

Mr. Wegenast's contention is hardly supported by Mr. Dawson, whose opinion (page 452, appendix to first interim report) is that there will be an increasing rate "which is estimated to increase pretty rapidly for about ten years and then rather slowly and with increasing slowness for at least fifteen years longer, and if there is no improvement in the conditions relating to trade and industry, it will still very slowly increase for twenty-five years beyond that."

I am not convinced that the German plan affords an adequate safeguard against the dangers which Mr. Sherman anticipates, nor am I satisfied that it does not do so. I have, therefore, concluded that the act should not lay down any hard and fast rule as to the amount which shall be raised to provide a reserve fund and that it is better to leave that to be determined by the Board which is to have the collection and administration of the accident fund as experience and further investigations may dictate. I have therefore made provision in the draft bill to that end, by making it "the duty of the Board at all times to maintain the accident fund so that with the reserves it shall be sufficient to meet all the payments to be made out of the fund in respect of compensation as they become payable and so as not unduly or unfairly to burden the employers in any class in future years with payments which are to be made in those years in respect of accidents which have previously happened," (sec. 70), and by authorizing the Lieutenant-Governor in Council if in his opinion the Board has not performed that duty to require the Board to make a supplementary assessment of such sum as in his opinion is necessary to be added to the fund, (sec. 90), and these provisions I deem essential to the safety and adequacy of the scheme of compensation for which the draft bill provides.

I may here point out that the act of the State of Washington upon which the draft bill submitted by the Canadian Manufacturers Association, to which I shall afterwards refer, is modeled, requires that for every case of injury resulting in death or permanent total disability there shall be set apart out of the accident fund the estimated present value of the monthly payments to which the workman or his dependants are entitled, the total in no case to exceed \$1,000.

Mr. Sherman also takes strong grounds against the administration of the act being committed to a Board appointed by the State, his view being that such a Board will be influenced by partisan political considerations in practically all its doings. I have no such fear. Whatever else may be doubtful as to the workings of the act there is no doubt, I think, that the members of the Board appointed by the Crown will impartially and according to the best of their ability discharge the important duties which will devolve upon them in the event of the draft bill becoming law. Whatever may be the experience of other countries the experience of Canada does not justify the view which Mr. Sherman entertains. There are now two Provincial Commissions appointed by the Crown discharging very important duties—the Ontario Railway and Municipal Board and the Hydro-Electric Power Commission—and one appointed by the Governor-General also discharging very important duties—the Railway Commission of Canada. Whatever criticisms there may have been of the action of these Boards, no one, as far as I have heard, has ever charged or even suggested that any member of them has been actuated or influenced by partisan political considerations in any action that has been taken by him and I know of no reason why the Board which is provided for by the draft bill may not be expected to be as free from political partisanship as either of the Boards I have mentioned.

I proceed now to state the general plan upon which the bill has been drafted. The bill is divided into Parts. In Part I the liability of employers to contribute to the accident fund or to pay the compensation individually is dealt with.