members of friendly societies to purchase annuities from the State. Workmen thus receive the benefits of these societies while at the same time the Government is provided with an inexpensive and convenient method of collecting premiums. The effect of this arrangement was the formation of hundreds of friendly societies, many of which, however, give absolutely no service other than the privilege of paying for old-age annuities on easy terms, the Government contributing a part of the cost."

Sickness.

Sickness insurance in Belgium dates back to 1851, when a law was passed to encourage the establishment of sickness relief societies. The members were insured against sickness, accidents, invalidity, and death. The Act gave these societies somewhat similar concessions to those contained in our New Zealand Friendly Societies Act, such as the right to be sued, exemption from certain taxes, &c. The Government also later on offered prizes to societies showing the best results, and committees were appointed in the various districts to encourage the movement. The membership, however, did not increase as was expected, and the friendly society as we know it on the British system did not appear to attract the working-people. It was then decided that subvention would be necessary, and this was provided for by an Act passed in 1894. This subvention took the form of a payment of a lump sum for inauguration expenses—say, up to £20; and in some provinces the local government gave a further subsidy. The Government also sometimes grants an annual allowance to important societies with large working-expenses.

In 1907 there were 400,000 members in these societies out of a population of 7,300,000.

Consolidating Measures.

In 1912 there was before the Belgian Parliament a new Social Insurance Bill, which proposed to regulate generally the social societies' insurance against sickness, incapacity, and old age. The Bill provides for the compulsory affiliation of workmen earning less than a certain wage—say, £120 a year—to a voluntary friendly society, the advantage of which will be to develop among the workers the spirit of thrift as well as of co-operation, while at the same time giving the worker a strong guarantee of his independence.

The Bill was divided into three parts:—

(1.) Provision for the immediate sickness: The contribution was fixed at, say, 4s. 6d. per annum from the worker, 2s. 3d. per annum from the employer, 2s. 3d. per annum from the State. The minimum benefit was at the rate of about 1s. per day during sickness.

(2.) Disablement insurance to provide for incapacity was assured by means of centralized funds supported by the associated societies. This provides an allowance for the extended sickness at the minimum rate of 1s. per day. At age 65 this allowance would cease and the old-age pension would begin. For this benefit the worker's contribution is, say, 4s. 6d. per annum, the State's 3s. per annum, and the employer's 2s. 3d. per annum.

(3.) The old-age insurance is to be organized by the societies serving as intermediaries between the individuals and the Central Pension Fund. The compulsory contribution is to be 4s. 6d. per annum, and to this is added the subvention provided by the State under the original Pension Act, which varies according to the age at which the person is entered. In this insurance special financial arrangements are made to provide for present-generation workmen who are brought into it, and who are above a certain age. These people would not have time to contribute at the ordinary rates to procure the annuity, and the State subvention in their case is considerably increased. The employer is asked to specially contribute for these workmen, and in such cases he is relieved from contributions on the disablement insurance mentioned above. The lowest pension that the scheme would provide for would be at the rate of 1s. per day.

The Bill maintains the already existing institutions, and purposes developing and completing them, while at the same time it confirms the propaganda work on behalf of voluntary thrift by means of the supervision by local authorities of the contributions when they become compulsory. For this pupose of supervision there are local authorities, called "Regional Councils," on much the same lines as the Insurance Committees established throughout Britain under the National Insurance Act. The members of these Councils are elected partly by the workers and partly by the employers, the doctors, the State, and the local authority. These Councils have the general administration of the medical service, and generally administer the finance of the various insurance funds. They receive the quarterly cards which bear the stamps indicating the employer's payments, receive the contributions of the employers, and the State's subventions for distribution to the societies for which they are intended.

NEW SOUTH WALES.

Subventions to Friendly Societies Act, 1908.

The subsidy is payable on the following basis:—

(*a*.) One-half of the cost to the society in each year for sick-pay, according to its rules, in respect of the period of sickness after twelve months from the commencement of each case of continuous sickness for all male members less than 65 years of age and for all female members less than 60 years of age. This subvention is not to exceed 5s. for each week of sickness included in any claim.

(*b*.) The whole cost of the society (up to 5s. for each week of sickness included in any claim) for sick-pay in respect of male members aged 65 years and over and of female members aged 60 years and over.

(*c*.) An amount equal to the total contributions chargeable under the rules of the society for the benefits of medical attendance and medicine in respect of male members aged 65 years and over and of female members aged 60 years and over: Provided that the rules of the society shall not charge rates of contribution for such benefits different to those chargeable to members under the ages specified herein.