18. It is only re-enacting the Stamp Act. If you do not do that, you will have to pay stamp duty?—If we have to get these cheques printed it will cost just as much. Then, supposing a cheque is made out to a member in the backblocks, the cheque is "not negotiable," and it might entail hardship. We ask that section 98, providing that a copy of the regulations made by the Governor in Council shall be sent to every registered society or branch as soon as practicable after the making of them, should be amended to provide that they shall be sent at least four weeks previous to their being laid before Parliament; otherwise they might pass Parliament before the societies have an opportunity of considering them. We have added a number of recommendations. The first is that societies shall be allowed to operate by means of cheques on their funds in Post-Office Savings-Bank accounts and retain their old bank-books. As I pointed out to the Premier, this would be a concession which the societies would appreciate, as it would be of immense benefit to them. Not only would it save labour, but it would result in an enormous increase of revenue of societies in the way of interest. At the present time the societies have current accounts all over the Dominion bearing no interest whatever, and if we were allowed to keep our funds in the Post-Office Savings-Bank they would be earning something. The concession would be very much appreciated by every branch in the Dominion. We ask that a set of model rules be provided, as in Table A of the Companies Act, which is of very great benefit to small companies. They adopt that table as it stands, and it saves them a large amount in legal expenses.

19. I suppose you know there was a model set provided some time ago, and that the societies would not adopt them?—I was not aware of it. Recognising that the Bill gives very large powers to the Registrar, we think there should be some simple method of appeal against both the Registrar and Actuary. There is special provision for appeal to the Supreme Court, but that would be an expensive tribunal. We think some board of appeal composed of a Stipendiary Magistrate and two representatives—one for the friendly societies and one representing the Registrar—might be set up.

20. *The Chairman.*] Would a Stipendiary Magistrate by himself satisfy you?—I do not think he would have the necessary knowledge.

21. *Mr. Hayes.*] Do you not think such a tribunal would increase litigation amongst friendly societies?—We do not contemplate that, but we do not want anything that will impede our work. In the Second Schedule, paragraph 13 reads, "The establishment of a separate contribution or table of contributions to defray the necessary expenses of management." We have put the following words in here: "including all the expenses incurred in the investment and collection of interest on invested funds." At the present time the expenses in connection with these investments are being charged to the Sick and Medical Funds. We think that is only right and that they should be charged to the Management Fund.

22. *Mr. Wood.*] You laid great stress on the actuarial returns: do you know how the funds are worked actuarially?—I cannot say I know all about it.

23. Do you not think the actuaries should take into consideration the number of members who die out of the lodge, and give credit to the society accordingly?—I am not prepared to give an opinion on that. What we want is that an actuary shall compile an adequate table of contributions, taking all the circumstances in connection with the case.

24. I want to point out that in compiling this table the actuaries in New Zealand have debited the whole of the amount supposed to be paid for sickness and death, and not given any credit for the members who secede or die out of the societies: 7 per cent. either leave or die outside?—I think the actuary should take that into consideration.

25. The same thing applies to members' wives: there are a little over 3 per cent. of those who also die and receive no benefits from the lodges?—In compiling this adequate scale of contributions I think the actuary should certainly take all those things into consideration.

26. I understood you to say that your Parliamentary Committee had nothing to do with clause 16?—Yes.

27. You also said that some of the lodges took members in under false pretences?—Yes.

28. Name the lodges?—It is my opinion that the Druids do.

29. You said that there were some lodges taking members in under false pretences?—I meant that the Druids, under their death-levy scheme, were practically taking members in under false pretences, because they cannot possibly meet their obligations.

30. Are you losing members of your lodge who are joining the Druids?—No, we have gained in membership at a greater rate, I think, than the Druids, notwithstanding our higher rates.

31. There is nothing to stop your lodge carrying out the death-levy scheme the same as the Druids?—There is nothing to stop us if we want to, but we have a report from our actuary which states that the whole thing is rotten and unsound. The position is this: If we are not to abide by the advice of the actuary, to whom are we to go for advice?

32. You said that some lodges were taking in old men: what do you mean by "old men"? You know it is laid down that you can only take men in at a certain age? You said the lodges were attracting the old men?—I said the low rates are attracting the older men, and possibly you might get a larger percentage of men at the age of forty than otherwise.

33. Do you object to clause 16?—No, we are strongly in favour of it.

34. *Mr. Wilford.*] In reference to society deposits in the Post-Office Savings-banks, what would be the average amount to expect from an ordinary lodge, say, in a town like Wellington—would it be hundreds or thousands?—That is a question I would like you to ask of Mr. Kershaw. I have had no experience in regard to that.

35. It would require an amendment of the Post-Office Savings-Bank Act to allow you to deposit a larger amount than is provided for at present?—Yes, it might require that. The Premier raised the objection that, if he conceded that, it would mean keeping a separate fund at every post-office in the Dominion. I think the difficulty could be got over if the societies were willing to