17. You are aware that you are liable at present under the common law and the Employers' Liability Act. It is now laid down that there are only two ways by which proceedings can be taken —viz., under the common law or under this Act; and if the parties lose at common law they cannot go back to the Workers' Compensation Act. The maximum, as you know, under the Employers' Liability Act is £500, and if £500 can be given under this Act without increasing the premiums it must be of benefit to the parties?—We understood that it was going to raise the premium from 10 to 20 per cent.

18. We have had the representatives of two of the largest insurance companies doing business here, and there is one more to come to give evidence. Mr. Montefiore and Mr. Richardson have appeared before us to give evidence in order that the Committee and the House may have an opportunity of knowing what their opinions are with regard to the proposals in this Bill increasing the premiums; and if from their evidence the Committee is satisfied that there would not be an increase in the premium if the provisions of this Bill were adopted, would that not remove the objections your Federation has against the Bill?—Yes. Can you tell us why subcontractors have been included in the clause as coming under the Workers' Compensation Act—clause 55, I think it is?

19. We have a case at the present time showing the necessity for this—that in connection with the Crown Mines, in the Thames district, where the management has deliberately said "We do not let a contract." It is a class of work where a small kind of contracting goes on. They do not call for tenders. They go to five or six men, and offer them a certain amount of driving at a winze or at a stoping at a given rate; and it is for that reason this clause is put in—in order that the trouble may be got over. There is no attempt to interfere with legitimate contracting, but there is a desire to get over what has been deliberately done to evade the law by placing a responsibility on men which by law the company ought to meet?—Yes. An explanation of these things makes a lot of difference.

CHARLES ALFRED EWEN examined. (No. 6.)

1. *The Chairman.*] What is your position, Mr. Ewen?—General manager of the Commercial Union Assurance Company in New Zealand.

2. Have you seen this Workers' Compensation Bill?—I have just seen it. I looked at it last evening.

3. *Hon. Mr. Millar.*] Was not a copy of it sent to you some time ago?—I did not see it.

4. We sent out copies when the Bill was presented?—That may be so, but I did not see it.

5. *The Chairman.*] We should like to hear any objections or suggestions you would like to make in connection with the Bill?—I spent several hours looking over it last night, but can only speak in a general way regarding it. I should not like to criticize the Bill after only a few hours' reading. I suppose you would like to know what effect I think it would have upon the employers of labour as far as insurance premiums are concerned.

6. Yes?—As far as we are concerned, I have taken out figures with regard to our business, which I am sorry to say has been less than that done by some companies, and I find that had the Bill been in existence during the last twelve months it would have necessitated an increase in the compensation paid of about 30 per cent.—that is to say, the employers would have been liable to pay that amount in excess of what they have paid.

7. Do you mean in amount or in number?—In amount. As far as our business is concerned, we should have required an increased income of about 10 per cent.—between 10 and 15 per cent.; that is irrespective of two of the clauses in the Bill which we have been trying to get at the bottom of, and cannot quite follow—clauses 24 and 10. They are unknown quantities—they contain unknown liabilities, and only experience can tell us what premiums will be required to cover them. As far as clause 24 is concerned, I am afraid no company could cover that liability. A man may be injured slightly, and make a declaration which enables him at any time—perhaps years afterwards—to make a claim for total incapacity from labour. That, I think, opens the door to very doubtful claims.

8. But the claim provided for in clause 24 would have to proved before the declaration of liability was given: he may bring an action against an employer, or any person liable, for a declaration of liability, and the Court may in that action make a declaration of that liability; but it would have to be proved, would it not?—We are not quite clear about that. Two or three of us have gone through this clause. A man apparently may be injured, and have a claim for compensation. He may think it will permanently affect him, and can make a declaration which, ten years afterwards, will enable him to make a claim upon the employer.

9. *Hon. Mr. Millar.*] I will explain the reason for this provision: A man, say, is working in a blacksmith's shop, when a splinter flies off and goes into his eye. There is a stoppage of work and he receives half-wages for perhaps seven or eight weeks, when the eye is apparently restored and he goes back to work. Six months afterwards he loses the sight of his eye, which is directly traceable to the accident. Under the present law he has no claim whatever for the loss of his eye, because in the meantime he has received half-wages?—You wish to reopen the case?

10. Yes, where it is proved at the time that the accident resulted in the total loss of the eye, and there is no doubt about it. The Court will have to be satisfied that the loss was directly traceable to the accident; in the case of an internal injury the Court would not be able to tell. The Court will only allow a declaration to be made in cases where it is sure that the accident was responsible for the injury sustained?—It is a very long period of time.

11. There might be a limited time provided. We should like to provide that, where an accident happens, and the ultimate result within a reasonable time is known to be permanent disablement or partial disablement, the benefits intended to be granted to the man should not be denied