

75. Now, do you know of your personal knowledge whether the institution of private benefit societies, whether in connection with the Union Company or any other society, has been a loss to the friendly societies?—I only know of one case of a member having left our court to join the Union Company's society; but there are several of our members who have been obliged to join the Union Company's society and keep up their own court too.

76. Have you heard outside your own lodge, or in your order, that there has been dissatisfaction amongst friendly societies on this account?—I have. I have taken an active interest in the Foresters, and I have been connected with the societies' dispensary.

77. Do you remember a dispute between the Union Company's benefit society and the friendly societies?—I was a member of the board of management when an application came from the Union Company's benefit society to be members of that dispensary. We allowed them to enter into contract with us to supply them with medicines for twelve months, and gave them the right, and retained the right ourselves, to terminate the agreement at the end of twelve months with one month's notice.

78. You did not consider it was fair to let a private benefit society come in on the same terms into your friendly societies' dispensary?—We did not. I may say that the opinion expressed by members of the board was very evenly divided as to whether it would be beneficial in any shape or form for them to become members of the dispensary, and by a majority of one it was carried to allow them to enter into a contract with us.

79. Have you any opinion as to the advantage that a friendly society has over a private benefit society?—They have greater protection under registration in the first place; they have likewise control of their whole working and of their funds. The present rules of the Union Company's benefit society are certainly bad from a member's point of view, because they have not the controlling-power that a friendly society possesses.

80. From what you have read of the rules of the Union Company's society you think the Union Company's influence is dominant?—Yes; where their representatives on the committee have not power, they retain the power themselves as a company to agree to any action.

81. Although they may not have exercised that power for years, you think the power is still in their hands if they choose to do so?—I do not know of any case where they have exercised it, but they can do so.

82. Do you consider the rule that officers, engineers, and others, who are not benefit members, should be allowed a vote in the administration of affairs a good one?—Decidedly not. I do not think that any one should have a vote except actual contributing members. It would be more than possible to "pack" a meeting with honorary members and carry any point they wanted to.

83. I believe your society has certain rules by which, on the society winding up, the funds can be distributed?—Yes.

84. Do you see any machinery of that sort in the private benefit society's rules?—There is nothing of the sort. There is a rule allowing for the abandoning of the society and a division of the funds, or that any member would receive his surrender value on leaving the society, but there is no scale laid down whereby that surrender value is regulated, so that no man ever knows what he is entitled to receive.

85. Then, as that surrender value is based upon some actuarial scale, and is at the disposition of the committee, it can be altered at any time?—At any time. They can only alter their laws by the consent of the Union Company.

86. So you consider the benefit society is more in the nature of a benevolent society?—It is simply surrender value in name more than in practice.

87. Do you consider surrender value is a proper adjunct to a friendly society?—I do not think so. Supposing a society became weak, or that defalcations had taken place, and a number of men made application for the distribution of the money, the withdrawal for the surrender values would so weaken a society that it would be placed in a hopeless condition.

88. If the contributions were on an excessive scale, and caused the funds to accumulate to a large extent, do you think it would be fair for members to contribute on that excessive scale? I ask on this ground: that it may be possible that at a certain time the funds should be distributed among the members then existing. Would that be fair to those members who in the past had withdrawn after paying these excessive rates?—I should say it would not be fair in a private benefit society, because if there is to be a surrender value every one should participate equally in it.

89. Even those members who had assisted to build up the fund?—Most decidedly.

90. *Hon. Major Steward.*] Are you familiar with the scale of contributions that members of the Union Company's benefit society have to comply with?—Yes; they are slightly less than in the case of an average registered friendly society.

91. I suppose you are acquainted with the scale of benefits provided?—Yes; the scale of benefits is provided in accordance with the average friendly society as regards sick-allowances and funeral-allowances.

92. Then, there is also what you do not grant and what you think to be financially sound—surrender value?—Yes.

93. Then, there is, further, to take the whole case, a contribution to the funds—or there has been up till now—to the amount of 20 per cent. by the Union Company?—They might cease it at any time.

94. That has been the position up till now?—Yes.

95. Taking into view the whole of these circumstances, what is your opinion as to the soundness of the scale—that is to say, are the contributions, which are lower than that of the friendly societies, as you state, but which have been assisted by the funds of the Union Company, sufficient to provide the benefits which are intended to be secured?—I think so, with the 20 per cent. added.