

192. You must acknowledge that in a committee where there are six and six the casting-vote would give a power?—But no committee would tackle a large crucial question alone. Any crucial question would be referred to the society for settlement. The committee only carry on the detail work.

193. *Mr. Fisher.*] If it were proved to you that these rules are valueless—that the receipts given to the men for money paid into the benefit society are valueless—and if it were proved to you that the opinion of Mr. Sim is valueless, because of the non-registration of the society, what, then, would you say to that?—Well, there is much virtue in “if.” I think, if that were proved to me, I would have to consider the matter in a very careful manner. I think it is hardly worth while, however, expressing an opinion upon a series of assumptions.

194. If the legal position ultimately is proved to you as to the valuelessness of these regulations because of their want of legal status, would you then be in favour of registration?—We are in favour of registration now. I have already said that the company is in favour of the society being registered on its present basis. That is, I believe, the opinion of the directors of the Union Company.

195. We have the opinion of Mr. McLean the other way—against registration?—On its present basis?

196. The whole point arising out of this question of registration is this: that if the society were registered it would be subject to all the laws under the Friendly Societies Act relating to the existence of friendly societies, and therefore it would be brought within the operation of the law; but if, as you say, the whole of the disposition of the funds and the whole regulation of all affairs relating to the existence of the benefit society are in the hands of members—though that may be as to the mere bald passing of resolutions—what would become of the £4,300 on deposit in the bank in the event of any question of difficulty or antagonism between the men and the Union Company? This really is the crucial point—the fact that the funds are invested in the names of Mr. Mills and Mr. McLean as trustees?—Trustees for the society; exactly.

197. Suppose some point of antagonism arose between the company on the one hand and the men on the other, who has the absolute control over these funds?—The society.

198. Can you tell us, there being no legal power, how the men can move the trustees?—You cannot ask me to tell that on an assumption as you say. I am assured that the society have entire control of their own property. I expect that is so.

199. Then, if the Commission ultimately prove by means of legal advice that the opinion of Mr. Sim is misleading, and that the position is the exact opposite to the opinion communicated by Mr. Sim, would that change your view of the matter?—I should certainly say that something wants to be considered if the society is quite valueless in all its operations.

200. *The Chairman.*] Now, take the case of a society for the prevention of cruelty to animals, or any of those private societies or clubs: as soon as they pass their rules members are bound by them; but one very strong point is this: that the men are voluntary members. They make certain laws for themselves, and in agreeing to join that society they agree to come under their own laws, and therefore they form a society outside joint-stock companies and so on, and they have a legal status. But if it is not voluntary they have no such status. You might think we are urgent in asking this matter, but the whole basis of our investigation will come upon that point, because if an unregistered society can act on its own sweet will as well as any registered friendly society, then the registered friendly societies have been utterly deceived when they have to take all this trouble to register and make their rules legal?—I can quite understand it; and I would like you to understand, too, that the Union Company are quite *bonâ fide* in their actions—they have the interest of the men at heart. There is no question of taking advantage of want of registration, or because the society may not occupy a strong legal position. I do not want you to think for one moment that I am seeking to fence the question. I assure you that the Union Company are extremely straightforward.

201. *Mr. Fisher.*] Will you please give me your opinion as to the object in originating this society?—Certainly. You will recollect it was originated immediately after the great strike. Well, previous to the strike there was in existence a very large body called the Seamen's Union, the members of which used to meet and chat together. They had something in common to talk about. Very well, after the strike all the men who joined the service were what we called non-union men. The directors recognised that the men always like to have some object in common, about which they can talk, and in which they can take an interest, and, as there was no union, the idea just grew into the benefit society. The company said, “We will form a benefit society, and we will help it; it will bring the Union Company and its employes into close touch; it will do them good and do us good.” The benefit society grew out of that. The company said, “We will give £500 to start a fund with, and we will give 20 per cent on its annual income, which will enable the members to enjoy privileges they could not get in any other society.”

202. Was it part of the original design at the inception of the benefit society that the Union Company should be enabled thereby to keep its hand on the men, and prevent them being drawn away from the service in the event of a strike arising?—I should certainly say No to a question which said “the company had its hand on the men to prevent them being drawn from the service.” I can quite understand that the result of the establishment of the society would be to give the Union Company a stronger hold on its men; but I should certainly not say that the design was to “put its hand on the men and prevent them leaving in the event of a strike.”

203. If Mr. McLean said that was part of the design he is wrong?—I do not say he is wrong, but I do not think Mr. McLean, or anybody else, would put it in that strong way—that we meant to clutch hold of the men, and prevent them leaving the service. But it is a natural result that the ties between the two would be closer.

204. I put that question for this reason: that during this investigation we experience a difficulty