get very little better by taking the matter to the Courts. The appeal, as far as the Actuary is concerned, is contained in section 15 itself—that is, if a society is dissatisfied with the departmental Actuary's scale it is at liberty to obtain another actuary and have him approved by the Governor, and we should have to accept his scale. Clause 38 deals with the surplus funds, and the parliamentary agents have recommended an alteration in that. There is no great objection to the alteration at all—in fact, it ties the societies up a little more than was necessary, but there could be no objection to it.

17. *Mr. Seddon.*] What about clause 44? That is a new clause, is it not?—The amendment is intended to bring about a new form of notifying trustees appointed by the societies. They propose to throw the responsibility upon the Department. There is no objection to that so long as the Department is exempted from responsibility as to any wrong names furnished by lodges. But there might be other objections which I have not had time to go into. In clause 56 there was a suggested alteration, that it should be made clear that the friendly society benefits should be made exempt from legal process. I think everybody is agreed that, if possible, that should be done. Insurance policies are to a certain extent exempt, and I think the same principle should apply to friendly societies.

18. *Mr. Aitken.*] Insurance policies are exempt up to £500?—Yes, to more than that. In clause 98 it is suggested that copies of the new regulations should be sent to the societies before they go to Parliament. I see no objection to that. The old Act provided for the societies getting copies, and I should say the practice ought to be continued. I do not know that there is anything more of importance in the Bill which I need to refer to. The other suggestions are very minor alterations, and I do not know whether it is worth while going into them.

19. *Mr. Jennings.*] Are you a member of any friendly society?—No.

20. Have you ever been a member?—No.

21. You said that there had been a great increase in membership in New Zealand: to what do you attribute the increase?—It would be difficult to attribute it to any one thing. I think the Druids are responsible for a large increase during the last few years.

22. Of course, you know that comparisons were directed particularly by the representatives of other orders to the contributions of the Druids: the references seemed to be pointed?—I do not think there is any ground for it. If they were aiming at the Druids, I think that in the North Island the Druids have a fairly good scale for their ordinary benefits.

23. I see in your report of this year, in the table on page 4, that there is very little difference indeed in most of the orders in regard to contributions?—That is so.

24. As a matter of fact, so far as the Druids are concerned, do they not stand very well?—Yes.

25. Following up the tables you have submitted in page 5, you will see that in regard to other orders the Druids again stand very favourably?—Yes. The chief differences in rates is in the very small societies, where the investments are smaller and made more closely. As a matter of fact the interest-rate earned by the societies as a whole has steadily improved, and the improvement in that respect is illustrated by a table just below the table you quote. It shows that the tendency during the last few years has been to increase the mortgage security, and decrease the amount invested in halls and such like investments.

26. My reason for briefly pointing this out is that I think an attempt has been made to prove the unsoundness of the Druidical Order, which is not altogether warranted?—I do not think I have done so. They compare very favourably with some other societies, apart from the equal-levy system.

27. What do you think would be the amount per head required to place a member in a financial position?—The Actuary might be able to tell you that.

28. Going back to the point with regard to the special levy, which undoubtedly has been particularly attractive to young men, as you suggested, is not that an argument why there has been a very great increase in membership all round, and that it has increased the usefulness of what is generally admitted to be the good feature in the friendly-society movement?—Anything that tends to induce men to take up thrift is useful. It was very attractive in America, but the ultimate outcome of the death-levy system was that many thousands of widows were left without their money.

29. I do not admit that the comparison is a fair one, because I know from practical experience in friendly-society matters that their conduct of the business and in other essentials differed entirely?—They might differ in management, but the basis on which they work is the same. Some of those American societies may have been badly managed though.

30. We are particularly careful about the admission of new members, and practically, so far as the Druidical Order is concerned, the members are young men?—But they have to become old. They cannot expect to escape what other societies have had to experience.

31. Do you know of any lodge in New Zealand that has had to succumb to financial troubles?—It is very difficult to get a case where a lodge has actually had to shut its doors, but there undoubtedly have been cases where they have had to put up their contributions or reduce their benefits. I have in my office the returns of a lodge which is about to be dissolved, and it is, I think, typical of what you illustrate. It is now composed of old members. It had a bad scale of contributions, but in spite of this the funds at first increased until they reached £600, but during the last thirteen years have gradually fallen to £300. The society want this lodge wound up to get rid of it, because they cannot ask young men to join it. While I cannot say the lodge is closing up because it has no funds, I should certainly say the shortage was the reason.

32. Have not the Druids adopted the graduated scale?—Yes. I may say that the officers of the Druidical Order have shown themselves very ready to adopt any reforms which I have pointed out to them, and they have been ahead of some other orders in that respect.