Comparing the proportions for a year's transactions in New Zealand friendly societies, as well as can be deduced, the figures are as follows:—

£46	went for	sick-allowances.
£45	,,	doctors, medicines, and appliances.
£1	,,	hospitals and homes.
£8	,,	other expenditure, including funerals, &c.
£100		

It is also of interest to observe the proportions of income under the different heads. The amount paid to the funds directly in contributions constituted 94·3 per cent. of the total income, and only 2·5 per cent. represented interest. In New Zealand friendly societies the proportions are 71 per cent. contribution and 29 per cent. from interest and investments—a result of actuarial accumulation of funds, as compared with the limited reserves held under the German system.

The grouping of the insured into trade and wage classes results in every particular group bearing its own peculiar risk of sickness, and the rate of contribution will consequently vary in the different industries. This system of grouping regardless of age meets the difficulty experienced by our worker above a certain age in gaining entry into a friendly society; but such a solution is of course only possible in a compulsory scheme.

Critics of the system state that ten years' experience showed the sickness rates to have increased since its inauguration. The evidence is not regarded as conclusive, and the supporters of the Act claim in explanation that, at first, ignorance of the insurance failed to insure the reporting of many cases which are now admitted as legal claims. In any case they point out that malingering and imposition are inseparable from any system, voluntary or compulsory. A consideration of the sickness experience brings out an interesting fact. It is found that, while there is a greater proportion of men sick, the sickness of women is of longer duration. This either means that men have a greater recuperative power or a stronger incentive to resume work.

Accident Assurance.

The Accident Insurance Act might be regarded as the equivalent to our Workers' Compensation Act, and was the second step in the scheme.

Prior to its enactment in 1885 its main provisions already applied to several important industries, such as railways, mining, &c., and they were now extended to other trades.

The German Act, however, has several important features which distinguish it from our Workers' Compensation Act. In the first place, the employers, upon whom the whole cost is thrown, as under our Act, form themselves into trade associations for the various industries, and again into geographical sections. These organizations are in three groups, viz.,—

(1.) The manufacturing and mechanical industries;
(2.) Agricultural and forestry;
(3.) Public works.

The associations are corporate bodies, and have the sole management (through boards) of the funds created by the employers to cover the trade risks of accident—that is, the employers form their own insurance funds, instead of placing the risks with private insurance companies as under our system. In the agricultural districts the local government administers the Act.

The premiums are fixed, as is done in New Zealand, on a basis deduced from the amount of wages paid by each employer, duly considering at the same time the extent of risk in the particular trade.

These Accident Funds only take over the cost of accident sickness from the fourteenth week of illness, as up to that time the ordinary Sickness Funds or the employer individually meet the liability. It is, however, a noteworthy point that in taking over the liabilities the Accident Fund authorities permit the machinery of the Sickness Fund in which the worker is insured to continue to be used as the paying medium, and in such cases the Sickness Fund authorities have power to claim from the Accident Fund the cost of the prolonged sickness: that is to say, only one legal fund can pay a benefit to any one person at the same time. The economic value of this will no doubt appeal to those who complain that the Workers' Compensation Act in England has had the effect of doubling friendly societies' sick-claims. The German system effectively checks multiplication of payments.

It will be remembered that the Sickness Fund pays the whole cost for the first five weeks' sickness though caused by trade injury, and such an apparently singular provision requires explanation. The reason given, however, is a very simple one. It was considered that by throwing part of the monetary liability for an accident on that fund towards which the worker himself pays two-thirds of the premium he would be led to exercise greater care in avoiding risks.

The compensation to be received for incapacity from a trade accident would be thirteen weeks' allowance at the rate of one-half the average wages, with medical attendance and appliances, and thereafter two-thirds of the average wage.

In cases of disputes as to allowances the practice appears to be followed of allowing the trade-union of which the insured is a worker to apply for a committee of arbitration to be set up, on which the workers are represented, and the union pleads on behalf of its member. From this committee there is a final appeal to the Imperial Insurance authorities.

Some interesting results are said to be observed in the working of the German Accident Assurance. The co-operative methods of the employers with their accumulated funds are said to have led to greater attention being given to the regulations adopted for protecting workers against accident, and the faculty of invention has in consequence been developed in the direction of providing more scientific