Increase of Membership of the Grand Lodge of Otago and Southland United Ancient Order of Druids.

1912, 68; 1911, 237 (three new lodges opened with a membership of 118 included; 1910, 90; 1909, 76; 1908, 132; 1907, 245; 1906, 166; 1905, 210; 1904, 166.

W. B. STEEL, Grand President.

TUESDAY, 11TH NOVEMBER, 1913.

ISAAC SALEK further examined. (No. 9.)

1. *Hon. the Chairman.*] Do you wish to make any further statement?—No, nothing special, except to answer any questions that may be asked to bring out any fresh matter.

2. *Mr. Harris.*] How does your society view the inauguration of the National Provident Fund?—I think all the societies practically resent the manner in which this Provident Fund is being conducted. We consider that the regulations should be reviewed or revised, and the whole question should again be opened up. Whilst the 73,000 members who comprise the friendly societies of New Zealand are called upon to pay the cost of their own management and their own control in society-work, the members of the National Provident Fund are not called upon to pay anything towards the management of that concern. In the case of the State Coal Department or the Government Insurance or Accident Departments the cost of management is added to your contributions, but under the National Provident Fund scheme the members are enrolled there and they pay practically nothing for their management, and the friendly societies are called upon to contribute our share towards the conduct of this fund. Again, we think it is unfair that the Government should set up an institution against the friendly societies. Personally I have no objection to the Government establishing a society on the same lines as the friendly societies, just as the banks do not object to another bank doing business in the Dominion. I do not suppose they object to a bank doing business on proper lines, but I do object to the Government setting up another institution which is taking away the strength of our societies. For instance, last year our increase of membership dropped a considerable amount, and we have suffered considerably. You are mopping up all the young men and taking away the strength of the friendly societies. Unless the societies are able to make new members there can be no progress and no soundness in friendly societies. If you take from us all the young men and mop up all the reserves, then the friendly societies will suffer. Not only that, but you are sending round lecturers throughout the Dominion attending agricultural shows and flax-mills and other places where the workers are collected and pointing out the benefits of the National Provident Fund, and not one word about friendly-society work, and the result is that we are suffering from that. In previous years we have made 3,000 to 4,000 members, but last year we dropped to 1,300, and we think it is unfair that you should run an institution against the friendly societies. Look at the inducements you offer. You say, "Join our fund, and if you want to drop out afterwards we will give you the whole of the money back that you have paid in." We think that is unfair. Take insurance companies: when bonus certificates are issued they say, "If you want to be paid the bonus you must forfeit one-half or one-third of the amount"; but here the National Provident Fund say, "Here is the whole of the money." What will be the result? You naturally tempt workers who are not in receipt of more than £200 a year. There may be many who occasionally feel the pinch of money, and the result will be that after two years you will find many people drawing their money out of the concern. We think it is unfair that you should run an institution like that against the friendly societies, which are in existence for the benefit of the thrifty in the Dominion. We are at present paying out nearly £100,000 a year for sick and funeral benefits to friendly-society members of the Dominion, and I think it is very wrong indeed that the Government should run this society against us.

3. *Hon. the Chairman.*] Are the Odd Fellows distributing that amount?—I am speaking from a society point of view.

4. *Mr. Harris.*] You said that in your opinion the National Provident Fund was against the friendly societies?—Decidedly.

5. You realize, of course, that that scheme is working in a groove that you cannot: for instance, they are prepared to take members without a medical examination, and you are not?—Yes.

6. In your opinion, should they work solely in that direction and leave those who are medically fit to join the friendly societies?—That may be better.

7. You recognize it is the duty of the State to provide for those unfortunates who for some reason or other are not medically fit?—I have a suggestion that came under my notice many years ago, and I have often thought that the Government in connection with this matter should work in with the friendly societies. If the Government were to approach the friendly societies and say, "Here is a man who is unable owing to medical unfitness to join your society: are you prepared to take him and give him all the benefits of your organization? We will be responsible for that man." In that case we would be very pleased to do so if the man was respectable and a man of good reputation. The friendly societies would with pleasure take charge of that man and submit him to all the conditions of the friendly society management if the Government were to say that they would take the responsibility so that no loss would be thrown upon the society.

8. What advantage would that be to your society?—We would be doing good to mankind.

9. Why should not the State do it themselves and not work through you?—You are not confining yourself to those men who are unable to sit for examination and present a health certificate.