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A WRONG BASIS.

The object of any workmen's compensation legislation constructed upon proper lines is not only to ensure that every workmen injured in the course of following his occupation receives compensation upon a just and adequate basis promptly, but also to prevent accidents as far as possible by the encouragement of the use of safety devices and of care in operation by both the workman and the manufacturer. How does the new Ontario legislation measure up to this standard?

There will be located in one or other of the Ontario manufacturing towns, let us imagine, two manufacturers engaged in, and competing against each other in the same line of industry. The first manufacturer, Mr. Doe, has an excellent plant, well designed and fully equipped with modern safety devices, and a good class of work people who having received regular and systematic instruction from experts, are fully impressed with the notion of "safety first," and in consequence keep down to a minimum the accidents to themselves through their own carelessness or ignorance. Mr. Doe's competitor, Mr. Roe, is quite a different type of man. Not believing in new fangled notions, he turns down all attempts to impress him with the value of modern safety appliances, which cost money anyway, and thinks his employees should be capable of looking after themselves. Under this new legislation these two manufacturers will be compulsorily brought together in one group and each compelled to act as co-insurer of the other. That is to say, Mr. Doe, the careful manufacturer, who has reduced his accident claims to a minimum by his preventive measures, will not only have to pay for his own risk, but will be placed on exactly the same footing as and act as co-insurer to his careless competitor, Mr. Roe, whose accidents are probably proportionately three or four times as numerous and expensive as those taking place in Mr. Doe's plant.

It will be an astonishing thing if one effect of this is not to make Mr. Doe less careful than he otherwise would continue to be. However humane and solicitous for the well-being of his employees a man may be, there will be under these circumstances a very great temptation to him to let things go a little easy. There will be very probably and almost insensibly a falling off in precautions taken. The new legislation will, in fact, have rather a tendency to increase industrial accidents than the reverse.

This tendency will be the direct result of those provisions of the new laws making insurance under the group system compulsory and not permitting the employers to exercise their discretion as to the method by which, subject to approval, they cover their liabilities. These provisions put a distinct penalty upon the careful manufacturer, since he would be able to get in the open market better rates to cover his own risks than those which he will be compelled to pay when he acts as co-insurer for his careless competitor.

As now drawn, the proposed legislation is on a wrong basis. To make it fair and equitable, it is essential that at least the present provisions should be amended on the lines of the existing New York law, where an employer may belong either to the State fund, or take out his insurance in a stock or mutual company or, if he can demonstrate to the satisfaction of the commission, that he is financially strong enough to carry his own insurance, he may do so. In each case the interests of the workmen are protected, it being the business of the commission to see that the quality of the protection secured by each employer is unimpeachable. But the quality being given, the method by which protection is secured is left very rightly and fairly to the discretion of the employer. It is only by allowing this measure of individual liberty that the careful employer—the employer of integrity, character and enterprise—can secure that advantage which the possession of those qualities legitimately entitles him to secure.