

(Continued from page 317)

the State from acquiring a virtual monopoly of the business, without legislation, if that is the will of the insuring public.

"The logical and rational view to take, it seems to me, is that open and fair competition between the existing classes of carriers, conducted under proper supervision, is in the best interests of all concerned. Compensation insurance is in reality composed of two elements—service and protection. An institution which affords protection only fails signally to fulfil its functions although it may be able to furnish employers with insurance rendered cheap at the expense of their employees. Compensation service embodies accident prevention work, a broad and enlightened policy of medical supervision and attention, and an efficient, sympathetic and just handling of claims.

"Monopolistic State insurance, wherever tried, has utterly failed to show appreciation of the fact that while protection is essential and fundamental, the real social gain is not measured by the overhead cost at which the protection is furnished, but is largely the extent to which in the first instance industrial accidents are prevented and in the second instance their effects minimized through prompt, skilled and unlimited surgical attention and the application of approved methods of industrial rehabilitation. Service of this character is not inconsistent with low insurance rates because ultimately the direct payments to injured persons are lessened in consonance with the lessened disabilities. But such a reduction in cost is a slower and less striking process than the summary method of curtailing service and simultaneously reducing rates, hence it is not so readily and widely understood. So far as employees are concerned, therefore, it seems quite certain that they cannot benefit as much under a State monopolistic system in which, competition being eliminated, there is neither fear of adverse criticism nor other incentive for rendering this character of essential service. While employers under the present system are free to select the carrier of their choice, it is to be noted that, generally speaking, their choice is influenced more by the character of service rendered than by the purchase price of the insurance.

"Healthy and fair competition in any business is the keynote of good service, and it is that sort of competition which I believe should exist in the compensation field. In my judgment, this means that the State fund should be placed on an even footing with private carriers as respects all aspects of supervision by the insurance department as well as in the matter of incurring and meeting expenses without the intervention of budgetary restrictions. The conditions revealed in the conduct of the affairs of the State fund and the criticisms of management,

as contained in the report of the recent investigation, bring home in impressive fashion not only the unwisdom of a State monopoly but also the necessity of external supervision to safeguard the operations of even a competitive State fund."

### CANADIAN FIRE RECORD

*Fire at London, Ont.*—On the 7th instant a fire destroyed the Grand Trunk freight sheds, in addition to eight freight cars, loaded with merchandise. Loss about \$170,000.

*Fire at Sydney, N.S.*—On the 6th instant a fire destroyed the Cape Breton Electric Company's car barns. Two large steel tram cars and other equipment were destroyed in the fire. Loss about \$50,000 fully covered.

*Fire at Toronto.*—On the 4th instant a fire occurred in the McKinnon office building on Melinda Street. Loss estimated at about \$125,000.

*Fire at Tilbury, Ont.*—On the 4th instant a fire destroyed the plant of the Tilbury Brick & Tile Company, cause of fire said to be spontaneous combustion. Loss about \$25,000, Insurance \$15,000.

*Fire at Port Dover.*—On the 4th instant a fire originating in the J. Gordon Paterson drug store, destroyed an entire two storey brick block. Loss about \$30,000.

*Fire at Bridgewater, N.S.*—The Halifax and Southwestern Railway Station with contents was destroyed on the 9th instant. Loss about \$7,500.

*Fire at Tryon, P.E.I.*—On the 9th instant a fire destroyed the Reid Raynor Knitting Mills, with all their contents. Loss about \$40,000 with \$25,000 insurance.

*Fire at Sydney, N.S.*—On the 7th instant the Electrical warehouse of the Dominion Steel Corporation was completely destroyed by fire, supposed to have originated from crossed electric wire, the building was wooden.

### CORRECTION.

Fire at Deseronto. In our issue of Feb. 27th, when reporting fire which occurred on the 20th ult., it was erroneously stated that there was no insurance on the house and contents of P. McLaughlin. Mr. E. A. Rixen insurance agent, writes us, that the destroyed property was insured with the Globe and Rutgers for \$500 on building, and \$300 on contents, and that the total property loss will not exceed \$2,500.