

payments for the chemist and the doctor, because we have a feeling that we are not getting paid for all the members in a lodge.

47. Your experience is the same as that of Dr. Gibbs, that the average payment for the doctor per visit comes out very low?—Yes; when I estimated mine it came out at about 1s.

48. *Mr. Hayes.*] Have you had a long experience in dealing with friendly-society members and that class?—For the last ten years.

49. In your opinion is malingering increasing?—I suppose as years have gone by my lodge members have increased, and I would be hardly able to say, because, having a larger number of members, there would be more sickness.

50. It is alleged that the number of younger men who have been malingering has increased?—Without confirming that, I say this: that a certain number of young men show no keenness to get off the lodge at all. I do not know whether it is because they are getting half-pay and insurance and through being in two lodges sometimes. I know in some cases of men making £3 a week who get £3 10s. when on the lodge. One man has as much as told me it paid him to be out of work.

51. Can you say if there are many such cases verging on that—not exactly exceeding their pay, but making so much that it was nearly as good business to be sick as at work?—Do you mean, out of the number I have got on my lodge list?

52. I would not say a particular lodge, but is it your experience that there is a considerable number of such cases?—I have found a good many men on two lodges, and when they want a certificate for one lodge they ask for another certificate for the other lodge. There is a fair proportion of the lodge members who belong to two lodges, showing that they are really drawing two benefits.

53. You think, then, that there is some overlapping in connection with the payments?—Yes, there is in that way. I suppose a man is more provident if he pays into two, because if a man is sick and gets £1 a week he may think that is not enough for himself and his wife.

54. You see what effect that would have on the fundamental sickness rates. If a considerable amount of that arose it affects the rates for friendly societies, which are based on the fact that a man is not getting while sick anything like what he earns when he is at work?—Yes.

55. So that if a man when he is sick draws nearly as much as when at work it strikes at the foundation of all friendly societies, which are based on the idea that the pay should not be half?—Yes.

56. From your experience can you say whether there is a great amount of that or is it increasing?—Without saying “a considerable amount,” I should say there was a fair amount of, we will say, people who are getting distinctly more than half their wages by being in two lodges, leaving out of consideration altogether the question of compensation.

57. That is the friendly societies' allowance alone?—Yes, and then they get compensation for accidents on top of that.

58. *Hon. Mr. Barr.*] Are you in favour of subvention at all?—Yes, for the smaller lodges.

59. Supposing a Government scheme of subvention was put into force, that you conclude would increase the membership of lodges?—I should think so.

60. If that is so, that would decrease your work outside?—Probably, because the lodges would be active in beating up members. Sometimes people now have their lives pestered out of them to join lodges—people who are now good paying patients for doctors. It is a question of getting a regular payment from the lodges as against the spasmodic payments from people who send for you.

61. If it increased the lodge members and decreased the other customers of yours it would be financially a bad thing for you?—Certainly it would have that tendency, but I do not say that necessarily it would.

R. E. HAYES, Registrar of Friendly Societies, made the following statement. (No. 14.)

*Mr. Chairman.*—There is a doubt expressed by some witnesses, particularly from friendly societies, as to the offer that was made by the Government in 1906, and I think it is only right that the Committee should know that that offer in 1906 was officially laid before the Conference. I propose to put in a copy of the Prime Minister's memorandum describing that scheme. It was published in the Press at the time, and discussed at the Conference for two days. The object of putting it in is to make this clear: that whatever was proposed at that time, evidently the State desired to go in with the friendly societies. The Government interpreted the discussion at the Conference as hostile, and apparently dropped the whole Bill. Two or three years afterwards, when they came to look at this question again, they took it up on the lines of the National Provident Fund Act, and left the friendly societies out of it. The position now is that the friendly societies are very much concerned at the operations of the National Provident Fund.

1. *Hon. Mr. Luke.*] You look upon it that they “missed the bus” at that time?—A number of them think so. The memorandum is as follows:—

The subvention scheme submitted to the Friendly Societies' Conference in 1906 by the Prime Minister was outlined by him in the following memorandum, which was officially laid before the Conference on the 22nd May, and published in the Press on the following day:—

“It is with great pleasure that I lay before you some suggestions in connection with a national annuities measure which, as you are doubtless aware, I contemplate introducing into Parliament during the coming session. Recognizing as I do the enormous value of the services which friendly societies have rendered to the nation, I am anxious that the National Annuities Bill should be so framed as to subserve the interests of the friendly societies to the greatest extent possible, and thus perhaps increase their usefulness to the country still further. To this end it has seemed to me that some such measure as the following would be most helpful:—

“1. In the case of all weekly allowances which are or will be made by societies or lodges to their aged members—*i.e.*, members over 65 years of age—during sickness or other infirmity,