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MANUFACTURERS AND ONTARIO'S COMPENSATION ACT.

The statement issued by the Canadian Manufacturers' Association workmen's compensation committee regarding the new Ontario Workmen's Compensation Act, which is printed elsewhere in this issue, is an interesting document, inviting comment on one or two of the points discussed. The manufacturers, while claiming the credit of the parentage of this new Act, are singularly unenthusiastic about it. They object that injured workmen will get too much in benefits and they state point blank that the Act in some respects as it stands is literally unworkable.

Those who from the outset viewed this new Act with suspicion and dislike will note, possibly with a certain amount of grim satisfaction, this confession by a body of business men who proudly insist that they and not Sir William Meredith should have the credit for any good points which this new Act possesses. But in view of the circumstances under which the Act was jammed through the Provincial Legislature by politicians who probably knew little or nothing about the subject of workman's compensation but who were keen for a good election cry, the fact that drastic amendments should be necessary to make the Act merely workable is hardly surprising. Legislation made in haste, like many other things, is often repented at leisure, and we fancy that Ontario will have plenty of opportunities for repentance before being through with this legislation and its effects.

The manufacturers' committee make the interesting observation that there is every reason for assuming that the Government Commissioner had in view at the outset of his investigation the English Act, and that it was the manufacturers who persuaded him that a State scheme was the better. Possibly on this particular point the manufacturers have overestimated a little their powers of persuasion, but if they have not it seems clear that they have blundered badly in throwing their weight on the side of an untried and dangerous experiment. They lay much stress on the supposition that even with all its admitted disadvantages, the new Act will give the employer cheaper workmen's compensation

insurance than he can get in other Provinces of Canada. We should say that this fact is by no means certain and that it distinctly remains to be proved by experience. It is true that those manufacturers who get in during the early years of the Act's working will probably have the advantage of very low rates. But the uniform experience of State schemes of this kind has been that the rates have been pitched at first too low and that afterwards assessments have had to be considerably heightened in order to make up deficits. Until the contrary is proved, we decline to believe that Ontario will have any different experience from this. The effect of the Act, it is probable, will actually be to penalize the enterprising and successful manufacturer. The man who is financially weak, and who is unable to survive long in the press of keen competition among the Ontario manufacturers, but who goes into the scheme at the outset, will get the advantage of low rates during the first few years of the Act's operations, and if these are insufficient, the stronger manufacturer who continues in business will subsequently have the satisfaction of paying for the continuing cost of the accidents of his weak competitor who will then have gone out of business, or possibly into bankruptcy. How an arrangement of this kind can possibly be to the general advantage of those for whom the manufacturers' committee speaks we fail to see.

Moreover, we should have thought that the manufacturers would have been suspicious of the character of the proposed administration of the Act. The details of its working are almost certain to be administered in part by those whose main qualification for their offices is the holding of particular political views. In any case, Government administration in Canada, as the manufacturers well know, is notoriously inefficient, and it is a matter of surprise that the manufacturers should give their countenance and support to it.

The manufacturers' enthusiasm for the Act even now is of a very temperate kind; it is extremely probable that within ten years they will have lost any of the enthusiasm they now have and will be wishing they had not persuaded Sir William Meredith out of following the English Act.

