

89. On the lines of the Bill put forward?—I believe it would be a good thing at any time for the Actuary to go and address the lodges. They could not fail to get benefit from it, and I believe they would remove a great deal of the misunderstanding which exists perhaps in the minds of some.

90. Mr. Mason used to do it?—Yes.

91. I think you are aware that last year the Government said it was their intention to bring in a Bill and they would distribute it to the friendly societies in time for them to consider it?—Yes, I understood they said that.

92. *Hon. Mr. Sinclair.*] I understand that you do not speak as to the other branch of Mr. Lloyd George's Bill—that is, insurance against unemployment?—No, I do not; it is a question I have not considered.

93. *Hon. Mr. Earnshaw.*] If the Government met the friendly societies with regard to subvention, do you object to them prosecuting with vigour the National Provident Fund and having lecturers, and so forth?—I do.

94. Why?—For the simple reason that I do not think it is the province of the Government to enter upon a campaign of that kind, doing the same work that the friendly societies are doing and are prepared to do.

95. I would point this out that, as all friendly society men know, there are a great number of lapses through many causes, such as chronic ailment. A man may be able to pass a doctor in his early years, whereas if he had gone to another doctor he would not have been passed, perhaps, and the result is that a number are turned down by the doctors. Why do you oppose the Government in endeavouring to bring forward a proposal to gather into its fold through one cause and another those not in the friendly societies?—I do not object except to a certain proportion. I think those who are eligible to become members of friendly societies should not be in active competition with them.

96. The difficulty is this: if the Government is to move at all it would go into the district and determine who is a friendly society member and who is not. They must appeal to them as a whole?—Yes; they can appeal to them in the direction of having advertisements in the Post Office.

97. You think it should stand on its own bottom?—Yes.

98. *Mr. Harris.*] You recognize that it is necessary for the State to provide for those individuals who are not eligible to become members of friendly societies?—Yes, I do.

99. *Hon. Mr. Barr.*] You said you did not like that portion of the National Provident Fund which came into competition with the friendly societies. What portion do you refer to which comes into direct competition with friendly societies?—I am speaking of the general work.

100. But what portion do you refer to?—The portion which provides for the admission of young men of 16 years of age and upwards without medical examination, and yet providing the benefits which are on the lines of friendly societies.

101. Where are the benefits which are on the lines of the friendly societies?—They provide sick benefit.

102. On the same lines?—Not on the same lines, for a person joining the National Provident Fund is not entitled to any benefit until he has been sick for six months; but in a friendly society when he has been a member for a certain time he is entitled to get the benefit at once.

103. Do you understand that he must have a family?—Yes.

104. Well, that is not in competition with the friendly societies?—I contend that it is.

105. In the case of the friendly society, does the young man who ought to be taxed as a bachelor get the benefits?—Yes, of course, he does.

106. Does he get it under the National Provident Fund?—No, he does not.

107. *Mr. Hayes (Registrar).*] You are aware that under the national-insurance scheme in England there is no medical examination?—Yes.

108. You are aware that under the National Provident Fund in New Zealand there is a five years' wait before the persons become entitled to benefits?—Yes.

109. That, you will agree, would probably meet the medical examination test which obtains in friendly societies?—Yes.

110. You referred to the expense rate of the National Provident Fund. Are you aware that the expense rates in inaugurating schemes such as the National Provident Fund are very high?—Yes.

111. Are you aware that the A.M.P. in establishing its industrial scheme for the second year the expenses were 130 per cent. of its premium income?—Yes.

112. You are aware also that the National Provident Fund after its second year showed only 28 per cent. management expenses of its income?—Yes; but the balance-sheet shows that in the one year there was £772 paid away for lecturers' salaries.

113. That is all included in the 28 per cent.?—Yes.

114. With reference to the work done by the friendly societies, which is admitted to be in every way commendable, and every one who knows anything about it at all must praise it, the membership is now 73,000. Have you any idea how the State should do something for the remainder—that is, the margin between the 73,000 and the working male population, which is, say, 278,000, in the way of providing for social insurance?—I have thought of it, and my experience has led me to believe that the only course that will deal with those who are outside and who have failed hitherto to respond to the overtures made by the friendly society members to make provision should follow on the somewhat similar lines to the national-insurance scheme of England.

115. That is, you believe in a compulsory scheme?—Yes, in a compulsory scheme. Some provision as a trial by offering inducements in such a way as shall lead them to make the necessary provision.