

This engagement had force of law in Ontario, and, by inscription in the statutes of that Province, had freed the Grand Trunk from all responsibility in case of death by accident of its employes, without any compensation on the part of the company.

Whether a man is killed by the fault of the company or not his insurance is paid by the employes; the company contributes not one cent to the payment of the insurance, and it is free from all responsibility and from all indemnity, without any compensation. The man killed costs the Grand Trunk less than the man wounded.

The law of Ontario not only sanctioned this iniquity, but declared that it would permit any company or any employer to perpetrate it, who should establish among employes an insurance like that imposed on employes by the Grand Trunk. If the system put in force by the Grand Trunk were universally adopted, companies and employers would be freed from all pecuniary responsibility, without incurring any charge, and men above forty-five years old, who might lose their situations, could not find others, for the simple reason that their age would exclude them from all such assurance societies.

All these systems are unjust, despotic and burdensome to the employes.* Accident insurance is a necessity for workmen, but insurance companies cannot reach them without enormous expenses of commission and collection, increasing considerably the premium; and every practical solution seems impossible without the intervention of the State, and without the creation of

ACCIDENT INSURANCE BY THE GOVERNMENT.

The adversaries of State insurance oppose every project of this nature, alleging that the State should not, under any form whatsoever, enter into competition with private enterprise; and that moreover, the State is always a poor administrator. These reasons are not wanting in force.

But there is an interest which surpasses all others: it is the public interest, and assurance being only an advanced form of saving, the State is as much justified in assuming the direction of it as it is in receiving the savings of the citizens in the Post Office Savings Bank.

Besides, if the State is a poor administrator, it is an excellent controller, and all its part, in the assurance project which we have in view, will be restricted to a simple control.

Accident assurance premiums, quite like life insurance premiums, are increased by the expenses of commission and of direction, which considerably augment their rates.

The movement of premiums and losses for accident insurance, death and indemnity, during the years 1885-86-87, has been:

	Premiums Received.	Losses Paid.
1885.....	\$145,202	\$59,358
1886.....	165,384	80,431
1887.....	194,610	83,318
	<hr/> \$505,196	<hr/> \$223,107

or, for three years, the sum of \$282,089 in excess of losses undergone and absorbed by commissions, expenses of management and dividends to shareholders. In fact, the figures of these three last years prove that 45 per cent. of the premiums paid were enough to cover the losses sustained.

It is to render accident insurance easy for all that the State ought to assume the direction of an insurance of this kind, and to suppress the 55 per cent. of excess of premium by taking in its own charge all the expenses of management.

What will be the effect on premiums of Government intervention?

In the absence of all industrial statistics, we will take as a basis the statistics of the census of 1881.

* See also Appendices G and H.