

53. Some of these societies formed in connection with factories seem to work very well indeed, being managed by the men themselves. In one instance brought before us they had a compulsory rule, and they got the employer to enforce it by deduction from the wages. Subsequently they amended the rules, and withdrew the compulsory clauses, with the result that two-thirds left the society. The men thereupon expressed the opinion themselves that those in the employment should have the power to make membership compulsory. What do you think of that?—I do not think it should be compulsory under any circumstances. If a man wishes to join, let him join by all means. I say, if the man is a sensible man, and the society a good society, I think he will join. The societies such as you examined yesterday are something like a tontine society, with a dividend at the end of the year. There are hundreds of them in the Old Country.

54. You have no objection to them?—No; I think, under the circumstances, they would be all right.

55. You do not object to a private benefit society provided it is purely voluntary and the members have the government of their own affairs?—Quite so; no compulsion to be used at all. If the men do not wish for the society there will be no society.

56. Further, your principal objection to this Union Company's benefit society is that you believe it to be, notwithstanding the agreement entered into, practically compulsory?—Yes; it is too one-sided altogether. It is all on the side of the company. The last rule in the book says that five-sixths of the members can dissolve the society, but not without the consent of the company. Well, they are not going to get the consent of the company; therefore they cannot dissolve the society.

57. In the event of legislation passing, would you or would you not object to provision being made that the employers should be allowed to encourage and contribute towards these societies, and that in return for their contributions they should have a share in the management of the society in proportion to their contribution?—Well, I do not believe in employers having anything to do with it. I would rather pay a little more into the society and do without the employers' contribution; then there is freedom. While the employer has anything to do with it there is no freedom. They will not bring pressure directly, but they can indirectly.

58. *The Chairman.*] Is there anything more you would like to say?—In reference to surrender values, I have not heard that there is any table laid down for their calculation. Several men have asked what the amount of surrender value would be. I have a letter here, dated the 1st September, 1896, from the secretary of the Union Company's Mutual Benefit Society. Of course, in it it is said there is a table, and a couple of items are quoted. I will read it, as follows: "To Mr. G. Bayly, No. 1, York Street, Wellington.—DEAR SIR,—Your favour of the 28th ultimo duly to hand. I shall be glad at any time to reply to any inquiries as to the working of the society. The surrender values paid are based on tables calculated by one of the leading actuaries of the colony, and vary according to the length of membership and age at joining; thus, a member joining at twenty years of age under Table I., drawing his surrender value at the end of twelve months, would be entitled to 9s. 6d., while a member joining at forty-six years of age, under Table II., and withdrawing at the end of fourteen years, would be entitled to £22 13s. 3d. I am not an actuary, and cannot give the basis of the calculations, but if you are acquainted with any actuarial expert he could explain the matter to you. The surrender value is calculated on the amount paid into the sick and funeral fund alone. 1s. 9d. out of each member's monthly contribution is, according to Rule 54 (as amended at the annual meeting in November, 1893), taken up in providing doctors, medicines, and in management expenses, and no surrender value is therefore payable on this portion of the contributions. With reference to the balance-sheets, these are made up and audited yearly, and a supply sent to each boat sufficient to enable every member to have a copy. I enclose herewith a copy of report of our last annual meeting, in which the balance-sheet is included.—Yours faithfully, C. GRATER." That, in my opinion, is not what you might call satisfactory, because a man does not know what he is going to get. The amount per cent. ought to be in the rules, and then the men could reckon for themselves, and have an idea of what they are going to get.

ROBERT AITCHISON was examined on oath.

59. *The Chairman.*] What is your occupation?—A fireman on the "Stormbird."

60. Are you in the employ of the Union Company?—I was for about twelve years.

61. When did you leave the service?—About eighteen months ago.

62. Do you remember the formation of the Union Company's benefit society?—Quite well.

63. Were you a member?—I was.

64. Did you join at the first?—I was compelled to join.

65. That was soon after the big strike?—Yes.

66. Did you find that compulsion has been used of late years?—Yes; it was.

67. Up to the time of your leaving?—To within six or seven months before I left the service of the company.

68. Were you a member of any other friendly society?—No.

69. We have had evidence which establishes the fact that there was compulsion at that time. Have you any statement you would like to make in regard to the Union Steamship Company?—Well, when this society was formed they told us distinctly they would give us three months to think whether we would join the society or not. By joining the society when it was first formed you did not require to pay any entrance-fee, but if you let it run over the three months you had to pay 10s. besides the contribution. I would not join it until the three months had gone by, and the second engineer told me in the presence of the purser I would either have to join the society or take my bag and leave the ship. That was in 1891. There were married men with families in the "Takapuna" who informed me they had to join, although they had belonged to other shore societies for eighteen to twenty years.