

and refused, I think this explanation is necessary to show that the matter was not placed before the friendly societies and considered by them. It was really a surprise sprung on them. We have not been in the habit of receiving subsidies, and we have not asked for subsidies. It gave us a shock. Members said we carried on operations without any Government assistance, but it was never contemplated that we were going to be up against a proposition like this. We thought that if a person is able to pay these contributions he is well able to insure for his own benefit, even to the extent of annuity benefits, without any assistance from the State. We have shown that from the foundation of the colony our members have been able to pay for their own benefits, and we claim we are far more desirable than the National Provident Fund. We think if a man can wait till he is sixty years of age to receive assistance from the State that he needs very little assistance from the State, because it is stressed in the Registrar's report that the particular benefit is the annuity. We were under the impression that people could join the National Provident Fund without any medical examination, and consequently that it was making provision for the weaklings of the country. Friendly societies are quite willing that the State should pay the whole of the benefits of weaklings to the National Provident Fund, but how is that going to operate? We will say that a person who is unable to pass a medical examination joins the National Provident Fund, what are the benefits he is to receive? He received a gratuity of £6 for each child he has, and after he has been five years in the Fund, if he is three months sick he receives 7s. 6d. per week for each child up to fourteen years of age assuming he can show his income has been impaired to that extent. Now, is it desirable that the State should subsidize the unfit to multiply their species and propagate their kind, because that is what it is doing? You are giving benefits to a man who cannot pass an examination for each child he has. I notice in the evidence given before the parliamentary Committee some time ago that very great stress was laid on the fact that a man could join the Fund without a medical examination. If the State is to provide for those medically unfit, which it should do, it should not provide for them in this way. It is hardly likely they will live to sixty to draw the pension, but they will live long enough to propagate their kind. The friendly spirit of the friendly societies would prompt the society to see that members do not leave. Many members do leave notwithstanding what we do to help them, but when a person shows any disposition to remain in the society, and it is through his poverty that he is dropping out, we rally round him and pay his contributions. The National Provident Fund treats its members quite differently. When a man has been in arrears for six months he is fined 25 per cent., and the fines collected in 1913 amounted to £399 9s. 3d., and there were fines owing to the extent of £389 19s. 3d. That is a beautiful spirit to inculcate in the working classes—you fine them when they are down on their luck! If those men were joining a friendly society we would get them to remain in by paying their contributions. That is how the State treated the members of the National Provident Fund. The amount of subsidy which was paid in 1913 was £3,169 18s. 10d. A very bad phase of the National Provident Fund is this: it is stressed that any member can withdraw at any time and receive all the contributions he has paid in, less any benefits he may have had. That is a very charming proposal to put before a candidate for membership! He says to himself, "I can get my money out of this concern—it is a very good scheme for me"; but it is a very bad scheme for the State, for the reason that only those in need will withdraw from membership. The man in need will draw his money out. Who is going to keep him then? He is too old to join a friendly society; he has withdrawn from the National Provident Fund because he is in poor circumstances, and his last state is going to be worse than his first. We think any provident scheme should not contain any provision of that kind, because the people the State should help are not going to be helped at all. I think, of course, that the one scheme does not compare with the other at all—the benefits are altogether different. The question for the country to consider is which is the more desirable. Is it desirable to foster a scheme that has faults such as I have pointed out, or is it desirable to allow the friendly societies to go down? Because they are undoubtedly going down. I have not seen this year's returns, but I venture to say that it will show a deficit in the numbers. I wish now to compare the operations of the branch I belong to with the benefits of the National Provident Fund. The branch I belong to pays medical benefits immediately, and my branch is only characteristic of all the other branches throughout New Zealand, and the desirability of fostering them ought to be apparent. Immediately a man joins he receives medical benefits for himself and his wife and children. That is a very great relief to him and to the State. After he has been six months in the society he receives sick-pay to the extent of £1 per week for twelve months, and after that 10s. per week even if he is sick for the rest of his life. We have one member who had received over £1,000, and he is still drawing the benefits. I believe the amount is now up to £1,200; and that shows the very large amount of good that this will do for a member. Further, the branch pays the hospital fees of the member, supposing he should go to the hospital. In the first place, he is the most unlikely man to go there because he is assured for medical benefits all the time, and the doctor is called in immediately he is sick. It is only in exceptional cases that a member goes to the hospital, but in any case if he does go his hospital fees are paid, which is another relief to the State. Of course, we do not pay 20s. in the pound, but we pay double the amount that the general public pay, and if we pay twice as much as any one else we think we are doing well by the State. The average collections by the hospitals do not amount to 25 per cent. of the running cost, and we pay 50 per cent. Of course, funeral benefits are paid, and the contributions of all members who have gone to the front. In the district I belong to some 230 members have gone, and we have paid up their contributions. In the case of a married man we pay the doctor's expenses for the family when away. When a member dies his wife and children are provided with medical benefits during the whole period that the wife remains a widow and until all the children are able to join a society. All those benefits are provided in the society I belong to for a smaller contribution than that paid by a member of the National Provident