

124. I desired to find out how far you are willing for the State to interfere in this matter. Your objection has been that the State is absorbing some of those that the friendly societies ought to have had the absorption of?—Yes.

125. Every member of a friendly society knows that the greatest weakness is the lapses?—Yes, that is the trouble.

126. Do you think it fair that the Government should take hold of those who have lapsed after experiencing the work of friendly societies—that it is a fair field for the Government to enter upon?—No, decidedly not.

127. After all you have not been able to hold them?—Yes, if they are willing to continue; but a man is a free agent. If he likes to join another society the question is, are you going to allow him to? If he likes to drop out because he thinks the National Provident Fund is a much better thing for him we cannot stop him.

128. In the case of a young man of 25, a member of the Odd Fellows, who lapses, do you think it is a fair field to the Government to offer that young man provident insurance?—Not in my case. It would be all right if you liked to run the Provident Fund on the same terms as the friendly societies.

129. Then, in a nutshell, your opposition to the National Provident Fund is that the administration is being paid by the State and you are a contributor?—Yes, I am paying for my own lodge and at the same time I have to pay for the other man.

130. That is solely the position you take up?—That is one objection. They are running in opposition to the friendly societies. If they like to run the National Provident Fund on a proper financial basis, then they can run it.

131. *Hon. Mr. Bechan.*] I think you stated that it was your opinion that subvention had nothing to do with the increase in membership in friendly societies in New South Wales?—I did not say that. It may have had something to do with it, but I gave my reason for what I thought was the main reason.

132. In the New South Wales report for 1912 the Registrar says that the greater portion of the increase was due to the State scheme of subvention?—He may say that, but our members do not think so.

133. Do you know John McLeod, of Auckland?—Yes, very well indeed.

134. Do you know that he is heartily in favour of subvention?—Yes, he may be. We have different opinions.

135. *Mr. Hayes.*] Speaking of the Act of 1912, do you think that does not go far enough?—No, decidedly not.

136. Do you think that all persons who join friendly societies should be made to pay adequate contributions?—Decidedly. Every new member who comes into line should pay it.

137. Do you think it is fair to ask those new members to pay adequate contributions into actuarially unsound lodges?—Yes, all new members joining the lodges in the Wanganui district pay adequate rates.

138. Do you think the fact of making all persons joining friendly societies pay adequate rates would have the effect of increasing the contribution rates in certain societies?—Yes.

139. Do you think that the raising of the contribution rates in certain societies might restrict the entrance into those societies of a certain class of working-people?—No, I have never heard a man objecting to join a friendly society on account of the contributions.

140. That is only speaking of the Manchester Unity?—Yes, but the reference is made to all classes of people who may wish to join one lodge or another.

#### FRANK JENNINGS examined. (No. 10.)

1. *Hon. the Chairman.*] What is your position?—I am a member of the board of directors of the North Island Grand Lodge of Druids, which is one of the largest lodges in New Zealand.

2. Do you wish to make a statement to the Committee?—Yes. Generally speaking, I am diametrically opposed to some of the views in which evidence has been given by the previous witness. I am in favour of subvention, on the following grounds: that in many shades of society the Government appears to be giving a subsidy or subvention in one shape or another. In the case of subvention, there is one case existing in connection with the Railway Department, the subsidizing or granting of subvention to a class that does not require it, and that is the fact of allowing a first-class passenger to travel over any line of railway during a month for a sum of £6, while the second-class passenger gets no corresponding concession. It is a concession to a privileged class who can afford to pay. I believe subvention should be granted to friendly societies for this reason: that there are about four hundred unfinancial societies in New Zealand. In 1906 subvention was offered by the State. I was present at the conference but not as a delegate, and I can assure you that 90 per cent. of the delegates were old members—those who had had a very great amount of experience, and in considering the proposal that was submitted to them they ignored the thing, but in their ignoring it they were, in my opinion, decidedly erratic and unjust. The Registrar had been continually bringing before the friendly societies the necessity of putting their house in order by charging an adequate scale of contributions, and this is how the houses have been put in order in some instances for the last thirty years to my knowledge: they from time to time got a scale of contributions fixed up which was deemed by them to be adequate for the time being, but with this weakness hanging over it, that when a new valuation was made to show the financial position of the friendly society valued, the men who were in and recognized as not paying their