use of machines and the seriousness of injuries inflicted, the size of the former group points to the fact that legislation and its enforcement by Inspectors of Factories and Inspectors of Machinery is only of limited influence in remedying the problem, and that much more attention must be given to education, employee supervision, safety committees, and to positive action by managements to solve the employee-causes of accidents in their own plants.

(3) The relative apathy of employers in New Zealand up to the present time is probably due to the failure to appreciate the part they can play, the new techniques developed in other countries, and the seriousness of the accident problem in industry. A great deal is said about industrial disputes and their effect upon production; the much greater seriousness of accidents is seldom emphasized. Here is the comparative position in the four latest years for which accident figures are available:—

Calandar Year.*				Number of Industrial Accidents.	Number of Working Days Lost Through Industrial Accidents.	Number of Working Days Lost Through Industrial Disputes.	
1943 1944				12,763 $10.973$	963,262 978,798	14,687 52,602	
1945 $1946$	 			10,313 $10,386$ $11,311$	845,986 950,908	66,629 $30,393$	

\*In computing these figures an international standard allowance for time lost in the case of fatalities and permanent disability is made. Figures quoted in previous reports did not include this allowance.

The figures above for disputes cover all industries. The figures for accidents do not include mines (where the average number is 4,000 to 5,000 accidents a year) or waterside work (also a prolific source of accidents). If accident figures for mining and waterside work were available the figures in the second last column would be much higher. The comparative economic importance of industrial accidents is almost staggering.

(4) The cost of accidents is also frequently overlooked. Wages lost through all industrial disputes in 1946 totalled £40,112, whereas compensation for accidents paid in 1946 (the last year for which figures are available) totalled £258,621 (excluding mines and waterfront). Research in England and America shows that indirect costs (loss of production, damage to plant, training new employees, fixed overheads, &c.) amount to four times the direct compensation cost. If this basis is correct the total cost to New Zealand industry, other than mines and waterfront, of accidents in that year—a fairly representative year—was approximately £1,293,000. It is clear that prevention of accidents is good business for the employer, apart from its humanitarian aspect.

The following table indicates the trend in New Zealand factories:

		( )						
Year.				Number of Factory Accidents.	Number of Factory Workers.	Reportable Accidents per Thousand Factory Workers.	Number of Days Lost by Factory Workers.	
1938				4,165	123,723	33.7	349,987	
1939				4,938	129,488	38.1	365,074	
1940				5,420	132,907	40.8	356,874	
1941				6,517	134,089	48.6	410,662	
1942			!	7,496	130,560	$57 \cdot 4$	431,415	
1943				7,591	132,599	$57 \cdot 2$	407,964	
1944				6,582	138,600	$47 \cdot 5$	459,397	
1945				6,143	141,752	$43 \cdot 3$	385,627	
1946				6,388	152,956	41.8	432,976	
1947				6,750	162,802	41.5		
1948				7,525	164,684	45.7		

NOTE.—The figures differ from those in paragraph (3) above through the exclusion of non-factory accidents, mainly in railway operating, building and construction works, and bush sawmilling.