THE STATE AND INSURANCE

(*W. T. Emmet, N. Y. Superintendent of Insurance.*)

Within the last three years, the question of the relation of the State to the business of insurance has assumed new importance. This is a natural outcome, first, of the fact that the increased social consciousness of the times has served to emphasize the public character of all business; and second, of the fact that insurance in particular, because of its fiduciary character, and because of its inherent uncertainties and its consequent inherent mutuality, is impressed with a peculiarly strong public quality.

When to these characteristics, which are common to all branches of insurance, is added the further human interest that arises when insurance is applied to the relief of social misfortune, so-called social insurance of which workmen's compensation is a type, we have a combination so full of public importance that it almost inevitably leads either to the State entering this branch of the insurance business itself, or else to its placing it under still more drastic regulation than the other branches of insurance are subjected to. Thus it has happened that to-day we are confronted with State insurance as a live issue in connection with workmen's compensation. The question is not, of course, nearly so pressing a one in the life and fire insurance fields as in the other, but even in these connections it has become a matter in which an increasing number of people are interested.

The situation is one of absorbing interest. Practically within the last decade we have seen business in two attitudes, first, that of aggressive organization and combination in its own interests but with the public interest subordinate, if not even antagonized; secondly, we have gone through a period in which the public has asserted its rights, often in an unintelligent way and with much resulting confusion, but with a perfectly evident intention to make business the servant and not the master. We are now, it is to be hoped, at the end of this destructive period and about to enter upon the third, the constructive period, in which the real ethical solution shall appear in a harmony of the interests of the server and the served, in which there shall be neither aggression nor undue restraint, but in which the interest of the public shall be clearly seen to be in every large sense not only a necessary condition for the prosperity of business, but inevitably bringing prosperity in its train.

But if the people cannot get what they require through private service they will be quick to resort to the State, that the State may supply in its collective capacity a service which has been imperfectly performed by its members. This has happened recently in the field of compensation insurance, the express business and elsewhere in a minor degree, and it can be confidently predicted that this remedy will be invoked increasingly as time goes on. The one effective weapon that the companies have in their possession is the ability to give such efficient service that State activity will be uncalled for. For most people will agree that the State should not undertake anything which can be acceptably done by private enterprise; that is, the burden of proof lies with the State to show some abuse which requires its entrance into the field.

As it seems to me now, the great insurance interests of the country which have played so helpful a part in the nation's life must, if they are to survive under the new dispensation, demonstrate that they are able to conduct their business so acceptably, so efficiently and so thoroughly in the interests of the public as to make State Insurance unnecessary. That is my candid view of the situation at the present time. There must be a complete harmonization of the private interests of the companies with the interests of the public. The business of insurance in private hands must look for its own private advantage to arise only out of the general advantage of the public it exists to serve.

BANK OF TORONTO TO ERECT NEW MONTREAL BUILDING.

The Bank of Toronto building, corner of St. James and McGill Streets, Montreal, is to be demolished and construction begun of a new ten storey structure upon the same site. Excavation will begin early in May and the completed building turned over to the Bank of Toronto on May 1, 1915. The St. James street side of the new bank building will measure about ninety feet, while the structure will extend along McGill street a distance of sixty feet, or the same measurement as the present stone structure.

The front will measure about thirty feet more on St. James street than the old building, for the reason that the Bank of Toronto purchased the adjoining building some years ago, which has a frontage of thirty feet, and which extends through to Notre Dame street. The greater part of this building was destroyed by fire some time ago, and for some time past temporary premises for the Bank of Toronto have been in preparation, so that by the time the bank is obliged to vacate their present offices they will take possession of the other section, the entrance of which will be on Notre Dame street.

The plans of the building show strength and uniformity, the main entrance being located on the east end of the St. James street side of the building, the bank being reached from a large vestibule. The banking room, which is to be a very spacious apartment, will measure sixty by seventy feet, with walls of marble finish.

TRADE DISPUTES DURING FEBRUARY.

The record of the Department of Labour for February shows that there was a pronounced decrease in the number of days lost through strikes and lockouts as compared with the previous month, although the number was somewhat larger than for the corresponding month of last year. The decrease was largely due to a settlement of a strike of shoe machine workers in Quebec, about 3,000 employees returning to work on February 14. There were altogether seven disputes in existence in Canada during February, as against five in January and nine in February of last year. About twenty-three firms and 4,400 employees were involved in these disputes. Approximately 66,937 working days were lost as compared with 117,450 during January and 42,880 during February of last year. Three disputes commenced during February, none of which were serious from the standpoint of numbers affected. They were all, moreover, of short duration. The dispute of coal miners on Vancouver Island and of garment workers at Montreal remained unsettled at the end of February.