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The National Committee for the Prevention  
of Destitution.

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# Complete National Provision for Sickness :

## How to Amend the Insurance Act.

BY

MRS. SIDNEY WEBB, D.LITT.

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# The National Committee for the Prevention of Destitution.

**Office :**

37, NORFOLK STREET, STRAND, LONDON.

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THE RT. REV. THE LORD BISHOP OF BIRMINGHAM.

Late Chairman of the Central (Unemployed) Body for London.

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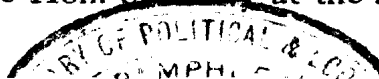
MRS. SIDNEY WEBB, D.Litt.

**T**HE NATIONAL COMMITTEE FOR THE PREVENTION OF DESTITUTION has been formed for the purpose of drawing together all those who (without committing themselves to details) desire to see the existing Poor Law dealt with generally on the lines laid down in the Minority Report of the Poor Law Commission. That Report recommended the taking out of the Poor Law of the several classes now dealt with as paupers, and the transfer of the responsibility for these classes to the authorities dealing with the *causes* of destitution—the children to the Local Education Authority, the sick and infirm to the Local Health Authority, the feeble-minded and mentally defective to the Local Lunacy Authority, and the pensionable aged to the Local Pension Authority. These four authorities already exist, as committees of County and County Borough Councils. For all varieties of the able-bodied and unemployed, a new national authority is recommended.

The sole work of the National Committee is the education of public opinion on the question, irrespective of political, religious, or social differences. It includes men and women of the most diverse opinions, who are united only for this one object.

If you are willing to support the National Committee by (a) becoming a member without subscribing to the funds, (b) becoming a contributing member (amount optional), or (c) becoming a subscriber without committing yourself to membership, you are requested to communicate with the Hon. Secretary at the above address.

See also, Hea III -



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How thin is the thread on which your whole happiness hangs!

If you are a workman, earning week by week the bread by which you and your wife and children live, how easily is the whole prosperity of your household wrecked!

Two great dangers beset the home of every British workman to-day—dangers which he cannot ward off by his own exertions, even with the greatest industry, the utmost thrift, and the most virtuous conduct. These two dangers are Unemployment and Sickness.

How the Government can prevent Unemployment is explained in another pamphlet. What I have to explain is how we can get

## COMPLETE NATIONAL PROVISION FOR SICKNESS,

in order to prevent it as far as possible; and, incidentally, how we must get the Insurance Act amended.

Formerly we did not know how to prevent sickness from happening. When it came to a working-class home, the man and his wife and his children just had to suffer, and, very often, to die. When wage-earning had stopped, some partial help might be found in hard-won savings—perhaps

out of a sick club or Trade Union—or in charity, or, when everything else failed, in the hated Poor Law. But no one knew how to prevent men from falling sick.

Now we know better. What no one man can do for himself, the whole nation, acting together, can quite well do. To-day we no longer believe that disease is “the act of God,” in the sense of being inevitable. We know, in fact, that, in the course of the past century, we have been able, by taking thought, to prevent a large part of the sickness that used to prevail, and (as regards the more prosperous classes) actually to get rid of some diseases altogether. We have accomplished this by various converging methods. We have, to begin with, sought to remove from our environment all influences noxious to health; we have constructed elaborate drainage systems, condemned overcrowded rooms and insanitary dwellings, and protected ourselves, by isolation and segregation, filtration and antiseptic purification, from the germs to which we now know that most diseases are due. We have spread abroad a knowledge of what is and what is not conducive to health in the way of personal habits; and, in spite of all our cynical sarcasm about each other, there can be no doubt that in personal hygiene we are mostly far in advance of our fathers. And we have taken to heart the lesson that, whether for phthisis or for cancer, for measles or for rheumatism, for enteric fever or for pneumonia, any aid that the surgeon or physician can afford will be enormously more effective, and will give by far the greatest chance of success in staving off invalidity, and in producing recovery, if it is brought to bear at the earliest moment, when the ailment that we have recognised is in its first stage. It is in this way that we have, so far as regards three-fourths of the population, practically eliminated typhus, greatly diminished phthisis and enteric fever, and enormously reduced the mortality of those infants and children on whom personal care can be lavished. It is scarcely too much to say that three-fourths of the inhabitants of the modern state have been, almost within a single century, rescued from a very real liability to chronic ill-health by the advance of sanitary science, by medical and surgical discoveries, by improvements in personal hygiene, and by all the elaborate public administration which, though we usually

forget the fact, alone makes it possible for even the rich to live healthily amid a crowded urban population. We take all this improvement for granted as perhaps the greatest triumph of the nineteenth century. **What we forget is that something like one-fourth of the whole population is still practically excluded from most of its benefits.** It is a significant fact that the average duration of life of the whole class of casual labourers throughout the kingdom is only half that of the whole class of clergymen. The death-rate of the whole Borough of Hampstead, rich and poor together, is less than one-third of that prevailing throughout certain extensive slum quarters within a mile of it. **There are, in fact, in every great urban aggregation, whole grades of the population—sometimes even whole quarters of the city—which are, as regards the prevalence of ill-health and disease, if not also as regards the death-rate, still living in the Middle Ages.** It is from this one-fourth of the population that the three or four millions of destitute persons in the United Kingdom, both inside the Poor Law and outside it, are almost entirely recruited. And with regard to at least one-third of these—we might almost say one-half—the recruiting sergeant who brings them in is sickness, the sickness that, so far as concerns three-quarters of the population, we have proved to be preventable. What has been done—largely by the Government—for the rich, can now be done for the poor, and for the whole wage-earning class—if only the Government chooses to take the necessary action. It is for the working men and women to insist that Government shall do this.

## HOW TO AMEND THE INSURANCE ACT.

And first let us deal with the great Insurance Act, which is compelling every working-man to pay fourpence a week out of his wages, and promises that the Society which he joins shall provide him with ten shillings a week Sick Pay when he is ill, besides a doctor of his own choice, thirty shillings for his wife's lying-in, admission to a Sanatorium if he becomes consumptive, and, most valuable of all, if the funds hold out so that the promise can be fulfilled, a pension of five shillings a week, after two years' payments, on

breakdown at any age (Disablement Benefit). What this amounts to is making every employed person a member of a Sick Club of some sort, at the price of fourpence a week for men and threepence a week for women. This, at any rate, takes many sick people out of the Poor Law, and it shows how much Government can do if it likes. But the Insurance Act falls far short of a Complete National Provision for Sickness; and it has terrible shortcomings and drawbacks, which must be promptly amended.

## I. GET RID OF THE GREAT FINANCIAL OCTOPUS.

In the first place (perhaps by an oversight in the drafting of the Act), it has enabled the capitalist, profit-making Prudential Assurance Company (and others like it) to get hold of the compulsorily levied contributions already of six million workers! This is very objectionable. The Prudential, like the other "collecting" societies giving Death Benefit, is, in my opinion, ruinously costly to those who contribute to it: it is cruelly hard to those who are unable to keep up their payments. It makes a huge profit out of these "lapsed policies," and makes the poor people lose all the hard earned pence that they have already paid in. Unlike a Friendly Society, it is not managed by its members. It is run by a small set of wealthy shareholders, to whom it belongs, and for whom it makes gigantic profits out of the pence of the poor. Its social influence is, in my judgment, pernicious. Its 20,000 paid agents complain bitterly of oppression. This great financial "octopus" is now, with the aid of the Government, competing with the working-men's own Trade Unions and Friendly Societies. Every member that it attracts is one lost to the Friendly Society or the Trade Union. The "Prudential Approved Societies," which the Company has formed in exact verbal accordance with the terms of the Insurance Act, in order to get hold of the workmen, are shams. They are not, and cannot possibly be, governed by their own members. They are, and must be, managed by the paid officials of the wealthy shareholders, and (indirectly at any rate) for their advantage and profit. The Government has expressly sanctioned a constitution which permits this. The

case is made worse by the fact that, although the Government compels the payment of the contributions week by week, and hands over the money to these societies, the Government, here as in the case of other societies, does nothing to ensure that the Benefits will be forthcoming. Why should this great capitalist company be allowed to manage the workmen's money, and decide whether or not he shall get his sick pay, without control either from the members or from the Government?

What is required is a new law, excluding from working under the Insurance Act any "approved society" which has any connection with an insurance or other profit-making company or firm; or which has a name liable to be confused with the name of such a company or firm; or which has on its provisional Committee of Management (which cannot, in the first instance, be elected by the members) any officials of such a company or firm. This would cut out also the Employers' Societies, which ought to be got rid of. It would be necessary to provide also for the dissolution of the existing "Prudential Approved Societies" (and others like it) which have been approved by this mistake. Their members should be given the option of transferring to any Friendly Society or Trade Union working under the Act; and those who did not so transfer should be organised, according to their residence when first discovered, into "County Societies," to be presided over by the elected chairman of the County (or County Borough) Council; with the same full powers of self-government that an ordinary Friendly Society possesses, and with local committees in each parish, to be presided over by the elected chairman of the Parish Council (or Parish Meeting).

## II. CONTRIBUTORS WHO HAVE NOT JOINED APPROVED SOCIETIES MUST BE ORGANISED INTO COUNTY SOCIETIES.

Practically all manual workers in employment at wages, and all other employed persons getting under £160 a year, have now become insured persons, whether they like it or not; and they are having their contributions compulsorily stopped out of each week's money. But a large number of them have not joined any "approved society"—not because

they are "bad lives," for no medical examination has usually been required; not because they are "bad characters," for many societies have made no inquiries into character—but because they have been too ignorant or too apathetic to understand what they had to do. According to the Act, these unfortunate persons are called "Deposit Contributors." The Government goes on taking their money, and gives them no insurance. If they fall ill, they may get medical attendance and Sick Pay, but only out of what is left standing to their credit, after the Government has taken what it requires for expenses! When this little sum is exhausted, they must go to the Poor Law. Yet they have been made to pay exactly the same as other people. Why should they not get the same Insurance and the same Benefits?

All such persons ought to be deemed to be enrolled, according to their residence when first discovered, in County Societies to be established in each County or County Borough; and they ought to be given exactly the same rights as other insured persons. Only in this way can the Government make good its claim to have made us "an insured nation"!

### III. NO CONTRIBUTION FROM THOSE EARNING LESS THAN A POUND A WEEK.

Many of us object to the whole principle of compulsory contribution as being a stupid and extravagant form of taxation. And at least it cannot be denied that it is both harsh and unwise to exact weekly contributions from men and women not earning enough for healthy existence. The Government has already admitted this in principle by relieving from contribution those who earn only eighteen-pence a day! But no family can grow up healthy and strong if the father's earnings are only half-a-crown or three shillings a day. Let us take as the limit for relief from direct personal contribution Mr. Charles Booth's "poverty line" of a pound a week for a family. This is quite within the means of the Chancellor of the Exchequer; indeed, it could be done, each year, for less than half the cost of one *Dreadnought*.



#### IV. CONTRIBUTIONS IN RESPECT OF CASUAL LABOUR TO BE PAYABLE BY THE EMPLOYER HIMSELF, QUARTERLY, WITHOUT DEDUCTION FROM WAGES.

At present the first employer of a casual labourer in each week has to pay for a whole week—even if he only employs him for an hour or two on Monday morning. This is felt to be so unfair, that it is being extensively evaded in a way that is causing great hardship to the casual labourers. A man finds that he cannot get taken on unless his insurance card is already stamped. In order to get a job at all, he finds himself driven to stamp the card himself—to pay out of his own pocket, not only his own contribution, but also the employer's!

There ought to be no deduction from the wretched earnings of casual labourers, who often get less than nine shillings a week, because they hardly ever get a full week's work. The employer should be required to pay direct to the Government (Insurance Commissioners) the whole sevenpence per week on the average number of men employed by him during the quarter for periods each of them less than a complete week; and to supply a voucher for each man of the time actually worked, without deducting anything from them.

#### V. GOVERNMENT MUST GUARANTEE PAYMENT OF THE BENEFITS.

As the law now stands, Government compels the wage-earners to pay, but does not guarantee any benefits. The Government expressly tells the worker that he must join one of the Societies which the Government has approved; but the Government does not promise that these Societies shall not go bankrupt. The Government compels these Societies to promise certain benefits, although it is quite uncertain how much these will cost; but the Government does not undertake to make up any deficit that may be caused by the benefits which it compels the Societies to pay. This is unfair, and it must be altered.

The Government promised that all the "approved

societies" should be wholly governed by their own members, like a Foresters' Court or an Oddfellows' Lodge. But now the Government has admitted Societies so constituted that the members cannot practically govern them at all; and has deliberately sanctioned constitutions which deprive the members even of any effective control over the governing committee. Hence, the unfortunate workers, who find their contributions compulsorily stopped week by week out of their wages, have no security that they will get the benefits promised to them.

This is a real danger, not merely because of the possibility of dishonesty or fraud in those who handle the money, but because there will probably not be enough money to pay all the benefits. The Sick Pay will, it is now expected, come to more than was estimated for, partly because millions of men and women have been admitted without medical examination, and partly because the gigantic new Societies cannot exercise the same supervision as the little local Foresters' Court or Oddfellows' Lodge. More important still, the most valuable benefit of all, the pension of five shillings a week on breakdown at any age—called Disablement Benefit—will evidently cost much more than was allowed for. *The workers will lose this if they don't look out.* They must insist that, as the Government has made them join Societies which they cannot possibly control, *the Government must guarantee the benefits which it has promised* (as the German Government does).

## VI. DOCTORING FOR THE WIFE AND CHILDREN MUST BE INCLUDED.

Moreover, it is not reasonable to leave unprovided for the medical attendance of the children, just when their medical inspection at school is proving that four-fifths of them need something or other done for them. Nor is it fair to leave the hardworking wife unprovided for, unless she herself goes out to work. (Would this have been done if women had had votes?)

The Government has admitted also this claim in principle, by undertaking to provide medical attendance for the dependents of an insured person *if they have tuberculosis (or consumption)*. But why do this for one disease only? The

wives and children must have doctoring, whatever their diseases; surely their health is just as important to the community as that of the men; and we must insist on their being given exactly the same medical advantages as the men.

So much for the Insurance Act, and the amendments that it needs. But Sick Pay and the doctor's bottle of physic will not prevent the coming on of disease. At best, all they can do is to wait until disease has come, and then try to cure it. Now, prevention is better than cure. Half the illnesses from which the wage-earners now suffer might be prevented if they were dealt with before the breakdown occurs. The Government has at last admitted this with regard to one great disease called Consumption or Tuberculosis. Every County and County Borough Council is now providing, not out of the rates, but out of Government money, what is called a Sanatorium, to which people having the beginnings of consumption can be sent *before they have become so ill that they cannot work*. Then, at such an early stage of the disease, they can often be completely put right, so that the coming on of the disease is actually prevented.

### OPEN THE COUNTY SANATORIUM TO ALL SUITABLE DISEASES.

Why not open the County Sanatorium to persons suffering from other diseases than tuberculosis—for instance, to cancer cases, to rheumatism, to serious indigestion, to chronic bronchitis, to varicose veins, to rupture, and to other suitable ailments? In all these cases, either an early surgical operation, or a period of rest with careful teaching about proper food and fresh air, will actually prevent the long-drawn-out illness and premature death that now occurs merely because nothing is done until the sufferer is actually so ill as to be unable to work or stand.

This reform requires no Act of Parliament.

It needs only a stroke of the pen of the President of the Local Government Board and the Chancellor of the Exchequer to open the new County Sanatoria to other diseases. If prevention by early treatment is right in the case of one disease, why not in the case of all diseases?

## COMPEL EVERY LOCAL EDUCATION AUTHORITY TO ESTABLISH SCHOOL CLINICS.

So far as the boys and girls of school age are concerned (3 or 5 up to 13 or 14), the best way of looking after their little ailments is by what is called a School Clinic. The teacher, or the school nurse, or the school doctor, discovers what is amiss with them. At Bradford, and at many other places, these ailments are attended to then and there, in a School Clinic, under the management of the Education Committee of the Town or County Council, without charge to the parents. In this way the work is well done, and no child goes without proper attention. Every Local Education Authority ought to be compelled to establish a School Clinic. It is for the President of the Board of Education to insist on this being done.

## ABOLITION OF THE POOR LAW MEDICAL SERVICE.

When the Insurance Act is fully in force, and especially if the amendments are made that we now ask for, there will be practically no one left for the Poor Law doctors to attend, except (as regards the Outdoor Medical Officers) a few of the Old Age Pensioners, and (as regards the Workhouse Medical Officers) the odds and ends of poor sick folk who have "run out of benefit," or who have somehow missed having contributions deducted from them. There may also be some broken-down small masters, hawkers, and pedlars, little cultivators, or other independent producers, who have had no employer.

It is surely not worth while keeping up the costly Poor Law Medical service, with its 4,000 doctors paid out of the Poor Rates, for these few cases. It is surely unfair and unwise, when we are providing Medical Attendance freely for all the millions of insured persons and their dependants, to continue to drag into the Poor Law the few thousands of sick people whom the broad net of the Insurance Act has failed to catch.

The treatment of the sick under the Poor Law—however kind and humane particular Boards of Guardians may try

to be—is always and necessarily defective. Medical treatment can never be given at a sufficiently early stage to be most valuable, because the Poor Law Authority must wait until the sufferer is not only ill, but also destitute. It must always be deterrent and shameful, because the sufferer has first to convince the Relieving Officer that he is poor enough to be entitled to “Medical Relief.” And it is disgraceful to us as a nation that our Old Age Pensioners, or other sick persons needing hospital treatment, should be driven (as they are in more than half the country) to the General Mixed Workhouse.

The time has come for the complete Abolition of the Poor Law so far as the sick are concerned; and for the transfer to the Local Health Authority of all sick persons unable otherwise to get medical attendance, or needing hospital treatment. It is the business of the Local Health Authority, not merely to “relieve sickness,” but actually to prevent it.

#### THE ESTABLISHMENT OF A UNIFIED MEDICAL SERVICE.

Here we find the way out of the trouble about the doctors. The doctors are right to object to the “contract practice” offered to them by the Government under the Insurance Act. It is a bad form of sweating. How would any Trade Unionist like to be paid a fixed price for a job, when the amount of work to be done was uncertain, and left to be settled by somebody else? Would any cabinetmaker contract to supply every household with chairs, at a fixed price per household, if the number of chairs, and the amount of carving on them, was left to be settled by each householder from time to time? The doctors ask to be paid either “by the piece” (so much for each visit) or else “by the hour” (so much a year). Now, we cannot afford to put our doctors on piecework (so much per visit), because we do not want there to be any temptation to the Insurance Committees to stint the visits, or any temptation to the doctors to multiply them unnecessarily. What we must do, as every Trade Unionist should admit, is to pay them “by time,” to give them a fair day’s wage for a fair day’s work. And there must be no overlapping. We must not have an Insurance Doctor, a Poor Law Doctor, a Hospital Doctor, a Health

Committee Doctor, a School Doctor, and perhaps a Factory or Works Doctor, or the Police or Post Office or Fire Brigade Doctor, all visiting, inspecting and treating the same family. The time has come for each County and Borough (and large Urban District), where there is already a full-time salaried Medical Officer of Health and a Local Insurance Committee, to have its own staff of doctors, organised in a United Medical Service, to deal with all cases of sickness, other than those in which the patient engages his own doctor at his own expense. This staff of doctors would naturally include all those now holding public appointments of any kind (Poor Law, Public Health, etc.), so that these would not be losers. Such a unified Medical Service need not be entirely made up of doctors giving their whole time. It would be in many ways convenient in some cases to pay doctors salaries for only half their time, so that they could continue their private practice. Nor must we, of course, deprive the present doctors of their living. Indeed, we cannot do without them! They may fairly claim to have the first offer of the new appointments for their own locality; and to receive, for half their time, a liberal rate of salary. What is important is that the Unified Medical Service in each place should be closely linked up with the Public Health Department, on the one hand, with its work of prevention; and with the voluntary hospitals on the other, with their specialist provision for serious cases.

## HEALTH FOR ALL.

We need, in short—besides a drastic amendment of the Insurance Act—a real Minister of Health, whatever his official title, to stimulate the Local Health Authorities and the Local Education Authorities to do the utmost in their power, both to prevent the coming on of sickness and to treat promptly, scientifically, and completely, every case that occurs. We need, too, men and women elected to our Borough and County Councils who will see to it that this work is done. We need some drastic amendments of the law (especially about Housing, with which another pamphlet deals). All this will cost money—though far less money than the sickness that we now

neglect to prevent is costing us. We can, moreover, save a large sum by putting an end to the present wasteful overlapping between the Poor Law and the other public provision for the sick. For the rest, we must insist on a liberal Grant-in-Aid from the National Government, which should prevent any increase in the local rates. How can the Government better spend the nation's annual surplus than in securing the nation's health?

### SUMMARY OF PROPOSALS.

We must ask that the Government should bring forward, *next session*, a Bill—

*A.* To amend the Insurance Act, so as—

1. To exclude all societies connected with profit-making concerns; to dissolve such as exist and enable their members to join Trade Unions or Friendly Societies; and to organise into County Societies any persons who remain outside;

2. To organise the Deposit Contributors into the same County Societies;

3. To relieve from direct personal contribution those earning a pound a week or less;

4. To extend this relief to casual labourers, the employers paying direct to the Government according to employment given;

5. To give a Government guarantee for the Benefits that the Government compels the Societies to promise and the workmen to pay for; and

6. To extend the Medical Benefit to the wives and children of the insured.

*B.* Provide early preventive treatment for all sick persons, by opening the County Sanatorium to all cases.

*C.* Compel every Education Authority to establish School Clinics.

*D.* Transfer, from the Poor Law and the Workhouse, the whole care of the sick not otherwise provided for, to the Local Health Authority, with a Unified Medical Service paid either by time or by work done.

## HOW TO GET THIS DONE.

Move a resolution at your Trade Union, Friendly Society, or I.L.P. Branch; and get a copy of this pamphlet sent, along with the resolution, to (i) your own M.P.; (ii) the Chancellor of the Exchequer (Mr. Lloyd George); (iii) the Prime Minister (Mr. Asquith), the Leader of the Opposition (Mr. Bonar Law), and the Chairman of the Labour Party (Mr. Ramsay MacDonald); and to the Chairman of the Insurance Commissioners (Mr. Masterman).

Get deputations sent from Trades Councils and other working-class organisations, to all Parliamentary candidates, and ask them, irrespective of party, whether they will undertake to press for these reforms.

Above all, refuse to vote (and make it known that you will refuse to vote) for any candidate who will not pledge himself to vote for this

## COMPLETE PROVISION FOR SICKNESS.