37. Notwithstanding that the Actuary says so?—I do not agree with the Actuary there.

38. You are not acquainted with the subvention scheme?—I know something of it.

39. Are you aware of any young members of your societies seceding and joining the National Provident Fund?—It has not come under my notice. I have not heard of any members leaving and joining the Provident Fund.

40. And yet you say the National Provident Fund has been the cause of the small increase in membership?—It is one of the causes.

41. *Mr. Hayes.*] Last week you said that the average capital per head per member in New South Wales had fallen since subvention compared with other States?—Yes.

42. And I think you said you attributed it to bad management?—I do not think so.

43. What is the inference to be taken from your statement?—Well, the management has a good deal to do with it, and the result of their investments in New South Wales is considerably less than in New Zealand.

44. You do not attribute the fall in the capital per head per member as due to the operation of subvention?—I do not know what the cause is.

45. Do you know the explanation given by the Registrar in New South Wales as to the reason for that fall?—No.

46. You are not aware that he attributes it to the fact that subvention lowered the contributions?—That is so.

47. Therefore less money would be accumulated in the societies' funds?—But the societies received £17,000 last year. The management has a good deal to do with it.

48. As regards the drop in membership last year in the New Zealand societies, you are aware that in your order you had a larger membership increase than in previous years for some years back?—Yes.

49. That is the Manchester Unity?—Yes.

50. You are aware that in 1912 an Amendment Act was brought into force which required adequate contributions for new societies?—Yes, a ridiculous Act.

51. You are aware that operated on a number of societies?—I did not know that.

52. Well, it did?—In our district the membership has reduced considerably during the last few years, and in many towns in the district our lodge is the only lodge operating, so that it cannot be said it is on account of opposition from other societies. In 1910 our increase of membership was 1,057; in 1911, 991; and last year, 936.

53. You stated that you have objections to the State finding the administrative expenses of the National Provident Fund?—Yes.

54. Are you aware of any national fund in any other country where the State does not provide for the administrative expenses?—I am thinking of the societies in New Zealand; I am not going outside. The Government Life Department contributors pay the cost of management.

55. We are speaking of social insurance?—It is all social insurance so far as friendly-society work is concerned.

56. You know that in 1906 the Government offered the friendly societies subvention?—Yes, and I moved the resolution rejecting it.

57. Do you think the State should do nothing in respect of the working population between the 73,000 members of friendly societies and the 270,000 between the ages of 16 and 45?—Yes, of course they should. I think it is their duty to do it.

58. And you do not think it is done the right way through the National Provident Fund?—No. It would be if you made the members of the societies bear the cost of their own management.

59. You do not think it should be done on the lines of the national scheme of Lloyd George?—I do not think so.

60. You have a suggestion that it should be done on some other lines?—Yes.

61. *Hon. the Chairman.*] You oppose the giving of a subsidy?—Yes.

62. And you also oppose Government interference with friendly-society work?—Yes.

63. How do you reconcile the statements: you said that the friendly societies would accept men if the Government would guarantee the friendly societies against loss in such cases?—Yes.

64. Will you tell the Committee exactly what you mean by that?—That is only my own personal opinion.

65. Based on your experience of friendly-society matters?—Yes. My opinion is this: that if there was a man of good character who was unable to present the necessary certificate to admit him into the lodge of our society that the Government should say, "Very well, take this man into your society; we want him to have all the benefits of the friendly-society work; we want all his actions and his manners overlooked by your society, and we are quite prepared to protect the society from loss." That would be practically the position. He would be visited regularly once a fortnight by the sick-visitor; he would be brought under the conditions and rules as to work, and to be in at proper hours, and to have a doctor's certificate for his payments, and all the necessary details in regard to management.

66. And the Government pay the piper?—Yes, and the Government would pay the piper in the same way. I am not prepared to go into details of the payment. There could be some arrangements by which that could very easily be worked.

67. As a friendly-society man you think that would be fair to the men who neither join the National Provident Fund not the friendly society and yet have to contribute to the Consolidated Fund—you think that would be quite fair?—I think so.

68. Do you not think the two opinions are a little bit inconsistent?—No, because you are in opposition to the friendly societies now.

69. I am not talking about the present Provident Fund: I am asking you are you not inconsistent in your opinion that the outsider should contribute towards the upkeep of the