

Way We Were

March 22, 2017

The King Mandates Insurance

Steve Leatham, Researcher

On March 23, 2010, President Barack Obama enacted the Patient Protection and Affordable Care Act nicknamed Obamacare. The individual mandate was the part of Obamacare that required all Americans to obtain some kind of health insurance or pay a “penalty” on their federal income taxes. The mandate quickly became Obamacare’s most unpopular feature. Many people were upset that the federal government was telling them they had to get health insurance.

In a somewhat similar instance, General Manager Thomas Kearns of the Silver King Coalition mandated accident insurance for every individual in his employ in October 1915. Recognizing that mining was a hazardous business and occupation, the Silver King Coalition Provident and Accident Insurance Association was formed to provide a fund to render assistance to those injured while in the performance of their duties or to their families in case of death.

One dollar was to be deducted from each employee’s wages every payday for the relief fund. The mining company would contribute a monthly sum equal to the total paid by its employees. In consideration of this payment, every individual employee guaranteed the mining company an exemption from all liability for any injury they might suffer during their employment.

Should an employee become permanently disabled through accidental injuries received while working for the company, he would receive \$2,000 as payment in full for all claims and demands. In the event of his death at work, a payment of \$2,000 would be made to the widow or legal heirs of the employee. As a condition of employment, miners were forced to sign a statement that they agreed to accept these benefits as full compensation, relieving the mining company of all liability. At the time, miners made \$3.50 a day.

By a unanimous vote, nearly 400 men decided to walk out on October 15. For the first time in its history, the Silver King Coalition had a strike. The Park Record thought it safe to say, “Without a single exception, the men were unalterably opposed to the details of the agreement and the compulsory method said to be used to obtain their signatures.”

The miner’s main objection to the proposal centered on mandatory membership in the Insurance Association with the alternative of dismissal. Copies of the agreement were circulated through the mine and where a refusal was made to sign, the men were told to draw their time. The workmen viewed the mandate with great indignation. It was an intrusion on their individual freedom.

In Senator Kearns’ opinion, the trouble had been caused by a few agitators. He claimed to have no knowledge of any order having been given that the men must sign the agreement or quit. Opportunely, he was in Nevada when the miners voted to go out on strike. The company gave the striking miners until November 10th to accept the insurance plan and return to work. Because most of the men were married and had families, they had little choice but to accept the King’s terms.



Image ID: digi.17.34

Credit: Park City Historical Society and Museum, Jack Gallivan Digital Collection

Caption: Thomas Kearns (pictured ca.1901) displayed much magnanimity even to the strikers against his insurance plan. When the wife and daughter of miner Abe Shields both died during the strike, Kearns authorized \$150 from the Silver King Coalition Company to help defray funeral costs.