deputation. It outlined the scheme the Government had in view, and also attached to that scheme was a schedule which set out the financial position of the different friendly societies in New Zealand. The reason urged for not circulating that scheme was that the schedule showed some of the societies to be in such a poor financial position that it would probably be detrimental to their interests to make their position known to the public. However, I may say that the representatives of those societies that had large deficiencies held a different view to that: they thought that the fact of making it known might be an incentive to those societies to endeavour to improve their position. However, the position, as I have already said, is to-day the same as it has been since 1906. The societies have not up to the present had an opportunity of considering the Government subvention scheme, and, if I may be permitted to say, I think that the best course as far as friendly societies are concerned—and I have an extensive knowledge and long connection with the societies and with friendly society work—would be for the Government to submit their proposals to the several societies, that those societies should consider them, and that there should be a conference arranged composed of representatives from the several societies to meet and consider those proposals and make a pronouncement. As the Hon. Mr. Fisher has said, there are some societies that have expressed themselves as opposed to Government subvention, but there are a large number who, I believe, are favourable to subvention. That is the reason why I stated at the outset that I was not here as representing my society to urge for subvention, because I have no authority to do so. My society has never asked for subvention, and neither has any other society that I am aware of officially at any of their annual meetings. They have never considered it, and neither have they ever asked for it, and that was the reason, when the deputation waited on the Minister, that I, as spokesman, was requested to make it plain that the deputation were not asking for subvention, but merely asking for the proposals of the Government in regard to subvention.

3. The Government took the initiative?—Yes; at the request of deputations, I believe, in different parts of the Dominion. The Hon. Mr. Beehan has been energetic in that way.

4. *Hon. Mr. Fisher.*] The demand was made by individuals?—Yes. As far as I am aware, there is no society that has yet had the question of subvention officially before it and made a pronouncement. I am open to correction, but I do not know of any society that has asked for it. But, gentlemen, the order of reference has been widened since we took up the matter of subvention. It comes now to a matter of social insurance, but before I leave the question of subvention I wish it to be made clear that, as far as I can understand, any attempt to make a distinction in the question of subvention between solvent societies and deficiency lodges will be very strongly resented. For the reason stated by Mr. Hayes, we are proud of the position as far as the Manchester Unity is concerned, that we have never attempted to sacrifice our financial position for the purpose of making members, and when the New Zealand Branch was established under the name of the New Zealand Branch of the Manchester Unity Independent Order of Odd Fellows Friendly Society—that brought in a number of districts that were working separately. When we formed that branch we established a scale of contributions, which I might almost say has been taken as the standard of contributions for solvency for New Zealand, and it has never been questioned. The result of the adoption of that scale of contribution has been that right along the line from the institution of the society up to the present the financial position of our districts and lodges have greatly improved, and if you turn to the 1911 and 1912 reports of the Registrar of Friendly Societies in regard to valuations, you will find that we have distributed or appropriated a large amount of the surplus in the way of increased benefits and reduction of contributions to the members. Then, on that ground it does not, I think, seem feasible that we should quietly sit down and be deprived of any Government subvention that might come for our older members when we have been endeavouring to make provision out of our own pockets to establish a good financial position and make the necessary provision for our members.

5. You would be penalized for being thrifty?—Yes, and I think the Government would scarcely consent to such a course.

6. There is no chance of the Government doing it?—Mr. Hayes mentioned in regard to the working of the National Provident Fund that he did not believe it had affected the increase of membership of friendly societies. Well, I differ with him in that respect, although I must say that I have no figures to back up what I am saying, but I think it has affected the membership of the different societies. I have had it stated from one of our districts that it has materially affected their increase. I have only personal knowledge in one or two cases, but I think the fact of the establishment of the National Provident Fund has affected the increase of members in friendly societies. Mr. Hayes instanced that, in his opinion, the reason for there not being the same increase as previously was the introduction into the Friendly Societies Act of the provision for adequate contributions on the part of new branches in New Zealand, and it related more particularly to one society. I believe that has had something to do with it. I believe Mr. Hayes is right to some extent, but I do not believe that that covers the whole of it, for the simple reason that this particular society referred to had established branches in almost every available place during the term that they had had their rich harvest, and therefore I do not think that would account for all of it.

7. *Mr. Hayes.*] Your own society opened more branches than it did for years, and in 1912 it had more new members in the new lodges than in any other order?—Probably it made no difference. I am not going to say that the introduction of the adequate scale of contributions did not make any difference to us. It did not stop our increase, for the reason that we have had it for a considerable time, but I know that the establishing of the National Provident Fund has, and I think it must be plain on the face of it that it must necessarily affect the position. But there is another aspect of the National Provident Fund I want to draw attention to which seems to press somewhat hard.