

## AGAINST STATE SYSTEM OF WORKMEN'S COMPENSATION.

**Mr. S. H. Wolfe Looks with some Favour on English System, but thinks that a Modification of that in Massachusetts will give Maximum Benefit in Ontario.**

An argument against any system of State Workmen's Compensation was presented by Mr. S. H. Wolfe, the well-known American actuary, at the resumption of the Ontario Workmen's Compensation enquiry before Sir William Meredith at Toronto on Saturday. Mr. Wolfe brought with him an elaborate memorandum, and upon deductions drawn from the operation of the various systems of Workmen's Compensation based his opposition to a State scheme. He did not think the Government was equipped to undertake control at the present time. He admitted that if the province came to the "unwise" conclusion that it was equal to the task there was no reason for not going ahead with it.

Mr. Wolfe agreed that there was urgent need of some form of compensation to take the place of the common law liability of employers with its costly litigation. He was inclined to look with favor upon the English system, which had little State interference and a maximum of personal freedom. There was objection to the fact that the employer could force his workman to litigate his claim. Perhaps the most serious drawback of the British form of compensation was the fact that the workman injured had no guarantee that his employer would be solvent when the first payment was due or would continue solvent.

The Massachusetts system was favored by Mr. Wolfe as the best for Ontario. It provided for an employer bringing himself within the Act by giving his employees statutory notice. He must become either a policyholder in a stock company or a mutual association authorized to transact business in the State. Another alternative is provided, that of becoming a member of the Massachusetts Employers' Insurance Association. This Association divides its members into groups according to the hazard, charging premiums in advance. After setting aside the necessary reserve to provide for the ultimate payment of losses that have occurred during any one year, the Association is authorized to equitably apportion the unexpended balances among its subscribers.

### GERMAN SYSTEM EXPENSIVE.

Regarding the German system, Mr. Wolfe said the country was prepared for Governmental supervision, because the Government was more executive than legislative. It was impossible, he said, to present a definite statement of the cost of insurance for industrial accidents in Germany because the accident department was closely interwoven with the administration of sickness funds, and the German mutual accident associations do not capitalize the future payments on accidents that occur in any one year. Mr. Wolfe pointed out that the benefits paid under the Massachusetts system were greater than those under the German method while the relative cost to the manufacturer in Germany was greater than in England or the United States.

"I am of the opinion," said Mr. Wolfe, "that the methods now being followed in Germany, Ohio and Washington are ill-adapted to the needs of Canada

or any of the United States. I am of the opinion that the maximum benefit can be derived from the adoption of a type similar to that in use in the Commonwealth of Massachusetts, with such modifications as will make it applicable to the particular community which it is intended to benefit."

Since Mr. Wolfe's views are opposed to those advanced by Mr. F. W. Wegenast on behalf of the Canadian Manufacturers' Association, which favors a Government board and system, it was arranged that Mr. Wolfe and Mr. Wegenast should meet to exchange views and submit the result to the Commissioner.

### ROYAL BANK'S STATEMENT.

The Royal Bank's statement issued last night is for eleven months only, the Bank having changed the end of its financial year from December 31 to November 30. This and the enlarged standing of the Royal Bank consequent upon its absorption of the Traders Bank a few months ago make the ordinary year-to-year comparisons impossible. It is obvious, however, that the Bank has enjoyed a very successful year. Net profits for the eleven months were \$1,527,325 or at the rate of 19.19 per cent. upon the average paid-up capital. Last year the average rate of earnings was 18.58 per cent. After the payment of \$943,586 in the 12 per cent. dividend, placing \$75,000 to the officers' pension fund, and writing \$300,000 off bank premises, there is carried forward to the current year a balance of \$610,219. A sum of \$5,503,812 premiums on new capital stock is also brought into the profit and loss account and transferred to reserve fund.

The following leading figures of the general statement show effectively the enlarged status of the Royal Bank at November 30 last, in comparison with December 31, 1911:—

	Nov. 30, 1912.	Dec. 31, 1911.
	\$	\$
Capital paid up . . . . .	11,560,000	6,251,080
Reserve . . . . .	12,560,000	7,056,188
Total Deposits . . . . .	137,891,668	88,294,808
Circulation . . . . .	12,584,618	6,338,076
Liabilities to the public . . . . .	154,137,719	96,358,342
Specie . . . . .	5,204,964	4,801,012
Dominion Notes . . . . .	14,443,785	10,094,472
Call Loans . . . . .	23,978,642	13,322,851
Quick Assets . . . . .	73,428,782	47,738,440
Current Loans . . . . .	99,828,880	59,646,165
Total Assets . . . . .	179,210,758	110,528,512

The proportion of liquid assets is 47.6 per cent. of the liabilities to the public. The annual meeting is fixed for January 9th.

### THE OCEAN ACCIDENT & GUARANTEE CORPORATION, LIMITED.

A recent appointment of interest in the Accident field has been that of Mr. Arthur James as manager at Montreal for the Province of Quebec of the Ocean Accident & Guarantee Corporation, Limited. Mr. James has had, in the service of the Corporation, a long and valuable experience, which will well qualify him for his important work at Montreal. He was previously manager for the Ocean in Cape Colony, South Africa.

Mr. Charles H. Neely, general manager for Canada & Newfoundland, reports a satisfactory increase in volume of business for the year.