

they would be considered unsound by that official?—There are one or two rules that are beneficial to us that he would not accept.

317. *Hon. Major Steward.*] Are you sure of that?—Certain.

318. *The Chairman.*] Would you point out one of those rules?—Yes; there is the surrender value.

319. The Registrar of Friendly Societies would refuse to register that?—He thinks that the sum we pay is not sufficient, but with the company's contribution it is sufficient.

320. You have a sum lying in the bank at fixed deposit in the name of the treasurer or the committee?—In the name of the trustees.

321. Have you any idea how this money would be divided if the society was broken up? Do you think you have power to enforce Rule 77, which speaks about the dissolution of the society?—We have power to enforce any rule.

322. Supposing the committee, with seven in the majority, say they will divide the money amongst themselves, would you, or any member of the society, have any legal power to say they should not divide that money amongst themselves, but that instead it should be divided amongst the members?—How can you make out a minority of seven? Surely there are going to be more than seven men left in the society when you are going to dissolve it? Where is the committee mentioned in Rule 77?

323. The reason I asked the question was that I considered the committee the only governing body in existence that the members are recognising at the present moment in that society?—That is so.

324. The question I asked was, If the governing body as it is chose to divide the money amongst themselves, have the members any power to stop them? Tell me what you consider would be the legal way. Your society is unregistered. The rules are not worth the paper they are written on, and I cannot see where there is any security in your position?—With regard to the question of dissolving the society, according to these rules the committee, in recommending to members the dissolution of the society, are required to call a special general meeting for that purpose. At that general meeting we would determine in what way the funds of the society would be divided—at the general meeting called for the special purpose of considering this question. If we issue a circular round the ships on this important question, it does not rest with us, but with the members present at the meeting, to say what shall be done. They control the meeting. The committee would only have a recommendation to make, and it would be for the members to agree with it or disagree with it as they thought fit.

325. *Mr. Fisher.*] In regard to the rules for the election of members to the committee, the whole of the committee consists of thirteen?—Yes; thirteen, according to the rules.

326. *The Chairman.*] I see that the trustees of the society are the chairman and the managing director of the company?—That is so.

327. So the funds are invested in the names of these men?—Yes; they are invested in their names in the Bank of New Zealand.

328. *Mr. Fisher.*] Are you sure of that—of whose names are used in the investment of the money on deposit in the bank?—I think I am pretty safe in saying it is in the names of Mr. McLean and Mr. Mills.

329. I would like to be sure, because I am assuming that the funds are placed in the bank in the name of the Union Steamship Company Mutual Benefit Society: I have been assuming that all along?—I would not like to be positive on that point. I know our current account is so placed, but I am not clear on the point as to the fixed deposit. The secretary and treasurer would be able to tell you that.

330. *The Chairman.*] You have never in your experience known of any men belonging already to a friendly society who have been asked to leave it and join this one?—None whatever.

331. You have no experience, have you, of a man who stated that he belonged to a friendly society having had his affairs overlooked to see that he still kept financially good in that society?—Our secretary attends to that. He gets a report of the moneys paid, and in that report is a list of the societies the men belong to. I have seen cases of men who wanted to join our society. In fact, when the society was started it was almost an experiment, and members naturally rushed into the society in such great numbers that we had to stop the membership, to enable, as far as possible, only as many members as the Union Company could keep afloat to be members of the society, in order that these men could pay their subscriptions, because in the winter time some of the boats are laid up in Dunedin and some of the men are out of employment, and I consider it would be a hardship to let them join the society when they were only engaged in the summer months, and therefore not in a position to pay their subscriptions all the year round. Men have applied to me personally to see why they could not join the society.

332. For what reason is that? Is it because of the difference in the monthly payments that they wish to join your society, or from any ulterior reason, such as getting a better footing in the Union Company's service if they joined the society?—That is a point on which I could not enlighten you.

333. You say that they are so eager to join the society. Now, we have been already told that some men were compelled to join?—I have nothing to say to that. As a delegate of the men, I know that from the inauguration of the society men have found their way repeatedly to me to see if I could explain why they were refused permission to join the society. The only reason I could give was that we did not want a larger membership than the number of men who were afloat in the Union Company's vessels, because in the winter time some of the vessels were laid up.

334. Have you any idea as to the cause of the eagerness on the part of the men to join?—Well, I may have an idea. The majority of the men did not belong to any society at all. Some did, but still were desirous of joining the company's society.