WORKMEN'S COMPENSATION IN ONTARIO.

The new Workmen's Compensation Act of the province of Ontario comes into force on January 1st. Judging by the progress already made, the machinery devised for its administration will then be in position to begin operations. The development of this complicated legislation in practice will be watched with keen interest, though it must be borne in mind that, owing to the factor of time which is necessary in order to obtain a true line in regard to workmen's compensation insurance, many defects are not likely to be visible in the early years of the Act's operation, which will possibly develop in startling fashion later.

The Act is divided into two parts; Part I provides for compulsory compensation; Part II for the common law liability of the employer. Part II applies only to such employers as wholesale and retail mercantile businesses, hotels, barbers, etc. The three defences which an employer has hitherto been permitted to make—assumed risk, common employment, and contributory negligence—are abolished. The employers coming under Part II of the Act are not compelled to take insurance against their risk. But it is likely enough that they will want to. However, these employers in Part II may be at any time removed into Part I, so that any insurance company taking risks of employers within Part II has no guarantee of a settled basis of business upon which to compile statistics and formulate rates.

A Clearing House for Bad Business.

Part I of the Act, providing for compulsory compensation, comprises two schedules. Schedule I includes all employers by classes who pay assessments direct to the Board; Schedule II provides for employers who are individually liable but whose compensation to injured employees is overseen by the Board. Schedule II may easily become, if, in fact, it is not designed to be, a clearing house for bad business. For instance, a sash and door manufacturer in Toronto has an abnormal number of accidents. The Board accordingly take him out of Schedule I, where he has contributed assessments in common with other sash and door manufacturers, and put him in Schedule II, where under the supervision of the Board he is compelled to pay for his own accidents, and to insure his risks in an approved stock company. If, after a course of this treatment, he reforms and reduces his accidents to something like the normal experience of his class, the Board can replace him under Schedule I.

It will be thus seen that the insurance companies are expected to take the bad business which the Board themselves refuse to take. A risk is rejected by the Board as not being good enough to carry, and is turned over to the insurance companies, if they will have it. If the business, after a while, begins to pay, the Board take it back again; if it continues to show a very bad experience, the insurance company can continue to pay the piper.

It remains to be seen if the insurance companies will allow the Ontario Board to "try it on the dog" in this fashion. Apart from the fact that they are expected only to take cast-off business, which the Board itself will no longer take, will it be worth their while to maintain an extensive and expensive organisation in the province on the off-chance that occasionally they may pick up a risk Supposing they do take one of these risks and by a vigorous inspection policy and the putting forward of suggestions which are adopted by the employer, get the business on to a paying basis, then the Board may come along and take the business back again. Anything more ludicrously unfair it would be difficult to imagine.

Objections to Monopoly.

In regard to other points of the new order of things, it is evident that everything is not going so smoothly as might be desired. The manufacturers of the province do not know in the least where they stand in regard to the assessment system and they are not likely to know for years to come. Hence there are already to be heard mutterings and grumblings in regard to the monopolistic character of the new legislation. The manufacturers are beginning to ask why they are not allowed the alternative of covering their risks in any manner they please, whether through a Government fund or in another approved way. It seems an extraordinary fact that the manufacturers should have allowed themselves to be railroaded into at least passive approval of what is, in fact, an infringement of the inalienable British right of the liberty of the subject. The explanation probably is that they did not understand in the least what they were being let in for. Now they have an idea of it, it is probable that there will be a growing agitation on their part for the abolition of the monopolistic features of the new legislation, and the allowing of the manufacturer to make his choice as to the method by which he will cover his workmen's compensation risks—either through the Government fund or through approved insurance companies operating in competition.

A branch of the Bank of Montreal has been opened at the corner of Elm Grove and Queen street, Toronto, under the management of Mr. J. J. Bryan.

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The British insurance offices have subscribed very largely for the new British war loan, the largest individual application being that of the Prudential for the sum of £800,000. The investment is said to have proved especially attractive to the composite offices.