47. It would increase it 25 per cent., at that rate?—I do not know that it would be fair to say this Bill would increase it. I think the old rate would have to come in even under the present law.

48. Do you think the present proposals will increase the rates?—Not so far as the farmers are concerned, but they will in all those hazardous risks mentioned in the First Schedule.

49. Not the farmers?—I do not see how the farmers will be affected to any extent.

50. *Mr. Barber.*] You believe the hazardous risks, as defined in the First Schedule, will increase the amount of the premiums—to what extent?—I think 15 per cent. would be a reasonable thing. The figures I have taken out show that had the Act been in force during the last twelve months we should have had to charge 10 per cent. more. Then, we want a margin for clauses 10 and 24, and I think a reasonable increase in the rates would be 15 per cent.

51. Do you think, if clause 24 were modified it would relieve the premiums to any extent? —I do not think any company could cover that—it is an unknown quantity. They might arrive at some rate later on.

52. *Mr. Alison.*] In your experience, are there many false claims made by workers?—Yes, there are; but I do not think they are always to blame.

53. Why?—I think they get into the hands of lawyers, who build up a claim. Of course, the percentage is not very heavy in such cases. I should not think more than 20 per cent. of the claimants get more than they are entitled to.

54. Do you find cases where the worker, after an accident happens, makes no claim at the time, but subsequently makes a claim on the company for injuries not due to that accident at all, but to some physical disease?—That has happened, but the cases are limited in number where men have attempted to claim afterwards.

TUESDAY, 22ND SEPTEMBER, 1908.

ERNEST VALENTINE MILLER examined. (No. 7.)

1. *The Chairman.*] What is your position?—Manager of the Colonial Sugar-refinery Works.

2. Where at?—Chelsea, Auckland.

3. You have seen the new Workers' Compensation Bill which is now before Parliament?—I have.

4. I understand there is a fund or benefit scheme in connection with your people which may or may not be affected by this Bill?—That is so.

5. Do you wish to make a statement with regard to this fund and its operation?—Yes.

6. We shall be glad to hear it if you will give it in your own words?—I would say, first, that there are two societies in connection with our employees at Auckland; one of these is called the Provident Fund, and the other is the Benefit Society. The two have different objects. The object of the Provident Fund is to provide a sum at death—life insurance; also pensions for the workers. The Benefit Society is founded to provide relief in cases of sickness, hospital subsidy, funeral-allowance, and some other benefits. We are enabled to carry on these funds on account of the exemption which we obtained from the operation of the Workers' Compensation Act—the existing Act. If the Bill becomes law the large subsidy which is paid to these societies by our company will be withdrawn, since the company will be liable under the law to pay compensation for accidents, and cannot be expected also to subsidise societies providing for accident and death, and the societies could not exist without the help from the company which they get at present.

7. That means that the contributions of the men would be insufficient?—Quite insufficient.

8. What is the proportion of the men's subscriptions and the contributions of the company? —In the Benefit Society the company gives pound for pound for the subscriptions of the men. In the Provident Fund the company has given a great deal more than pound for pound.

9. How long has the Provident Fund been established?—Since 1890.

10. And the Benefit Fund?—I think about two years subsequent to that—about 1892. It would be well to take the two societies separately, and I will speak first about the Benefit Society.

11. That is the one immediately affecting the men?—Yes. They get compensation for sickness and accidents, but in the case of the other fund they get the insurance and pension, which, of course, is a very important thing for them. When the Bill first came up, and at various other times, we compared the operations of the Benefit Society with the operations of the Act supposing there were no Benefit Society. The secretary took out the whole number of cases first of all for the five years ending 1906, and then the two years which have elapsed since that time. In the former period there were 684 cases relieved by the Benefit Society in the five years. The amount paid in relief was £1,322 9s. 11d. Most of these payments were for sickness, of course, and a few of them were for accidents.

12. *Hon. Mr. Millar.*] Give us the respective numbers?—I cannot give you that. I can give you the number of accidents which would have come under the operations of the Act.

13. Every accident comes under the operations of the Workers' Compensation Act?—But every accident will not be compensated, I believe.

14. Every accident where the worker is away from work for more than seven days?—Yes. Eight cases would have come under the Act.

15. *The Chairman.*] There were eight cases in which the men were incapacitated for seven or more days in the five years?—Yes.

16. *Hon. Mr. Millar.*] Were there any deaths among them?—No. The compensation paid was nearly as great as the compensation which would have been paid under the Act in respect of these particular accidents—that is to say, that in those eight cases the men received benefits from the society which did not amount to quite so much as they would have done under the Act. In