall be deemed to be or classified as a pauper by reason thereof.

28. This act shall take effect January second, one thousand nine hundred and thirty-two, but applications for relief thereunder shall not be made before April first, nineteen hundred thirty-two, and relief shall not be granted to begin before July first, nineteen hundred thirty-two.

Approved April 24, 1931.
AN ACT to amend the public welfare law, in relation to providing security against old age want.

Became a law April 10, 1930. With the approval of the Governor. Passed, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Chapter five hundred and sixty-five of the laws of nineteen hundred twenty-nine, entitled "An act in relation to the public welfare, constituting chapter forty-two of the consolidated laws," is hereby amended by inserting therein, after article fourteen, a new article, to be article fourteen-a, to read as follows:

ARTICLE XIV-A
SECURITY AGAINST OLD AGE WANT

Section 122. Declaration of object, application and effect of this article.

123. To whom old age relief is to be given.
124. Old age relief to be given.
124-b. Public welfare districts to provide old age relief in the first instance.
124-c. County or city moneys to be provided by appropriation.
124-d. Accounts; partial reimbursement by state.
124-e. Claims for reimbursement; how and when presented.
124-f. Approval and payment of claims for reimbursement.
124-g. Investigation of applications.
124-h. Grant of old age relief; review by state department.
124-i. Revocation or reduction of grant.
124-j. Periodic reconsideration of old age relief.
124-k. Reports.
124-l. Rules and forms.
124-m. Relief not assignable.
124-n. Expenses; how payable.
124-o. Penalties.
124-p. Saving clause.

§ 122. Declaration of object, application and effect of this article. The care and relief of aged persons who are in need and whose physical or other condition or disabilities seems to render permanent their inability to provide properly for themselves is hereby declared to be a special matter of state concern and a necessity in promoting the public health and welfare. To provide such care and relief at public expense, a state-wide system of old age relief is hereby established, to operate in a uniform manner with due regard to the varying living conditions and costs of living.
As hereinafter provided, such old age relief shall be given by the city and county public welfare districts and by such other cities as may elect to administer old age relief, subject to partial reimbursement by the state and to supervision by the state department of social welfare. When used in this article, the term "public welfare district" shall include any city forming part of a county public welfare district electing to administer old age relief; and the term "state department" shall mean the state department of social welfare. Other provisions of this chapter, not inconsistent with this article, shall be applied and used in carrying out the provisions of this article. The provisions of any city charter or other local or special act forbidding outdoor relief or which are inconsistent with the provisions of this article shall not apply to the relief provided for by this article, nor impair nor limit the state-wide operation of this article, according to its terms. The term "relief" whenever used in this article shall be construed to include assistance, aid, care, or support.

§ 123. To whom old age relief is to be given. Old age relief shall be given under this article to any person who

1. Has attained the age of seventy years;
2. Is unable to support himself, either in whole or in part; and has no children or other person able to support him and responsible under the provisions of this chapter for his support;
3. Is a citizen of the United States;
4. Has been a resident of the state of New York for at least ten years immediately preceding his application for old age relief;
5. Has resided in and been an inhabitant of the public welfare district in which the application is made for at least one year immediately preceding the date of application;
6. Is not at the time an inmate of any public or private home for the aged, or any public home, or any public or private institution of a custodial, correctional or curative character, except in the case of temporary medical or surgical care in a hospital;
7. Has not made a voluntary assignment or transfer of property for the purpose of qualifying for such relief; and
8. Is not because of his physical or mental condition in need of confined institutional care.

§ 124. Old age relief to be given. It shall be the duty of public welfare officials to provide adequately for those eligible for old age relief under the provisions of this article. The amount and nature of the relief which any such person shall receive, and the manner of providing it, shall be determined by the public welfare official with due regard to the conditions existing in each case, in accordance with the rules and regulations made by the state department. Relief may include among other things, medical and surgical care and nursing. Whenever practicable relief may be granted in the form of cash or a check. The relief granted under this article shall whenever practicable be provided for the recipient in his own or some other suitable family home.
§ 124-a. Application for old age relief. A person requesting relief under this article shall make his application therefor to the public welfare official of the public welfare district in which the applicant resides. An inmate of a public or private home for the aged, or of any public home, or of any public or private institution of a correctional, custodial or curative character may make an application while in such a home or institution, but the relief, if granted, shall not begin until after he ceases to be such an inmate. The person requesting relief may apply in person or the application may be made by another in his behalf. The application shall be made in writing or reduced to writing, and it shall specify that it is made for old age relief under the provisions of article fourteen-a of the public welfare law.

§ 124-b. Public welfare districts to provide old age relief in the first instance. Subject to partial reimbursement by the state as hereinafter provided, each public welfare district shall furnish the old age relief provided for in this article, to the persons eligible thereto who reside in its territory. A city forming part of a county public welfare district may, by resolution of its legislative body adopted by majority vote of all of its members, elect to furnish such old age relief to the persons eligible thereto residing in the city. A copy of such resolution shall be filed within ten days after its adoption with the clerk of the county in which such city is located and with the state department. Such a resolution shall take effect on the first day of September following its adoption and no relief granted pursuant thereto shall begin before the first day of January after the resolution takes effect. Such a city shall have all the powers and duties relative to old age relief under this article conferred on a public welfare district, including the right to partial reimbursement by the state. On and after such first day of January, the county public welfare district in which such city is located shall not include such city insofar, only, as administration of such old age relief and levying of taxes therefore are concerned. Nothing contained in this chapter shall be construed to authorize or require that any part of the amounts expended by a county public welfare district for relief under this article shall be charged back to a town or city.

§ 124-c. County or city moneys to be provided by appropriation. The legislative body of the public welfare district shall annually appropriate and make available to the order of the public welfare official such a sum as may be needed for old age relief, together with a sufficient sum to defray administrative expenses to be incurred in connection therewith and include such sums in the taxes to be levied in the territory responsible for such old age relief. Should the sum so appropriated, however, be expended or exhausted, during the year and for the purpose for which it was appropriated, additional sums shall be appropriated by such legislative body as occasion demands to carry out the provisions of this article. In cities, such additional sums shall be paid from unexpended balances not required by law to be expended for a specific
purpose, or from contingent funds where such exist. Where such balances are not available, or such funds do not exist, such moneys shall be raised by temporary loans or notes, certificates of indebtedness or other obligations and the amount necessary to pay such obligations shall be included in the next annual tax levy. In counties, such additional appropriations shall be paid from funds in the county treasury available therefor, except that if only part of the county constitutes a county public welfare district, only the funds of such public welfare district shall be appropriated, and then only to the extent of any excess thereof not needed for the purposes of the public welfare district under other provisions of this chapter. Should there be no such county funds, or county public welfare district funds available therefor, the county treasurer shall borrow a sufficient sum to pay such appropriations in anticipation of taxes to be collected therefor within the county public welfare district.

§ 124-d. Accounts; partial reimbursement by state. The public welfare official shall keep such records and accounts in relation to old age relief as the state department shall prescribe. The state shall reimburse each public welfare district to the extent of one-half of the amount expended for relief for each aged person which has been granted under the provisions of this article and in accordance with the rules of the state department. The state shall also reimburse the public welfare district for one-half of the salary paid to and one-half of the traveling expenses of any person employed by the public welfare official for the purpose of administering old age relief under this article, provided the manner in which he has performed his duties conforms to the rules of the state department. If the department shall so determine in any case, other expenses of a public welfare district may be allowed under this article in such amount as the department may determine, and the state shall also reimburse the district to the extent of one-half thereof. If a person shall be employed only for part time in the administration of old age relief, reimbursement shall be limited to one-half the salary for the time spent in administration of old age relief.

§ 124-e. Claims for reimbursement; how and when presented. Claims for state reimbursement under this article shall be presented by the respective public welfare districts to the state department semi-annually, in January and July. For the purposes of the annual departmental estimates for the executive budget, the probable amount needed for expenditure by the state under this article shall be regarded as financial needs of the state department of social welfare.

§ 124-f. Approval and payment of claims for reimbursement. The approval of such claims shall be made by the state department to the extent of one-half of the payments made in accordance with the provisions of this article and the rules of the state department. The state department shall certify to the comptroller the amounts so approved by it, specifying the amount to which each public welfare district is entitled. The amounts so certified shall
be paid from the state treasury upon the audit and warrant of the comptroller to the fiscal officers of the counties and cities entitled thereto, from moneys available therefor by appropriation.

§ 124-g. Investigation of applications. Whenever a public welfare official receives an application for relief, an investigation and record shall be promptly made of the circumstances of the applicant. The object of such investigation shall be to ascertain the facts supporting the application made under this article and such other information as may be required by the rules of the state department.

§ 124-h. Grant of relief; review by state department. Upon the completion of such investigation the public welfare official shall decide whether the applicant is eligible for and should receive old age relief under this article, the amount and nature of relief, the manner of paying or providing it and the date on which relief shall begin. He shall make an award which shall be binding upon the city or county and be complied with by such city or county until modified or vacated. He shall notify the applicant of his decision in writing. The public welfare official shall at once report to the state department his decision in each case together with copies of the application and record of investigation. Such decision shall be final, provided, however, that where an application is not acted upon by the public welfare official within thirty days after the filing of the application or is denied or the grant is deemed inadequate, either by the state department or by the applicant, the latter may appeal to the state department. The state department shall upon receipt of such an appeal review the case. The state department may also, upon its own motion, review any decision made, or any case in which a decision has not been made by the public welfare official within the time specified. The state department may make such additional investigation as it may deem necessary, and shall make such decision as to the granting of relief and the amount and nature of relief to be granted the applicant as in its opinion is justified and in conformity with the provisions of this article. All decisions of the state department shall be binding upon the city or county involved and shall be complied with by the public welfare official of the public welfare district.

§ 124-i. Revocation or reduction of grant. Any person who has knowledge that old age relief is being improperly granted or administered under this article may file a complaint in writing with the state department setting forth the particulars of such violation. Upon receipt of such complaint, the state department shall make an investigation of the allegations set forth in such complaint or, if at any time the state department has reason to believe that relief to the aged has been improperly granted, it shall cause an investigation to be made. It shall notify the public welfare official of any such proposed investigation. If it appears as a result of any such investigation that the relief was improperly granted, the state department shall imme-
Immediately notify the public welfare official, that it will not approve
any payment made thereafter.
§ 124-j. Periodic reconsideration of old age relief. All relief
under this article shall be reconsidered from time to time, or as
frequently as may be required by the rules of the state depart-
ment. After such further investigation as the public welfare
official may deem necessary or the state department may require,
the amount and manner of giving relief may be changed or the
relief may be withdrawn if such official finds that the recipient's
circumstances have changed sufficiently to warrant such action.
It shall be within the power of the public welfare official at any
time to cancel and revoke relief for cause, and it may for cause
suspend payments for relief for such periods as it may deem
proper, subject to review by the state department, as provided
in section one hundred and twenty-four-h.
§ 124-k. Reports. Each public welfare official shall report to
the state department at such times and in such manner and
form as the department may prescribe, the number of applica-
tions granted and the grants of relief changed, revoked or sus-
pended under this article by such official, together with copies
of all applications and supporting affidavits received and a state-
ment of the action of such official thereon, and shall report the
amount of relief to the aged paid out under this article by the
public welfare district, and make such other reports as the state
department may require either by rules or requests in individual
cases.
§ 124-l. Rules and forms. The state department of social wel-
fare shall supervise the administration of old age relief under
this article by the public welfare officials. The state department
shall prescribe the form of and print and supply to the public
welfare officials blanks for applications, reports, affidavits and such
other forms as it may deem advisable. The state department is
hereby authorized to and shall make rules and regulations neces-
sary for the carrying out of the provisions of this article to the
end that old age relief may be administered uniformly throughout
the state, having regard for the varying costs of living in different
parts of the state and that the spirit and purpose of this article
may be complied with. All rules and regulations made by the
state department under this article shall be binding upon the
public welfare officials and the public welfare districts.
§ 124-m. Relief not assignable. All relief given under this
article shall be inalienable by any assignment or transfer and
shall be exempt from levy or execution under the laws of this
state.
§ 124-n. Expenses; how payable. All necessary expenses
incurred by a county or city in carrying out the provisions of
this article shall be paid by such county or city in the same man-
er as other expenses of such county or city are paid, subject to
partial reimbursement by the state from appropriations made by
the legislature for this purpose.
§ 124-o. Penalties. Any person who by means of a false statement or representation, or by impersonation or other fraudulent device, obtains or attempts to obtain, or aids or abets any person to obtain old age relief to which he is not entitled, or a larger amount of relief than that to which he is justly entitled, shall be guilty of a misdemeanor, unless such act constitutes a violation of a provision of the penal law of the state of New York, in which case he shall be punished in accordance with the penalties fixed by such law.

§ 124-p. Saving clause. A person seventy years of age or more not receiving old age relief under this article is not by reason of his age debarred from receiving public relief and care under other provisions of this chapter.

§ 2. This act shall take effect May first, nineteen hundred thirty, but applications for relief thereunder shall not be made before September first, nineteen hundred thirty, and relief shall not be granted to begin before January first, nineteen hundred thirty-one.

State of New York,
Department of State.

I have compared the preceding with the original law on file in this office, and do hereby certify that the same is a correct transcript therefrom and of the whole of said original law.

EDWARD J. FLYNN
Secretary of State
CHAPTER 76.

THE OLD AGE PENSION LAW OF THE STATE OF UTAH.

An Act relating to the support of the poor and infirm, providing for old age pensions and recovery thereof, defining the powers and duties of certain officers, prohibiting fraud in obtaining and the alienation of pensions, and providing penalties for violations thereof.

Be it enacted by the Legislature of the State of Utah:

SECTION 1. County commissioners to provide funds. The board of county commissioners of each county, hereinafter called the board, in addition to their other powers and duties in relation to the support of the poor provided by law shall have the power to provide funds in the county treasury for the purpose of carrying out the provision of this Act.

Sec. 2. Power to grant monthly pension—amount—who may receive. The board shall have the power to grant a monthly pension in such amount as the board shall determine, not to exceed twenty-five dollars per month, to be paid out of the county treasury to any person who has attained the age of sixty-five years, and is incapacitated to gain a livelihood, is and for five years immediately preceding his application, has been an actual bona fide resident of the county, provided the applicant shall establish to the satisfaction of the board that he possesses the qualifications prescribed in the next section.

Sec. 3. Applications—provisions. All applications for old age pensions shall be made in writing upon blanks to be furnished by the county auditor and shall be signed and verified under oath by the applicant and supported by the affidavits of two reputable citizens of the county to the effect that they are acquainted with the applicant, stating the length of time they have known him, and that they believe the statements made in the application are true. The application shall show that the applicant:

(a) Is, and for fifteen years last past, has been a citizen of the United States.

(b) Is, and for fifteen years last past has been a resident of this State, or has been a resident of this State for twenty-five years and has resided therein continuously for five years last past; Provided, if fifteen years residence is claimed, it shall not be deemed to be interrupted by occasional absence from the State, if the total period of absence does not exceed three years, or the absence occurred while the applicant was in the employ of the United States or of this State.

(c) Has not, during the ten years last past, been imprisoned upon conviction of a felony or indictable misdemeanor.

(d) If a husband has not during fifteen years last past, deserted, or without just cause, failed to provide adequate means for the support of, his wife, or neglected to maintain and provide for the support of such of his children as were under fifteen years of age, for a period of six
months, and, if a wife, has not during fifteen years last past deserted her husband or such of her children as were under fifteen years of age, without just cause.

(e) Has not within one year last past been a vagrant or a beggar.

(f) Has not during the year last past had an income exceeding three hundred dollars, which income shall be computed by adding to the actual income five per cent of the fair cash market value of all property owned by the applicant.

(g) Has not directly or indirectly disposed or deprived himself of any property for the purpose of reducing his computed income and qualifying for an old age pension, and,

(h) Has no relative responsible for his support under the law who is able to support him.

Sec. 4. Contents of application. The application shall state the name of the applicant, the place and date of his birth and, if a naturalized citizen, the place and date of his naturalization, his present place of residence and post office address and the length of residence at such place, the places of his residence for twenty-five years last past and the length of residence at each place, whether married or single and if single whether a bachelor, spinster, widowed, or divorced and the length of time widowed or divorced, an inventory of all real and personal property owned, with the value of each item, and whether separate or community, the amount of income for one year last past and the source thereof, whether ever imprisoned upon conviction of a felony or an indictable misdemeanor and if so when, the name, age, and place of residence of husband or wife, if any, the names, ages and places of residence of all children, grand-children, brothers and sisters, his general state of health and whether deaf, blind, crippled or otherwise incapacitated for his usual occupation, and the nature and extent of any incapacity claimed.

Sec. 5. Application to be filed—board may require testimony. The application shall be filed with the clerk of the board and shall come on for hearing before the board at the next ensuing regular session. The board shall have the power to require the applicant to appear in person at the hearing and testify under oath as to all matters contained in the application and such other matters, touching his need for support in the form of a pension as it may deem necessary, and to subpoena and hear the testimony of witnesses in support of or against the granting of the application, and may adjourn each hearing from time to time for not to exceed sixty days from the date of filing the application.

Sec. 6. Board may deny application—may grant pension conditionally. Upon the conclusion of the hearing the board shall enter an order in its minutes denying the application and the grounds therefor, or granting a monthly pension to the applicant in such amount not exceeding twenty-five dollars per month, and for such length of time not exceeding one year, as to the board shall seem just and reasonable, and the board shall have the power to impose as a condition to such grant, that the applicant shall assign and transfer to the county the whole, or such portion of his property as the board shall deem adequate, as security for the repayment of the amount paid as a pension together with interest, as hereinafter provided.
Sec. 7. Order granting pension. The order granting a pension shall state the name, age and place of residence, of the applicant, the amount of the monthly pension, the date when such pension shall begin, and shall authorize the county auditor to draw his warrant upon the county treasurer for such payments to the applicant, or to such person as the board may designate, for the use of the applicant, out of the current expense fund of the county.

Sec. 8. Renewal of pension. On or before the expiration of one year from the date of an order granting an old age pension, and at the expiration of each year thereafter, unless the pension has been canceled by order of the board or the recipient has died, the board after such hearing and investigation as it shall deem necessary, shall have the power to enter an order renewing such pension for the ensuing year, in which order the amount of monthly allowance may be decreased, or increased to any sum not exceeding twenty-five dollars per month, as to the board may seem just.

Sec. 9. Board to have power to reduce or cancel pension. If, at any time the recipient of an old age pension or the husband or wife of such recipient, shall become possessed of any property or income in excess of that owned or being received at the date of the application, or if, at any time, any relative of the recipient responsible in law for his support, shall become able to support him in whole or in part, it shall be the duty of the recipient to immediately notify the board in writing of the facts in the case, and the board, upon such notification or upon learning the facts from any source, shall have the power, and it shall be its duty, to investigate the matter and cancel, or reduce the amount of the pension as the facts may warrant.

Sec. 10. Board may recover from recipient in case of fraudulent concealment of property. If, at any time before, or at the death of the recipient of an old age pension, it shall appear to the board that at the date of the application the applicant was possessed of property or income in excess of that stated in his application, or that subsequently he became possessed of additional property income and failed to notify the board thereof, and that such excess or additional property or income was of sufficient amount to have prevented the granting or warrant the cancellation of the pension, the board shall have the right to recover from the recipient or his estate by civil action in the name of the county, double the total amount of all pension payments made by reason of the fraudulent concealment.

Sec. 11. Board may provide funeral expenses. If, on the death of the recipient of an old age pension it shall appear to the satisfaction of the board that his estate is insufficient to pay his funeral expenses, the board shall have the power to order the payment of the installment of pension then accruing and such additional sum as may be necessary, not exceeding the total sum of one hundred dollars, to such person as the board may direct for the funeral expenses of the deceased pensioner.

Sec. 12. County to have claim against estate. At the death of the recipient of an old age pension or the surviving husband or wife of the recipient, the county shall have a claim against the estate of the recipient or survivor, for the amount of pension payments made together with five per cent interest from the dates of payment, such claim shall be pre-
ferred to all claims against said estate except taxes, expenses of last sickness and funeral expenses, which claim when collected shall be paid into the county treasury.

Sec. 13. Recipient not to receive other aid—exceptions. No recipient of an old age pension, while receiving the same, shall receive any other aid from the State or any political subdivision thereof except for medical and surgical assistance.

Sec. 14. Pensions not to be assigned. Old age pensions shall be inalienable by voluntary or involuntary assignment, transfer, sale, attachment, execution or otherwise, and in case of bankruptcy shall not pass to the trustee or other person acting on behalf of the creditors of the pensioner.

Sec. 15. False statements or representations disqualify recipient. Every person who knowingly makes any false statement or representation, or impersonates another person, with intent to obtain for the purpose of obtaining an old age pension or increase thereof, for himself or another, or obtains or attempts to obtain, or aids or abets in obtaining an old age pension or increase thereof for himself or another by means of any false statement, representation or impersonation, or aids or abets in the buying, selling or in any way disposing of any property belonging to the recipient of an old age pension, without the consent of the board granting the pension, shall be guilty of violating this section and his pension shall be canceled and he shall be disqualified from applying for an old age pension for a period of one year from the date of the cancellation.

Sec. 16. Recipient convicted of crime to have pension suspended. If any recipient of an old age pension shall be convicted of a crime and punished by imprisonment the board shall suspend the payment of the installments of pension during such imprisonment.

Sec. 17. When recipient incapacitated pension to be paid to other person. If at any time it shall appear to the satisfaction of the board by the testimony of two or more reputable citizens that any recipient of an old age pension is incapable of caring for himself, or his pension, the board shall have the power to order the pension to be paid to some person designated by the board, for the use of the pensioner, until his disability is removed.

Sec. 18. Acts not repealed—additional method of support. Nothing in this Act shall be construed as repealing any other Act or part of an Act for the support of the poor, but the provisions of this Act shall be construed as an additional method of supporting the poor of the county, and nothing herein shall be construed as vesting in any person the right to an old age pension, or the continuance thereof.

Sec. 19. Pronoun defined. Whenever in this Act the masculine pronoun is used it shall in a proper case, be held to include feminine.

Sec. 20. Name. This Act shall be known and may be cited as "The Old Age Pension Law of the State of Utah."

Approved March 25, 1929.
Wisconsin’s Old-Age Assistance Law

49.20 State system old-age assistance.
(1) For the more humane care of aged, dependent persons a state system of old-age assistance is hereby established. Such system of old-age assistance shall be administered in each county by the county judge, under the supervision of the board of control, as provided in sections 49.28 and 49.39. The cost of old-age assistance shall in the first instance be borne by the county, but the county shall be entitled to reimbursement from the state and from the cities, villages and towns of which the beneficiaries are residents as provided in section 49.37.

(2) Until July 1, 1933, the provisions of sections 49.20 and 49.39 shall apply only to such counties whose county boards have made an appropriation to carry out these provisions, but thereafter shall apply to all counties.

49.21 Assistance, who may have. Any person while residing in a county, which maintains a system of old-age assistance, who shall comply with the provisions of sections 49.20 to 49.39, shall be entitled to financial assistance in old age. The amount of such old-age assistance shall be fixed with due regard to the conditions in each case, but in no case shall it be an amount which, when added to the income of the applicant, including income from property, as computed under the terms of this act, shall exceed a total of one dollar a day.

49.22 Conditions specified. Old-age assistance may be granted only to an applicant who:
(1) Has attained the age of seventy years or upwards.
(2) Was born in the United States or has been a citizen of the United States for at least fifteen years before making application for old-age assistance.
(3) Has resided in the state and county in which he makes application:
(a) Continuously for at least fifteen years immediately preceding the date of application, but continuous residence in the state and county shall not be deemed to have been interrupted by periods of absence therefrom if the total of such periods does not exceed three years, or,

(b) Forty years, at least five of which have immediately preceded the application;

(c) Provided, that absence in the service of the state of Wisconsin or of the United States shall not be deemed to interrupt residence in the state or county if a domicile be not acquired outside the state or county.

(4) Is not at the date of making application an inmate of any prison, jail, workhouse, infirmary, insane asylum, or any other public correctional institution.

(5) During the period of ten years immediately preceding such date has not been imprisoned for a felony.

(6) If a husband, has not without just cause failed to support his wife and his children under the age of fifteen years for six months or more during the fifteen years preceding the date of application for old-age assistance.

(7) Has not, within one year preceding such application for old-age assistance been an habitual tramp or beggar.

(8) Has no child or other person responsible under the law of this state for his support and able to support him.

49.23 Persons excluded. Old-age assistance shall not be granted or paid to a person:

(1) While or during the time he is an inmate of and receives the necessities of life from any charitable institution maintained by the state or any of the political subdivisions of the state, or is an inmate of a private charitable, benevolent or fraternal institution or home for the aged, provided that application for old-age assistance may be made while the applicant is an inmate of a county home, but if assistance is granted it shall not begin until he ceases to be an inmate of such home.

(2) If the value of his property or the value of the combined property of husband and wife living, together exceeds three thousand dollars.

(3) Who has deprived himself, directly or indirectly, of any property for the purpose of qualifying for old-age relief.
49.24 Unproductive property. The annual income of any property which is not so utilized as to produce a reasonable income, shall be computed at five per cent of its value.

49.25 Assistance recovered. On the death of a person who has been assisted under sections 49.21 to 49.39, or of the survivor of a married couple, both of whom were so assisted, the total amount paid together with simple interest at three per cent annually shall be allowed and deducted from the estate of such person or persons, by the court having jurisdiction to settle the estate. The amount so recovered shall be paid into the treasuries of the state, county, town, village or city in the proportion in which they respectively contributed toward the total old-age assistance received by the deceased or by the married couple of which the deceased was the survivor.

49.26 County court may be trustee of beneficiary.
(1) If the county judge deems it necessary, he may require as a condition to the grant of a certificate, that all or any part of the property of an applicant for old-age assistance be transferred to the county court, except that in counties having a population of five hundred thousand and having a manager of county institutions such property shall be transferred to such manager of county institutions. Such property shall be managed by the county court or said manager of county institutions, who shall pay the net income to the person or persons entitled thereto. The county judge or said manager of county institutions shall have power to sell, lease or transfer such property, or defend and prosecute all suits concerning it, and to pay all just claims against it, and to do all other things necessary for the protection, preservation and management of the property.
(2) If in the event that the old-age assistance is discontinued during the lifetime of the beneficiary the property thus transferred to the county court or said manager of county institutions exceeds the total amount paid with simple interest at three per cent annually, the remainder of such property shall be returned to the beneficiary; and in the event of his death such remainder shall be considered as the property of the beneficiary for proper administra-
tion proceedings. The county judge or said manager of county institutions shall execute and deliver all necessary instruments to give effect to this subsection.

(3) The district attorney at the request of the county judge or said manager of county institutions shall take the necessary proceedings and represent the county court or said manager of county institutions in respect to any matters arising under this section.

49.27 Application for assistance. An applicant for old-age assistance shall file his application in writing with the county judge of the county in which he resides, in such manner and form as shall be prescribed by the board of control. All statements in the application shall be sworn to or affirmed by the applicant, setting forth that all facts are true in every material point.

49.28 County judge to decide on application; reapplication. The county judge shall promptly make or cause to be made such investigation as he may deem necessary. The county judge shall decide upon the application, and fix the amount of old-age assistance, if any, and such decision shall be final; provided that the county board may at any time reduce or discontinue entirely such assistance granted to any beneficiary. An applicant whose application for old-age assistance has been rejected, or whose allowance has been stopped, may not again apply for a pension until the expiration of twelve months from the date of his previous application.

49.29 Assistance certificate, conditions, revocation, recovery of excess. (1) The county judge shall issue to each applicant to whom old-age assistance is allowed, a certificate stating the date upon which payments shall commence and the amount of each instalment, which may be monthly or quarterly, as the judge may decide.

(2) Each beneficiary under the provisions of sections 49.20 to 49.39, shall file such reports with the county judge as the board of control may from time to time require. If it appears at any time that the applicant's circumstances have changed, the county judge may revoke or modify any
certificate issued. Any sum paid in excess of the amount due under the provisions of said sections shall be returned to the county and shall be recoverable as a debt due the county.

49.30 Funeral expenses. On the death of a beneficiary such reasonable funeral expenses for burial shall be paid to such persons as the county judge may direct; provided, that these expenses do not exceed one hundred dollars, and provided further that the estate of the deceased is insufficient to defray these expenses.

49.31 Assistance exclusive relief, exception, guardian. (1) During the continuance of old-age assistance no beneficiary shall receive any other relief from the state or from any political subdivision thereof except for medical and surgical assistance.

(2) If the beneficiary, on the testimony of at least three reputable witnesses, is found incapable of taking care of himself or his money, the county judge may direct the payment of the instalments of the old-age assistance to any responsible person or corporation for his benefit, or may suspend payment, for such period as the judge shall deem advisable.

49.32 Assistance exempt from levy. All amounts paid as old-age assistance shall be exempt from any tax levied by the state or by any subdivision thereof, and exempt from levy and sale, garnishment, attachment or any other process whatsoever and shall be inalienable in any form.

49.33 Special inquiry. If at any time the county judge has reason to believe that a certificate has been improperly obtained, the county judge shall cause special inquiry to be made, and may suspend payment of any instalment pending the inquiry. If on inquiry it appears that the certificate was improperly obtained, it shall be canceled, but if it appears that the certificate was properly obtained, the suspended instalments shall be payable in due course.

49.34 Assistance frauds punished. Any person who by means of a wilfully false statement or representation, or by
impersonation, or other fraudulent device, obtains, or attempts to obtain, or aids or abets any person to obtain:
   (a) A certificate to which he is not entitled;
   (b) A larger allowance than that to which he is justly entitled;
   (c) Payment of any forfeited instalment grant;
   (d) Or aids or abets in buying or in any way disposing of the property of a beneficiary without the consent of the county judge, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than five hundred dollars, or be imprisoned in the county jail for not more than one year, or be punished by both such fine and imprisonment, in the discretion of the court.

49.35 General penalty. (1) Any person who violates any provision of sections 49.21 to 49.39, for which no penalty is specifically provided, shall be subject to a fine not exceeding five hundred dollars or to imprisonment not exceeding one year, or both.
   (2) Where a beneficiary is convicted of an offense under this section the county judge may cancel the certificate.

49.36 Effect of conviction of offense. If a beneficiary is convicted of any misdemeanor, felony or other offense, punishable by imprisonment for one month or longer, payments shall not be made during the period of imprisonment.

49.37 County appropriation, disbursement of assistance funds, reimbursement of county. (1) The county board of each county which operates under the state system of old-age assistance shall annually appropriate a sum of money, sufficient to carry out the provisions of sections 49.20 to 49.39. Upon the orders of the judge of the county court, the county treasurer shall pay out the amounts ordered to be paid as old-age assistance, under the provisions of said section.
   (2) The county board of each county may cause each city, town and village to reimburse the county for all amounts of money paid in old-age assistance to its residents, less the amounts received by the county from the state pursuant to subsection (3) of this section. The coun-
The county clerk shall make a report to the county board at its annual November meeting showing in detail the amounts which under this subsection are chargeable to each city, town and village, and the county board at such meeting shall determine if such amount shall be so charged, and then determine the amount to be raised and paid by each such city, town and village to reimburse the county. The county clerk shall charge the amount so determined to such city, town or village and shall certify the same to the city, town or village clerk. Each city, town or village shall annually levy a tax sufficient to meet such charges, which shall be collected as are other taxes and paid into the county treasury.

(3) On the first day of January of each year the county treasurer shall certify under oath, in duplicate, to the secretary of state and the state board of control, the amount paid out by such county during the preceding year for old-age assistance, and if the board of control shall approve the same and shall cause its approval to be indorsed by the president and secretary of said board on the certificate received by the secretary of state, the secretary of state shall credit one-third of the amount so certified to be due such county on the state taxes next due therefrom, and the state treasurer shall credit such county with said one-third of such amount in his annual settlement with said county for taxes due the state; provided, that if the total amount payable to all the counties under this section, as certified by the county treasurers, shall exceed the sum appropriated by subsection (13m) of section 20.17, the secretary of state and the state treasurer shall prorate the said sum among the various counties according to the amount paid out.

(4) When necessary, the county board shall annually levy a tax sufficient for the payment of old-age assistance to residents of the county who meet all qualifications for assistance but do not have a legal settlement in any city, village or town. Such tax levy shall be paid into a “county-at-large old-age assistance fund” and no part of the payments made to such persons shall be charged to any city, village or town, but the county shall be entitled to partial reimbursement from the state as in other cases.
49.38 Annual report by county clerk. Within thirty days after the close of each calendar year, the county clerk of each county shall make a report for the preceding year, to the state board of control stating:
(a) The amount paid as old-age assistance;
(b) The total number of applications for assistance;
(c) The number granted, the number denied, the number canceled during that year, and such other information as the board of control may deem advisable.

49.39 Rules and regulations. The board of control shall from time to time prescribe and promulgate rules and regulations to efficiently carry out the provisions of sections 49.20 to 49.39. It shall also publish such information as it may deem advisable to acquaint aged persons and the public generally with the old-age assistance plan of this state.
The Commonwealth of Massachusetts

Annual Report

of the

Department of Public Utilities

for the

Year Ending November 30, 1931

COMMISSIONERS' REPORT
DEPARTMENT OF PUBLIC UTILITIES
State House, Boston, January 26, 1932.
ANNUAL REPORT
To the Honorable Senate and House of Representatives in General Court assembled:
We respectfully submit the twelfth annual report of the Department of Public Utilities for the fiscal year ended November 30, 1931.
The number of corporations, private and municipal, persons, firms and associations under the jurisdiction of and filing annual returns with the Department is as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steam railroad companies</td>
<td>26</td>
</tr>
<tr>
<td>Street railway companies</td>
<td>27</td>
</tr>
<tr>
<td>Telephone companies</td>
<td>17</td>
</tr>
<tr>
<td>Telegraph companies</td>
<td>5</td>
</tr>
<tr>
<td>Steamboat companies</td>
<td>3</td>
</tr>
<tr>
<td>Sleeping car companies</td>
<td>1</td>
</tr>
<tr>
<td>Express companies</td>
<td>6</td>
</tr>
<tr>
<td>Gas companies</td>
<td>54</td>
</tr>
<tr>
<td>Electric companies</td>
<td>56</td>
</tr>
<tr>
<td>Water companies</td>
<td>52</td>
</tr>
<tr>
<td>Motor bus lines</td>
<td>73</td>
</tr>
<tr>
<td>Municipal lighting plants</td>
<td>43</td>
</tr>
<tr>
<td>Manufacturing and other companies doing an electric business</td>
<td>4</td>
</tr>
<tr>
<td>Voluntary associations</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>397</strong></td>
</tr>
</tbody>
</table>

During the year the Department held 332 formal hearings and many informal hearings or conferences. The following tabulation, showing the number of petitions and complaints filed and the number of investigations made, indicates the volume of work requiring the Department's attention during the fiscal year:

**Petitions:** Railroad, 80; street railway, 48; telephone and telegraph, 2; gas, 29; electric, 34; water, 11; sale of securities (appeals), 12; motor bus lines, 112; sight-seeing lines, 2; total, 530.

**Special Investigations:** Railroad, 1; street railway, 1; telephone and telegraph, 1; gas, 1; motor bus lines, 11; total, 16.

**Applications for Special Permits:** Railroad, 125; street railway, 4; motor bus lines, 2; steamboat, 1; telephone and telegraph, 1; total, 133.

**Complaints:** Railroad, 200; street railway, 45; motor bus lines, 99; telephone and telegraph, 908; gas, 142; electric, 338; water, 18; sale of securities, 1,110; smoke abatement, 278; total, 3,138.

**Tariff or Schedule Filings:** Railroads, freight service, 1,045, passenger service, 333; street railways, 12; express, 55; telephone, 5; telegraph, 3; motor bus lines, 48; electric, 312; gas, 127; water, 5; total, 1,945.

**RAILROADS**

Due to the continued depression in business the revenues of the railroads operating in the Commonwealth have been, during the past year, seriously affected. Both The New York, New Haven and Hartford Railroad Company and the Boston and Maine Railroad, as a consequence, have been obliged to suspend the payment of dividends on their common stock. The falling revenues of the railroads have necessitated further economies, and as a result there has been some additional withdrawal of service which the public formerly enjoyed. In petitions for restoration of such service the Department has been compelled to take into consideration the declining revenues of the railroads. It has, however, endeavored to obviate, so far as seemed practicable, any undue inconvenience to the public in the withdrawal of service.

The following table shows the number of persons killed and injured at railroad grade crossings during the past year:
Accidents at Grade Crossings during the Year ending November 30, 1931

<table>
<thead>
<tr>
<th>Railroads</th>
<th>Protected Crossings</th>
<th>Unprotected Crossings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Killed</td>
</tr>
<tr>
<td>Boston &amp; Albany</td>
<td>64</td>
<td>3</td>
</tr>
<tr>
<td>Boston &amp; Maine</td>
<td>460</td>
<td>6</td>
</tr>
<tr>
<td>Boston, Revere Beach &amp; Lynn</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td>Hoosac Tunnel &amp; Wilmington</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>Central Vermont</td>
<td>48</td>
<td>-</td>
</tr>
<tr>
<td>New York, New Haven &amp; Hartford</td>
<td>425</td>
<td>6</td>
</tr>
<tr>
<td>Fore River</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>979</td>
<td>18</td>
</tr>
</tbody>
</table>

Street Railways

In the effort to effect economy there has been the same trend this year as in the past in the abandonment of street railway mileage. In most cases, service by motor vehicles has been substituted for the street cars. The abandonment of street railway mileage is particularly noticeable in the systems operated by the Eastern Massachusetts Street Railway Company, the Holyoke Street Railway Company, the Springfield Street Railway Company and the Worcester Consolidated Street Railway Company.

The physical condition of our street railways has shown no improvement during the past year. In fact, we are inclined to the opinion that in a majority of the companies there has been an actual deterioration, due to the necessity of practicing strict economy, or due to the belief that it was unwise to make large expenditures in maintenance of lines which probably, in the near future, would be abandoned. Notwithstanding the rigid economies practiced, there has been no increase in the net earnings of the street railways because of the continued decrease in public riding.

Charles Station

The Charles Station, an elevated station which is being constructed near the junction of Cambridge and Charles streets, in the city of Boston, under authority of chapter 444 of the Acts of 1924, is nearing completion. A contract to use this station was executed by this Department, in behalf of the Commonwealth, with the Boston Elevated Railway Company early last year. By reason of the construction of the traffic circle at the junction of Cambridge and Charles streets, and the improvements on the Charles River Embankment, it became possible to construct this station within the amount provided by the Act.

The Engineering Division of this Department designed, prepared plans and specifications, and is now supervising the construction of the station, which will accommodate four car trains. The station building, housing stairs, toilets and fare collection devices, has cast stone for the exterior and salt glazed and buff brick for the interior. Platforms on steel girders extend 300 feet in a westerly direction from the station building with the exterior walls of copper and the interior walls of Kalamein sheathing. One unusual feature of the station design is the elimination of roof columns.

The station building is located within the new Cambridge street traffic circle and connects with the foot passage subway under the circle. The station has been constructed simultaneously with the street widening and the construction of the traffic circle.

After the plans and specifications were completed bids were asked and the contract was awarded the J. Slotnik Company of Boston. Construction started August 10, 1931, and has progressed steadily despite many difficult construction problems. The driving of piles for the foundation of the station building adjacent to two important City of Boston sewers, and the unknown wharves and sewers that were abandoned many years ago due to filing in of
the river front presented additional problems. The rapid transit trains to and from Cambridge have not been delayed at any time during the erection of new girders, platforms, or the cutting down of the old girders.

The new station is expected to be of great service to those using the hospitals nearby and the recreational facilities of the Charles River basin development. It is expected that the station will be open for public travel about the middle of February.

**Valuation of the Eastern Massachusetts Street Railway Company**

On June 8, 1931, the Senate adopted an order, which directed this department to investigate and determine certain valuations of all the property owned, leased or operated by the Eastern Massachusetts Street Railway Company. A report thereon was made by the department on January 4, 1932.

To determine these valuations it was necessary to make a field inventory which required the temporary employment of seventeen engineers to assist in the field and office work. In addition four inspectors from other divisions of the department assisted in the work.

Field work was started on July 1, 1931, and finished about October 1, 1931, when the work of computing the quantities, applying the prices and estimating the depreciation began. The salaries and expenses of the temporary employees amounted to $10,351.

**Motor Bus Transportation**

There are 93 motor bus lines operating in the Commonwealth under certificates of public convenience and necessity granted by the Department, including those operated by street railway companies and by subsidiaries of railroad corporations. This is a decrease of 5 from the number of lines operated during the preceding year. The total number of certificates granted by the Department during the year was 119, issued to 29 different companies mainly for extensions to or changes in existing routes.

During the year chapter 408 of the Acts of 1931, which revised and codified the laws relating to the transportation of passengers for hire by motor vehicles, became effective. This law provides, in addition to other important changes, that no motor vehicle subject to the provisions of said act shall be operated without a permit from the Department and that no person shall drive such a motor vehicle unless licensed by the Department. The Department has, during the fiscal year, issued 1,484 bus permits and 2,937 driver’s licenses, for which fees amounting respectively to $14,840 and $2,937 have been received.

Chapter 399 of the Acts of 1931, being an act relative to sight-seeing automobiles carrying persons in or from the city of Boston, became effective in July of this year.

**Telephones**

The Telephone and Telegraph Division handled 908 cases that required specific treatment. Having in mind that there has been a reduction in the amount of business handled by the telephone companies, many exchanges were visited by Department inspectors with a view to seeing what service conditions were as regards the number of employees.

There were not as many changes in telephone base rate areas, which carry mileage charges in addition to the regular rates, as there were in previous years and particularly between 1926 and 1931. During that period many extensions of base rate areas were made which brought a very substantial reduction in the total amount of money paid by mileage subscribers. There was much less development of telephone areas owing to reduced business and less community development.

The number of telephone stations of the New England Telephone and Telegraph Company during the past year has shown some decrease from last year in practically every section of the state. In Massachusetts, in 1929, the net gain in stations was 28,513; in 1930, the net gain was 10,068, while for eleven months of 1931, there was a net loss of 3,068.

During the year the Boston Central District of this company was changed from partial to complete dial service.
GAS, ELECTRIC AND WATER COMPANIES

The electric companies operating in this Commonwealth during the past year made a good showing, as compared with the country as a whole. This was due largely to the general increase in domestic demand which offset the loss in commercial and industrial uses.

The gas companies have fallen off in output to a small extent, some showing a loss of up to 2 per cent while others through extension of mains have more than held their own.

Two new gas plants, at Hyannis and Falmouth, were installed, using Butane Gas which has been in use at Wareham for some time.

Chapter 171, Acts of 1931, provided for examination and approval by the Department of automatic shut off devices to be attached to the intake pipe of gas meters. There were 25 such devices from 13 makers approved.

There were inspected during the year 87,323 gas meters of which 87,310 were sealed; six electric meters were inspected on complaint; 544 gas inspections made, seven meter provers and 105 calorimeter thermometers calibrated. Fees collected amounted to $22,388.10.

Complaints and inquiries, aggregating 498, regarding service and extensions were also considered.

We submit a list of gas, electric and water companies that have violated the law by failing to file their annual returns within the limit prescribed by law:

Gas and Electric Companies
Adams Gas Light Company
Amesbury Electric Light Company
Arlington Gas Light Company
Fall River Electric Light Company
Lawrence Gas and Electric Company
Milford Electric Light and Power Company
New England Power Company
North Adams Gas Light Company
Spencer Gas Company
Williamstown Gas Company
The Worcester Electric Light Company
Worcester Suburban Electric Company

Water Companies
Weston Water Company

MUNICIPAL LIGHTING PLANTS

We herewith set forth a list of the municipal gas and electric plants which, from reports filed in 1931 for the year 1930, appear to have violated the provisions of the Statute requiring them to reduce their rates, when the plants have earned a profit in excess of the eight per cent allowed by law:

<table>
<thead>
<tr>
<th>Plant</th>
<th>Per Cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belmont</td>
<td>11.76</td>
</tr>
<tr>
<td>Granville</td>
<td>9.27</td>
</tr>
<tr>
<td>Littleton</td>
<td>11.34</td>
</tr>
<tr>
<td>Marblehead</td>
<td>9.12</td>
</tr>
<tr>
<td>North Attleborough</td>
<td>9.77</td>
</tr>
<tr>
<td>Peabody</td>
<td>16.74</td>
</tr>
<tr>
<td>Shrewsbury</td>
<td>10.18</td>
</tr>
<tr>
<td>South Hadley</td>
<td>8.93</td>
</tr>
<tr>
<td>Sterling</td>
<td>10.44</td>
</tr>
<tr>
<td>Wellesley</td>
<td>12.47</td>
</tr>
<tr>
<td>West Boylston</td>
<td>8.64</td>
</tr>
</tbody>
</table>

SECURITIES DIVISION

In 1931, a total of 4,915 salesmen and 797 brokers were registered. Fees for such registrations received and paid to the treasurer of the commonwealth amounted to $49,648. A total of 113 new applications for registration as brokers were allowed and 24 such applications were denied. Including members of firms, the total number denied was 86. A total of 1,271 applications for new registrations as salesmen were allowed and 92 such applications were denied. The sale in this commonwealth, during the year 1931, of securities of corporations, trusts, associations or other bodies having an aggregate par value of $72,298,000, has been forbidden by the Securities Division. Since the effective date of the Sale of Securities Act (August 26, 1921) up to No-
November 30, 1931, the proposed sale of securities of corporations, trusts, associations or other bodies, having an aggregate par value of $2,349,516,644, has been prohibited. Forty-four formal hearings were held by the Commission or by the Director of the division during the past year on complaints arising in connection with sales of securities or the manner in which brokers or salesmen conducted their business. The registration of 14 brokers and 335 salesmen was cancelled on the register by orders of the division. The registration of 20 brokers and 266 salesmen was cancelled pursuant to their request. In connection with the registration of brokers and salesmen under the Act, 1562 investigations were made.

Division of Smoke Inspection

Chapter 412 of the Acts of 1930, which provides for the approval by the Director of the Division of Smoke Inspection of all plans and specifications of new power plants, blast furnaces, incinerators, and all heating plants designed to heat one or more buildings having a floor area above the basement in excess of 5000 square feet, all new chimneys connected with any such plant and all substantial reconstruction of such plants in so far as they affect the emission of smoke, became effective January 1, 1931.

The personnel to carry out the engineering details and the plant inspection for this work was composed of the men in the Smoke Inspection force who were best equipped for that type of work. At present, this arm of the Division consists of one engineer, one assistant engineer, two plant inspectors, and one stenographer. More than 700 plans and specifications were submitted during the first eleven months of 1931. Rules and regulations governing setting heights on boilers and approval of types of stokers and other smoke abatement devices were determined after submission to the Advisory Board for their approval.

We are informed by the Division that it has received general cooperation from those who have had smoke problems, and that many former violators have substituted anthracite coal or coke in place of the bituminous coal formerly used in their boilers that were designed to burn only anthracite coal, and this, together with the increased use of central heating in many downtown buildings, has resulted in a material reduction in the amount of smoke in the district.

The headquarters of the Division of Smoke Inspection is on the twenty-third floor of the United Shoe Machinery Building at 140 Federal Street, Boston, and gives an unobstructed view of almost all the stacks in the entire metropolis district. In addition to the field force of inspectors a constant watch is kept upon the offending chimneys from the windows.

There were 89 hearings held during the year and 16 orders issued. Two court cases were heard.

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total observations on stationary stacks</td>
<td>176,515</td>
</tr>
<tr>
<td>Total violations</td>
<td>1,266</td>
</tr>
<tr>
<td>Total observations on locomotives</td>
<td>42,943</td>
</tr>
<tr>
<td>Total violations</td>
<td>59</td>
</tr>
<tr>
<td>Total marine observations</td>
<td>3,370</td>
</tr>
<tr>
<td>Total violations</td>
<td>98</td>
</tr>
<tr>
<td>Total number of applications filed</td>
<td>422</td>
</tr>
<tr>
<td>Permits refused</td>
<td>5</td>
</tr>
<tr>
<td>Applications resubmitted</td>
<td>4</td>
</tr>
<tr>
<td>Permits issued</td>
<td>407</td>
</tr>
<tr>
<td>Applications pending</td>
<td>4</td>
</tr>
<tr>
<td>Certificates issued</td>
<td>347</td>
</tr>
<tr>
<td>Certificates issued:</td>
<td></td>
</tr>
<tr>
<td>For new power plants</td>
<td>8</td>
</tr>
<tr>
<td>For new heating plants</td>
<td>51</td>
</tr>
<tr>
<td>For new stokers</td>
<td>66</td>
</tr>
<tr>
<td>For new heavy oil burners</td>
<td>23</td>
</tr>
<tr>
<td>For new light oil burners</td>
<td>97</td>
</tr>
<tr>
<td>For new incinerators</td>
<td>52</td>
</tr>
<tr>
<td>Changed to smokeless fuel</td>
<td>139</td>
</tr>
<tr>
<td>Plant inspections</td>
<td>1,281</td>
</tr>
<tr>
<td>Cases investigated</td>
<td>331</td>
</tr>
</tbody>
</table>
### CAPITAL STOCK AND BONDS

Twenty-seven applications for approval of an issue of stock, bonds or notes have been decided during the year which ended November 30, 1931. The par value of the securities asked for was $15,240,425 and the par value of the amount approved was $14,519,000.

The following table shows the securities approved by the Commission for the several companies applying therefor, giving both the par value of the capital stock and the issue price thereof, determined as required by law:

<table>
<thead>
<tr>
<th>Company</th>
<th>Amount at Par</th>
<th>Issue Price</th>
<th>Value at Par</th>
<th>Issue Price</th>
<th>Bonds approved at Par</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atleboro Gas Light Company Corporation</td>
<td>$29,000</td>
<td>$150.00</td>
<td>$43,500</td>
<td></td>
<td></td>
<td>Mar. 20</td>
</tr>
<tr>
<td>Barnstable County Gas Company</td>
<td>$48,750</td>
<td>25.00</td>
<td>65,000</td>
<td></td>
<td></td>
<td>Oct. 19</td>
</tr>
<tr>
<td>Barnstable Water Company</td>
<td>$100,000</td>
<td>25.00</td>
<td>100,000</td>
<td></td>
<td></td>
<td>July 2</td>
</tr>
<tr>
<td>Boston Consolidated Gas Company</td>
<td>6,500,000</td>
<td>100.00</td>
<td>6,500,000</td>
<td></td>
<td></td>
<td>June 26</td>
</tr>
<tr>
<td>Boston Consolidated Gas Company1</td>
<td>850,000</td>
<td>100.00</td>
<td>850,000</td>
<td></td>
<td></td>
<td>Dec. 30</td>
</tr>
<tr>
<td>Buzzards Bay Gas Company</td>
<td>100,000</td>
<td>25.00</td>
<td>100,000</td>
<td></td>
<td></td>
<td>Oct. 19</td>
</tr>
<tr>
<td>Eastern Massachusetts Electric Co.</td>
<td>820,000</td>
<td>35.00</td>
<td>1,185,000</td>
<td></td>
<td></td>
<td>Nov. 2</td>
</tr>
<tr>
<td>East Northfield Water Company</td>
<td>5,000</td>
<td>100.00</td>
<td>5,000</td>
<td></td>
<td></td>
<td>June 26</td>
</tr>
<tr>
<td>Edison Electric Illuminating Company of Brocton</td>
<td>484,200</td>
<td>40.00</td>
<td>774,720</td>
<td></td>
<td></td>
<td>June 30</td>
</tr>
<tr>
<td>Greenfield Electric Light and Power Company</td>
<td>340,000</td>
<td>125.00</td>
<td>425,000</td>
<td></td>
<td></td>
<td>May 8</td>
</tr>
<tr>
<td>Interstate Street Railway Company</td>
<td>550,000</td>
<td>45.00</td>
<td>990,000</td>
<td></td>
<td></td>
<td>June 16</td>
</tr>
<tr>
<td>Lawrence Gas and Electric Company</td>
<td>60,000</td>
<td>150.00</td>
<td>90,000</td>
<td></td>
<td></td>
<td>Feb. 18</td>
</tr>
<tr>
<td>Lee Electric Company</td>
<td>81,500</td>
<td>100.00</td>
<td>81,500</td>
<td></td>
<td></td>
<td>April 6</td>
</tr>
<tr>
<td>Lenox Water Company</td>
<td>55,000</td>
<td>75.00</td>
<td>1,755,000</td>
<td></td>
<td></td>
<td>July 31</td>
</tr>
<tr>
<td>Lexington Gas Company</td>
<td>385,000</td>
<td>300.00</td>
<td>1,125,000</td>
<td></td>
<td></td>
<td>Dec. 19</td>
</tr>
<tr>
<td>Lynn Gas and Electric Company</td>
<td>137,500</td>
<td>300.00</td>
<td>412,500</td>
<td></td>
<td></td>
<td>Sept. 18</td>
</tr>
<tr>
<td>Northampton Electric Lighting Company</td>
<td>59,000</td>
<td>600.00</td>
<td>354,000</td>
<td></td>
<td></td>
<td>Sept. 29</td>
</tr>
<tr>
<td>Northampton Gas Light Company</td>
<td>153,775</td>
<td>55.00</td>
<td>360,305</td>
<td></td>
<td></td>
<td>Jan. 16</td>
</tr>
<tr>
<td>North Shore Gas Company</td>
<td>150,000</td>
<td>25.00</td>
<td>150,000</td>
<td></td>
<td></td>
<td>Oct. 30</td>
</tr>
<tr>
<td>Old Colony Gas Company</td>
<td>100,000</td>
<td>25.00</td>
<td>100,000</td>
<td></td>
<td></td>
<td>Mar. 13</td>
</tr>
<tr>
<td>Pittsfield Electric Company</td>
<td>400,000</td>
<td>175.00</td>
<td>700,000</td>
<td></td>
<td></td>
<td>Dec. 31</td>
</tr>
<tr>
<td>Old Colony Gas Company</td>
<td>800,000</td>
<td>50.00</td>
<td>400,000</td>
<td></td>
<td></td>
<td>Feb. 16</td>
</tr>
<tr>
<td>Randolph &amp; Holbrook Power &amp; Electric Company</td>
<td>9,750</td>
<td>27.50</td>
<td>6,625</td>
<td></td>
<td></td>
<td>Jan. 19</td>
</tr>
<tr>
<td>United Electric Light Company</td>
<td>320,000</td>
<td>70.00</td>
<td>890,000</td>
<td></td>
<td></td>
<td>July 2</td>
</tr>
<tr>
<td>United Tickr Service Company</td>
<td>50,000</td>
<td>100.00</td>
<td>50,000</td>
<td></td>
<td></td>
<td>July 30</td>
</tr>
<tr>
<td>Webster &amp; Southbridge Gas &amp; Electric Company</td>
<td>209,125</td>
<td>40.00</td>
<td>325,000</td>
<td></td>
<td></td>
<td>Nov. 12</td>
</tr>
<tr>
<td>Woburn Gas Light Company</td>
<td>100,000</td>
<td>100.00</td>
<td>100,000</td>
<td></td>
<td></td>
<td>July 21</td>
</tr>
<tr>
<td>Worcester Gas Light Company</td>
<td>1,500,000</td>
<td>100.00</td>
<td>1,500,000</td>
<td></td>
<td></td>
<td>Feb. 25</td>
</tr>
</tbody>
</table>

1 To be used to purchase Charlestown Gas and Electric Company.
2 To be used from the United Telephone Company all its equipment and property.
3 Preferred 6 per cent Cumulative stock, to purchase West Boston Gas Company.

### RECOMMENDATIONS FOR LEGISLATION

Since the acquisition of the control of many of our gas and electric companies by so-called holding companies instances have come to our attention of operating companies lending money to other operating and holding companies. If such loans are restricted to that amount of cash which the lending operating company would otherwise properly distribute in dividends, the interests of the consumers would not be adversely affected. On the other hand, gas and electric companies are organized to manufacture and sell gas and electricity and not to engage in the business of lending money. We believe that the lending of money in the way it has been done is beyond the corporate powers of the companies so lending and might properly be attacked by a stockholder. Where a holding company has acquired most of the stock of an operating company, it can be used as a device to force the sale of the stock not owned by the holding company to it, largely upon its own terms. By not declaring dividends and lending its profits to other utilities controlled by it, a powerful influence is brought to bear upon the holders of small amounts of stock to sell their holdings.
We believe that gas and electric companies should be prohibited from lending money, other than advances to their own employees, to a limited amount, unless approved by the Department. We submit a bill, marked "A," to carry this recommendation into effect.

Beginning with 1894, the Legislature has passed successive acts providing for the burying of wires in the city of Boston. Other acts have been passed providing for the burying of wires in limited areas in other communities. The object of placing wires underground is primarily one of public safety, and thus, logically, the overhead wires should first be removed in the densely settled sections of the community. Where the wires are buried in the densely settled portions of a community there is ordinarily no objection by abutters. The company carries its conduits on the abutter's property to a point two feet from the street line, without charge to him, and thus he is only called upon to adjust his internal wiring to the new connection, as in the densely settled portions of the community the buildings usually are built to the line of the street. Where wires are placed underground in the less densely settled portions of the community it is largely because of aesthetic reasons. Such burying often imposes serious expense upon the abutters, as they are called upon to pay for the cost of construction of conduits from two feet inside the street line to their houses, which usually are set back from the street, and, in addition, for the cost of rearranging the internal wiring. This often arouses great indignation upon the part of some of the customers, as they have had no notice of the proposed change from overhead service to underground service until they are informed that they must pay the cost of the conduits from a point two feet inside their premises from the street line to their houses or they cannot be served. They naturally argue that they are satisfied with the overhead service, and that if the change is to be made the entire cost should be borne by the company. We think it obvious that this would be unjust to the other customers of the company, as the cost to the company would be reflected in their rates and they receive little, if any, benefit from the change. Moreover, it is not desirable that the company should have large amounts of capitalizable property, which cannot readily be removed, located on private property which it does not own.

Our attention has been called to the fact that some companies enter into arrangements with local authorities to bury wires without being required to do so by law, and without any notice or hearing being given to those who are affected. We believe that the time has come when provision should be made that the selectmen in towns and the boards of aldermen in cities may require the burying of wires, after notice to the persons assessed as owners of real estate abutting on the street in which it is proposed to place the wires underground, and a public hearing thereon. To protect the abutters and the company from possible unwise and improvident action on the part of the local authorities, we think an appeal should lie, on application of an abutter or the company from the action of the local authorities, to the Department. We present a bill to carry this recommendation into effect, marked "B."

"A"

AN ACT TO PROHIBIT THE LENDING OF MONEY BY GAS AND ELECTRIC COMPANIES

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Section 1. Chapter one hundred and sixty-four of the General Laws is hereby amended by inserting after section seventeen the following new section:—Section 17A. No gas or electric company shall loan its funds except to its employees and then only to an amount not exceeding one thousand dollars to any one employee, unless approved in writing by the department. A director, treasurer or other officer or agent of a gas or electric company who makes a loan or votes to authorize a loan in violation of this section shall be punished by a fine of not more than one thousand dollars or by imprisonment for not more than one year, or both.
AN ACT RELATIVE TO THE PLACING UNDERGROUND OF CERTAIN WIRES

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Section 1. Chapter one hundred sixty-six of the General Laws is hereby amended by inserting after section twenty-eight the following new section:—

Section 28A. The board of aldermen in a city or the selectmen in a town, after a public hearing and written notice of the time and place of such hearing, mailed at least seven days prior thereto by the clerk of the city or by the selectmen of the town to all owners of real estate abutting upon that part of a way upon, along or across which wires for the transmission of electricity or intelligence are constructed and maintained, as such ownership is determined by the last preceding assessment of taxation, may order the person or corporation maintaining the wires to place them under the way, in such manner as the board of aldermen or selectmen shall determine. Any person aggrieved by any decision of the aldermen or selectmen hereunder may, within thirty days after notice of said decision, appeal therefrom to the department of public utilities, which shall thereupon give notice and hear all parties interested, and its decision shall be final.

Respectfully submitted,

HENRY C. ATTWILL,
EVERETT E. STONE,
HENRY G. WELLS,
LEONARD F. HARDY,
LEWIS GOLDBERG,
Commissioners.
# Workmen's Compensation

General Laws, Chapter 152

(Including Amendments through Legislative Year, 1932.)

<table>
<thead>
<tr>
<th>PROCEDURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Rules, process, witnesses.</td>
</tr>
<tr>
<td>6. Agreement for compensation.</td>
</tr>
<tr>
<td>7. Hearing by one member.</td>
</tr>
<tr>
<td>8. Investigation by the member.</td>
</tr>
<tr>
<td>10. Hearing by reviewing board.</td>
</tr>
<tr>
<td>12. Weekly payments may be changed.</td>
</tr>
<tr>
<td>13. Fees of physicians, etc.</td>
</tr>
<tr>
<td>15. Legal liability for injuries. Election, etc.</td>
</tr>
<tr>
<td>17. Decision of department, etc., not suspended by appeal.</td>
</tr>
<tr>
<td>18. Independent contractor, etc.</td>
</tr>
<tr>
<td>19. Notice of injuries to be given to department.</td>
</tr>
<tr>
<td>20. Hospital records admissible as evidence.</td>
</tr>
<tr>
<td>21. Notice to employees.</td>
</tr>
<tr>
<td>22. Same subject.</td>
</tr>
<tr>
<td>23. Acceptance of payment, etc., by employee releases employer from liability, etc.</td>
</tr>
<tr>
<td>24. Notice by employee to retain rights at common law.</td>
</tr>
<tr>
<td>25. Payment of judgment by insured.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PAYMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>27. Misconduct by employee bars compensation.</td>
</tr>
<tr>
<td>29. Waiting period.</td>
</tr>
<tr>
<td>30. Medical services, etc.</td>
</tr>
<tr>
<td>31. Death.</td>
</tr>
<tr>
<td>32. Dependents.</td>
</tr>
<tr>
<td>33. Funeral expenses.</td>
</tr>
<tr>
<td>34. Total incapacity.</td>
</tr>
<tr>
<td>35. Partial incapacity.</td>
</tr>
<tr>
<td>36. Payments for certain specific injuries.</td>
</tr>
<tr>
<td>37. Method of payment for certain injuries.</td>
</tr>
<tr>
<td>38. Savings, etc., not to be deducted.</td>
</tr>
<tr>
<td>40. Guardians, etc., may claim rights.</td>
</tr>
<tr>
<td>41. Notice and claim.</td>
</tr>
<tr>
<td>42. Form of notice.</td>
</tr>
<tr>
<td>43. Service of notice.</td>
</tr>
<tr>
<td>44. Notice not invalid for inaccuracy.</td>
</tr>
<tr>
<td>45. Examination by physician.</td>
</tr>
<tr>
<td>46. Rights to compensation cannot be waived.</td>
</tr>
<tr>
<td>47. Payment not assignable.</td>
</tr>
<tr>
<td>48. Lump sums in lieu of weekly payments.</td>
</tr>
<tr>
<td>49. Claim.</td>
</tr>
<tr>
<td>50. Interest in appealed cases.</td>
</tr>
<tr>
<td>51. Compensation of young employee.</td>
</tr>
<tr>
<td>52. Insurance companies.</td>
</tr>
<tr>
<td>53. Mutual companies.</td>
</tr>
<tr>
<td>54. Form of insurance policy.</td>
</tr>
<tr>
<td>55. Approval by commissioner of insurance.</td>
</tr>
<tr>
<td>56. Joint and several policies.</td>
</tr>
<tr>
<td>57. Deposit by company of value of outstanding claims.</td>
</tr>
<tr>
<td>58. Commissioner to compute value.</td>
</tr>
<tr>
<td>59. Expenses of custody of deposit.</td>
</tr>
<tr>
<td>60. Penalty for failure to make deposit.</td>
</tr>
<tr>
<td>61. Bond of foreign company.</td>
</tr>
<tr>
<td>62. Foreign companies ceasing to do business.</td>
</tr>
<tr>
<td>63. Information by insurance companies on request of the department.</td>
</tr>
<tr>
<td>64. Rules by insurer.</td>
</tr>
<tr>
<td>65. Special fund for certain payments.</td>
</tr>
</tbody>
</table>

## MISCELLANEOUS PROVISIONS,

| 67. Application of the preceding section. |
| 68. Application of certain other laws. |
| 69. Compensation by the commonwealth, etc. |
| 70. Procedure. |
| 71. Other remedies excluded. |
| 72. Waiver of rights by employee. |
| 73. Election between compensation and pension. |
| 74. Application of sections 69 to 73. |
| 75. Agents for enforcing sections 69 to 74. |

---

Publication of this document approved by the Commission on Administration and Finance.

10m—5’32. No. 5553.
SECTION 1. The following words as used in this chapter shall, unless a different meaning is plainly required by the context or specifically prescribed, have the following meanings:

(1) "Average weekly wages", the earnings of the injured employee during the period of twelve calendar months immediately preceding the date of injury, divided by fifty-two; but if the injured employee lost more than two weeks' time during such period, the earnings for the remainder of such twelve calendar months shall be divided by the number of weeks remaining after the time so lost has been deducted. Where, by reason of the shortness of the time during which the employee has been in the employment of his employer or the nature or terms of the employment, it is impracticable to compute the average weekly wages, as above defined, regard may be had to the average weekly amount which, during the twelve months previous to the injury, was being earned by a person in the same grade employed at the same work by the same employer, or, if there is no person so employed by a person in the same grade employed in the same class of employment and in the same district.


(2) "Department", the department of industrial accidents.

(3) "Dependents", members of the employee's family or next of kin who were wholly or partly dependent upon the earnings of the employee for support at the time of the injury.


(4) "Employee", every person in the service of another under any contract of hire, express or implied, oral or written, except masters of and seamen on vessels engaged in interstate or foreign commerce, and except one whose employment is not in the usual course of the trade, business, profession or occupation of his employer. Any reference to an employee who has been injured shall, when the employee is dead, also include his legal representatives, dependents and other persons to whom compensation may be payable.


(5) "Employer" includes the legal representative of a deceased employer.


(6) "Insured" or "insured person", an employer who has provided by insurance for the payment to his employees of the compensation required by this chapter.


(7) "Insurer", any insurance company which has insured the compensation payable by an employer under this chapter.


(8) "Reviewing board", the reviewing board designated under section three of chapter twenty-four.

SECTION 2. The department shall make all necessary inspections and investigations relating to causes of injuries for which compensation may be claimed, and for this purpose any member or employee thereof may at any time enter places of employment when being used for business purposes. It shall also have the powers and duties set forth in this chapter.

SECTION 3. The division of industrial training shall aid persons whose earning capacity has been impaired by industrial accident while residents of the commonwealth in obtaining such education, training and employment as will tend to restore their earning capacity. It may co-operate with the United States government, and in cooperation with the department of education may establish and maintain, or assist in so doing in schools or institutions supported wholly or in part by the commonwealth, such courses as it may deem expedient, and otherwise may act in such manner as it may deem necessary to accomplish the purpose of this section. (Repealed St. 1921, c. 462, § 8, and duties transferred to State Board for Vocational Training.)

SECTION 4. The department shall make an annual report.

PROCEDURE

SECTION 5. The department may make rules consistent with this chapter for carrying out its provisions. Process and procedure shall be as simple and summary as reasonably may be. The department or any member thereof may subpoena witnesses, administer oaths, and examine such parts of the books and records of the parties to a proceeding as relate to questions in dispute. Upon the written request of the department or of any member thereof, together with interrogatories and cross-interrogatories, if any there be, filed with the clerk of the superior court for any county, commissions to take depositions of persons or witnesses residing without the commonwealth, or in foreign countries, or letters rogatory to a court in another state or to a court in a foreign country, shall forthwith issue from the said superior court, as in cases pending therein; and upon the return of the said depositions or answers to letters rogatory the same shall be opened by the clerk of the court issuing the commissions or letters, and the said clerk shall endorse thereon the date when a deposition or answer to letters rogatory was received, and the same shall forthwith be delivered to the department. No entry fee shall be charged in such cases. The fee for attending as a witness before the department shall be one dollar and fifty cents a day; for attending before a member of the department, fifty cents a day; in both cases, five cents a mile for travel out and home. The superior court may enforce by proper proceedings the provisions of this section relating to the attendance and testimony of witnesses and the examination of books and records.


SECTION 6. If the insurer and the injured employee reach an agreement in regard to compensation, a memorandum thereof shall be filed with the department, and, if approved by it, the memorandum shall for all purposes be enforceable under section eleven. Such agreements shall be approved by said department only when the terms conform to this chapter.


SECTION 7. If the insurer and the injured employee fail to reach an agreement in regard to compensation, or if they have reached such an agreement, which has been signed and filed in accordance with this chapter, and compensation has been paid or is due in accordance therewith, and the parties thereto then disagree as to the correctness of any weekly payments under such agreement, either party may notify the department, which shall thereupon assign the case for hearing by a member thereof.


SECTION 8. Such member shall make such inquiries and investigations as shall be deemed necessary. The hearing shall be held in the town where the accident occurred or in such other place as the department may designate, and the decision of the member, together with a statement of the evidence, his findings of facts, rulings of law, and other matters pertinent to questions arising before him, shall be filed with the department. Unless a claim for review is filed by either party within seven days, the decision shall be enforceable under section eleven.


(a) A party who has by accident, mistake or through other reasonable cause, omitted to claim a review from a decision rendered under section eight within the time limited therein, may, within two years from the filing of such

---

1 Added June 25, 1915, St. 1915, c. 275.
2 Added Apr. 30, 1915, St. 1915, c. 123.
3 Added May 19, 1912, St. 1912, c. 571, § 8.
4 Added June 25, 1914, St. 1914, c. 708, § 9.
5 This change made June 23, 1917, St. 1917, c. 297, § 2.
6 This change made June 23, 1917, St. 1917, c. 297, § 4.
7 "Place" changed to "town" July 1, 1912, St. 1912, c. 571, § 12.
8 Added June 23, 1917, St. 1917, c. 297, § 4.
9 Added July 1, 1912, St. 1912, c. 571, § 12.
10 Added May 15, 1930, in effect Aug. 13, 1930, St. 1930, c. 320, Sec. 1, C. 320, Sec. 2, provides: This act shall apply to all claims for compensation arising since the first day of January in the year nineteen hundred and twenty-nine.
decision with the department, petition the superior court for the county in which the injury occurred, or for the county of Suffolk, for leave to claim such review, and the court may grant such petition and permit such claim to be filed if it finds that justice and equity require it, notwithstanding that a decree has previously been rendered on such decision as provided in section eleven.

SECTION 9. The department or any member thereof, may appoint a duly qualified impartial physician to examine the injured employee and to report. The fee for this service shall be five dollars and traveling expenses, but the department may allow additional reasonable amounts in extraordinary cases, and the insurer shall reimburse the department for the amount so paid.¹ The report of the physician shall be admissible as evidence in any proceeding before the department or a member thereof; provided that the employee and the insurer have seasonably furnished with copies thereof.²

219 Mass. 189.

(a) Whenever a medical question is in dispute in any case, and an impartial physician has not, prior to seven days before the date assigned for each hearing thereon, been appointed by the department or a member thereof, the employee may engage his own physician to appear and testify in his behalf and, if the decision of the single member or of the department is in favor of the employee, a reasonable fee shall be allowed by the member or by the department for such physician's services and shall be added to the amount awarded to the employee and be paid by the insurer under the provisions of this chapter.¹

SECTION 10. If a claim for a review is filed under section eight, the reviewing board shall hear the parties, and may hear evidence in regard to pertinent matters and may revise the decision in whole or in part, or may refer the matter back to the member for further findings of fact,³ and shall file its decision with the records of the proceedings and notify the parties. If a claim for a review is so filed by the insurer in any case and the board by its decision orders the insurer to make, or to continue, payments to the injured employee, the cost to the injured employee of such review, including therein reasonable counsel fees, shall be determined by the board and shall be paid by the insurer.⁴ No party shall as of right be entitled to a second hearing upon questions of fact.


SECTION 11. Any party in interest may present certified copies of an order or decision of the reviewing board, a decision of a member from which no claim for review has been filed within the time allowed therefor, or a memorandum of agreement approved by the department, and all papers in connection therewith, to the superior court for the county in which the injury occurred or for the county of Suffolk, but if so presented to the court for the county of Suffolk, the court may, on motion of any party in interest, order the case removed to the court for the county in which the injury occurred. The court shall thereupon render a decree in accordance therewith and notify the parties. Such decree shall have the same effect, and all proceedings in relation thereto shall thereafter be the same, as though rendered in a suit duly heard and determined by said court, except that there shall be no appeal therefrom upon questions of fact or where the decree is based upon a decision of a member or a memorandum of agreement, and except that there shall be no appeal from a decree based upon an order or decision of the reviewing board which has not been presented to the court within ten days after the notice of the filing thereof by said board. Upon the presentation to it of a certified copy of a decision

¹ Added June 25, 1914, St. 1914, c. 708, § 10.
² Added March 23, 1916, St. 1916, c. 72.
³ "Each" added May 21, 1930, in effect Aug. 19, 1930, St. 1930, c. 330.
⁴ "Each" added May 21, 1930, in effect Aug. 19, 1930, St. 1930, c. 330.
⁵ "Each" added May 21, 1930, in effect Aug. 19, 1930, St. 1930, c. 330.
⁶ This change except the word "member" made July 1, 1912, St. 1912, c. 571, § 13. Changed from "committee" to "member" June 23, 1917, St. 1917, c. 297, § 6.
⁷ Added April 11, 1930, in effect July 10, 1930, St. 1930, c. 298.
⁸ Added in place of the words "thereupon said court shall," March 31, 1932, St. 1932, c. 129, sec. 1.
⁹ Sec. 2 of St. 1932, c. 129, provides: This act shall take effect on the first day of September in the current year.
ending, diminishing or increasing a weekly payment under the following section
the court shall revoke or modify the decree to conform to such decision.

SECTION 12. Questions as to a weekly payment may be heard and decided by
the reviewing board, or any member of the department, and the reviewing
board or such member may, in accordance with the evidence and subject to this
chapter, issue any order deemed advisable. If the case is heard and decided by
a member, his decision may be reviewed under sections eight and ten.
When in any case before the board it appears that compensation has been
paid under an agreement of the parties or when in any such case there appears
of record a finding that the employee is entitled to compensation, no subsequent
finding by the board of by a member thereof discontinuing compensation on
the ground that the employee's incapacity has ceased shall be considered final
as a matter of fact or res adjudicata as a matter of law, and such employee or his
dependents, in the event of his death, may have further hearings as to whether
his incapacity or death is or was the result of the injuries for which he re-
ceived compensation; provided, that if the board shall determine that the peti-
tion for such a rehearing is without merit and frivolous, the employee or his
dependents shall not thereafter be entitled to file any subsequent petition there-
for except for cause shown and in the discretion of the member to whom such
subsequent petition may be referred, and that, in the event of the death of the
employee, such a petition for a rehearing shall be filed within three months
from the time of his decease and within one year from the date of the finding
terminating his compensation.1

SECTION 13. Fees of attorneys and physicians and charges of hospitals for
services under this chapter shall be subject to the approval of the department.
If the insurer and any physician or hospital, or the employee and any attorney,
fail to agree as to the amount to be paid for such services, either party may
notify the department, which may thereupon assign the case for hearing by a
member thereof. The member shall report the facts to the department for
decision, and decision shall be enforceable under section eleven.

SECTION 14. If the reviewing board, any member of the department or any
court before which proceedings under this chapter are brought determines that
such proceedings have been brought, prosecuted or defended without reasonable
ground, the whole cost of the proceedings shall be assessed upon the party
who has so brought, prosecuted or defended them.

SECTION 15. Where the injury for which compensation is payable was caused
under circumstances creating a legal liability in some person other than the
insured to pay damages in respect thereof, the employee may at his option
proceed either at law against that person to recover damages or against the
insurer for compensation under this chapter, but not against both. If compen-
sation be paid under this chapter, the insurer may enforce, in the name of the
employee or in its own name and for its own benefit, the liability of such
other person; and in case the insurer recovers a sum greater than that paid by
it to the employee, four fifths of the excess shall be paid to the employee; but
the insurer shall not make any settlement by agreement with such other person
without the approval of the industrial accident board. An employee shall not
be held to have exercised his option under this section to proceed at law if, at
any time prior to trial of an action at law brought by him against such other
person, he shall, after notice to the insurer, discontinue such action, provided
that upon payment of compensation following such discontinuance the insurer

1 The words "it appears that compensation has been paid under an agreement of the parties
or when in any such case" added March 28, 1932, St. 1932, c. 117. see 1.
2 See 2 of St. 1932, c. 117, provides: This act shall apply to cases wherein compensation has
been paid in pursuance of findings or agreements of the parties made subsequent to January
first, nineteen hundred and twenty-five.
3 Effective April 22, 1929, St. 1929, c. 246.
shall not have lost its right to enforce the liability of such other person as hereinbefore provided."


SECTION 15 A. If one or more claims are filed for an injury and two or more insurers, any one of which may be held to be liable to pay compensation therefor, agree that the injured employee would be entitled to receive such compensation but for the existence of a controversy as to which of said insurers is liable to pay the same, such one of said insurers as they may mutually agree upon or as may be selected by a single member of the board shall pay to the injured employee the compensation aforesaid, pending a final decision of the board as to the matter in controversy, and such decision shall require that the amount of compensation so paid shall be deducted from the award if made against another insurer and be paid by said other insurer to the insurer agreed upon or selected by the single member aforesaid.

SECTION 16. Questions arising under this chapter, if not settled by agreement by the parties interested therein, shall, except as otherwise provided in this chapter, be determined by the department. The decisions of the department shall for all purposes be enforceable under section eleven."

231 Mass. 142.

SECTION 17. Orders or decisions of the reviewing board or department, decrees of the superior court upon such orders, decisions of a member of the department from which no claim for review has been filed within the time allowed therefor, or memoranda of agreements approved by the department shall have effect, notwithstanding an appeal, until it is otherwise ordered by a justice of the supreme judicial court, who may in any county suspend or modify such decree, order or decision, during the pendency of the appeal.


SECTION 18. If an insured person enters into a contract, written or oral, with an independent contractor to do such person's work, or if such a contractor enters into a contract with a sub-contractor to do all or any part of the work comprised in such contract with the insured, and the insurer would, if such work were executed by employees immediately employed by the insured, be liable to pay compensation under this chapter to those employees, the insurer shall pay to such employees any compensation which would be payable to them under this chapter if the independent or sub-contractors were insured persons.

The insurer, however, shall be entitled to recover indemnity from any other person who would have been liable to such employees independently of this section; and if the insurer has paid compensation under this section, it may enforce, in the name of the employee or in its own name and for its benefit, the liability of such other person. This section shall not apply to any contract of an independent or sub-contractor which is merely ancillary and incidental to, and is in no part of or process in, the trade or business carried on by the insured, nor to any case where the injury occurred elsewhere than on, in or about the premises on which the contractor has undertaken to execute the work for the insured or which are under the control or management of the insured.


SECTION 19. Every employer shall hereafter keep a record of all injuries, fatal or otherwise, received by his employees in the course of their employment. Within forty-eight hours, not counting Sundays and legal holidays, after the occurrence of an injury, a written report thereof shall be made to the depart-

1 St. 1929, c. 326, Sec. 1. Effective August 14, 1929.

This section, St. 1911, c. 751, P. III, s. 15, as amended by St. 1913, c. 448 read as follows: Where the injury for which compensation is payable was caused under circumstances creating a legal liability in some person other than the insured to pay damages in respect thereof, the employee may at his option proceed either at law against that person to recover damages or against the insurer for compensation under this chapter, but not against both; and, if compensation be paid under this chapter, the insurer may enforce, in the name of the employee or in its own name and for its own benefit, the liability of such other person; and in case the insurer recovers a sum greater than that paid by it to the employee, four-fifths of the excess shall be paid to the employee.

2 Effective June 24, 1931, St. 1931, c. 143.

3 Added July 1, 1912, c. 571, § 15.
ment on blanks to be procured from it. Upon the termination of the disability of the injured employee, the employer shall make a supplemental report upon blanks to be procured from it. If the disability extends beyond a period of sixty days, the employer shall report to the department at the end of such period that the injured employee is still disabled, and upon the termination of the disability shall file a final supplemental report as provided above.

The said reports shall contain the name and nature of the business of the employer, the situation of the establishment, the name, age, sex and occupation of the injured employee, and shall state the date and hour of any accident causing the injury, the nature and cause of the injury, and other information required by the department.

Employers refusing or neglecting to make the report required by this section shall be punished by a fine of not more than fifty dollars.

Copies of reports of injuries filed by employers with the department and statistics and data compiled therefrom shall be kept available by it, and shall be furnished on request to the department of labor and industries for its own use.

Within sixty days after the termination of the disability of the injured employee, the insurer shall file with the department a statement showing the total payments made or to be made for compensation and for medical services for such injured employee.


SECTION 20. Copies of hospital records kept in accordance with section seventy of chapter one hundred and eleven, certified by the persons in custody thereof to be true and complete, shall be admissible in evidence in proceedings before the department or any member thereof. The department or any member, before admitting any such copy in evidence may require the party offering the same to produce the original record. All medical records and reports of hospitals, clinics and physicians of the insurer or of the employee shall be open to the inspection of the department so far as relevant to any matter before it.

SECTION 21. Every insured person shall, as soon as he secures a policy, give written or printed notice to all persons under contract of hire with him that he has provided for payment to injured employees by the insurer.


SECTION 22. Every insured person shall give written or printed notice to every person with whom he is about to enter into a contract of hire that he has provided for payment to injured employees by the insurer. An employer ceasing to be insured shall, on or before the day on which his policy expires, give written or printed notice thereof to all persons under contract with him. In case of the renewal of the policy no notice shall be required. He shall file a copy of said notice with the department. The notices required by this and the preceding section may be given in the manner therein provided or in such other manner as may be approved by the department.


SECTION 23. If an employee of an insured person files any claim with or accepts payment from the insurer on account of personal injury, or makes any agreement, or submits to a hearing before a member of the department under section eight, such action shall constitute a release to the insured of all claims or demands at law, if any, arising from the injury.

SECTION 24. An employee of an insured person shall be held to have waived his right of action at common law or under the law of any other jurisdiction in respect to an injury therein occurring to recover damages for personal injuries if he shall not have given his employer, at the time of his contract of hire, written notice that he claimed such right, or, if the contract of hire was made before the employer became an insured person, if the employee shall not have given the said notice within thirty days of notice of such insurance. An employee who has given notice to his employer that he claimed his right of

1 Added July 1, 1913, St. 1913, c. 746, § 1.
2 Effective July 25, 1927, St. 1927, c. 309, § 1.
3 Added July 1, 1913, St. 1913, c. 571, § 16.
4 Effective July 26, 1927, St. 1927, c. 309 § 2.
action as aforesaid\(^1\) may waive such claim by a written notice, which shall take effect five days after it is delivered to the employer or his agent. The notices required by this section shall be given in such manner as the department may approve. An employee under a contract of hire with an insured person, made prior to the effective date\(^1\) of so much of this act as is not affected by section fourteen,\(^2\) shall be deemed to have waived his rights of action to recover damages for personal injuries under the law of any other jurisdiction in respect to injuries therein occurring if he shall not give his employer, within thirty days after said effective date, written notice that he claims such rights.

\(^1\) Effective July 25, 1927, St. 1927, c. 369, § 2.
\(^2\) Effective July 25, 1927, St. 1927, c. 369 § 2.

SECTION 25. If an insured person who has complied with the rules, regulations and demands of the insurer is required by a judgment of court to pay to an employee any damages on account of personal injury sustained by such employee during the period covered by insurance, the insurer shall pay to the insured the full amount of such judgment and the cost assessed therewith if the insured shall have given the insurer written notice of the bringing of the action in which the judgment was recovered and an opportunity to appear and defend the same.

218 Mass. 346.

PAYMENTS

SECTION 26. If an employee who has not given notice of his claim of common law rights of action, under section twenty-four, or who has given such notice and has waived the same, receives a personal injury arising out of and in the course of his employment, or arising out of an ordinary risk of the street while actually engaged, with his employer's authorization, in the business affairs or undertakings of his employer, and whether within or without the commonwealth,\(^3\) he shall be paid compensation by the insurer, as hereinafter provided, if his employer is an insured person at the time of the injury; provided, that as to an injury occurring without the commonwealth he has not given notice of his claim of rights of action under the laws of the jurisdiction wherein such injury occurs or has given such notice and has waived it.\(^4\) For the purposes of this section, any person while operating or using a motor or other vehicle, whether or not belonging to his employer, with his employer's general authorization or approval, in the performance of work in connection with the business affairs or undertakings of his employer, and whether within or without the commonwealth,\(^5\) and any person who, while engaged in the usual course of his trade, business profession or occupation, is ordered by an insured person, or by a person exercising superintendence on behalf of such insured person, to perform work which is not in the usual course of such trade, business, profession or occupation, and, while so performing such work, receives a personal injury shall be conclusively presumed to be an employee.

218 Mass. 407.

216 Mass. 51, 293.


218 Mass. 1.

219 Mass. 488.


227 Mass. 341, 452.

SECTION 27. If the employee is injured by reason of his serious and wilful misconduct, he shall not receive compensation.

218 Mass. 158.

223 Mass. 139.

SECTION 28. If the employee is injured by reason of the serious and wilful misconduct of an insured person or of any person regularly intrusted with and exercising the powers of superintendence, the amounts of compensation hereinafter provided shall be doubled. In such case the insured shall repay to the

\(^3\) Effective July 25, 1927, St. 1927, c. 369, § 2.
\(^4\) Effective July 25, 1927, St. 1927, c. 369 § 2.
\(^5\) St. 1927, c. 369, § 14, provides: so much of section three of this act as extends the provisions of said chapter one hundred and fifty-two to injuries occurring outside the commonwealth shall take effect one hundred and twenty days after its passage. (Effective Aug. 24, 1927.)
\(^6\) Approved April 11, 1930, in effect July 10, 1930, St. 1930, c. 266.
\(^7\) Effective July 6, 1931, St. 1931, c. 179.
insurer the extra compensation paid to the employee. *If a claim is made under this section the insured may appear and defend against such claim only.*

SECTION 29. No compensation shall be paid for any injury which does not incapacitate the employee for a period of at least seven 7 days from earning full wages, but if incapacity extends beyond such period, compensation shall begin on the eighth day after the injury, and if incapacity extends beyond a period of four weeks, compensation shall be paid from the day of injury; but except under section thirty-five no compensation shall be paid for any period for which any wages were earned. When compensation shall have begun it shall not be discontinued except with the written assent of the employee or the approval of the department or a member thereof; provided, that such compensation shall be paid in accordance with section thirty-five if the employee in fact earns wages after the original agreement is filed.

SECTION 30. During the first two weeks after the injury, and, if the employee is not immediately incapacitated thereby from earning full wages, then, from time to time of such incapacity, and in unusual cases, or cases requiring specialized or surgical treatment, in the discretion of the department, for a longer period, the insurer shall furnish adequate and reasonable medical and hospital services, and medicines if needed together with the expenses necessarily incidental to such services. The employee may select a physician other than the one provided by the insurer, and in case he shall be treated by a physician of his own selection, or where, in case of emergency or for other justifiable cause, a physician other than the one provided by the insurer is called in to treat the injured employee, the reasonable cost of his services shall be paid by the insurer, subject to the approval of the department. Such approval shall be granted only if the department finds that the employee was so treated by such physician or that there was such emergency or justifiable cause, and in all cases that the services were adequate and reasonable and the charges reasonable. In any case where the department is of opinion that the fitting of the employee with an artificial eye or limb, or other mechanical appliance, will promote his restoration to industry, it may order that he be provided with such an artificial eye, limb or appliance, at the expense of the insurer.

SECTION 31. If death results from the injury, the insurer shall pay the following dependents of the employee, including his children by a former wife, wholly dependent upon his earnings for support at the time of his injury, compensation as follows, payable, except as hereinafter provided, in the manner set forth in section thirty-two:

To the widow, so long as she remains unmarried, ten dollars a week if and so long as there is no child of the employee, who is under the age of eighteen, or over said age and physically or mentally incapacitated from earning; to or for the use of the widow and for the benefit of all children of the employee, twelve dollars a week if and so long as there is one such child, and two dollars more a week for each such additional child; provided, that in case any such child is a child by a former wife, the death benefit shall be divided between the surviving wife and all living children of the deceased employee in equal shares, the surviving wife taking the same share as a child. If the

---

1 Added July 1, 1912, St. 1912, c. 571, § 1.
2 June 21, 1923, St. 1923, c. 163. Changed from 14 to 10 days, Jan. 1, 1917, St. 1916, c. 90.
3 In effect July 5, 1924.
5 Added Jan. 1, 1917, St. 1916, c. 91.
6 Added Oct. 1, 1914, St. 1914, c. 708, § 1.
7 Added Apr. 27, 1927, in effect July 25, 1927, St. 1927, c. 309 § 5.
8 Added Apr. 27, 1927, in effect July 25, 1927, St. 1927, c. 309 § 6.
9 Added Apr. 26, 1917, St. 1917, c. 198.
10 Added July 14, 1930, St. 1930, c. 324.
11 This section substituted May 5, 1930, in effect Aug. 7, 1930, St. 1930, c. 293.

This section (St. 1911, c. 701, p. 5, s. 4) originally read as follows: *If death results from the injury, the association shall pay the dependents of the employee, wholly dependent upon his earnings for support at the time of the injury, a weekly payment equal to one-half his average*
widow dies, such amount or amounts as would have been payable to or for her own use and for the benefit of all children of the employee shall be paid in equal shares to all the surviving children of the employee. If the widow re-marries, all payments under the foregoing provisions shall terminate and the insurer shall pay each week to each of the children of the employee, if and so long as there are more than five, his or her proportionate share of eighteen weekly wages, but not more than ten dollars nor less than four dollars a week, for a period of three hundred weeks from the date of the injury. If there are dependent upon his earnings for support at the time of his injury, the association shall pay such dependents a weekly compensation equal to the same proportion of the weekly payments for the benefit of persons wholly dependent as the amount contributed by the employee to such partial dependents bears to the annual earnings of the deceased at the time of his injury. When weekly payments have been made to an injured employee before his death, the compensation to dependents shall begin from the date of the last of such payments, but shall not continue more than three hundred weeks from the date of the injury.

Sec. 31, as amended by St. 1914, c. 708, § 2, in effect Oct. 1, 1914, increased the sum payable from one-half to 'sixty-six and two thirds per cent of the average weekly wages, but not more than ten dollars nor less than four dollars a week, for a period of five hundred weeks from the date of the injury' but in no case shall exceed one hundred dollars; and in the last sentence of the section substituted 'five hundred weeks' for 'three hundred weeks.'

This section, as amended by St. 1922, c. 402, s. 1, in effect Aug. 9, 1922, read as follows:

Section 31. If death results from the injury, the insurer shall pay the following dependents of the employee wholly dependent upon his earnings for support at the time of his injury compensations as follows:—to the widow, so long as she remains unmarried, sixteen dollars a week if and so long as there are more than two children of the employee who are under the age of eighteen, or over said age and physically or mentally incapacitated from earning, fourteen dollars a week if and so long as there are two such children, twelve dollars a week if and so long as there is one such child, and ten dollars a week if there is no such child, and the widow dies, to such children in equal shares, sixteen dollars a week if and so long as there are more than three such children, fourteen dollars a week if and so long as there are two such children, twelve dollars a week if and so long as there are two such children, and ten dollars a week if and so long as there is one such child; but, if such widow remarries, the aforesaid payments to her shall terminate, and the insurer shall pay, as to each of such children, if and so long as there are more than five, his, or her proportionate part of sixteen dollars, and shall pay to each of such children, if and so long as there are five or less, three dollars a week. The total amount of such payments shall not be more than sixty-four hundred dollars and said payments shall not continue more than four hundred weeks. When weekly payments have been made to an injured employee before his death, the compensation under this paragraph to dependents shall begin from the date of the last of such payments, but shall not continue more than four hundred weeks from the date of the injury. This paragraph changed Oct. 1, 1914.

This section, as amended by St. 1927, c. 309, s. 6, making perfecting changes in St. 1922, c. 402, s. 1, effective July 25, 1927, read as follows:

If death results from the injury, the insurer shall pay the following dependents of the employee wholly dependent upon his earnings for support at the time of his injury, compensation as follows:—to the widow, so long as she remains unmarried, ten dollars a week if and so long as there is no child of the employee, who is under the age of eighteen, or over said age and physically or mentally incapacitated from earning; twelve dollars a week if and so long as there is one such child, and two dollars more a week for each such additional child; and if the widow dies, such amount as would have been payable had she lived shall be paid to the surviving children aforesaid in equal shares; but if such widow remarries, the aforesaid payments to her shall terminate and the insurer shall pay each week to each of such children, if, and so long as there are more than five, his, or her proportionate part of sixteen dollars, and shall pay to each of such children, if and so long as there are five or less, three dollars a week. The total amount of such payments shall not be more than sixty-four hundred dollars and said payments shall not continue more than four hundred weeks. When weekly payments have been made to an injured employee before his death, the compensation under this paragraph to dependents shall begin from the date of the last of such payments, but shall not amount to a total of more than sixty-four hundred dollars, including such payments as were made to the injured employee before his death, and shall not continue for more than four hundred weeks from the date of the injury.

In all other cases of total dependency, the insurer shall pay the dependents of the employer wholly dependent upon his earnings for support at the time of his injury, compensation as follows:—to each of such children, if and so long as there are more than two children of the employee who are under the age of eighteen, or over said age and physically or mentally incapacitated from earning, two-thirds of his average weekly wages, but not more than ten dollars nor less than four dollars a week for a period of five hundred weeks from the date of the injury; but in no case shall the amount be more than four thousand dollars. If the employee leaves dependents only partially dependent upon his earnings for support at the time of his injury, the insurer shall pay such dependents a weekly compensation equal to the same proportion of the weekly payments for the benefit of persons wholly dependent as the amount contributed by the employee to such partial dependents bears to the annual earnings of the deceased at the time of his injury. When weekly payments have been made to an injured employee before his death, the compensation under this paragraph to dependents shall begin from the date of the last of such payments, but shall not continue for more than five hundred weeks from the date of the injury.
dollars and shall pay each of such children, if and so long as there are five or less, three dollars a week. The total amount of payments under this section shall not be more than sixty-four hundred dollars and said payments shall not continue more than four hundred weeks. When weekly payments have been made to an injured employee before his death, compensation under the foregoing provisions of this section shall begin from the date of the death of the employee, but shall not amount to a total of more than sixty-four hundred dollars, including such payments as were made to the injured employee before his death, and shall not continue for more than four hundred weeks, including weeks during which payments were made to the injured employee before his death.

In all other cases of total dependency, the insurer shall pay the dependents of the employee wholly dependent upon his earnings for support at the time of the injury a weekly payment equal to two thirds of his average weekly wages, but not more than ten dollars less than four dollars a week for a period of five hundred weeks; but in no case shall the amount be more than four thousand dollars. If the employee leaves dependents only partially dependent upon his earnings for support at the time of his injury, the insurer shall pay such dependents a weekly compensation equal to the same proportion of the weekly payments for the benefit of persons wholly dependent as the amount contributed by the employee to such partial dependents bears to the annual earnings of the deceased at the time of his injury. When weekly payments have been made to an injured employee before his death, the compensation under this paragraph to dependents shall begin from the date of the death of the employee, but shall not continue for more than five hundred weeks.

SECTION 32. The following persons shall be conclusively presumed to be wholly dependent for support upon a deceased employee:

1914, 708 § 3. 1919, 204.

(a) A wife upon a husband with whom she lives at the time of his death, or from whom, at the time of his death, the department shall find the wife was living apart for justifiable cause or because he had deserted her. The findings of the department upon the questions of such justifiable cause and desertion shall be final. 1

(b) A husband upon a wife with whom he lives at the time of her death.

(c) Children under the age of eighteen years (or over said age, if physically or mentally incapacitated from earning) upon the parent with whom they are living at the time of the death of such parent, there being no surviving dependent parent; provided that in case of the death of an employee who has at the time of his death living children by a former wife or husband, under the age of eighteen years (or over said age, if physically or mentally incapacitated from earning), said children shall be conclusively presumed to be wholly dependent for support upon such deceased employee, and the death benefit shall be divided between the surviving wife or husband and all the children of the deceased employee in equal shares, the surviving wife or husband taking the same share as a child. The total sum due the surviving wife or husband and her or his own children shall be paid directly to the wife or husband for her or his own use and for the benefit of her or his own children, and the sums due to the children by the former wife or husband of the deceased employee shall be paid to their guardians or legal representatives for the benefit of such children. 2

(d) Children under the age of sixteen years (or over said age but physically or mentally incapacitated from earning) upon a parent who was at the time of

1 Changed June 25, 1914, St. 1914, c. 708, § 3.
2 Changed June 25, 1914, St. 1914, c. 708, § 3.
his death legally bound to support although living apart from such child or
children."

234 Mass. 152.

(c) A parent upon an unmarried child under the age of eighteen years; pro-
vided, that such child was living with the parent at the time of the injury re-
sulting in death."

In all other cases questions of dependency, in whole or in part, shall be deter-
minded in accordance with the fact as the fact may be at the time of the injury;
and in such other cases, if there is more than one person wholly dependent the
death benefit shall be divided equally among them, and persons partly depend-
ent, if any, shall receive no part thereof, and if there is no one wholly depend-
ent and more than one person partly dependent, the death benefit shall be
divided among them according to the relative extent of their dependency.


SECTION 33. In all cases the insurer shall pay the reasonable expense of
burial, not exceeding one hundred and fifty dollars. If the employee leaves de-
pendents, such sum shall be a part of the compensation payable, and shall to
that extent shorten the period of payment.

215 Mass. 497.

SECTION 34. While the incapacity for work resulting from the injury is
total, the insurer shall pay the injured employee a weekly compensation equal
to two-thirds of his average weekly wages, but not more than eighteen dollars
or less than nine dollars a week, except that the weekly compensation of the
injured employee shall be equal to his average weekly wages in case such wages
are less than nine dollars; and the period covered by such compensation shall
not be greater than five hundred weeks nor the amount more than forty-five
hundred dollars.


SECTION 35. While the capacity for work resulting from the injury is
partial, the insurer shall pay the injured employee a weekly compensation equal
to two-thirds of the difference between his average weekly wages before the
injury and the average weekly wages which he is able to earn thereafter but

1 Added August 27, 1919, St. 1919, c. 204.
2 Effective July 1, 1926, St. 1926, c. 190.
3 Changed Aug. 1, 1922, St. 1922, c. 365.
4 This section, St. 1911, c. 751, p. 2, § 9, originally read as follows:
While the incapacity for work resulting from the injury is total, the association shall pay
the injured employee a weekly compensation equal to one-half his average weekly wages, but
not more than ten dollars nor less than four dollars a week; an in no case shall the period
covered by such compensation be greater than five hundred weeks, nor the amount more than
three thousand dollars.

St. 1914, c. 706, § 4, in effect Oct. 1, 1914, changed the weekly compensation from one-half
to two-thirds of the employee's average weekly wages and increased the total amount payable
to four thousand dollars.

St. 1917, c. 240, § 1, in effect May 14, 1917, increased the maximum weekly compensation to
twelve dollars.

215 Mass. 113, in effect April 26, 1918 increased the minimum weekly compensation to
five dollars.

St. 1919, c. 197, in effect Aug. 27, 1919 increased the maximum weekly compensation to
sixteen dollars and the minimum weekly compensation to seven dollars.

St. 1927, c. 369, § 7, in effect July 25, 1927, increased the maximum weekly compensation
to twenty dollars and the minimum to nine dollars, "except that the weekly compensation of the
injured employee shall be equal to his average weekly wages in case such wages are less than
ten dollars."

5 This section, St. 1911, c. 751, p. 2, § 10, originally read as follows:
While the incapacity for work resulting from the injury is partial, the association shall pay
the injured employee a weekly compensation equal to one-half the difference between his average
weekly wages before the injury and the average weekly wages which he is able to earn there-
after, but not more than ten dollars a week; and in no case shall the period covered by such
compensation be greater than three hundred weeks from the date of the injury.

The amendment, St. 1914, c. 706, § 5, in effect Oct. 1, 1914, changed the rate of weekly
compensation from one-half to two-thirds, increased the compensation period from three
hundred weeks to five hundred weeks and increased the maximum from three thousand dollars
to five thousand dollars.

The amendment, St. 1919, c. 206, in effect Aug. 27, 1919, increased the maximum weekly
compensation from ten dollars to sixteen dollars and striking out the limitations as to the period
during which such partial incapacity compensation shall be paid, provided that the amount of
such compensation shall not be more than four thousand dollars.

St. 1927, c. 369, § 8, in effect July 25, 1927, increased the maximum weekly compensation to
eighteen dollars and the total amount payable to forty-five hundred dollars.
not more than eighteen dollars a week; and the amount of such compensation shall not be more than forty-five hundred dollars.


SECTION 36. In case of the following specified injuries the amounts hereinafter named shall be paid in addition to all other compensation:

(a) For the loss by severance of both hands at or above the wrist, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of one hundred and seventy-five weeks.

(b) For the reduction to twenty seventieths of normal vision in both eyes, with glasses, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of one hundred and fifty weeks.

(c) For the loss by severance of both feet at or above the ankle, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of one hundred weeks.

(d) For the loss by severance of the right or major hand at or above the wrist, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of seventy-five weeks.

(e) For the loss by severance of the left or minor hand at or above the wrist or of either foot at or above the ankle, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of fifty weeks.

(f) For the reduction to twenty seventieths of normal vision in either eye, with glasses, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of fifty weeks.

(g) For the loss by severance at or above the second joint of the thumb of the right or major hand, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of forty weeks.

(h) For the loss by severance at or above the second joint of the index finger of the right or major hand, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of twenty weeks.

1 This is an entirely new section; St. 1925, c. 356. In effect August 27, 1928.

The amendment, St. 1912, c. 571, § 2, in effect July 1, 1912, provided for specific compensation for the reduction of vision in either or both eyes to one-tenth of normal with glasses, striking out the words "unusual and irrecoverable loss of sight." The amendment, St. 1913, c. 445, § 1, in effect April 7, 1913, provided for the payment of specific compensation, if the injury rendered the hand, foot, thumb, finger or toe "incapable of use", and provided further that specific compensation should cease when incapacity terminated. The amendment, St. 1913, c. 696, § 1, in effect May 22, 1913, added the word "permanently," to the phrase "incapable of use," and struck out the provision that specific compensation should cease when incapacity terminated. The amendment, St. 1914, c. 708, § 6, in effect Oct. 1, 1914, increased the rate of specific compensation from one-half to two-thirds of the employee's average weekly wages leaving the maximum at ten dollars.
(i) For the loss by severance of one phalange of the thumb of the right or major hand, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of twenty weeks.

(j) For the loss by severance at or above the second joint of two or more fingers of the same hand which, in the case of the left or minor hand, may include the thumb, or of two or more toes of the same foot, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of twenty-five weeks, for each hand or foot so injured, but no compensation shall be payable under this paragraph on account of injury to the right or major hand in case one or more phalanges of the thumb of that hand or two or more phalanges of the index finger of that hand are lost by severance.

(k) For the loss by severance of the terminal phalange or phalanges of any finger or fingers, not exceeding three on the same hand, which for the purposes hereof may include the thumb of the left or minor hand but not of the right or major hand, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of twelve weeks in case of the loss by severance of one such terminal phalange, or for a period of twenty-two weeks in case of the loss as aforesaid of two such terminal phalanges on the same hand, or for a period of thirty weeks in case of the loss as aforesaid of three or more such terminal phalanges on the same hand; provided, that no compensation shall be payable under this paragraph for the loss by severance of any phalange for the loss of which compensation is payable under any other paragraph of this section, and provided, further, that compensation shall be payable under this paragraph on account of injury to one hand only for such number of weeks as, together with the number of weeks during which compensation is payable under any other paragraph of this section for injury to the same hand, will not exceed forty-seven in the case of the left or minor hand or seventy-two in the case of the right or major hand.

(k1½) For the loss by severance of at least one phalange of any toe, two thirds of the average weekly wages of the injured person, but not more than ten dollars nor less than four dollars a week for a period of twelve weeks, for each foot so injured.

(l) The additional amounts provided for in this section in case of the loss of a particular hand, foot, thumb, finger, toe or phalange shall also be paid for the number of weeks above specified if the injury is such that that hand, foot, thumb, finger, toe or phalange is not lost but so injured as to be permanently incapable of use.

1912, 571, § 2.
1925, 356.
1913, 445, § 1, 696, § 1.
1914, 708, § 6.
218 Mass. 8.

SECTION 37. Whenever an employee who has previously suffered a personal injury resulting in the loss by severance, or the permanent incapacity, of one hand at or above the wrist or one foot at or above the ankle, or the reduction to one-tenth of normal vision of one eye with glasses, incurs further disability by the loss or permanent incapacity of a hand or foot or the reduction to one-tenth of normal vision in an eye, by reason of a personal injury for which compensation is required by this chapter, he, or his dependents, if death results from the injury, shall be paid the compensation provided for by sections thirty-one, thirty-two, thirty-four or thirty-five, in the following manner:

One-half of such compensation shall be paid by the state treasurer from the fund established by section sixty-five, and the other half by the insurer,
but the additional compensation required by section thirty-six shall be paid by the insurer.

SECTION 38. No savings or insurance of the injured employee independent of this chapter shall be considered in determining the compensation payable thereunder, nor shall benefits derived from any other source than the insurer be considered in such determination.

SECTION 39. The compensation payable in case of the death of the injured employee shall be paid to his legal representative; or, if he has no legal representative, to his dependents; or, if he leaves no dependents, to the persons to whom payment of the expenses for the last sickness and burial is due. If payment is made to the legal representative of the deceased employee, it shall be paid by him to the dependents or other persons entitled thereto under this chapter. When the appointment of a legal representative of a deceased employee, not otherwise necessary, is required to comply with this chapter, the insurer shall furnish or pay for legal services rendered in connection with the appointment of such representative, or in connection with his duties, and shall pay the necessary disbursements for such appointment, the necessary expenses of such representatives and reasonable compensation to him for time necessarily spent in complying therewith. Said payments shall be in addition to sums paid for compensations.¹


SECTION 40. If an injured employee is mentally incompetent or is a minor when any right or privilege accrues to him, his guardian or next friend may in his behalf claim and exercise such right or privilege.

233 Mass. 579.

SECTION 41. No proceedings for compensation for an injury shall be maintained unless a notice thereof shall have been given to the insurer or insured as soon as practicable after the happening thereof, and unless the claim for compensation with respect to such injury has been made within six months after its occurrence, or, in case of the death of the employee, or in the event of his physical or mental incapacity, within six months after death or the removal of such incapacity, or, in case an action against a third person is discontinued as provided in section fifteen, within thirty days after such discontinuance.²


SECTION 42. The said notice shall be in writing, and shall state in ordinary language the time, place and cause of the injury, and shall be signed by the person injured, or, in case of his death, by his legal representative, or by a person to whom payments may be due under this chapter, or by a person in behalf of any one of them.³ Any form of written communication signed by a person who may give the notice as above provided, containing the information that the person has been so injured, giving the time, place, and cause of the injury, shall be considered a sufficient notice.⁴


SECTION 43. The notice shall be served upon the insurer or an officer or agent thereof, or upon the insured, or upon one insured person if there is more than one, or upon any officer or agent of a corporation if the insured is a corporation, by delivering it to the person on whom it is to be served, or leaving it at his residence or place of business, or, by sending it by registered mail addressed to the person on whom it is to be served, at his last known residence or place of business.

217 Mass. 223.

SECTION 44. Such notice shall not be held invalid or insufficient by reason of any inaccuracy in stating the time, place or cause of the injury unless it is shown that it was the intention to mislead and that the insurer was in fact misled thereby. Want of notice shall not bar proceedings, if it be shown that the insurer, insured or agent had knowledge of the injury, or if it is found that the insurer was not prejudiced by such want of notice.⁵

222 Mass. 434.


¹ Added October 1, 1914, St. 1914, c. 708, § 7.
² Added May 17, 1929, in effect Aug. 14, 1929, c. 326, Sec. 2.
³ Added July 1, 1912, St. 1912, c. 571, § 3.
⁴ Added February 28, 1912, St. 1912, c. 172.
⁵ Added June 28, 1920, St. 1920, c. 223, § 1.
SECTION 45. After an employee has received an injury, and from time to time thereafter during the continuance of his disability he shall, if requested by the insurer or insured, submit to an examination by a registered physician, furnished and paid for by the insurer or the insured. The employee may have a physician provided and paid for by himself present at the examination. If a physician provided by the employee is not present at the examination, it shall be the duty of the insurer to file with the department a copy of the report of its examining physician or physicians if and when such report is to be used as the basis of any order by the department. If the employee refuses to submit to the examination or in any way obstructs it, his right to compensation shall be suspended, and his compensation during the period of suspension may be forfeited. 215 Mass. 480.

SECTION 46. No agreement by any employee to waive his rights to compensation shall be valid, but an employee who is for any reason peculiarly susceptible to injury or who is peculiarly likely to become permanently or totally incapacitated by an injury may, at the discretion of the department, and with its written approval within one month of the beginning of his employment, waive his rights to compensation under sections thirty-four, thirty-five and thirty-six, or any of them. 1911, 751, II, § 20. 215 Mass. 480.

SECTION 47. No payment shall be assignable or subject to attachment, or be liable in any way for debts.

SECTION 48. Whenever the department deems it to be for the best interests of the employee or his dependents, and the parties agree, the liability for compensation may be redeemed by the payment in whole or in part by the insurer of a lump sum of an amount to be fixed by the department, not exceeding the amount provided by this chapter. The department, in the case of a minor who has received permanently disabling injuries, either partial or total, may, at any time before or after he attains his majority, provide that he be compensated in whole or in part by the payment of a lump sum, of an amount to be fixed by the department, not exceeding the amount provided by this chapter. 226 Mass. 444. 230 Mass. 500.

SECTION 49. The claim for compensation shall be in writing, and shall state the time, place, cause and nature of the injury. It shall be signed by the person injured, or, in the event of his death, by his legal representative, or by a person to whom payments may be due, or by a person in behalf of any of them, and shall be filed with the department. A claim for compensation shall not be held invalid or insufficient by reason of any inaccuracy in stating the time, place, cause or nature of the injury unless it is shown that it was the intention to mislead and that the insurer was in fact misled thereby. Failure to make a claim within the time fixed by section forty-one shall not bar proceedings under this chapter if it is found that is was occasioned by mistake or other reasonable cause, or if it is found that the insurer was not prejudiced by the delay. In no case shall failure to make a claim bar proceedings if the insurer has executed an agreement in regard to compensation with the employee or made any payment for compensation under this chapter. 223 Mass. 342, 346, 376, 226 Mass. 131, 380, 228 Mass. 213, 231 Mass. 469.

SECTION 50. Whenever any question involving the compensation of an injured employee or his dependents is appealed to the supreme judicial court, and the decision is in favor of the employee or his dependents, interest to the date of payment shall be paid by the insurer on all sums due as compensation to such employee or dependents.

---

1 Substituted for "Given notice of an injury," July 1, 1912, St. 1912, c. 571, § 4.
2 Added July 25, 1921, St. 1921, c. 310.
3 Changed by St. 1927, c. 309, § 9, in effect July 25, 1927.
4 Added April 4, 1930, in effect July 3, 1930, St. 1930, c. 181.
5 Added Apr. 26, 1918, St. 1918, c. 119.
6 Added June 28, 1920, St. 1920, c. 223, § 2.
7 Added June 11, 1923, St. 1923, c. 125.
8 New section, Oct. 1, 1914, St. 1914, c. 708.
SECTION 51. Whenever an employee is injured under circumstances entitling him to compensation, if it be established that the injured employee was of such age and experience when injured that, under natural conditions, his wages would be expected to increase, that fact may be considered in determining his weekly wages.


INSURANCE COMPANIES

SECTION 52. Any insurance company authorized to transact business in this commonwealth under sub-division (b) or (c) of the sixth clause of section forty-seven of chapter one hundred and seventy-five may, except as provided in clause (c) of section fifty-four of said chapter, insure the payment of the compensation provided for by this chapter, and when any such company insures the payment of such compensation it shall file with the commissioner of insurance its classifications of risks and premiums relating thereto and subsequent proposed classifications or premiums, which shall not take effect until approved by the commissioner of insurance as adequate and reasonable for the risks to which they respectively apply; provided, that upon petition of the company or any other party aggrieved the opinion of the commissioner shall be subject to review by the supreme judicial court. The commissioner may withdraw his approval.

218 Mass. 1. 231 Mass. 313.

SECTION 53. Any mutual liability insurance company authorized to do business in this commonwealth may with the approval of the commissioner of insurance distribute its risks into groups in accordance with the nature of the business and the degree of the liability of injury and with like approval fix by and for such groups in accordance with the experience of each group all premiums, assessments and dividends; but all the funds of the company both actual and contingent shall be available for the payment of any claim against the company.

SECTION 54. Policies of workmen's compensation insurance issued or delivered in the commonwealth shall cover separately and for a separate consideration all the liabilities which are imposed upon an insurer by this chapter, whatever other contingencies may be insured by riders attached thereto or endorsements thereon. On the face of such policies shall be printed conspicuously the words: "Insurance under this policy is in Class of the company's Workmen's Compensation Classification Manual", and in the blank thus provided the number or other designation in said manual under which the said policy is written shall be placed before the policy is issued.

SECTION 55. No policy of workmen's compensation insurance shall be issued or delivered until a copy thereof has been filed with the commissioner of insurance at least thirty days prior to such issue or delivery, unless before the expiration of the thirty days the said commissioner shall have approved the form of the policy in writing, nor if the commissioner notifies the company in writing that in his opinion the form of said policy does not comply with the laws of the commonwealth, specifying the reasons for his opinion; provided, that upon petition of the company the opinion of the commissioner shall be subject to review by the supreme judicial court.

Any policy of insurance issued in violation of this section or of section fifty-six or sixty shall be invalid and binding upon the company issuing it, and the rights, duties and obligations of the parties thereto shall be determined by this chapter and chapter one hundred and seventy-five.

SECTION 56. Two or more insurance companies authorized to issue such insurance policies in the commonwealth may unite in issuing joint and several workmen's compensation policies which may be headed by the names of all such companies. Such policies shall be subject to approval by the commissioner of insurance.

1 Added May 16, 1915, St. 1915, c. 236.
2 Changed by St. 1923, c. 360, § 11, in effect July 25, 1927, amending G. L. c. 152, § 52, St. 1915, c. 267, St. 1927, c. 281, § 15.
3 This section repealed by St. 1923, c. 139, effective June 19, 1923.
4 Effective June 19, 1923, St. 1923, c. 139.

Section 55 originally read, "No such policy of insurance shall be issued or delivered", etc., the change made by St. 1923, c. 139 being to strike out the word "such" and add the words "workmen's compensation" in the first line as noted in the present printing of the section.
SECTION 57. 1 The Commissioner of insurance may, whenever he deems it expedient, by a written order in such form as he may prescribe, require a domestic insurance company to deposit with the state treasurer the present value, as computed by him under section fifty-eight, of all of any part of its outstanding claims incurred under its contracts or policies providing for the payment of benefits under this chapter, in cash or in securities approved by the said commissioner, and he may, whenever he deems it expedient, require the company, as aforesaid, to make an additional deposit. The order shall specify the amount to be deposited and the time within which the deposit shall be made, which shall be not less than three days from the date on which the company receives the said order. A duplicate or copy of any such order shall be forthwith filed by the said commissioner with the state treasurer and the department, and the state treasurer, upon the expiration of the time specified in said order, shall forthwith notify the commissioner in writing whether or not the company has made the deposit in accordance therewith.

Nothing in this section shall affect the powers conferred on the commissioner of insurance by section six of chapter one hundred and seventy-five.

SECTION 58. The commissioner of insurance shall compute the present value of outstanding claims on the basis of information furnished by the department, and shall assume a rate of interest not higher than four per cent.

SECTION 59. 2 The state treasurer shall hold any deposit made under section fifty-seven in trust for the payment of claims for benefits under this chapter, including claims accruing after the deposit was made, and he shall make such payments upon the written request and under the direction of the department, or may, if the company so requests in writing, transfer the same to a trustee appointed by the company and approved by the department, any part of any such deposit made with him, reasonably necessary for the prompt payment of said benefits, and the trustee shall make such payments in accordance with the written directions of the department.

The state treasurer shall keep a separate account with the company of the amount so received, the amount of interest earned and the payments made. If the amount deposited proves to be larger than required, portions thereof may, from time to time, be refunded to the company by the state treasurer or by such trustee, if any, subject to the written approval of the commissioner of insurance and the department. If any balance remains after the payment of all benefits due to claimants under this chapter, the state treasurer or such trustee, if any, shall return the balance to the company upon written notice from the department that there is no likelihood of further payments becoming due on account of such claims.

---

1 Substituted March 19, 1930, in effect June 17, 1930, St. 1930, c. 129, § 1.
2 Substituted March 31, 1930, in effect June 17, 1930, St. 1930, c. 129, § 2.
SECTION 60. The appointment of a receiver of a domestic company under section six of chapter one hundred and seventy-five shall not affect any order of the said commissioner or deposit made under section fifty-seven prior to such appointment, and the state treasurer or trustee appointed and approved as provided in section fifty-nine shall retain any deposit made with him as provided in section fifty-seven or fifty-nine and make the payments therefrom as provided in section fifty-nine. If a receiver is so appointed prior to compliance by the company with any such order, he shall, as soon as may be after his appointment, make the deposit required by said order, if the assets of the company in his hands are sufficient therefor.

SECTION 60A. Any company aggrieved by any order of the said commissioner made under section fifty-seven may, within five days from the date of its receipt, file a petition in the supreme judicial court for the county of Suffolk for a review thereof; but the filing of such a petition shall not suspend the operation of the order. The court shall summarily hear the petition and may make any appropriate order or decree. If the court shall order or decree that the amount of the deposit be reduced, the state treasurer or such trustee, if any, shall return to the company so much of the deposit as exceeds the amount fixed by the order or decree, or, if the company has not complied with the order of the said commissioner, it shall forthwith deposit with the state treasurer the amount so fixed.

SECTION 60B. A company making a deposit under section fifty-seven shall pay to the state treasurer a reasonable amount for the expenses of his office, attributable to the custody and disbursement of the deposit. Any such amount may, upon written application of the state treasurer, and, after written notice to the company and a hearing, be determined by the commissioner of insurance, and, with the written approval of the said commissioner, be deducted from any funds of the company on deposit with the state treasurer.

SECTION 60C. Failure of a company to comply with any lawful order of the commissioner of insurance under section fifty-seven shall, without any further action by the said commissioner, terminate its authority to issue policies of workmen's compensation insurance, and in such case the company shall issue no such policies thereunder until it complies with such order and has received from said commissioner, as evidence of such compliance, a special certificate authorizing it to resume the issue of such policies. The commissioner may, in his discretion, refuse to issue such a certificate.

SECTION 60D. Any company failing to comply with any lawful order of the commissioner under section fifty-seven shall, in addition, forfeit one hundred dollars for each day of its default. Any forfeiture recovered under this section shall be paid to the state treasurer and shall be held and expended by him in like manner as a deposit made under said section fifty-seven. Any company issuing any policy of workmen's compensation insurance while in default of such compliance shall be punished by a fine of not less than one hundred nor more than one thousand dollars, and any officer or agent thereof issuing any such policy on the company's behalf during such default shall be punished by such fine or by imprisonment for not more than three months, or both.

The supreme judicial court for the county of Suffolk shall have jurisdiction in equity, upon an information filed by the attorney general at the relation of the commissioner of insurance, to enforce compliance with any order of the commissioner made under section fifty-seven, and the payment of any fine, forfeiture or penalty prescribed by this section.

SECTION 61. Every foreign insurance company transacting the business of workmen's compensation insurance in the commonwealth shall furnish a bond running to the commonwealth, with some surety company authorized to transact business in the commonwealth as surety, for such term and such amount and in such form as may be approved by the commissioner of insurance, the bond being conditioned upon the making of the deposits required by the following section. The annual licence of such a company shall not be issued or

1 Substituted March 19, 1930, in effect June 17, 1930, St. 1930, c. 129, § 2.

This section originally read as follows:

Section 60. An insurance company failing to make a deposit when required under section fifty-seven shall not write policies of workmen's compensation insurance in the commonwealth until such deposit is made.
renewed until it has filed with the commissioner a bond as aforesaid covering a future period at least as long as that covered by the license. In place of a bond as aforesaid the company may furnish other security, upon a like condition, satisfactory to the commissioner.

Section 62. Every such foreign insurance company shall, within five days after its withdrawal from the transaction of business in the commonwealth or after the revocation of its license issued by the commissioner of insurance or of his refusal to renew it, deposit with a trustee to be named by the department an amount equal to twenty-five per cent of its obligations incurred or to be incurred under workmen's compensation policies issued to employers in the commonwealth; and within thirty days after such withdrawal, revocation of or refusal to renew a license, such company shall deposit with said trustee an amount equal to the remainder of such obligations incurred or to be incurred, the amount of which obligations shall be determined by the department. The amounts so deposited shall be available for the payment of the said obligations of the company to the same extent as if the company had continued to transact business in the commonwealth, and the trustee so receiving said deposit shall pay such obligations at the times and in a manner satisfactory to the department.

Section 63. Insurance companies insuring employees under this chapter shall, at the request of the department, furnish it in writing any information required in connection with the administration by said department of this chapter, including any statistics and the names of all employers insured by them.

Section 64. The insurer shall make and enforce reasonable rules and regulations for the prevention of injuries on the premises of insured persons, and for this purpose inspectors of the insurer shall have free access to all such premises during regular working hours. Insured persons or employees thereof aggrieved by such rules or regulations may petition the department of labor and industries for a review, and it may affirm, amend or annul the rule or regulation.

215 Mass. 480.

Section 65. For every case of personal injury resulting in death covered by this chapter, when there are no dependents, the insurance company shall pay into the treasury of the commonwealth one hundred dollars. Such payments shall constitute a special fund in the custody of the state treasurer who shall make payments therefrom upon the written order of the department for the purposes set forth in section thirty-seven.

Miscellaneous Provisions.

Section 66. In an action to recover damages for personal injury sustained by an employee in the course of his employment, or for death resulting from personal injury so sustained, it shall not be a defence:
1. That the employee was negligent;
2. That the injury was caused by the negligence of a fellow employee;
3. That the employee had assumed the risk of the injury.


Section 67. The preceding section shall not apply to actions to recover damages for personal injuries sustained by domestic servants and farm laborers, nor to actions for such injuries received by employees of an insured person.


Section 68.1 Chapter one hundred and fifty-three and sections four and seven to ten, inclusive, of chapter two hundred and twenty-nine shall not apply to employees of an insured person, nor to laborers, workmen or mechanics employed by any county, city, town or district subject to sections sixty-nine to seventy-five inclusive, while this chapter is in effect.

225 Mass. 220.

1 St. 1913, c. 807, § 4, providing for the payment of compensation to laborers, workmen or mechanics became effective as to the commonwealth on Sept. 14, 1913, and upon the date of acceptance by the various counties, cities, towns and districts of the commonwealth.
SECTION 69. The commonwealth and any county, city, town or district having the power of taxation which has accepted chapter eight hundred and seven of the acts of nineteen hundred and thirteen shall pay to laborers, workmen and mechanics employed by it who receive injuries arising out of and in the course of their employment, or, in case of death resulting from such injury, to the persons entitled thereto, the compensation required by this chapter. Compensation payable under this chapter to an injured employee of the commonwealth who receives full maintenance in addition to his cash salary or wage, and compensation payable thereunder to his dependents in case of his death, shall be based upon his average weekly wages plus the sum of seven dollars per week in lieu of the full maintenance received by him. Sections seventy to seventy-five, inclusive, shall apply to the commonwealth and to any county, city, town or district having the power of taxation which has accepted said chapter eight hundred and seven. The terms laborers, workmen and mechanics as used in sections sixty-eight to seventy-five, inclusive, shall include foremen, sub-foremen and inspectors of the commonwealth or of any such county, city, town or district, as the commonwealth or such county, city, town or district, acting respectively through the governor and council, county commissioners, city council or the qualified voters in a town or district meeting, shall determine, as evidence by a writing filed with the department.  


SECTION 70. Procedure under sections sixty-nine to seventy-five, inclusive, and the jurisdiction of the department shall be the same as under sections, one to sixty-eight, inclusive, and the commonwealth or such county, city, town or district shall have the same rights in proceedings under said sections as the insurer. The state treasurer or the treasurer or officer having similar duties of such county, city, town or district shall pay compensation awarded for injury to persons in its employment upon proper vouchers without further authority.  

SECTION 71. Except as provided in the following section, such county, city, town or district shall not be liable in any action for a personal injury sustained by a laborer, workman or mechanic in the course of his employment by such county, city, town or district, or for death resulting from such injury.  


SECTION 72. A laborer, workmen or mechanic entering the service of such county, city, town or district who would, if injured, have a right of action against the county, city, town or district by law, may claim or waive his right of action as provided in section twenty-four, and shall be deemed to have waived such right of action unless he claims it.  

SECTION 73. Any person entitled to receive compensation as provided by section sixty-nine of the commonwealth or from such county, city, town or district, who is also entitled to a pension by reason of the same injury, shall elect whether he will receive such compensation or such pension, and shall not receive both. If a person entitled to such compensation from the commonwealth or from such county, city, town or district receives by special act a pension for the same injury, he shall forfeit all claim for compensation; and any compensation received by him or paid by the commonwealth or by such county, city, town or district which employs him for medical or hospital services rendered to him may be recovered back in an action at law. No further payments shall be awarded by vote or otherwise to any person who has claimed and received compensation under sections sixty-nine to seventy-five, inclusive.  

SECTION 74. Sections sixty-nine to seventy-five, inclusive, shall apply to all laborers, workmen and mechanics in the service of the commonwealth or of such county, city, town or district under any employment or contract of hire, expressed or implied, oral or written, including those employed in work done in performance of governmental duties as well as those employed in municipal enterprises conducted for gain or profit. Said sections shall not apply to inmates of institutions performing labor under sections forty-eight to seventy-eight, inclusive, of chapter one hundred and twenty-seven. For the purposes  

228 Mass. 316.
of said sections all laborers, workmen and mechanics, paid by the commonwealth, but serving under boards or commissions exercising powers within defined districts, shall be deemed to be in the service of the commonwealth.

SECTION 75. Every board, commission an department of the commonwealth employing laborers, workmen and mechanics, and every such county, city, town and district shall, through its executive officer or board, designate one or more persons, as it may deem necessary, to act as its agent or agents in furnishing the benefits due under sections sixty-nine to seventy-five, inclusive. Such agent or agents shall be responsible for the proper carrying out of said sections under the direction and supervision of the department until his or their agency is revoked and a new agent or new agents designated. The name and address of every such agent shall be filed with the department immediately upon his designation. This section shall not apply to counties, cities, towns and districts which have provided by insurance for the payment of compensation required by this chapter.

1 Substituted February 17, 1932, in effect May 17, 1932, St. 1932, c. 19.

This section originally read as follows:

SECTION 75. Every board, commission and department of the commonwealth employing laborers, workmen and mechanics, and every such county, city, town and district shall, through its executive officer or board, designate a person to act as its agent in furnishing the benefits due under sections sixty-nine to seventy-five, inclusive. Such agents shall be responsible for the proper carrying out of said sections under the direction and supervision of the department until his agency is revoked and a new agent designated. The name and address of every such agent shall be filed with the department immediately upon his designation. This section shall not apply to counties, cities, towns and districts which have provided by insurance for the payment of compensation required by this chapter.
-Bibliography-

Accident Compensation Increasingly Needed in New Industrial South  C. Cochrane American Labor Legislative Review  June 1928

Advantages of Workmen's Compensation to the Employer R. H. Tucker American Labor Legislative Review  March 1929

Aged Citizens of Massachusetts L. Eaves  February 15, 1926 Survey

Amendment of German Workmen's Accident Insurance Law Monthly Labor Review  January 1926

American Economic History Harold Underwood Faulkner

Arkansas Bills Compensation Bill, Repudiates Platform Pledge American Labor Legislative Review  June 1929

Awakening of the American Businessman: Industrial Indemnity W. Irwin  May 1911 Century

Big Business and Workmen's Compensation P. Kennedy  May 10, 1913 Survey

California Adopts Old Age Pensions E. DeTurbeville, American Labor Legislative Review  Sept. 29

California Rescuing Her Aged American Legislative Review  March 1929

Can We Afford It? New Statesman  November 23, 1929 Great Britain

Casualties of Industry P. Taylor  December 1912 Fortune

Challenge of the Aged Poor A. Epstein National Confederate Social Worker  1925

Compensation Laws in Twenty States May 10, 1913 Survey

Conditions of Progress in Employers Liability Legislation C. P. Neill Annals American Academy  July 1911
Conventions Between the United Kingdom and Denmark Respecting Compensation to Workmen for Accidents Arising out of Their Employment; Text American Journal of International Law January 1928


Cost of Old Age Pensions and Maternity Allowances in Australia Monthly Labor Review May 1927

Employers' Liability Workers Given Aid Societies in France J. E. Colvert August 1900 Current Amendments to Workmen's Compensation Laws Monthly Labor Review December 1926

Enactment of Workmen's Compensation Law Monthly Labor Review March 1928


Hillman, Sydney The Amalgamated Clothing Workers of America

How Germany Deals with Workmen's Injuries E. E. von Baur Political Science Quarterly September 1912

Industrial Accidents in China J. D. Lamson China Weekly Review February 1, 15, and 22, 1930

Industrial Compensation at Cheney Silk Mills Survey October 15, 1910

Insurance or Dole C. Headlem December 1930 Quarterly

Insuring Old Age in England Nation June 3, 1925

Lessons from England The Survey June 15, 1931

Massachusetts Provides Old Age Assistance American Labor Legislative Review September 1930
Need of Provision for the Aged in New York
H.R. Seager, American Labor Legislative Review March 1930

New York Commission Recommends Old Age Security
American Labor Legislative Review March 1928

Non-Institution Aged Dependents in San Francisco in Need of Old Age Pension
American Labor Legislative Review June 1928

North Carolina Passes Workmen's Compensation Act
Monthly Labor Review May 1928

Occupational Disease Compensation in California
W.J. French National Conference Social Workers 1929

Old Age Assistance, The Massachusetts Plan
R.K. Conant, National Conference Social Workers 1920

Old Age and Invalidity Insurance in Sweden
K. Coman, Survey December 26, 1913

Old Age and Invalidity Pension Laws of Germany, France, and Australia:
Text and Comments U.S. Bureau of Labor Bulletin Nov. 1910

Old Age and Invalidity Pensions in Australia
Monthly Labor Review September 1928

Old Age Pension Legislation in Canada
J.A.P. Haydon, American Federationist February 1929

Old Age Pension Schemes: A Criticism and a Program
F.S. Baldwin Quarterly Journal of Economics August 1910

Old Age Pensions E.F. McGrady American Federationist May 1930

Old Age Pensions Act of Massachusetts
Monthly Labor Review August 1928

Old Age Pensions in Alaska
American Labor Legislative Review March 1929

Old Age Pensions in British Columbia
E.S.H. Winn American Labor Legislative Review September 1929

Old Age Pensions in Canada
J.S. Woodsworth, American Federationist October 1929
Old Age Pensions and Care of Aged
Monthly Labor Review May 1928

Old Age Pensions Coming Nation May 4, 1927

Old Age Pensions for Delaware and Idaho
American Labor Legislative Review March 1931

Old Age Pensions Finally Favored by American Federation of Labor
American Labor Legislative Review December 1929

Old Age Pensions in Nevada Monthly Labor Review April 1925

Old Age Pensions: Their Basis in Social Needs
J. B. Andrews American Labor Legislative Review December 1929

Ontario Workman's Compensation Bill
S. R. Weaver Journal of Political Economics October 1913

Pensions, On and Off
A. Epstein Survey June 15, 1925

Pensions, Poor Relief, and Unemployment Insurance in England and Wales
Monthly Labor Review August 1927

Philippine Workmen's Compensation Act
Monthly Labor Review April 1928

Principles of Economics L. A. Rufener Ph.D.

Principles of Economics F. W. Tussig Volume II

Principles of Sound Employers' Liability Legislation
F. C. Scherdtman Annals American Academy July 1911

Progress in Old Age Pensions
L. Y. Gottschall American Labor Legislative Review June 1929

Proposed Old Age Pension Law of New Hampshire Held to Violate the Principle of Separation of Powers
Law and Labor April 1930

Public Pensions for Aged Dependents
Monthly Labor Review June 1926
Report of Massachusetts Commission on Old Age Pensions
Monthly Labor Review March 1926

Report of Pennsylvania Commission on Old Age Assistance
Monthly Labor Review July 1925

Report of South Africa Old Age Pensions Commission
Monthly Labor Review September 1927

Security of Industry in Italy Turquato C. Gannini The Annals

Security for Old Age M. Coleman Woman's Journal March 1928

Shall We Pension the Aged?
W.F.Bigelow Good Housekeeping June 1928

Social Insurance and Old Age Provisions: Text
American Labor Legislative Review December 1928

The Trust and Economic Control Roy E. Curtis

The Trust Problem Edward Dana Durand

The Trust Problem in the United States Eliot Jones, Ph.D.

Twenty Years of Old Age Pensions in Denmark
K.Coman Survey January 17, 1914

Unemployment Insurance Forsburg

Unemployment Insurance H. R. Mussey The Nation Dec.17,1930

Unemployment Insurance Legislation in Massachusetts
Henry L. Shattuck American Legislative Labor Review
March 1922

Unemployment Insurance Reply to Mussey
A.B. Lewis The Nation January 7, 1931

Woman's Point of View M. Pennel Canada Monthly November 1927

Workman's Compensation, Attitude of Foreign Countries
Toward Liability and Compensation L.F.Frankel
Annals American Academy July 1911

Workmen's Compensation Administration in Massachusetts
R.C. Grandfield Annals American Academy March 1928
Workmen's Compensation versus Insurance Against Accident
J. H. Gilbert Conf. Char. and Corr. 1913

Workmen's Compensation Keeps the Family from Charity
E. B. Burritt American Labor Legislative Review Dec. 1928

Workmen's Compensation Law of Yucatan
Monthly Labor Review August 1925

Workmen's Compensation Legislation 1925
Monthly Labor Review December 1925

Workmen's Compensation Legislation of the U. S. and Canada
as of July 1, 1926 U.S. Bureau of Labor Bulletin 1926

Workmen's Compensation Legislation of the U. S. and Canada
as of June 1, 1929 with Text of Legislation Enacted in

Workmen's Compensation in Porto Rico
R. Montaner U. S. Bureau of Labor 1927

Why Accident Compensation Benefits Industry
J. Johnson American Labor Legislative Review March 1929

Why Arkansas Needs Accident Compensation
W. A. Rorksberry American Labor Legislative Review March 1929