

Scheme E appears to be the most satisfactory on the grounds that—

- (a) Contributions are reasonably graduated :
- (b) Eventually the scheme will be self-supporting for new entrants :
- (c) All male workers (apart from those excluded because they are already covered by satisfactory schemes) will be brought in.
- (d) If the cost to the Government is deemed to be too large, it may be reduced by effecting modifications to the scheme.

Thus, if it applied to those under forty-five years of age at the commencement, the annual cost to the Government would be £776,000 ; under fifty, £936,000 ; under fifty-five, £1,086,000—instead of £1,466,000 under the scheme proposed.

It should be noted, of course, that there would almost immediately be some saving under the full scheme in respect of old-age pensions for those between the ages of sixty and sixty-five years, and this saving would increase from year to year.

5. ADMINISTRATION.

The following scheme of administration is suggested for consideration :—

A Minister of the Crown.

National Insurance Board of six persons.

The Commissioner of National Insurance.

District Sub-Commissioners.

(Each Sub-Commissioner to be assisted by an Advisory Committee of five persons.)

Head Office.—This would be under the control of a Minister of the Crown, the Act being administered by the National Insurance Board of six persons, who could delegate to a Commissioner such of their powers as they thought fit.

District Offices.—A Sub-Commissioner would be appointed for each district (or city), who would be assisted by a District Advisory Committee of five persons.

The National Insurance Board of six persons would include the Commissioner, Director-General of Health, Financial Adviser to the Government, Actuary, and two nominated members (to hold office during the pleasure of the Minister).

The District Advisory Committee would include a medical practitioner, a representative from the local authorities, and three other persons representative of the approved societies, employers, and employees.

The inclusion of a representative of the local authorities is on the understanding that some of the benefits would necessarily be the concern of, say, Hospital Boards and other local authorities, who would be required to assist in carrying the scheme into effect.

In allocating the districts the formation of the approved societies would have to be considered. These latter might be limited to societies of 1,000 or more persons.

Subject to approval, a society registered under the Friendly Societies Act, 1909, the Trade-unions Act, 1908, the Incorporated Societies Act, 1908, or any other Act, any employers' provident fund, any mutual benefit society, or any other incorporated society might elect on behalf and with the consent of any contributor to pay the amount, or any portion thereof, of the said contributor's contribution in respect of any one or all of the benefits payable, and any such society approved by the Board would be known as an approved society.

A condition of the acceptance of any approved society under this section would be that the said society was under the absolute control of the members and that it was not carried on for pecuniary gain.

It would be necessary to make provision for appeals to settle matters in dispute by employers and employees, societies and medical officers, to the district committees, with a final right of appeal to the Board.