case of these private benefit societies there is a possibility of the moneys which the members have been compelled to contribute for a number of years being tied up in certain ways, which might result in the members, when they wished to dissolve, being unable to get their funds. That is the point. You have more security under registration than you have under non-registration. I have no objection to private societies, but I say make them toe the mark, and make them come under the same rules as to the disposal of their funds as registered friendly societies.

245. *The Chairman.*] I should like to have your opinion, as a man who has thought largely on social and industrial subjects, as to the principle underlying these societies. If the Union Company can compel its employés, or do compel its employés, to subscribe a certain amount of their wages towards a benefit society, what is to prevent a smaller employer taking as much as he pleases towards his private benefit society?—There is nothing to prevent him; it is the thin edge of the wedge.

246. Do you not think it has a dangerous influence in regard to the fixing of wages. For instance, supposing a union says a carpenter's wages shall be 8s. per day; a private employer says he is willing to pay 8s. a day, but he requires 6d. off it for his private benefit society; another employer says he will take 9d., which, of course, kills all freedom of contract?—Of course; they are making that a condition of employment.

247. Do you not consider it a grave danger?—Yes; I consider there is a grave danger to the whole community, and chiefly to the registered friendly societies; but at the same time, apart from that particular point, the question could be discussed both for and against. The danger, to my mind, consists in the fact that in the one case you have control of the moneys, and in the other case you have no guarantee that the money is there. That is the danger, in my opinion, to which members of private benefit societies are exposed. I say the Government, in the interests of the community, should insist that private benefit societies as well as registered friendly societies should conform to a certain code of rules and regulations in regard to the disposition of their funds. The Government should insist that the moneys should only be used in certain ways.

248. *Mr. Fisher.*] It is your opinion that registration would cure all this difficulty and complaint?—Yes; registration would go far to cure it. But, of course, registration opens up a still further question, and that is: Are the amounts which the various societies receive from their members sufficient to cover what they are promising to pay?

249. That is an actuarial question?—It is a further stage; at the same time I say registration would go far towards remedying the evils which, in my opinion, exist in regard to private benefit societies.

250. *Hon. Major Steward.*] Now, would it not be necessary that there should be some special legislation to deal with these classes of societies that are springing up: an existing friendly society, such as the Order of Druids to which you belong, or the Order of Foresters, can establish branches in any part of New Zealand—in fact, any part of the world?—Yes.

251. But such societies as we are now speaking of cannot have branches anywhere outside where the business with which they are connected has its operations, so that they could not, as it were, be regulated under precisely the same rules as those large societies to which you refer?—Why not?

252. Well, one point that comes in in relation to that "Why not?" is the fact that the employers, in some cases, just as the Union Company do, are supposed to subsidise the societies by grants of money. Is that not so?—Some of them give subsidies.

253. I wish to ask you whether provision should not be made specially by law for the registration of these societies with proper safeguards, and specially providing for the proper representation of all contributors to it, whether employés or employers?—Yes.

254. Although registration would cover some of the difficulties, mere registration under the present Friendly Societies Act would not, so long as there is this difference of constitution—namely, where there is a contributing body, as in the case of the Union Company. You see, the Union Company's society is rather a large affair. There are 860 subscribing members to it. Then, the Union Company contributes 20 per cent. to the revenue, besides giving £500 at the commencement of the society to start the fund with. Therefore it seems to me fair that the subsidising body should have some representation. What is your view?—I have no objection to that, although the Union Company have only promised to pay that 20 per cent. for five years.

255. But the contribution is open to readjustment?—Well, I maintain that registration is in the interests of all these private societies. I think they should be compelled to register, so that their affairs can receive the light of day. I maintain that the principle underlying my contention is correct, and that is, that all private societies should be registered as a security to their members.

256. Do you not think some special legislation is necessary to meet these different cases?—Yes.

257. You think a special Act is required?—Yes.

DUNEDIN, THURSDAY, 27TH MAY, 1897.

ROBERT CHARLES WILSON was examined on oath.

1. *The Chairman.*] What is your position in regard to friendly societies?—I am secretary of Court Little John, A.O.F.

2. Have you read the evidence in regard to this inquiry?—I have read some of it.

3. Is it your opinion, as an officer of a friendly society, that the system of private benefit societies is detrimental to the registered societies?—Yes; I certainly say it is. If a man is employed where there is a private benefit society in connection with the works he feels compelled, I take it, to join that private benefit society, and therefore he cannot well afford to pay into two societies.