

81. *Mr. Fisher.*] By members you mean policy-holders?—Yes.

82. *The Chairman.*] How long has this fund been in existence?—Since 1888.

83. *Hon. Major Steward.*] All officers joining since that, or perhaps officers before that, are subject to the rules?—All officers of the society are subjected to a contribution to the extent of $2\frac{1}{2}$ per cent. of their salary.

84. Does that commence when a clerk enters the service?—Immediately.

85. Is that contribution in the nature of a guarantee of fidelity or merely for provident purposes?—It is simply a deduction from their salaries as a contribution solely to the provident fund.

86. *The Chairman.*] What are the benefits that are given in return for their contribution of $2\frac{1}{2}$ per cent.?—I think perhaps, if you will allow me, I will refer to the rules connected with it.

87. Could you let us have a printed copy of the rules?—I am afraid I cannot do that. This is a confidential copy, signed by all the officers, and is the only one we have. I think I mentioned that all have to contribute the sum of $2\frac{1}{2}$ per cent., or such greater sum, if it becomes necessary to increase the rate of contribution. If the fund is not strong enough we become liable to be called upon for further contributions to it. Retirement is optional with officers on attaining the age of sixty, but it is compulsory on attaining the age of seventy; and superannuation, not at full pensions, at the end of twenty years' service, and then only on proof of incapacity for work; and the allowance to be given is one-sixtieth of the average salary for each complete year of service up to a maximum of forty-sixtieths—that is, two-thirds of our average salary. If any officer becomes permanently incapacitated for further service after having been on the staff for more than ten years, but less than twenty years, he is entitled to receive a gratuity equal to one month's salary for each complete year of service.

88. *Hon. Major Steward.*] Suppose an officer who, we will say, would be entitled to retire at sixty on two-thirds salary dies at fifty-nine, would anything accrue to his family?—No; there is no provision for that. It is possible in the future that other benefits may be given if it is found that the fund can eventually do so. Of course, I am just mentioning that, but I do not know it for a fact.

89. *The Chairman.*] When this fund was started, some nine years ago, there must have been a good many officers already in your society who were nearing the time of retiring on pensions?—No; there were very few who were in that position. In fact, there was only one officer who became a claim on the fund after it was established.

90. So you think the subsidy paid by your society towards this fund will be quite sufficient to carry the loading of officers who have been some years in the service?—The subsidy was £25,000, and I understand £25,000 was estimated as what would have been the contributions to such a fund had they all contributed up to the time this was established, so as to start fair. In the case of death, the actuarial calculation connected with it at present, I understand, does not warrant offering any further provisions than have been made.

91. Supposing an officer left your society of his own free-will, seeing, for instance, some opening in business where he could better himself, would he receive any surrender value for the money he had paid in?—None whatever.

92. *Hon. Major Steward.*] Because the actuarial calculation shows that the contributions are only equal to the benefits already provided?—Yes.

93. *The Chairman.*] There is no sick fund?—None.

94. And to provide these additional benefits would involve additional contributions?—Yes.

95. So far as you know, is this fund subscribed to cheerfully, though compulsorily, by the officers?—So far as I am acquainted with the feelings of my own officers they have never made any complaint about it.

96. *Hon. Major Steward.*] They expect it, as one of the conditions on which they enter the service?—Yes; they come in thoroughly understanding what they are to contribute.

97. *The Chairman.*] Do you think that the officers of the staff, who subscribe, of course, the greater part of the fund, are properly represented by just the chief clerk and actuary being on the trustees?—I do not think we could be more ably represented; they are the head of our staff, and have the greatest interest in the welfare of the staff.

98. *Hon. Major Steward.*] They themselves have a personal interest in the fund?—Yes; and in seeing it is properly administered, because they will benefit by it.

CHARLES AUGUSTUS SCHULTZ was examined on oath.

99. *The Chairman.*] What is your position in the Australian Mutual Provident Society?—I am accountant at the branch here in New Zealand.

100. Have you been long in the service?—Twenty years.

101. You remember the formation of the provident fund?—Yes, I remember it well.

102. Did it meet with the approval of the officers at that time in the society?—Well, I think, as a whole, it did. Our actuary was desirous of retaining a lot of our officers in the society, and the trouble was that a good number of the best officers were leaving, and to keep them he said we must have something more than salary to encourage them to stay in the service. In furtherance of this idea, he got all the schemes that were existing in England and in the colonies, and formulated a scheme which with some amendments was submitted to the members, and the members eventually carried that scheme, which is now in force.

103. By members, whom do you refer to?—Members of the society. It was managed purely by the directors, with the advice of the chief officers.

104. Is there any dissatisfaction with the scheme at present amongst members, either senior or junior?—I do not think there is. I may say some of them think that possibly it could be arranged to grant a retiring-allowance or surrender value to an officer who enters another service, or to an officer who is dismissed.