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Looking Back 25 Years, State Points to a 'Great Glory' That Grew From a Bitter Battle

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This is Sunday, May 3, 1936. It is an anniversary date for Wisconsin the like of which no other state has yet celebrated.

Twenty-five years ago today, May 3, 1911, Gov. Francis E. McGovern gave executive approval to the first state workmen's compensation law in the United States. It had come to him after passage by the legislature with only four opposition votes recorded in the senate and 14 in the assembly. It was published officially on the same day and went into immediate effect. Now every state, except Arkansas and Mississippi, provides compensation for employes injured in industry.

It was a close squeeze for Wisconsin to make this number one position. Nevada, New Jersey, California, Washington, Kansas, New Hampshire, Ohio, Illinois, and Massachusetts passed similar laws the same year, although the four states last named postponed the effective dates until 1912. To have elected the principle of compensation in 1911 was credit enough for any state, and Wisconsin will be looking forward with interest to the anniversary dates that these nine other states will be justly recognizing this year.

At the End of Bitter Fight

The initiation of programs, such as workmen's compensation, usually has come at the end of bitter and prolonged campaigns, and this is likely to be the experience of the future. Indeed, it is the guaranty against ill-conceived action. Disappointment and caustic, heated criticism follows close in the wake of action, but it wears away. Compliance with law because it is law is succeeded by cooperation and support from choice, and then as a people

we look back in pride upon a just and timely public decision. Such has been our experience in the field of workmen's compensation.

Wisconsin's compensation law came as the unanimous recommendation of an interim legislative committee appointed in the 1909 session, constituted as follows. Sen. A. W. Sanborn, Ashland, as chairman, and the then Sens. Edward T. Fairchild, Milwaukee, and John J. Blaine, Bos-cobel; Assemblymen Wallace Ingals, Racine; C. B. Culbertson, Stanley; Walter D. Egan, Superior, and George G. Brew, Milwaukee. The late Harry L. Butler, Madison attorney, was counsel for the committee through all its survey, hearings, and consideration.

Fred Brockhausen, Dan W. Hoan and Michael Levin represented the Wisconsin State Federation of Labor in the proceedings before the committee. A. T. Van Scoy, Thomas J. Neacy, Max W. Babb, Otto H. Falk, Paul D. Carpenter, and A. H. Vogel represented the Merchants and Manufacturers' assn. Scores of men prominent in the affairs of the state took part in the state-wide hearings.

Why the Doubts

As we look back now to the caliber of the men who constituted the legislative committee and of those who actively assisted in the study and development of the program, and endorsed and supported it, we will wonder why anyone should have ever harbored doubts as to the soundness and safety of their leadership.

The original act would not rate creditable for use today. Like all pioneering legislation, it marked the adoption of a principle and made that vital step—"a beginning." It embodied the principles of a fine system and when compared with the compensation legislation of other states that year rated high in measure of benefit and plan of procedure.

However, we were in a period of rapidly advancing wage and living

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standards, and the law had to be modified at frequent intervals to keep pace with these changes. There were fundamental provisions that needed attention, and these were met by the legislature as soon as their necessity and reasonableness could be established. There were defects that only administrative experience brings to light. These were

resultant wage loss. For major permanent injuries — the ones that cause real working disability—this schedule is the most liberal to be found in any state.

Compensation for minor permanent injuries have been brought into finer balance with actual disability experience. For the cumulative effect of two or more perma-



F. E. M'GOVERN

"... it was a close squeeze ..."



"... the great glory ..."

promptly corrected. Then there have been a score or more of changes that have refined and humanized the whole system—in benefits and procedure.

Most Liberal in U. S.

Over this development period maximum weekly benefits have been increased from \$9.37 to \$21, and minimum benefits relatively. For permanent total disability maximum benefits have been increased from \$3,000 to \$21,000. Most permanent injuries are now compensated pursuant to a specific schedule of benefits instead of speculating on

injuries, whether sustained concurrently or otherwise, added indemnity is now provided. The waiting period has been reduced from one week to three days and is now recovered and compensated for where the disability exceeds 10 days instead of being contingent on a disability of four weeks.

Maximum death benefits have been increased from \$3,000 to \$6,000 plus an additional allowance for each dependent child—varying from \$100 to \$1,500 according to the age of the child. Burial expense of \$200 is allowable in all death cases regardless of dependency instead of

\$100 for the non-dependency case. Full medical, surgical, hospital and nurse service, medical and other necessary supplies are now the injured man's right as against an original limitation of the cost of treatment for 90 days.

Out of Special Funds

Additional benefits in second injuries and for dependent children are paid out of special state funds built up by employers under novel systems, originated in this state. The plans place no undue burden on the employers affected, but adequately protect the beneficiary and completely write out of our experience any discrimination against the employment of a man because he has had a previous permanent injury or because he is a parent of dependent children.

Without special objection, Wisconsin extended the act in 1919 to cover all diseases of occupation. Nearly every other state still maintains an unconscionable discrimination against compensation for some or all such injuries. An early amendment provided for increasing or decreasing the benefits as an incentive for the observance of specific safety requirements. Later on provision was made for the doubling or trebling of benefits for any illegally employed minor or for one injured at prohibited employment. The law has been liberalized in the field of medical selection, insurance protection, and third party liability. Coverage has been measurably extended.

Much effort has been expended which would promote promptness toward the design of a procedure of payment, facilitate the disposition of contested matters—all at a minimum of cost and formally compatible with good administration. Extreme caution has been written into the law for the guaranty to employees of every intended benefit.

"Complimentary and Constructive"

This listing of modifications is too brief to give an adequate picture of the effort that has gone into the task of making the law what the framers meant it to be. There are undoubted betterments which succeeding legislatures will consider. Best of all, the development thus far has been made, with scant exception, by agreement or consent of the representatives of labor and management acting in cooperation with the industrial commission. The experience reflects an attitude on the part of labor and management that is highly complimentary and thoroughly constructive.

A few figures out of the record should give us a better understand-

ing of the importance and far-reaching benefits of the law. During the first year, benefits were paid in but 846 cases and aggregated just \$60,350. In the second year, 2,841 cases were settled and 8,496 in the third year. The increase was gradual until a peak was reached for the year ending June 30, 1930 when 22,514 cases were disposed of, calling for indemnity and medical benefits aggregating \$6,187,034. The total number of cases settled from 1911 to Dec. 31, 1935 was 396,379 and the total benefits were \$76,925,753.

The interim committee sought by the legislation to accomplish many desirable things. First of all, they looked to the system to promote industrial safety. In that expectation their fondest hopes must have been realized. Under the inspiration of the system many industries, with serious hazards, have demonstrated the possibility of operation for month after month without a lost-time accident. Statistics establish wonderful achievement in the field of accident prevention for industry as a whole. The committee's printed report said:

"Not the least of the motives moving us is the hope that by these means a source of antagonism between employers and employed, pregnant with danger for the state, may be eliminated."

Only those who have had opportunity to observe at close range the bitterness of employer's liability litigation can fully appreciate the gain which the compensation system has brought to our employer-employee relationship. The committee looked to the compensation system to reduce litigation, and costs, and delay, and want, and to bring many incidental values. The statistical studies and reports of the commission are proof of this accomplishment. The record is one that justifies the state's pride in true progress and in its readiness to pioneer the compensation field.

It is significant that now again, in a field as tremendously important, Wisconsin assumes an even more decisive leadership. Without expectancy of federal aid or the urge which the social security legislation has now provided for other states, this state early determined in favor of unemployment compensation. Eleven and one-half millions of actual money reserves will have been set up by July 1, 1936, and on that date we will undertake alone among the states the payment of compensation to those who become eligible for benefits because of unemployment.

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... the injured man's right ... " ... we look back in pride ... "

These programs do not "just happen" in Wisconsin. They are born of the desire of its people to provide as large a measure of human welfare and economic justice as lies within their understanding and means. We have never been content to wait for some other state to blaze the trail. In the industrial field we have proceeded on the principle that there is profit in right industrial relations, that the most highly successful employer is the one who lives on right terms with his workers, and that legislation which promotes such a relationship is good sense.

Where is the man who would now seriously propose the abandonment

of workmen's compensation? We of today take just pride in the fact that the Wisconsin of 25 year ago brought intelligent and constructive thought to this most important obligation, and we pay tribute to those who chartered the state's course in its program of protection for the working class as real conservators of the state's interests. While we will continue to point proudly to our homes and schools and churches, to our rivers and lakes and mines and highways, to our cities and their varied industries and to our farms and their herds, yet the great glory of the state will be rated as its constant, unyielding concern for the security of human right.