

2. Do you make increased contributions for that purpose?—We meet that charge by putting a levy on our members who are remaining, and in some cases we are using up reserves that had been collected for other purposes in days gone by. We are also insuring members on account of death benefit. That reinsurance carries with it a war premium of £5 per centum, and that in itself is a very heavy charge; and if the societies are going to be brought to this position, that the natural increase of their membership is stopped, the position from the financial point of view is going to be a very serious one.

3. *Mr. Poole.*] Are you aware that there was a very strong demand in the country for the establishment of a National Provident Fund some years ago?—I could not say I am aware there was a strong demand. We are aware it was said there was the necessity for the establishment of a National Provident Fund for the purpose of making provision for those who were debarred from entrance to friendly societies through physical unfitness or other causes. The friendly societies were quite content that that should be done, and quite content that the Fund should enjoy a Government subsidy if it was in practical working for the assistance of debarred brethren.

4. Was it ever suggested to you that the National Provident Fund was the outcome of the operations of the Old-age Pensions Act in this country?—No.

5. That it was an extension of that principle?—So far as I know, and I have been an active worker in the friendly-society movement for the last twenty years, I am unaware of the friendly societies being consulted in the matter at all.

6. Do you recognize that the benefits are very different under the National Provident Fund from what the benefits are under the friendly societies?—Yes.

7. Do you recognize that sentiment plays a very large part in the operations of the friendly society as against the hard business in the National Provident Fund?—Yes, I believe it does, and it is desirable, I think, to bring as many working-people in New Zealand as possible under the influence of this sentiment and fraternity that exists in friendly societies. The ordinary entrant to a friendly society does not begin to experience that feeling until he has been a member for some time. After he has been a member of a friendly society for some time he gets imbued with the spirit of fraternity and the spirit of help that at times opens his pocket and calls forth his best energies in the interests of his fellows.

8. Do you as a representative of the Friendly Societies Conference recognize that these respective organizations cater for different classes of people and different sections of the community?—No, I do not think they do. While the benefits of the National Provident Fund are very different from the benefits of the friendly societies, they still expect to get their membership from the same class, and I believe it would be perfectly true to say that there are very few who have joined the National Provident Fund who could not and would not have joined a friendly society but for the fact of their being members of the National Provident Fund.

9. Well, in view of your last answer, do you not think now it is a question of co-operation and not competition?—Hear, hear! The friendly societies would welcome any suggestion of co-operation.

10. Now, in view of the emergencies of the country, would your Conference accept the withdrawal of the paid canvassers as an indication of the Government's friendly consideration of the organization that you belong to—would that be satisfactory to your organization in the meantime?—The Conference is quite willing to wait until such time as is opportune to introduce legislation dealing with the question provided they are immediately relieved from the gentlemen who have got them by the throat. We cannot breathe. To put it in another way, we are bleeding to death, and we want to stop that process of bleeding.

11. You place the emphasis on the withdrawal of the canvassers at this time?—Yes; the Conference would be quite content if that is done in the meantime.

12. *Mr. Isitt.*] Supposing the Government feel that they cannot withdraw the canvassers without imperilling the benefits from the Fund, would you be satisfied if you got a Government subsidy?—Of course, that is a wide question, but we have been trying to frame our request within the sphere of practical politics. If Parliament could accede to our request without instituting legislation it would be satisfactory, but to give a subsidy to friendly societies means legislation, and that necessarily means time.

13. Supposing you got a subsidy for the present to tide things over until the matter could be dealt with on broad lines such as you suggest, would the friendly societies be satisfied?—If the friendly societies got a subsidy to the extent and the same percentage for management as the National Provident Fund gets, which is about 20 per cent. of their income, the friendly societies would be quite content, although they do not think that is the best way of meeting the difficulty.

ROBERT DARLOW further examined.

14. *The Chairman.*] Do you wish to add anything to what you have said?—Yes; I just want to remark that the abolition of the payment of management expenses for the National Provident Fund would, I realize, require legislation—that is, if the whole of the management expenses were to be stopped and paid by the Fund; but the immediate demand is that the National Provident Fund should cease the employment of canvassers and lecturers. That would not necessitate any legislation: that is purely a matter of administration. I apprehend the Minister could give effect to that through the Department, and he would probably be induced to do it if the Committee reported in favour of that. One realizes the difficulty of coming to this Committee and asking for legislation to go through the House, but that part of it could be done, still leaving the ordinary management of the National Provident Fund to be paid from the Consolidated Fund until such time as the matter is reviewed in Parliament.

15. *Mr. Parr.*] Do you include in that the prohibiting the Post Office people acting?—Yes, the abolition of the canvasser and the lecturer, and the withdrawal of the commission paid to the