

R E P O R T

FROM THE

SELECT COMMITTEE

ON

NATIONAL PROVIDENT
INSURANCE;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

MINUTES OF EVIDENCE,

AND APPENDIX.

*Ordered, by The House of Commons, to be Printed,
21 June 1886.*

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Ordered,—[*Thursday, 25th February 1886*]:—THAT a Select Committee be appointed to inquire into the best system of National Provident Insurance against Pauperism.

Ordered,—[*Thursday, 8th April 1886*]:—THAT the Committee do consist of Sixteen Members.

Committee nominated of—

Mr. Herbert Gladstone.
Viscount Grimston.
Mr. Walter James.
Mr. Biddulph.
Mr. Stuart-Wortley.
Viscount Folkestone.
Mr. William Abraham.
Mr. Coleridge.

Mr. William Lowther.
Mr. Finch-Hatton.
Mr. Healy.
Mr. Cameron Corbett.
Mr. Arthur Acland.
Mr. Hoyle.
Mr. Norton.
Sir Herbert Maxwell.

THAT the Committee have power to send for Persons, Papers, and Records.

THAT Five be the Quorum of the Committee.

Ordered,—[*Wednesday, 12th May 1886*]:—THAT the Committee do consist of Eighteen Members.

THAT Mr. Llewellyn and Mr. Wason be added to the Committee.

Ordered,—[*Friday, 14th May 1886*]:—THAT Mr. Abraham be discharged from further attendance, and that Mr. Fenwick be added to the Committee.

REPORT	- - - - -	p. iii
PROCEEDINGS OF THE COMMITTEE	- - - - -	p. iv
MINUTES OF EVIDENCE	- - - - -	p. 1
APPENDIX	- - - - -	p. 169

R E P O R T.

THE SELECT COMMITTEE appointed to inquire into the best system of NATIONAL PROVIDENT INSURANCE against PAUPERISM:—HAVE agreed to the following REPORT:

THE sudden Dissolution of the present Parliament has prevented your Committee from concluding their inquiries and making their final Report. They have, therefore, agreed to report the Evidence already taken before them to the House, and to recommend the appointment of another Committee, with the same objects, in the approaching Parliament.

21 *June* 1886.

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PROCEEDINGS OF THE COMMITTEE.

Friday, 16th April 1886.

MEMBERS PRESENT:

Sir Herbert Maxwell.
 Viscount Grimston.
 Mr. William Lowther.
 Viscount Folkestone.

Mr. Norton.
 Mr. Hoyle.
 Mr. Arthur Acland.

Sir HERBERT MAXWELL was called to the Chair.

[Adjourned till Thursday, 6th May 1886.]

Thursday, 6th May 1886.

MEMBERS PRESENT:

Sir HERBERT MAXWELL in the Chair.

Mr. Biddulph.
 Mr. Hoyle.
 Viscount Folkestone.
 Mr. Walter James.

Mr. Norton.
 Mr. Arthur Acland.
 Mr. William Lowther.
 Mr. Cameron Corbett.

Mr. *David Pringle*, Mr. *James S. Randell*, and Mr. *John Lloyd*, were examined.

[Adjourned till Monday next, at Twelve o'clock.]

Monday, 10th May 1886.

MEMBERS PRESENT:

Sir HERBERT MAXWELL in the Chair.

Mr. Walter James.
 Mr. Hoyle.
 Viscount Folkestone.
 Viscount Grimston.
 Mr. William Lowther.

Mr. Healy.
 Mr. Norton.
 Mr. Arthur Acland.
 Mr. Coleridge.

Mr. *James Parnie*, Mr. *Robert M'Nair*, Mr. *James R. Motion*, Mr. *James Henry Higgs*,
 Mr. *George H. Pinchard*, and Mr. *William Key*, were examined.

[Adjourned till Monday next, at Twelve o'clock.]

Monday, 17th May 1886.

MEMBERS PRESENT :

Sir HERBERT MAXWELL in the Chair.

Mr. Fenwick.
Mr. Hoyle.
Viscount Folkestone.
Viscount Grimston.
Mr. Healy.
Mr. Llewellyn.

Mr. Finch-Hatton.
Mr. Arthur Acland.
Mr. Wason.
Mr. Walter James.
Mr. Biddulph.
Mr. Norton.

Sir *George Young*, Mr. *James Rankin*, and Mr. *Thomas Sinclair*, were examined.

[Adjourned till Thursday next, at Twelve o'clock.

Thursday, 20th May 1886.

MEMBERS PRESENT :

Sir HERBERT MAXWELL in the Chair.

Mr. Biddulph.
Mr. Norton.
Mr. Hoyle.
Viscount Folkestone.
Mr. Finch-Hatton.

Mr. Wason.
Mr. William Lowther.
Mr. Arthur Acland.
Mr. Walter James.

The Rev. *W. H. E. M'Knight*, and the Rev. *W. Walter Edwards*, were examined.

[Adjourned till Monday next, at Twelve o'clock.

Monday, 24th May 1886.

MEMBERS PRESENT :

Sir HERBERT MAXWELL in the Chair.

Mr. Fenwick.
Mr. Arthur Acland.
Mr. Finch-Hatton.
Mr. Walter James.
Mr. Hoyle.

Viscount Folkestone.
Viscount Grimston.
Mr. William Lowther.
Mr. Llewellyn.
Mr. Wason.

Mr. *Robert Davie* and Mr. *Richard Nesbitt* were examined.

[Adjourned till Monday next, at Twelve o'clock.

Monday, 31st May 1886.

MEMBERS PRESENT:

Sir HERBERT MAXWELL in the Chair.

Mr. Walter James.	Mr. Coleridge.
Mr. Hoyle.	Mr. Fenwick.
Viscount Folkestone.	Viscount Grimston.
Mr. Llewellyn.	Mr. Norton.
Mr. Arthur Acland.	Mr. Wason.
Mr. Finch-Hatton.	

Sir *Edward Walter*, Mr. *Ralph Price Hardy*, and Mr. *Ralph Young*, were examined.

[Adjourned till Thursday next, at Two o'clock.]

Thursday, 3rd June 1886.

MEMBERS PRESENT:

Sir HERBERT MAXWELL in the Chair.

Mr. Arthur Acland.	Mr. William Lowther.
Mr. Walter James.	Mr. Coleridge.
Mr. Hoyle.	Mr. Stuart-Wortley.
Viscount Grimston.	

Mr. *Henry W. Blake* and Mr. *Charles J. Goodwin* were examined.

[Adjourned till Monday next, at Twelve o'clock.]

Monday, 7th June 1886.

MEMBERS PRESENT:

Sir HERBERT MAXWELL in the Chair.

Mr. Arthur Acland.	Mr. William Lowther.
Mr. Coleridge.	Mr. Wason.
Mr. Walter James.	Viscount Grimston.
Mr. Hoyle.	Mr. Norton.
Viscount Folkestone.	Mr. Fenwick.
Mr. Stuart-Wortley.	Mr. Healy.

Dr. *Timothy Holmes*, Mr. *Broughton Edge*, and Mr. *William Smith*, were examined.

[Adjourned till Thursday next, at Twelve o'clock.]

Thursday, 10th June 1886.

MEMBERS PRESENT :

Sir HERBERT MAXWELL in the Chair.

Mr. Arthur Acland.
Mr. Walter James.
Mr. Hoyle.
Viscount Grimston.
Mr. William Lowther.

Mr. Llewellyn.
Viscount Folkestone.
Mr. Norton.
Mr. Fenwick.

Reverend Canon *W. L. Blackley* was examined.

[Adjourned till Monday, 21st June, at Half-past Three o'clock.]

Monday, 21st June 1886.

MEMBERS PRESENT :

Sir HERBERT MAXWELL in the Chair.

Viscount Folkestone.
Mr. Arthur Acland.

Mr. Hoyle.
Viscount Grimston.

DRAFT REPORT, proposed by the *Chairman*, brought up and read the first time, as follows:

“THE sudden Dissolution of the present Parliament has prevented your Committee from concluding their inquiries and making their final Report. They have, therefore, agreed to report the Evidence already taken before them to the House, and to recommend the appointment of another Committee, with the same objects, in the approaching Parliament.”

DRAFT REPORT read a second time, and *agreed to*.

Ordered, To Report, together with the Minutes of Evidence, and an Appendix.

EXPENSES OF WITNESSES.

NAME OF WITNESS.	Profession or Condition.	From whence Summoned.	Number of Days Absent from Home, under Orders of Committee.	Allowance	Expenses	TOTAL
				during Absence from Home.	of Journey to London and Back.	Expenses allowed to Witnesses.
				£. s. d.	£. s. d.	£. s. d.
David Pringle - - -	Chairman, Parochial Board.	Torquhar - - -	3	3 3 -	5 3 2	8 6 2
James H. Higgs - - -	Coachbuilder - -	Southampton - -	2	1 10 -	1 6 6	2 16 6
James Parnie - - -	Chairman of Bewny Parochial Board.	Glasgow - - -	3	3 3 -	5 10 -	8 13 -
William Key - - -	Commission Agent -	Sunderland - - -	2	2 2 -	3 9 4	5 11 4
Thomas Sinclair - - -	Solicitor - - -	Glasgow - - -	3	6 6 -	5 10 -	11 16 -
Richard Nesbitt - - -	Head Gardener - -	Oswestry - - -	2	1 - -	1 8 -	2 8 -
Ralph Young - - -	Secretary of Northumberland Miners' Society.	Newcastle-on-Tyne -	3	3 3 -	3 - 6	6 3 6
Rev. W. H. E. M'Knight -	Rector of Silk Willoughby.	Silk Willoughby, Sleaford.	4	4 4 -	1 16 -	6 - -
William Smith - - -	Painter - - -	Ross - - -	3	1 10 -	1 4 -	2 14 -
Rev. William L. Blackley -	Hon. Canon of Winchester.	King's Somborne, Stockbridge.	2	2 2 -	1 8 9	3 10 9
				TOTAL - - -	£.	57 19 3

MINUTES OF EVIDENCE.

LIST OF WITNESSES.

Thursday, 6th May 1886.

	PAGE.
Mr. David Pringle - - - - -	1
Mr. James S. Randell - - - - -	5
Mr. John Lloyd - - - - -	10

Monday, 10th May 1886.

Mr. James Parnie - - - - -	15
Mr. Robert M'Nair - - - - -	21
Mr. James Russell Motion - - - - -	21
Mr. James Henry Higgs - - - - -	23
Mr. George Henry Pinckard - - - - -	28
Mr. William Key - - - - -	30

Monday, 17th May 1886.

Sir George Young, Bart. - - - - -	35
Mr. James Rankin - - - - -	50
Mr. Thomas Sinclair - - - - -	54

Thursday, 20th May 1886.

Rev. William Henry Edward M'Knight - - - - -	59
Rev. W. Walter Edwards, M.A. - - - - -	73

Monday, 24th May 1886.

Mr. Robert Davie - - - - -	83
Mr. Richard Nisbet - - - - -	89

Monday, 31st May 1886.

Sir Edward Walter - - - - -	98
Mr. Ralph Price Hardy, F.I.A. - - - - -	107
Mr. Ralph Young - - - - -	113

Thursday, 3rd June 1886.

Mr. Henry Walter Blake - - - - -	120
Mr. Charles John Goodwin - - - - -	127

Monday, 7th June 1886.

Mr. Timothy Holmes, F.R.C.S. - - - - -	131
Mr. J. Broughton Edge - - - - -	134
Mr. William Smith - - - - -	143

Thursday, 10th June 1886.

Mr. John Lloyd - - - - -	149
Rev. Canon Blackley - - - - -	149

M I N U T E S O F E V I D E N C E.

Thursday, 6th May 1886.

MEMBERS PRESENT:

Mr. Arthur Acland.
Mr. Biddulph.
Mr. Cameron Corbett.
Viscount Folkestone.
Mr. Hoyle.

Mr. Walter James.
Mr. William Lowther.
Sir Herbert Maxwell
Mr. Norton.

SIR HERBERT MAXWELL, BART., IN THE CHAIR.

Mr. DAVID PRINGLE, called in; and Examined.

Chairman.

1. You are chairman of a parochial board in Midlothian?—I am.

2. Of the parish of Stow?—Yes.

3. What is the population of the parish?—It was 2,010, I think, by the last record.

4. Have you had considerable experience in the administration of the Poor Law?—I have been eight years a member of the parochial board there, and three years as chairman.

5. Have you come to any conclusions as to the result of the present law, especially upon the working classes?—It seems to me that the practical result of our present system of parochial relief is entirely unsatisfactory, that it does not meet the ends for which it was devised, and that it really is a premium upon improvidence amongst the working classes, because the feeling amongst them, in too many cases, is, that if the worst comes to the worst they need not save, because they have always the poorhouse to fall back upon.

6. Have you formed an opinion as to the direction in which the Poor Law should be amended, so as to throw more responsibility upon the people?—It seems to me that there is only one way to do that, and that is, to compel men and women to make provision for themselves at such times of their life as they are able to do so, which naturally would be before marriage.

7. Short of compulsion, you see no method of encouraging thrift?—I see no method of encouraging thrift short of compulsion, because if you have not compulsion you do not reach the classes who are improvident and unthrifty; while for those who wish to make provision for themselves there are the friendly societies at present.

0.99.

Chairman—continued.

It is the improvident who are the cause of the pauperism of the country, not those who are thrifty.

8. In your part of Scotland are the friendly societies strong in membership?—Yes; there is hardly a village, I think no village, and hardly a parish, without its friendly society.

9. And the friendly societies are popular, are they not?—Yes, they are popular.

10. Have there been any instances in which, from the failure of friendly societies, or the manner in which they are conducted, their credit has been shaken?—I think not in the purely rural districts, because the system upon which they are worked is the annual one. The society is formed at the commencement of the year, and is wound up at the end of the 12 months.

11. You mean by a division of the funds?—Yes, by a division of the funds.

12. What are the names of those societies?—There is one in Stow called the "Yearly Benefit Society," and there is another in the neighbouring parish of Heriot, "The Benefit Society," both conducted upon the same principles; and in other parishes there are similar societies formed.

13. Are those societies registered?—No, they are not registered.

14. Then you have no affiliated societies to the large unities?—Not in the purely rural districts. In the larger towns, such as Galashiels, Hawick, and Jedburgh, you have a few members of the larger affiliated societies, but not in the agricultural districts.

15. Then you have nothing but ordinary benefit societies, which divide their funds at the end of the year?—They divide at the end of the

A

year;

6 May 1886.]

Mr. PRINGLE.

[Continued.]

Chairman—continued.

year; they give an allowance of sick pay and a certain sum for funeral expenses.

16. And they start again afresh?—They start again afresh.

17. Do you consider that a satisfactory system to the people in the parish who are inclined to providence; is it sufficient?—I think it is not at all sufficient; there is no provision made for old age; there is a very insufficient provision made for sickness, and the improvident classes, of course, do not join it; it is voluntary.

18. But I mean merely as regards those inclined to providence; having those means at their disposal, are those means sufficient?—I think they are not. The sick pay given in one of those societies is 7s. a week, for 13 weeks, 4s. for the next 13 weeks, and 2s. 6d. for the half-year following; in the other society the sick pay begins at the rate of 5s. a week for the first thirteen weeks, 3s. a week for the following thirteen weeks, and 1s. 6d. a week afterwards.

19. What is the rate of contribution?—The rate of contribution is 2d. a week.

20. Is that to the first society?—To both.

21. One of them manages to give a much larger benefit than the other for the same rate of subscription; can you explain that?—I have a note of the societies, and upon referring to it I find that I am quite correct, but I also should have stated that there is a share of 1s. a member made in the one case, and 3d. a member made in the other, which forms a sort of reserve fund should the 2d. a week sick pay not be found sufficient.

22. That is divided at the end of the year, is it not?—Yes, it is divided at the end of the year. There is 3l. allowed upon the death of a member, 2l. upon the death of a member's wife, and in the case of one of the societies, 1l. upon the death of a child.

23. Who are the managers of those societies?—The managers are chosen annually by the members, and they receive a small remuneration for their services. The expenses of management in the Stow society amount to 6l. in the year, and the amount of relief given last year was some 60l. for sick pay.

24. What is the average membership?—150.

25. The great affiliated societies have no lodges or branches in your district, have they?—Practically, none of them have; some of the Edinburgh societies have members in our district; the Edinburgh Carters' and Porters' Friendly Society is one; there are a few members of that society in our district.

26. Have you received any evidence, direct or indirect, as to the aspect in which compulsion would be regarded by the working classes generally?—I have put the question to working men, and also to the employers of labour, and as far as I have been able to gather, compulsion is looked on as a necessary part of the scheme, that it would be absolutely impossible to carry out the scheme without compulsion.

27. Is there any objection to the fact of any such scheme being compulsory?—I have never heard the objection raised.

28. Have you spoken upon the subject to the managers of the existing benefit societies?—I

Chairman—continued.

have; I mean these village societies, not the large affiliated societies.

29. How do they regard it?—Those to whom I have spoken regard it with favour.

30. They do not provide any annuity, I believe?—Those societies do not, and only healthy members are taken; for instance, in the Edinburgh Carters' and Porters' Society, no one is admitted above the age of 45.

31. Do you think that in any such scheme provision for annuity is advisable or desirable?—Most certainly it is highly desirable, because after a certain age men are unable to work or unable to earn sufficient wages to support them.

32. At what age do you think the annuities should commence?—As soon after a man is 60 years of age as possible.

33. You look upon compulsion, however it is applied, as the only means of inducing the young men entering a working life to make provision for old age?—The voluntary system has been tried; it has been tried fully by our existing benefit societies, and it failed to attract any except those who are naturally provident, and it is for that reason, I think, that compulsion would be absolutely necessary.

34. Are the working classes in your district migratory in their habits, or are they tolerably stationary?—They are migratory to this extent, that they go from one farm to another; they do not leave the district very much. They may go from one parish to another, but they keep to their own district.

35. But I suppose it is the same as in the rest of Scotland, that the men do not remain under the same master long?—No, they do not, except the shepherds; the ploughmen and others change frequently, but the shepherds do not.

36. To what do you attribute the fact that there is such constant change among the rural working people?—That is really a very difficult question to answer. I think it is just from a sort of desire to change amongst the people themselves, perhaps owing to some extent to the monotonous nature of their occupation; it is a little break and variety, changing from one parish to another.

37. If a man gets a good master one would naturally suppose he would stay with him?—If he considered his own interest he would, but the men do not seem to look upon it in that light.

38. Is there not a motive among the employers of labour, especially farmers, against keeping a man lest they should be burdened by his maintenance in old age; you are not aware of that, perhaps?—A farmer would not be bound by law to keep a servant who was not able to work.

39. Not compelled, but under a sort of moral obligation?—That might apply to a certain extent, but I am afraid that in these times of agricultural depression it would not be taken into consideration.

40. Is there anything else you would like to mention, and which you think it would be of advantage to the Committee to hear?—I do not know that there is anything else. The views with reference to the desirability of this scheme of National Insurance have been so frequently and so well put before you that I do not think there is any necessity for my repeating them; at the same

6 May 1886.]

MR. PRINGLE.

[Continued.]

Chairman—continued.

same time I should be glad to answer any question upon any further points.

41. Your experience, in short, leads you to believe that some national scheme of compulsory providence, if not necessary, is desirable?—I certainly think so, because at present the thrifty are compelled to make provision for the improvident; and certainly it is the duty of every man to make provision for himself at such period of his life as he is able to do so.

42. And you think that there would not be any strong opposition on the part of those among whom you work?—I think if the scheme were properly ventilated, there would be little or none. I think at present the scheme is not known, and is not understood, and that if it were to be brought unexpectedly upon the people there would be opposition simply because they would not understand what benefits they were to receive by it; but if the scheme were thoroughly explained to them I think the common sense of the working classes is quite sufficient to let them see what a very great advantage it would be.

Viscount Folkestone.

43. Have you studied Canon Blackley's scheme?—I have.

44. Do you see any objection whatsoever to the scheme; do you see any means by which it could be improved, or that there is any omission in it?—I think one great improvement would be to make provision for the annuity commencing at the age of 60, instead of being deferred to the age of 70; that I find to be one of the greatest objections which has been brought against the scheme wherever I have introduced it.

45. Has that objection been brought against the scheme by the poorer classes who would mostly benefit by the scheme, or by the upper classes to whom you have mentioned it?—I have had the objection raised by both; both by the poorer classes and by the upper classes too.

46. You stated, in answer to the honourable Chairman, that you considered some such scheme as this necessary; it would have to be proved of course to the people, as a whole, that it was necessary, before it would be possible to get it adopted; do you think there would be any difficulty in getting the great majority of the people of this country to accept this principle of compulsory insurance?—I think not, if the scheme were properly explained and laid before them.

47. Have you had any meetings in your part of the world, attended entirely, or mainly, by members of the working classes, where the scheme has been explained, and where resolutions have been adopted or rejected?—We have had no such popular meetings of the working classes, but we have had a meeting of our parochial board, who unanimously passed a resolution in favour of the scheme, and at a literary association we have in the village it was most favourably received.

48. But by what class of persons?—They were principally working men and employers of labour, such as master masons and master joiners.

49. Do not you think that it would be very difficult to get the majority of the country to accept this principle of compulsion (although we know compulsion is adopted in many cases) in

O. 99.

Viscount Folkestone—continued.

this new line, unless there was a very great demand from the working classes themselves for it?—I certainly think that the working classes should be appealed to in order to get their support, and I have not the slightest doubt that if that appeal was made the vast majority of them would accept it.

50. Then it being necessary to "educate," to use that term, the working classes to the advisability of this scheme, you would not want to educate any but young people, would you; you would only have to educate the persons who are under the age of 21, is not that so?—No; I think the whole body of electors should be brought to understand it.

51. The whole body of electors, no doubt, to decide whether this scheme should be adopted, but as I understand Canon Blackley's scheme, the provisions of this scheme would, if the Bill were passed to-day, not apply to any persons who are over the age of 21; is not that so?—Yes.

52. Therefore, you would only have to educate young persons under the age of 21 as to the advisability of this scheme, and proving to them the benefits of it?—Yes; but at the same time I think it would be highly desirable to educate the whole mass of the working classes.

53. Would it be desirable to take into consideration the advisability of having the idea of this scheme put into the curriculum of education in the local schools?—I think that would be highly desirable.

Mr. Biddulph.

54. With regard to what you stated about workmen shifting their localities, does the system prevail in your part of Scotland of the yearly hiring of farm servants, as it does in many parts of England?—It does.

55. That, of course, accounts for their shifting in great measure?—Yes.

56. If a man is hired for a year, he goes off at the end of a year, and naturally gets hired elsewhere, in nine cases out of ten?—No doubt that is so.

57. He leaves, thinking he may better himself, I presume?—The wages are generally at the same level, and he does not better himself to any extent; it seems to be more from a desire for change.

58. But I presume the married man with a family would not be so apt to change?—Curiously enough they are; it is quite a rare case for a ploughman to stay two or three years upon the same farm; they give no reason for leaving.

59. To what do you attribute that?—In answer to the honourable Chairman, I stated that the only way of accounting for it was the wish for a little variety; their lives are very monotonous, and their occupation also.

60. And they think they will improve themselves by going somewhere else?—They cannot improve themselves in a pecuniary position by going from one farm to another, because the wages are to a certain extent fixed.

61. They do not go out of the neighbourhood?—Not as a rule.

62. Then with regard to the friendly societies being favourable to the scheme, have you considered,

6 May 1886.]

Mr. PRINGLE.

[Continued.]

Mr. Biddulph—continued.

sidered, supposing this scheme were adopted, how far amalgamations of the friendly societies would be able to take place, because a large number of people belonging to friendly societies would have to be thrown into the general fund of the National Compulsory Insurance?—As I understand Canon Blackley's scheme, instead of being prejudicial it will be highly beneficial to existing friendly societies, because the habits of thrift acquired in youth would in the vast majority of cases continue in after life; and a young man or woman who had paid up his or her national insurance ticket would in many cases be anxious to make some further provision against old age or sickness; and after the age of 21, after his national insurance ticket was paid up, he would then join an existing friendly society; that has been proved from the working of the Act, as far as it has gone, in Germany.

63. Would it be possible to amalgamate the societies and to transfer the funds of those insured in the present friendly societies into the proposed National Compulsory Insurance?—I think that is a question that it is quite impossible to answer without a great deal of consideration; it is perhaps more a question for an actuary than for a private individual.

64. Then with regard to the question Viscount Folkestone put to you, as to young people being trained to understand and to appreciate the benefits of compulsory insurance, of course there is very great difficulty in getting young people to see the benefit of it; naturally they are rather inclined to let the thing go when they are young, and do not trouble their heads much about it. I presume there would be very great difficulty in getting them really to take it up of their own accord when they are young, though it is quite right to acquaint them with it. You would not be able to do more than point out the benefits of it, just as you would those of any other good institution?—I think it would be highly desirable that they should be trained to look forward to this as part of their duties as citizens of the empire.

Mr. Norton.

65. Did I understand you to say that the weekly contributions are the same in all cases, that a man of 22 pays the same as a man of 42?—Yes, the weekly contributions are the same; but in one of the societies I mentioned, namely, the Edinburgh Carters' and Porters' Society, there is an entrance payment of 5*s.* to those below the age of 35, and of 7*s.* 6*d.* to those up to the age of 45, after which age no one is admitted; in the other two societies there is no restriction as to age.

66. Do you apprehend that there would be any difficulty in getting a deduction for the contribution from the weekly wages made by the farmers?—I have asked several employers of labour if there would be any difficulty as to that, and I have never had the objection raised. I have asked manufacturers and farmers, and the reply has been invariably the same.

67. Assuming there were a scarcity of labour in the summer, or a strike, you do not think the fact of their deducting the contributions from the wages would prejudicially affect the employers'

Mr. Norton—continued.

position; that is to say, that young men might object to have that contribution deducted; and, do you think that a farmer would object, feeling he might lose their labour?—I do not think so, if it were made universal, because the servant would know that if he objected to this regulation there are others who would take his place.

Mr. Walter James.

68. You admit, I suppose, that compulsion in some form is not very different from coercion; compulsion and coercion are more or less synonymous terms?—I must say that, upon the spur of the moment, I do not see much distinction between them.

69. How would you propose to compel the thriftless, the drunken, and the worthless classes whom you are anxious to improve, to practice the habit of thrift; how would you compel them?—I should employ the same machinery as we employ in the educational system; exactly in the same way in which we punish those parents who will not educate their children; of course, there are a certain amount of failures.

70. If you have compulsion or coercion, you must have some penal consequences. How would the penal consequences be enforced in this case for non-compliance with the practice of national insurance?—Just as we fine those parents who do not educate their children, I would propose to fine or otherwise punish those men and women who refused to pay their insurance.

71. I do not know whether it is the same in Scotland as it is in England, but is it not the case that paupers who are born in workhouses very often spend their lives in workhouses with very small intervals of intermission; they may leave the workhouse, perhaps, for a few weeks, but they always find their way back there. How would you propose to enforce payment in the case of that class?—I am afraid there would be certain classes whom it would not reach, but they would be comparatively few; and I think there is no more reason to give up national insurance because there are some cases that we cannot reach, than there would be to give up national education because there are cases in which we cannot compel parents to do their duty.

72. The great lever to the enforcement of this state of things would be a wholesome public opinion; you could do nothing without public opinion in favour of the scheme?—I think public opinion would be necessary.

Chairman.

73. You have said that in your opinion a wholesome state of public opinion is everything; do you think public opinion, however definite, without the machinery of compulsion would be any use?—That it would be necessary in order to get the measure passed into law; that was the way in which I understood the question to be put.

Viscount Folkestone.

74. With regard to the women, would there be any difficulty in young women putting by this necessary sum, whatever it was; would they find any more difficulty in putting that by than the males?—I think they would.

75. Do

6 May 1886.]

Mr. PRINGLE.

[Continued.]

Viscount Folkestone—continued.

75. Do you think it would be advisable to extend the age before they could make the necessary payment?—I think it would be necessary to extend the age in the case of young girls. I think shop girls, for instance, would not be able to pay the contribution before they came to the age of 21.

76. With regard to compulsion, there is compulsion now in the payment of the poor's rate?—Yes; the thrifty are compelled at present to pay for the unthrifty.

77. Do you call paying your poor rate, coercion?—If I do not pay my poor rate I am coerced into doing so.

78. With regard to a workhouse pauper who has been brought up in the workhouse, and gravitates back to his original domicile, as Mr. James has suggested, I suppose there would be

Viscount Folkestone—continued.

no difficulty there in making him work out his payment for insurance. Just as you make the pauper now work out the cost of his relief, there would be no difficulty in making "the workhouse brat," as he is called, when he came back to the workhouse, work out his insurance?—We might be able to make him work out some part of it; but we all know that the work done by paupers is not very valuable.

79. It would be a question of time; if his work was not very valuable he would take longer to do it than if he was a valuable worker?—That would be so.

80. Then, of course, this matter of compulsion would only apply to young persons under the age of 21, would it?—Only to those under the age of 21.

Mr. JAMES S. RANDELL, called in; and Examined.

Chairman.

81. You are a member of the firm of Messrs. Randell, Saunders & Co., quarry owners?—I am.

82. That is a firm which has been established for a great many years?—Yes, for over 40 years.

83. Where are your quarries?—They are in the neighbourhood of Bath.

84. In the district of the Bath stone?—Yes.

85. You have had considerable experience in dealing with working men?—I have, both in stone and coal.

86. And you have also met with a variety of opinions?—I have.

87. What conclusion do you come to as to the working of the existing poor laws?—I think they have very much vitiated the character of the working man. I have had it said to me sometimes, when I have been speaking to men who have given way to the temptation of drink, "Well, master, if the worst comes to the worst they must keep us."

88. You would not repeal the Law of 1834, would you?—I would not interfere in any way with the law. I think it would be cruel to do so, because the poor have been taught to rely upon it. What I should like to see would be the labouring classes raised above the poor law.

89. What suggestion have you to make to that end?—They are making great efforts for it now; the large amount in the Savings Bank of 92,000,000 *l.*, shows the efforts that they are making; there are 13,000,000 *l.* invested in the friendly societies, and 4,000,000 *l.* yearly paid to friendly societies; there are between 4,000,000 *l.* and 5,000,000 *l.* yearly paid to industrial insurance offices, and those are upon insurances averaging from 9 *l.* to 11 *l.* each, so that they are making great efforts; but I am sorry to say, that a large amount of their efforts are lost to them, that is to say, in regard to the friendly societies and the industrial insurances.

90. How is it lost to them?—Because they pay and do not get the benefit in many cases. In friendly societies there are two dangers that the members are exposed to; firstly, they are exposed to the danger of the soundness of the

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Chairman—continued.

society, and that is not a small danger because there are so many of them unsound. Then beyond that danger they are exposed to the danger of what is known as lapse: a man may pay for 10, 20, 30, or 40 years to a friendly society, but a time comes when circumstances may preclude him from paying, and he does not get relief according to what he has paid, neither does he get a surrender value, but all he has paid is lost to him, and his provision is gone. The provision for an industrial man should, in my opinion, be certain.

91. Is it the case in all friendly societies, that there is no surrender value?—I do not believe that any of the friendly societies give it. I am not aware that any of them give surrender value, or any of the industrial thrift insurance societies either.

92. They cannot afford to do it?—I cannot tell you how that is, I am not behind the scenes enough to be able to say.

93. I mean to say, that the rate of contribution is not calculated to allow a surrender value to be paid?—I think there is one great fault in the basis of friendly societies, that they calculate that the lapses should pay their expenses.

94. On the other hand, would there not be a certain temptation in the surrender value to working men to discontinue those payments?—There might be a certain evil in that, but I think their being left without any provision is a much greater evil.

95. Take the case of a man who had kept up his contribution to one or two friendly societies, when times were good and wages regular, and a time like the present comes, when employment is scarce and he is out of work, would he not be tempted to take his surrender value?—He might take it in one society, and by doing so be enabled to hang on and make his payments to another.

96. That means that the provident man will be provident?—Yes.

97. What do you propose for the improvident?—There is nothing for the improvident, I think, but to bring them in by compulsion.

98. When you talk of improvidence, you speak of it, I take it, not as a vice but as a negligence?

—I think

6 May 1886.]

Mr. RANDELL.

[Continued.]

Chairman—continued.

—I think evil is worked by want of thought as well as by want of heart, and the same with the labouring classes; as long as the sun shines and it is bright, and they have youth and strength and so on, the thought of old age and of evil days is put aside with some of them.

99. Do you think that anything could be done by the Government to encourage thrift?—Yes, I think so; but I think the first thing is to educate people thoroughly to it, and I think that the education that is going on in this country now is having a great influence in that direction; I think it awakens the working classes to the necessity of providence; there certainly is much less drunkenness, both amongst miners and other labourers than there was, much less.

100. You mean the ordinary compulsory education, not any special education?—I mean to say, that education has taught them to appreciate the importance of taking their money home to spend to make their homes comfortable; they are wiser in that respect, I think, a good deal, than they were. There is one thing which, as it appears to me, must precede compulsion, and that is, that the classes to be affected must be educated to the importance and to the desirability of it to them, that we must make them not only willing to have it but desiring to have it, to clamour for it, if I may use the expression.

101. You mean the country must call out for compulsory providence before Government attempts to enforce it?—Before it would be useful to enforce it. Enforced upon an unwilling nation, it would be attended with many evils; enforced upon a nation desiring and willing to co-operate with it, it would be a great blessing, I think.

102. Are you acquainted with the working of compulsory providence in Germany?—No, I am not; I have read a little upon the subject, but I am not fully acquainted with it; I think the German system operates to a limited extent only; only applying to certain classes of labour, but not generally.

103. You have spoken of the action of friendly societies; to what extent are they taken advantage of amongst your workmen?—Very generally. In connection with our stone mines many of our working men are connected with the Wilts Friendly Society, but that society is arranged rather upon a basis of payment to suit the agricultural labourer; it does not give enough in sickness for our men, therefore they make a club amongst themselves for a further 5 s. a week.

104. The stone quarry men do?—Yes; and in the coal mines they have a club for 12 s. a week.

105. You have experience in collieries, as well as in quarries?—Yes, I have been connected with collieries.

106. When you spoke of the unsoundness of friendly societies, did you speak from your own knowledge of any particular instances?—I get my knowledge mostly from the returns of the Registrar General; I think that is the fountain head to go to. I see that in 200 societies that were gone into two or three years ago, one in six only was sound.

107. Is that from the Registrar General's return for 1883?—I really forget which year it

Chairman—continued.

was; I went into the subject thoroughly in 1870, I think it was, and analysed the reports of the friendly societies. I took their own reports. I wrote nothing of them but what I took from their own reports, and I was astonished to find the multitude that were unsound at that time.

108. But you cannot give the Committee evidence of any instances which have come under your own knowledge of losses by working men from different friendly societies?—I have had appeals for relief from working men frequently on account of their societies breaking up.

109. You have spoken as to the difficulty of maintaining periodical payments; do you think that there would be an advantage in prepayment?—Decidedly; it would do away with lapse entirely: when a man was once safe for his minimum, he would stand in a stronger position to provide further for himself.

110. Do you think it would press hardly upon the workman to prepay?—When I have talked to workmen about it, they have generally laughed at me and said it could be done very easily, and that they should be delighted to do it, most of them. I have, however, met with some who said they could not. There was one young man I was talking to about it, he was earning 18 s. a week, and he could not afford to pay 1 s. 3 d. to any society to make up the 10 l. in three years; he said it cost him 13 s. a week for his board and lodging and clothes, and his tobacco cost him 6 d. a day, and that left him only 18 pence a week to spend in pocket money. I suggested his cutting a little off the tobacco to make it up, but he said he could not do that.

111. Have you held any meetings?—I have attended a good many.

112. In your own district?—Yes; not so much in Bath, but I have attended some of the workmen's clubs in London. We had a very large meeting at Bath; the Guildhall was full, and a very unanimous conclusion was come to. In every meeting of working men I have attended, we have begun with the whole meeting opposed to us, and generally concluded with six-sevenths of the meeting being with us.

113. Why were they opposed to you at first?—There is a great deal of opposition got up, I think, from the friendly societies, their feeling being that it would hurt them by preventing people from subscribing to them; but I think that feeling is dying out very rapidly.

114. Is there any objection felt to the term "compulsion"?—Not more than there is to all laws that are compulsory; as to the payment of rates, for example, in speaking at a meeting upon the subject, I generally compare it in this way; I say, "If you drive your team, you are obliged to keep the left-hand side of the way; you submit to that compulsion. If you send a letter, you are obliged to send it by the Government post, you cannot send it by any other; that is compulsion. You live under that which is a very beneficial compulsion, and why not have another beneficial compulsion?" This scheme would include every man and every woman also.

115. Do you see any difficulty in including women, because all women are not wage earners?—They are not all wage earners; I have talked to many women about it; some like it very much

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6 May 1886.]

Mr. RANDELL.

[Continued.]

Chairman—continued.

and others think it would be very difficult in early life for females to pay. The difficulty would be where they are apprenticed as milliners and so on, where they earn but little money until their time is out. But I think that all that difficulty could be got over by a slight extension of the time to them, for them to pay the amount and interest. The same would apply to lads who are put to mechanical employments, or are apprenticed to carpenters or smiths, or some employment where they have to work through an apprenticeship at low wages, and then they are immediately afterwards in a position to earn higher than the average wage.

Mr. William Lowther.

116. Do you yourself believe that the compulsory system would very much injure the friendly societies?—I do not; I think it would eventually benefit them; I think it would make the poor more willing to make provision. Having had a start in saving, and feeling themselves standing upon a foundation, they would be the more anxious to improve their position. Canon Blackley's provision is only for a minimum, and no man, I was going to say, of any character amongst the labouring population would be satisfied with that provision of 8 s. a week, and 2 s. 6 d. at the age of 70.

Mr. Walter James.

117. You stated that in your experience the general operation of the poor law, you thought, had been mischievous?—I think it has lowered the standard of men's morals, and their character in general, and taken away the respectable feeling of independence which it is desirable should be maintained.

118. No doubt those who have closely studied the question share that view, but how far do you think that is shared by the recipients of poor law assistance?—I think it is much more widely shared than it was when I was a boy; I think the labouring and the industrial classes looked upon the poor law as their right, and that it was no disgrace whatever to hang on to it; rather that it was their due, and a credit to them to get as much as they could out of it.

119. But there is a great deal of the same feeling lingering in many parts of England, more particularly in the rural parts of England, is there not?—It does exist in the rural parts; but I think the mechanics, as a class, are turning their backs upon the poor law, and considering it a disgrace.

120. Have you had any experience of the North of England?—I have not, my district is the south-west.

121. Do they appear to think that a certain social stigma rests upon the recipient of a certain amount of out-door relief?—Or any out-door relief whatever.

122. Do you find that there is a very great disinclination to go into the workhouse?—I think the poor make great struggles now to avoid either taking out-door relief or going into the workhouse.

123. Still there is a certain amount of sympathy with those who think the wealthier classes should provide for those who have been unfortunate, 0.99.

Mr. Walter James—continued.

and are destitute?—That is the case amongst a limited number.

124. Do not you think such a movement as this in the mind of that particular class raises a notion that it is a movement for the relief of the rich at the expense of the poor?—If we interfered with the poor law it would convey that impression, but we propose to leave the poor law as it is for those who may require it; we do not propose to do away with the poor law; but the aim is to lift the poor above the poor law, and leave the poor law behind, not to take it away.

125. Have you talked upon the subject with any individuals of the pauper class?—Yes, I have; and their expression has always been that they wished there had been such a thing when they were young.

Mr. Norton.

126. Do not you think that the practice of applying the workhouse test which has been generally adopted the last few years has had a beneficial effect?—Yes; I think it has had a beneficial effect to some extent. To some extent it has been attended with a good deal of cruelty, because the poor have been taught to rely upon the poor law; and another thing is that the poor law has its effect upon wages; it has tended to keep down wages.

Mr. Arthur Acland.

127. We were talking about women just now; how would you do with the case of women who marry, as many young women do, quite early, at 19 or 20, and do not earn any money afterwards?—Their husbands would have to pay for them.

128. That would be part of the scheme; to compel the husbands to pay for them?—I believe the law of England is that when a man marries a woman he undertakes her liabilities; but I am not a lawyer.

129. I am only asking for information. Would that be a part of the scheme, that a man marrying a young woman who is not insured would be responsible for paying for her insurance out of his wages?—I can only give my own thoughts, that early and improvident marriages are now entered into by the working classes in a very reckless way before they have either furniture or any provision, and that makes life a great struggle for them. I believe it would check early and improvident marriages, because this money would have to be paid up to the age of 21 years, and I believe that that is one of the benefits that would grow out of it. I would look upon it as such.

130. I was only asking how you would meet the cases amongst the improvident people who do marry at that early age?—I believe it would have the effect of checking those early marriages.

131. Do you attach any importance to the difficulty which has often been urged of supervising this question of sick pay; that a national society would have more difficulty in limiting the amount of sick pay than the local lodge or friendly society, the members of which would have a direct interest in looking after it?—I believe it would cause less difficulty, because, if I were to see one of my own men shamming sickness, I should not be aware of what society

6 May 1886.]

Mr. RANDELL.

[Continued.]

Mr. Arthur Acland—continued.

he was in. If he were in the works club I could shut him off, but he might be in one or two other societies, and no one takes the trouble to look it out. If there was a national society we should all know that he was in that national society, and we should all know that if the amount at present paid was not adequate to cover the drain upon the society, it would have to be made a little more; so that every one would be interested in protecting the society from fraud, and we should know at once that fraud was being practised upon the society.

132. Do you think we should induce a sufficient interest in the nation to enable us to check each case of fraud?—I think there would be feeling enough for it.

133. You spoke of the objections to the scheme just now; do you think it would be wise to wait till the whole nation is convinced that the scheme is desirable, or that it might be advisable to begin in some partial way?—I do not see how it could begin in any partial way, because, unless the whole nation comes in, the rates cannot be so low as they ought to be.

Mr. Hoyle.

134. I understood you to say that education was making people provident?—I expressed the opinion that it made people more anxious to keep themselves respectable, and also that it made them more provident, and that they thought more of the future.

135. You instanced the fact that there was less drinking?—There is less.

136. Do you think that it is desirable to supplement that movement by this system of national providence?—I do, because I think it will be a very great boon to the poor to feel the strength that that position would give them.

137. I understood you to say that, in your opinion, there must be a demand for legislation before legislation could be worked beneficially?—I think so.

138. Do you think there is a sufficient demand for this scheme to make it work beneficially?—Not at present; I think that the labouring classes have to be further educated upon the subject.

Viscount Folkestone.

139. You told one of the honourable Members of the Committee just now, in answer to a question, that you had asked the working men about this national providence scheme, and that they laughed, and said that it could be easily done; have you particularly asked those who would come under the compulsion; was this observation generally from the people whom it would touch, or from those who would not be affected?—I have talked generally to the elder people; I have talked to young people also about it; but I have talked more to the fathers than to the children.

140. When you have talked to the young people, what was their feeling generally?—Their feeling was one of indifference generally; in some cases I have found objections, both with males and females. When I was talking to a young woman about it some time since she had 18*l.* a year she told me, and her wage was going to be raised

Viscount Folkestone—continued.

next year 2*l.*; but she wanted all her money for dress and other things, because she "walked with William," she said. I do not know who "William" was; and William liked her to be well dressed. Another had not had a William that I spoke to about it; but if she had, she should not spend so much in dress, she said.

141. Then your experience is that, supposing this 10*l.* be necessary to be the sum to make the insurance, that 10*l.* is now spent between the ages of 17 and 21; it is hardly ever laid by?—It is hardly ever laid by.

142. I am asking this question with regard to its being a benefit or a detriment to the friendly societies. The consequence would be that they would be better off after they were 21, and would be just as well, or better, able to subscribe to the friendly societies than they are now?—They would be better able to do so, because they would have the benefit of this society when they were sick.

143. Taking it broadly, your experience shows you that this sum of 10*l.* is not laid by, but that it is spent?—It is generally spent; and they marry earlier than they would, I think, if they had to pay it to the fund.

144. You said, in answer to Mr. James, that you did not propose to do away with the poor law. Mr. James raised a point which I think is a very fair one to raise, namely, that it might make people say that this compulsory provision was intended as a relief to the rich at the expense of the poor. Your answer, I understood, to be that you did not intend to do away with the poor law; but this compulsory insurance would considerably reduce the cost of the poor law, would it not?—Eventually it would do away with it, and I see no objection to its doing that.

145. But still objectors might raise that objection; have you ever heard that objection raised to it in the course of your inquiries?—Yes; when I have been speaking upon the subject at some of the workmen's meetings and clubs, it has been always said, "Oh, you want to relieve the rich." I have gone into the subject with them, and when I have told them we did not propose to interfere with the poor law, but that we hoped that would, by and bye, be left behind, and that they would be far above that, they were highly delighted with the idea.

146. When they found that your object was to raise them, and not to do away with the poor law, they appeared gratified?—They were highly delighted.

147. You had no difficulty in explaining that to them?—I had no difficulty in explaining that to them; I have never attended a meeting of working men but what a resolution favourable to the matter has been carried.

148. Of course, it would be difficult to get a law of this sort carried unless there was a very general, I might almost say, universal consensus of opinion throughout the country that it was desirable; do you think that there would be any difficulty in getting that universal consensus of opinion?—I do not think that the labouring classes are educated enough to value the importance of it to them at present; but I think they are very fast acquiring that knowledge, and I look upon this Committee, and the report that will

6 May 1886.]

Mr. RANDALL.

[Continued.]

Viscount Folkestone—continued.

will emanate from it, as a thing which will help to educate them.

149. The old benefit societies, as I understand, originally were very much opposed to the scheme?—They were.

150. And from motives, to a large extent, of self-interest?—They were afraid that it would interfere with their success.

151. Do you believe that they have modified their objections to it?—I know they have, because I have attended the anniversary meetings of several benefit societies, and I have found the feeling different. I have spoken myself at the meetings.

152. Do you think that by their changing their opinion upon the matter the friendly societies, if they came to view this question with favour, might give considerable assistance and support to this proposal in getting the working classes to adopt it?—I think theirs would be a negative favour. I do not think they would take any active part in support of it. I may further say that I do not think it is desirable at all to undertake it in co-operation with them, because the friendly societies are not in a sound enough condition generally to make it desirable to have any amalgamation with them. I am speaking of them generally. There are many excellent societies. I know one society which has 15*l*. accumulated fund per member; that is the Bath Society.

153. But they do not propose or make it imperative to give assistance in old age?—They do not make it imperative. I do not know of any of them that even incorporate it in their terms.

154. Do you think that anything could be done in the way of educating young members of society in this view by inculcating the idea in schools?—If I had my way I would have it taught in every National and Board School; that every school which the Government assisted should teach the subject of thrift, and the importance of making provision.

Chairman.

155. You stated that you did not think that any co-operation with friendly societies would be desirable?—I do not.

156. You are aware, I presume, from general knowledge of what has gone on in Germany, that the Government do recognise friendly societies as an alternative to their own scheme, provided those friendly societies are conducted upon an improved basis?—In Germany I believe that is the case.

157. Do you not think that in this country a friendly society which is conducted upon a scale and basis approved by the Government, might be accepted as an alternative to the Government scheme?—I have not much faith in Government making their terms so strict and defined as to insure the safety of a friendly society. We have had some little experience in that way by a Bill that was proposed some short time ago. A measure was brought in that no new friendly society should be allowed to receive contributions till their tables had been first examined by a Government actuary, and certified to be sufficient to give the benefits promised.

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Mr. Norton.

158. Was that a Bill?—It was a Bill that was brought into the House of Commons some time ago; I forget the date exactly; I am informed that Lord Greville brought it in.

159. The Bill was not passed, was it?—No; the friendly societies opposed it. But that Bill would not have affected any existing friendly societies; it would only have affected those to be in future established; but the friendly societies opposed it.

Chairman.

160. Do you know upon what ground they opposed it?—I do not know, upon the ground of the interest, I suppose, of their societies. I spoke to the manager of one friendly society in the Lobby of the House of Commons about it, and he said, "It would put new societies on an advantageous platform compared to the old ones, and we oppose it upon that ground."

161. And that, of course, was an objection that would be felt by the friendly societies against any such scheme as we are considering?—No doubt. I have now before me the Bill I referred to, if the Committee wish to have the details of it. (*A copy was handed in.*)

162. Does anything else occur to you to mention to the Committee?—No, I think not.

Mr. Walter James.

163. With regard to how you would enforce the compulsion in this case. I will take the case of the young woman whom you mentioned was earning 18*l*. a-year. Supposing she, in collusion with her employers, were to refuse to make any contribution, how would you compel that young person to make her contribution?—If you will allow me, I would speak of it in general terms. It has often struck me when a law is passed, and it is known that it must be obeyed, how the English people drop into the line of obedience to it. Let it be in the streets, let it be in public meetings, let it be anywhere else, people fall into it; and if they know it was a law that was to be obeyed, it would be like the policeman's hand, I think it would be fallen in with directly.

164. I do not want to press you, but I should like to know what machinery you would suggest for procuring payment?—I do not see why the agents should not be allowed to use the county courts for the purpose.

165. Then supposing they were to refuse to pay, or could not pay?—If they refused to pay, that would be one thing; if they could not pay, it would be another thing. The two things could not be dealt with alike, I presume.

166. Eventually it might end in people going to prison?—If people will not obey the law, that is the result of disobedience generally, I suppose. I do not believe, however, that things would go that length.

167. But do not you think that sometimes, in the case of compelling children to go to schools, the effect has been to make education unpopular; and that if people were sent to prison in order to compel them to comply with these proposals, you would make these proposals unpopular?—Until the mind of the class it is to benefit is ripe for

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for

6 May 1886.]

Mr. RANDALL.

[Continued.]

Mr. Walter James—continued.

for it, it would be unpopular. I think the class it would press hardest upon is not the labouring class. I think it would press hard upon (say) a clergyman who has nothing but a living of (say) 300*l.* or 400*l.* a-year, and no private property, or a professional man with three or four sons or daughters. Those sons would not have left college at the age of 21, and the father would have to pay for them. Those are the parties it would press most hardly upon.

168. You think that the average of the working classes are better off than the poorer of the middle classes?—I think the average working classes would do it easily.

Mr. JOHN LLOYD, called in ; and Examined.

Chairman.

172. You are a magistrate of the county of Brecon?—I am.

173. And you have been an active member of the finance committee of that county?—I have, for 15 years.

174. And you have also had the management of some estates?—Yes; of estates in the counties of Brecon, Hereford, and Monmouth.

175. Have you been brought into contact with the labouring classes in those counties?—Yes, labouring classes of all kinds; those are chiefly agricultural counties.

176. You have also had some experience of industrial centres?—Yes; I have had part management of a colliery, and extensive lime quarries.

177. Do you know anything about the mining population?—Yes, I know some parts of South Wales pretty closely; I am acquainted with the habits of the mining population, the wages they earn, and so on.

178. You are a member of the board of guardians, are you not?—I was for some years a member of the Hereford Board of Guardians.

179. Have you been connected with the National Provident League?—I have been secretary of the league nearly from its commencement.

180. Are you secretary of any other league?—I am also secretary of the London Municipal Reform League.

181. What was the origin of the National Provident League?—It was formed at the latter end of the year 1879, and in 1880 I became the secretary of it. It was formed for the purpose of promoting some such scheme of national insurance as that proposed by Canon Blackley, against destitution in sickness and old age. It has been throughout held by us that we do not unreservedly bind ourselves to his particular scheme, but to some such scheme as he proposes.

182. Have you been successful in bringing the scheme before the country?—Yes; but we have had limited means, and I, as secretary, feel some amount of blame due to me that I have not given it all the work that might have been given to it; we have only worked in a quiet sort of way. But we have held a large number of meetings through England in the last four or five years; quite 300 public meetings; and at those public meetings the plan has been

Chairman.

169. Mr. James has just asked you how you would compel payment, and I should like to ask you whether you are speaking as to the provisions of any definite scheme, either a scheme of your own or of Canon Blackley's?—I was speaking of Canon Blackley's scheme.

170. If my recollection of Canon Blackley's scheme be correct, there is no means of compulsion provided there until a man comes to the workhouse or to prison, is not that so?—Yes; I would not leave it in that state.

171. You spoke of the county court, you would carry the compulsion further?—I would carry it further.

Chairman—continued.

very well received, almost like glad tidings of great joy by those who have been present, and in almost every case favourable resolutions have been passed. I am only aware of one meeting, and that was a meeting in London of which the circumstances were somewhat exceptional, where some Socialists and other peculiar people came together and carried a resolution against us, but it was very nearly even. That is the only case in which I know a favourable resolution has not been passed; in nearly every instance they have been passed unanimously.

183. When was the hostile meeting?—It was in 1882; Mr. Samuel Morley was in the chair. He had incurred the enmity of Mr. Bradlaugh's party. Mr. Hyndman and his party also came, and, I think, other parties had a hand in it. There was a peculiar opposition at that meeting, otherwise we had a strong body of supporters in that meeting also.

184. Do you think that the country generally is at all sufficiently acquainted with the question?—It is wonderful how the question has become known, but the people of England have not nearly been taught so much of the scheme as they perhaps ought to have been; it may have been our fault. I hold that this Committee, whatever Report they may come to, will be a very great means of educating the people of England upon this important question.

185. Have the proposals of the League been brought before the boards of guardians in the country?—Yes, I may say they have upon two occasions. A few years ago we sent out a circular to the boards of guardians inviting their support, and we received very few answers from them; only three or four; but just previously to this meeting of the Committee we sent out not a very startling circular in my view, and asked them whether they would consider this question now, and enable me, on behalf of the League, to place before you any resolutions they were good enough to pass in favour of a scheme of compulsory national insurance. I may say that to my astonishment, in reply to this simple circular, we have received a mass of resolutions from all parts of England, Wales, and Scotland, which I consider of very great importance indeed. With your permission, I would beg to hand in the original resolutions, and also the list which you have

6 May 1886.]

Mr. LLOYD.

[Continued.]

Chairman—continued.

have before you which gives them in detail. (*The same were handed in.*)

186. Do you know how many circulars you sent out, and when were they sent out?—They were sent out upon the 1st of March this year; we sent them out to all the English boards of guardians to the number of 649, and about the end of March to the Scotch boards, but not to all the Scotch boards; we only sent to the largest Scotch boards, I think to the number of 90; and in reply we received 74 favourable resolutions from English boards of guardians, and 11 from the Scotch boards, and one has come in this morning from a very large board at Glasgow, which makes that number up to 12. It is from the Glasgow City Board, representing 166,000 of population.

187. Have you received any adverse replies?—Yes, in one case they wrote to say that the circular would lie upon the table; that is probably the only adverse one we have had; and I have seen a report from Perth, in which they were divided in opinion, therefore the discussion dropped; but we have received no decidedly adverse reply. These boards of guardians represent in England a population of 2,842,480, and 789,295 in Scotland, that is exclusive of the one that came in this morning, which represents 166,000; that would make a total of 3,631,000, plus 166,000, making about 3,800,000 of inhabitants which these boards represent.

188. Do those boards of guardians and parochial boards express any opinion as to the practicability of the scheme?—You will find that the resolutions vary upon the point of practicability; a considerable number say it is "desirable and practicable," and others say it is "desirable if practicable;" others simply say that it is "desirable." There is no doubt that upon those words, "if practicable," there is a difference of opinion; they are not so decided upon that as they are upon the point of desirability. I may mention that from one board, and I believe it is an example of others, the Reverend Charles Soames, chairman of the Marlborough Board, who I know is a supporter of ours, says that upon their board they do not discuss questions outside their poor law work; and I believe that that will account for its not being discussed in many boards of guardians; that they consider that questions which do not peculiarly concern their work should be rather put on one side. There are many questions from time to time sent to them to discuss and they make it a rule not to discuss such matters. And also, I may say, as regards London, we have only one board from London, namely, the Lambeth Board, who have considered the subject; the London boards of guardians are exceptional; each board is not independent, in this way, that they have a common poor fund, and therefore do not take the same interest in poor law questions which, probably, independent poor law boards do; so that I am not surprised that they have not taken the question up. As it is, there are a large number of boards who have passed these favourable resolutions, and to my mind they have very great weight indeed.

189. I see that the Barony division of Glasgow have passed a favourable resolution?—The

Chairman—continued.

Barony wished me especially to mention to you, "that the Chairman of the board, the convener of this committee, and the acting inspector, be requested to be at the call of the Parliamentary Committee inquiring into the subject, to give evidence thereon."

190. That is the largest parish in Scotland?—Yes, it is the Barony parish with 264,000 inhabitants. The St. Cuthbert's Parochial Board also wish me to state that "the board trust that in any scheme which may be laid before Parliament, provision for destitute women and orphans will be made."

191. I suppose, besides the Socialists under Mr. Hyndman and others, you have met with opposition from other quarters?—Not that I am aware of. I have found hardly any opposition, except from what I may call these extreme men, who consider that, perhaps, if you endeavour to alleviate poverty and distress, you take away the groundwork for their agitation, and also from what we may call the vested interests, which are, of course, the friendly societies. They have in the past, I think, been rather hostile; but, as regards those friendly societies we find a very marked change; they are more favourable a great deal to our proposals than they were at first.

192. Have you attended any meetings of the friendly societies upon the subject?—No; but I have records here of them. There was one the other day, held at Southampton, where there were, I think, nearly 70 grand past masters of the Odd Fellows present, and they agreed to a resolution approving of the system of compulsory insurance. I know that at Hereford the other day, Mr. Lane, who is the secretary of the largest lodge of Foresters in England, expressed himself favourably, and said that he believed that there was room enough for compulsion, and that compulsion was necessary to make the thriftless pay for their support. There has been a considerable change of opinion upon that subject; the same appears also from the correspondence I have had with Mr. Sinclair, of Glasgow, and other gentlemen, who are leading members of friendly societies; in fact, I find generally that we are getting strong support where we have never had it before.

193. Do you know anything about the movement in Germany?—Nothing, except by Dr. Aschrott's letter, and by the paper that was read by Dr. Rentout upon the progress of the cause in Germany, and by Sir Edward Malet's report.

194. From your knowledge of the scheme in Germany, I ask you whether you think that a Government scheme in this country would take up the work of the friendly societies, and regard it as an alternative to their own?—If you study the account of the German plan, there are several kinds of societies there, accident societies, sick clubs, and parochial clubs; so that I do not think I would build upon that plan.

195. But there are three alternatives in Germany embraced by the Government; would any such modification, upon the part of the Government of this country, of the friendly societies, tend to disarm their opposition?—Undoubtedly; if you made it optional that persons should either

6 May 1886.]

Mr. LLOYD.

[Continued.]

Chairman—continued.

join the national club or a thoroughly well-established friendly society, no doubt that would be popular with the friendly societies, and would disarm their opposition; but it is questionable, after all, whether that is quite as good a thing as you might get, for the reasons which are apparent.

196. Do you think that the working people themselves have any desire for this scheme?—All those to whom I have spoken are very favourable to it.

197. When it is said in the returns of pauperism that only so many per thousand of the population are paupers, including all ages, do you look upon that as an intelligible return of the amount of pauperism in the country?—It is intelligible; but it is not correct, I believe, for this reason, that it is taken at fixed periods of the year; whereas between those periods there is a changing population of paupers, so that you do not get the aggregate number, but you get only the actual number at that particular time, which may be a favourable or an unfavourable time. At any rate the people who come in as paupers between the 1st of January and the 1st of July, and go out between those periods, you do not find included; you only get the actual number at the particular date when the census is taken; so that the return may be intelligible, but it does not give correctly the total number of paupers in the year.

198. You have a certain ratio given for pauperism?—Yes; it is one in 30 in the metropolis, one in 35 for England, and in the City of London it is one in 12, but that is a peculiar place.

199. With regard to the number of deaths; how does that compare with the return of pauperism?—The number of deaths in workhouses is very large indeed.

200. Do you know the proportion?—Yes; in London the number of those who die in workhouses is 1 in 8½.

201. What do you deduce from the difference between those two figures, the average rate of pauperism at all ages and the average proportion or percentage of deaths in the workhouses?—I conclude that the proportion of deaths in workhouses is larger than the proportion of pauperism; the old people end their days in the workhouse; their bourne is the workhouse.

202. The object of the National Provident League and those who sympathise with it, is to keep them outside the walls of the workhouse?—Yes, to keep them outside the walls. An old workman of London once told me this, which is worth repeating: I asked him, "Where are the old working men of London?" He said, "There are a few of them in their own apartments," he did not say in their own homes, "they live with their friends and so on, but," he said, "the great number of them are in the workhouse; they struggle against it all they can, but they gravitate there at last."

Mr. Norton.

203. They go in there to die?—No; they get there before they die; old workmen in London are not prized much when their best days are gone by; and when they cease to be employed they soon break up, and drift into the workhouse.

Chairman.

204. What is your opinion as to the security of working men's investments in an average friendly society; what means has a working man at first of ascertaining the soundness of the society he joins?—He trusts to the reputation of them a great deal; he has no other security than that; the society stands well, and there are some that do stand well, that is all he has.

205. In many cases the workman has not the means of choice; is not that so?—That is so.

206. Have you known many instances of losses?—Yes, there are instances of very many ways in which friendly societies do not fulfil the wants of the people. First of all there is a liability to failure. Village clubs about my neighbourhood I have known to fail, or they have divided their proceeds, which is just the same thing really. Further, they provide no pensions for old age. Then again there is the constant liability to lapse. You must keep these payments up the whole time, else there is lapse. So that between one thing and another these friendly societies do not, and cannot, in my opinion, fulfil the wants and purposes of the working classes of England. I consider myself that it is a duty the State owes to them to do for them what by no private organisation whatever can otherwise be done.

Viscount Folkestone.

207. With regard to the friendly societies being adopted by the Government as an alternative to compulsion, you would have to guarantee their solvency, would you not?—I do not think that would be necessary. I think you might by good rules give practical safety, but you cannot guard against lapse. They do not at present provide any pension; they do not give the people what is really wanted.

208. They do not give them an annuity in their old age?—No.

209. Do you see any difficulty in obtaining the required amount from the unthrifty?—No, I think not.

210. Do you think that Canon Blackley's scheme, and all the provisions of that scheme, are sufficient to insure the vast majority of people coming under it?—*Solvitur ambulando*—the experiment must be proved a good deal by working it out; there are various unknown quantities in it, and time only can prove them.

211. But as far as you can judge without actual experiment, all the points are fair?—Yes; the main point, the amount of money, is a question for actuaries. But having regard to all the circumstances of the case, I have reason to believe the money is sufficient, that it can be easily raised, and that it will be cheerfully paid.

212. Have you any experience of persons who have come under this scheme. I am referring more particularly to the young persons; of course the old persons it would not hit, because you would not begin to insure an old person; you would begin with the young ones. Do you think that the young people generally understand the scheme, and desire it?—The people whom you are going to benefit are from 18 to 21 years of age; the people who have to pass the law must be electors over 21 years of age.

213. I am

6 May 1886.]

Mr. LLOYD.

[Continued.]

Viscount Folkestone—continued.

213. I am only asking about the desire for it?—I think we shall do what we can at schools and in various ways to teach the young; but the ultimate decision rests with the old.

Mr. Arthur Acland.

214. I notice in the last annual report of your society you say that how far the duty shall be made compulsory rests with the working classes; does that imply that there might be something in the way of a national society started without compulsion?—Yes, no doubt; we partly believe that compulsion will hardly be required, that it will be a duty for the people to perform, and that they will perform it; but at the same time there must be a legal claim to the money whenever it can be obtained. For instance, each year I am paying a certain amount in the way of legacy to my nephews. It would be incumbent upon me to keep 10*l.* of it back when they came of age, and it would be a duty which would be a legal obligation. I think as better times come and temperance increases, and the benefits of education are realised, that compulsion will be very little required. If they refuse to pay, instead of getting any benefits they will have the benefit of the workhouse in their old age and in their sickness, and perhaps that will be a sufficient punishment.

215. You think the State might start what might be called a national society, without resorting to the end of compulsion at all?—No, I do not; if you make it a legal obligation that is compulsion.

216. Then, is there any idea on the part of your society of starting in a partial way as has been done in Germany, or is it their wish to wait till the whole country is convinced of the desirability of it, and ready to take a complete scheme?—We thought once of that; then it might be said that we had become a private insurance company. On the whole we thought it best to assume the broad platform of teaching the public at large, with the view of the question being taken up nationally, unless it were taken up provincially, perhaps by Wales or Scotland; but it should not be applied to anything less than a very considerable area of country; if it were the whole nation, that would be better a great deal.

217. I understand that in Germany if a working man is already a member of a friendly society which is registered, national insurance on his part is not necessary?—Yes, that is so. They have suited the measure to the existing state of things as well as they could, and they bring in the public club as a kind of last resource. Perhaps this may be desirable; at any rate it is one possible mode of carrying out the system in England.

218. In fact your great desire is to educate public opinion upon the whole subject?—Yes.

Mr. Norton.

219. Speaking of the immense number of unsound friendly societies, do not you think it would be taking a step in the right direction if we could authorise the Chief Registrar to refuse to register any new society whose tables were not based upon sound actuarial principles?—Most decidedly; it ought to have been done long ago.

0.99.

Mr. C. Corbett.

220. Do I understand that these German friendly societies with which the State co-operates, do give allowances in old age; because it seems to me that it is only in the case of a society giving an allowance in old age that it would be acceptable as a full substitute for this national scheme?—I do not fully understand the German system. It is rather intricate; there is a mixture of different societies. There is also the question of lapses to be considered. Friendly societies must alter their arrangements as regards taking in classes which ought to be included, but now are not; they do not at present take in dangerous trades, and in various ways the best societies do not at present supply the place of a national scheme.

221. The German system seems to be, that there are certain friendly societies, the members of which, are exempt from the national obligation. If a man were not allowed to join a friendly society because of his work being of a dangerous character, then of course he would not come under the exemption?—No, he would have to join the national club. I consider Canon Blackley's scheme "square and fair all round," and to be the logical plan; but if that is impracticable in this country and the vested interests are strong, and you wish the voluntary principle to be encouraged and to retain its full vigour, then the alternative measure of belonging either to the friendly societies or to the national club, would be very properly considered as the next best alternative.

Chairman.

222. Do you know anything of the management of large railway companies?—Very nearly all the railway companies, and indeed many large employers of labour have friendly societies. The Great Western Company and the South Western Company have; and in Wales there has been lately started a Miners' Provident Association by Sir William Lewis, in which the employers pay one-third, and the workmen pay two-thirds. There is one thing that they do, I believe, they contract themselves out of the Employers' Liability Act, they agree to do so. How far that is desirable I do not know; but at any rate they do it. In the case of the Mardy Colliery, I believe this association has been the means of saving the poor rates, and giving to the men or to the widows and orphans sufficient relief, instead of their being supported by charity or the poor rate; they have had their own fund to fall back upon.

223. Does it include superannuation?—No, it does not include that.

Mr. Walter James.

224. Have you any report of the proceedings of the National Insurance League which you could hand in to the Committee?—I have (*handing in a copy*). I should like to mention to the Committee, as a matter of history, what took place in the House of Commons in the year 1772: a Bill was brought into the House of Commons, and passed the House of Commons, enabling each parish to provide annuities for the poor; and the preamble of that Bill, if it was repeated today to the House of Commons, would

6 May 1886.]

Mr. LLOYD.

[Continued.]

Mr. Walter James—continued.

be just as appropriate as it was then. The Bill passed the House of Commons, but did not pass the House of Lords. I have a copy of the preamble. It was promoted by Baron Maseres, a Frenchman or a German, I do not know which, who prepared the statistics, and Dr. Price, a Welsh Nonconformist minister (who was the founder of the Equitable Life Assurance Company, and whose tables for years remained the standard tables upon life assurance), and Mr. Burke, the great statesman. Those were the three men who were instrumental in bringing the Bill in to enable the churchwardens, and vicar, as a body corporate, to grant annuities in each parish.

Viscount Folkestone.

225. Out of what fund?—The people were to pay it themselves.

226. It was a regular system of insurance?—Yes, it was a very good precedent for legislation.

227. How were they to subscribe; were they to subscribe all their lives in the same way as they do to benefit societies?—The preamble of the Bill says, "Whereas it often happens that persons engaged as journeymen in manufacturing and handicraft trades, and likewise household servants, and divers other trades, get more money than is sufficient for their present maintenance, as the wages of their labour and service, and might easily, if they were so minded, lay by out of their said gettings, a sufficient sum to provide for their support in their old age; and whereas it would be highly useful, both to the said persons themselves, and to the nation in general, that they should endeavour to make such provision for their support in the later period of their lives, as they would thereby become more sober and virtuous in their ordinary course of life, and more industrious in the prosecution of their general callings and employments, which would tend to the increase of the riches and manufactures of the kingdom: And whereas it is probable that many more of the said persons might be induced to lay by some part of their earnings in their youth and middle age, in order to make such provision for their old age if a convenient opportunity were afforded them of employing the money they would so lay up in a safe and advantageous manner: And whereas the most safe and advantageous way in which the said frugal and industrious persons can employ the several sums of money, which they may be able to save out of their wages for the support of their old age, seems to be to purchase therewith annuities for their lives which should commence at some remote period when their strength and ability to work will be considerably impaired, and the poor rates of the several parishes in England and Wales seem likely both to be, and to be thought

Viscount Folkestone—continued.

by the said industrious and frugal persons a sufficient and convenient fund to secure, at all events, the payment of such life annuities as aforesaid to the several persons, who shall have purchased them, in case any deficiency should happen in the fund created for the payment of the said annuities by the moneys that should have been paid for the purchase of the same." It was a complete system of securing annuities under the sanction of Parliament. I may say that in some parts of London the poor rate is enormously high; it is 2s. in the £. in Marylebone, and presses very heavily upon the poorer class of ratepayers.

228. I should like to ask you a question with regard to that point, when you said that you did not propose to do away with the poor rate, of course this system would diminish the poor rate to a very great extent, and in course of time possibly do away with it altogether; have you heard that?—I have heard about "the bloated aristocrat"; it is from the violent man that that comes.

229. But the violent man remains?—Yes, no doubt; he says, "Would I pay to save your aristocrat" (with the usual adjective) "his poor rates? No." Then, after a little conversation, I would say, "That would not do you any good when you get into the workhouse;" and eventually the man calms down, and he sees that the payment of poor rates by the rich man is of little consequence to him with his wealth, and that, whether he is obliged to pay them or not, would not make him, the poor man, any better off. In fact, that his best gain lies in taking care of himself, and getting himself insured, independent of the rich man altogether.

230. You have never found any difficulty; have you invariably brought them round to your opinion?—I have brought them peaceable, any how; they find the argument is gone and then they are quiet. Having mixed as I have with the people of London, I know a great many of the very extreme people indeed. I may state fearlessly, that there is no real opposition any where to a scheme of this kind.

Mr. Norton.

231. Would it not be a good answer to such observations, that many of the people who pay the 10l. never would require any help themselves, and therefore that the people above them are paying for their benefit?—Yes, but then some make an objection in this way, that the duke or the lord who gives his 10l. will never get it back in any way; therefore he is making that a present to themselves, and that is not independence.

232. But the people whom you spoke of, the poor parson and so on, would be paying without receiving the benefit?—Yes, and when they come to examine the plan it is found to be pretty fair all round.

Monday, 10th May 1886.

MEMBERS PRESENT:

Mr. Arthur Acland.
Mr. Coleridge.
Viscount Folkestone.
Viscount Grimston.
Mr. T. M. Healy.

Mr. Hoyle.
Mr. Walter James.
Mr. William Lowther.
Sir Herbert Maxwell.
Mr. Norton.

SIR HERBERT MAXWELL, BART., IN THE CHAIR.

Mr. JAMES PARNIE, called in; and Examined.

Chairman.

233. You are the chairman of the parochial board of the Barony parish of Glasgow?—I am.

234. It is a large parish, I believe?—It is the largest parish in Scotland, the most populous, and has the highest rental.

235. What is the population?—The population of the Barony parish is 281,905 persons.

236. Then of course the parochial board has a great deal of business to do?—The parochial board has a very extensive business.

237. How often do they meet?—The committees meet daily; sometimes two and three committees meet on one day; but the ordinary statutory meeting of the board is once a month. I can give the Committee, if it is wished, the population of the whole three parishes of Glasgow. Glasgow comprises the City parish, which contains a population of 166,128; the Barony has a population of 281,905; and Govan contains a population of 238,463, making a total population for those three parishes, comprised within the City of Glasgow and the suburbs, of 686,496.

238. Is the average rate of pauperism about the same in the case of the three large parishes?—I think it is about the same. I can also give the Committee, in connection with that, the rental and the assessment for the last year, and also the actual number of paupers in the three parishes. The rental of the City parish is 1,244,102 *l.*, the rental of Barony is 1,606,196 *l.*, and of Govan 1,250,000 *l.*, making a total rental of 4,100,298 *l.*; and the sum raised by assessment for the year ending the 14th of May 1885 for poor law purposes was in the City parish 45,186 *l.*, in Barony 61,907 *l.*, and in Govan 30,323 *l.*, making a total assessment for the year of 137,416 *l.* The pauperism for the same period was in the City parish 3,112 paupers, with 1,762 dependents, making a total of 4,874; in Barony the number of paupers was 3,885, with 2,421 dependents, making a total of 6,306; in Govan the number of paupers was 2,491, and the dependents 2,314, making a total of 4,805. The total of these figures is paupers 9,498, dependents 6,497, making a grand total of 15,985 persons dependent upon the poor rates for that year.

0.99.

Chairman—continued.

239. I suppose a great proportion of those paupers are not what you would call indigenous; they drift into the large towns?—They drift into the large towns, and where that is done the parish of relief has a claim against the parish of settlement for repayment of the sum that may have been expended upon the paupers.

240. In many cases that is difficult to find, is it not?—Yes, that involves a great deal of investigation, a very great deal of expense, and often it is impossible to ascertain the settlement of the paupers so as to establish a legal claim against another parish.

241. From your experience of the administration of the poor law, are you satisfied with the present system?—No, we are dissatisfied. The present system has a tendency to demoralise the population, and we find that wherever out-door relief has been given to a very large extent, the tendency is to multiply the applications in the district. In some instances we have whole buildings wherein nearly every tenant becomes a pauper after the majority of those tenants have obtained out-door relief.

242. I suppose you apply the workhouse test regularly?—Yes, pretty well.

243. Has your board had under consideration any alternative scheme?—We have had no alternative scheme, except the one that has been suggested in the present inquiry. That has been before the board and has been considered; and the resolution come to by a considerable majority of the board was that it was a feasible scheme and should be tried, and if successful it was a step in the right direction to minimise and diminish pauperism.

244. What scheme are you speaking of?—This scheme of national insurance.

245. Do you mean as formulated by Canon Blackley?—Yes.

246. In short, you came to the conclusion that the working classes generally, or at all events the classes from which the greater proportion of paupers are drawn, should be compelled to make some provision for themselves?—Yes; we consider that any scheme which would prevent the working classes from coming into contact with the parochial authorities for relief from the parish funds

10 May 1886.]

Mr. PARNIE.

[Continued.]

Chairman—continued.

funds would be of the utmost importance, because we find that once that step is taken the feeling of independence is lost, and it becomes a matter of almost routine to apply to the parochial authorities for aid. It spreads through whole families. As soon as application is made the feeling of children to support their parents entirely disappears, and they are put into the hands of the parochial authorities to maintain them.

247. Is there any means, in your opinion, of obtaining this provision on the part of the masses short of compulsion?—I think not.

248. No spread of education you would consider as sufficient?—I do not think the spread of education would be sufficient to cause the working classes, at least for many years to come, to look with sufficient intelligence upon personal provision of this kind without compulsion.

249. Have you considered the alternative method of prepayment as distinct from periodical payment towards this insurance fund?—Yes; I think the method of prepayment would in many instances be adopted, because intelligent workmen would pay, or employers would in many instances, I think, give facilities to their workpeople to pay their premium, and become independent men or independent employers; that it would afford an inducement in many instances to employers to advance to their workpeople their premiums to give them a feeling of independence.

250. Have you any knowledge of the amount of familiarity which the people in general have with these proposals?—No, I have not.

251. They have never been brought before them?—Not in any way that I am conversant with.

252. Of course a complete familiarity with them would be desirable before anything like legislation was attempted?—Yes.

253. Can you give me the statistics as to lunacy among the paupers of your parish?—Yes; the lunatics in the Barony parish average 538 for the Barony alone.

254. Out of a population of 281,000?—Yes, there are 3,800 paupers, and we have 538 lunatics amongst them; all our lunatics are pauper lunatics.

255. What do they cost you?—They cost us upon the average 9 s. per head per week.

256. Is there any other class which you would have to discount in estimating compulsory insurance; I mean persons that would be disabled from insurance by want of wage-earning power?—I think not.

257. The cripples and the blind, for instance?—The blind are not entirely a non-wage-earning portion of the population; there may be imbeciles whom we include among our lunatics.

258. But, I suppose, there is a certain proportion in every population of individuals who are objects of charity, who are unable to provide for themselves?—There must always be a residuum to some extent of the totally helpless.

259. And you cannot give the proportion of those?—I cannot give the figures of the proportion.

Viscount Folkestone.

260. You stated, I think, in answer to one of the last questions of the honourable Chairman, that you thought this system should be tried, and, if successful, that it should be adopted; how would you try it before you found out that it was successful; should you propose to try it in any district?—The meaning of that expression is that we think it is so likely to be successful that we would recommend it to be tried.

261. But it would be rather a fiasco, would it not, if it were tried, and it did not turn out to be successful. If it were compulsory through the whole country, it would be absolutely necessary to get it adopted by the whole people, and to be pretty sure that it would be successful before you asked the country to adopt it, would it not?—Yes. I mean by that that we have not sufficient information before us to enable us to say with certainty that it would be successful; but as the Committee is inquiring into the matter, we would put it before the Committee that we have information upon a small scale that it would be successful, and that it should be tried.

262. Have you information which leads you to believe that if the scheme were applied upon a small scale it would be successful?—Yes; that if we had it adopted in the Barony parish it would be successful.

263. You think that if you had a system of compulsory providence in the Barony parish, this scheme would be successful?—Yes, we think so.

264. Upon the same basis of calculation as that which Canon Blackley has adopted?—The actuarial calculation we have not as a board gone into, but we assume that it would be successful.

265. Do you think it would be successful upon the basis of the 10 l.?—Yes, upon whatever may be the basis of computation.

266. Has that been carefully gone into?—That is an opinion derived from the general statistics.

267. What is the comparison of the number of people who would require to make use of the provident insurance as compared with those who would not be likely to do so in the same parish; can you give the Committee that information?—I can give you for the last 12 months a table of the various callings of the applicants for relief to the Barony parish.

268. That is not the question that I asked you. The question I put to you now is to see what is the proportion of people in your parish who would not require to make use of the payment of this provident insurance as compared with those who would. As I understand Canon Blackley's scheme, it is only those who are wage-earners who would get the benefit of national providence, and only those when they were no longer able to earn their wages?—Out of the 281,000 you would wish me to say how many were wage-earning. I should say it is a very difficult question to answer upon the spur of the moment.

269. Would four-fifths of them be?—I should say three-fourths probably.

270. With that knowledge you have calculated carefully that upon this basis this scheme would be successful if it were compulsory in this Barony parish?—That is the opinion we have come to. If you would allow me to put in the table

10 May 1886.]

Mr. PARNIE.

[Continued.]

Viscount Folkestone—continued.

table I have before me, it shows that for the last 11 months, from the 15th of May 1885 to the 14th of April 1886, there were made to the Barony parish applications for relief by 4,275 individuals. Of those 2,158 were males, and 2,117 were females, 2,776 were offered the house; 929 did not accept the offer, and 1,847 did accept the offer. Now upon the figures that I have given you, I have prepared a table showing their occupations, and showing that the percentage of nearly one-third who were offered the house, and refused it, disappeared; they just left us, and we got no further trace of them. These are from all manner of trades, bookfolders, barbers, quarrymen, rivetters, in fact the general population.

271. But those numbers would not represent the total number of the wage-earning classes, would it, or anything like it?—They do not represent the total number; but out of the total wage-earning classes in the parish who apply to us when offered relief, a third disappear, that is to say, they are quite able to support themselves, and they would not therefore fall under Canon Blackley's sick fund, because they could support themselves.

272. But they would all fall under the insurance fund, would they not?—No; I think those would be all under 70 years of age.

273. But when they come to 70 years of age, they would fall under it?—Yes.

274. Then take the wage-earning class at three-fourths, the people who would not come under Canon Blackley's scheme would be one-fourth?—Yes.

275. And you think that the payments of the one-fourth who would not come under the benefits of the scheme would be sufficient to make up the necessary sum to give the 8 s. a week, and 4 s. a week in old age in your Barony parish, without raising the original payment of 10 l.?—That is our opinion, subject of course to actuarial investigation.

276. Therefore you suppose that the percentage of people who would come under the scheme, namely, three-fourths as compared with one-fourth, is a good example of the state of the country all through?—Yes; I think the Barony parish is a very good representation of the whole kingdom, representing almost every variety of occupation in it.

277. Have you any agricultural classes in the Barony parish?—Yes, there is a large portion of it which is agricultural.

278. And manufacturers?—Yes.

279. And miners?—Yes.

280. In fact, you would have a good representation of the kingdom in that parish?—It is a thoroughly representative parish.

281. I believe you have not had any opportunity of consulting the wage-earning classes as to their idea with regard to this scheme?—The only opportunity I have had has been upon those occasions when I have been made a member of the Ancient Shepherds, or Ancient Gardeners, when being passed as an honorary member of those societies along with other gentlemen in Glasgow, and giving an address after the initiation.

282. Do you mean upon this scheme?—Not upon this precise scheme, but as to similar
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Viscount Folkestone—continued.

schemes to this whereby insurance was advocated. I have spoken upon platforms in favour of such a scheme, and the proposition has been always received with the utmost attention.

283. That was not upon Canon Blackley's scheme?—No, not upon Canon Blackley's scheme, but upon a general scheme of this kind.

284. The general scheme you suggested would not have been compulsory, would it?—Yes, I think it should be compulsory.

285. But was that what you suggested?—Yes, that everyone should be made to contribute. We have in Glasgow 14 incorporated trades, and the trades house; and in order to become freemen of those trades you pay a certain sum called a fine, and by paying that fine members in old age or poverty or dependence (members must not be receiving parochial relief), in fact, when they come to a certain stage of social decay, they may apply to those corporations and receive annually sums varying from 10 l. to 30 l. or 40 l.; that is a voluntary payment.

286. That is the form of aid that is given; you do not give it weekly?—It is given quarterly for life; sums as high as 40 l., and even a little more.

287. What sum have they to pay as a fine for that?—In the Hammermen they have to pay 19 l. if they are under 35 years of age; in the Tailors it is a little more in some cases; and for every year they are over 35 years of age they are charged compound interest upon the fine.

288. Do you find that those payments of 19 l. under 35 years of age are sufficient to guarantee to these persons an annual payment of from 10 l. to 30 l., payable quarterly when they are in old age?—Yes; it is not always paid to the parties themselves, but to the children; the daughters, for example, of members who have fallen into decay get the benefit from the incorporations and trades house.

289. So that the 19 l. has more time to accumulate under this scheme by compound interest than it would under Canon Blackley's scheme?—It has not got 50 years.

290. But is the period sufficient, whatever it is?—Yes, the corporations are all rich, and the surplus enables them to accumulate large sums.

291. Have they funds in hand?—Yes, they have funds in hand; they seldom exceed their income in any way.

292. This scheme you have expounded upon different occasions to the various societies of Shepherds and of Gardeners?—Yes, I have.

293. Has the scheme been received favourably?—Yes, the proposals were always favourably received and applauded. All these societies are conducted by the members themselves, and have it for their object to make present provision for their widows and also for their funerals.

294. The constituents of the Gardeners and of the Shepherds Societies being working men, approve of the proposals of compulsory national providence?—Yes, from their applause and approbation I concluded they thought that the scheme was a feasible one, and one they would approve of.

295. They have no objection to the compulsion, then?—There was none stated at any public meeting of that kind; it was not a debate, however; I merely made a speech after initiation.

296. Have you had any conversation with the
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10 May 1886.]

Mr. PARNIE.

[Continued.]

Viscount Folkestone—continued.

officers at the Gardeners' meeting?—None beyond that.

297. Have you had no suggestions of opposition from them to the effect that it would interfere with their benefit societies?—I have never heard the suggestion.

298. With your knowledge of the people, do you think it would be probable that the payments towards national provident insurance, if the scheme were adopted, would begin to be made before the required age, namely, 18; do you think that parents, for example, would begin to put by the money necessary for the payment on account of their children before they reached the age of 21?—I think if the scheme were properly put before the intelligent portion of the working population, it would commend itself to them, and that it would be adopted without any resistance.

299. Do you think that this scheme has permeated thoroughly through all classes of society, taking your Barony parish as a representation of the country?—Not at present; but I think that if it were circulated and thoroughly explained to the people, from what I know of the working classes, their intelligence is sufficient to induce them to adopt it without opposition.

300. What means would you take for that?—It might be done by means of the press.

Viscount Grimston.

301. I have had to do with a national provident society, and have worked one for six years, and I have found it very difficult indeed to get the poor to know it; I do not think that the press would do it; do you think so?—I think so, by means of articles in the press and lectures.

302. I have distributed many pamphlets and circulars round a district of four miles; do you think that anything of that kind would be sufficient?—I think if the scheme were once thoroughly understood and explained it would be appreciated by the people in and around Glasgow.

303. But people require a certain amount of time to come to an appreciation of anything in the nature of a tax?—

Viscount Folkestone.

304. Have you come to the conclusion that the intelligent people who have carefully studied the matter approve of the scheme?—Yes.

305. But that it is not thoroughly understood at the present time, and that it would require a certain amount of time to be received voluntarily by the whole population?—Yes, to receive enthusiastic support.

Mr. Hoyle.

306. You stated just now that a considerable number of the applicants for relief are from other parts of the country?—Yes; in Glasgow they drift in from all parts of the country; various portions of the working population of Scotland, and also Irish, come to Glasgow when they fall into poverty, and take up their quarters in the Barony and City parishes; that is to say, strangers who have not a settlement there.

307. Can you tell the Committee what proportion such strangers bear to the whole number of applicants for relief; also what proportion of

Mr. Hoyle—continued.

relief so granted you fail to obtain from other parishes?—The whole of the claims upon other parishes are met, provided we can make it out that the pauper had a legal settlement there, but there is considerable difficulty in making it out. A pauper may have resided in 10 parishes in a very few years, and he may have lost his original settlement without acquiring another settlement; so that we may fail to make any parish liable.

Mr. Coleridge.

308. Have you any statistics with regard to the age of marriage in your parish?—I have a table which shows the number of applicants for relief during the quarter ending the 14th of August 1885, and I can give you the ages of all the applicants and also their condition as to marriage, but the exact age of marriage I could not give.

309. Could you give it approximately at all?—Out of a total of 1,237, 392 were unmarried, 435 were married, 310 were widows, and 100 were widowers. Of the males, there were 49 under 15 years of age and 44 females; from 16 to 30, there were 101 males, and 149 females; from 31 to 40, there were 92 males, and 117 females; from 41 to 50 there were 93 males, and 111 females; from 51 to 60, there were 103 males, and 92 females; from 61 and upwards, there were 120 males, and 148 females.

310. I understand that you cannot give the Committee any accurate statement with regard to the age at which those persons who eventually come upon the poor rate marry?—I have no statement of that; I daresay I could get it, and send it in; it is a detail which we could get, I think.

311. In speaking to the working men with regard to this scheme, have you pointed out what details you had, or have you only dealt with it on general principles?—Upon general principles.

312. Let me ask you another question; I understood you to be of opinion that the scheme could be worked locally, that is to say, one parish might adopt it, and other parishes might not adopt it?—What I meant was this, that assuming the circumstances of the Barony parish to be similar to those of the rest of the kingdom, and that the scheme was workable, then in our opinion it would be quite applicable to the Barony parish; and I infer from the lesser to the greater that it would be equally applicable to the remainder of the kingdom.

313. Are you of opinion that one parish might adopt a compulsory scheme, and another parish have the poor law as you have it now?—No; I am of opinion that that would be an erroneous principle; that it must be universal.

314. Have you any statistics in your particular parish with regard to the amount of money that is spent in drink by the wage-earning classes?—No, none.

Mr. Arthur Acland.

315. Are you acquainted at all with the German system which has been spoken of before this Committee?—No, except just from popular reading; I do not know its details; I have not studied the system in a practical way.

316. And you know, perhaps, that under their scheme they take advantage to a considerable extent

10 May 1896.]

Mr. PARNIE.

[Continued.]

Mr. Arthur Acland—continued.

extent of the existing local clubs, and that if a man is already a member of a sound provident society he is free from any compulsory insurance?—Yes, I believe that is so.

317. Do you think that anything of the kind is desirable in England, or that we must start altogether upon a different line, of having one great national insurance club?—My feeling would be to start entirely afresh upon the national line, and have one insurance club.

318. You are not afraid that the friendly societies or other societies you spoke of would be in any way injured?—I would look upon friendly societies in the same light as I would upon the incorporations of Glasgow, that they would be supplementary to the general scheme.

319. You do not think that the incorporations would suffer?—I think not.

320. Supposing the scheme were in full working, have you any idea of the way in which the amount of sick pay would be controlled; that is to say, how would you control the length of time during which any man who was sick would be allowed to have sick pay?—He would require to be paid as long as he was sick, of course.

321. How would you supervise or prevent malingering or shamming?—Pretty much as we have supervisors just now in the poor law inspectors, who examine every detail, and see that everything is properly done; the doctors for example. We have in the Barony parish a number of doctors who visit from house to house and report weekly how far and to what extent certain persons require medical aid.

322. But the giving of medical aid is a very different thing from the payment of 8 s. a-week sick pay, is it not?—It would have to be judged of pretty much upon the same principle as now by those who are competent to judge as to when a man is able to support himself, and when he ceases to be self-supporting.

323. Are you aware that in a friendly society it is looked upon as one of the most important duties, requiring to be looked after by constant visitation?—Yes.

324. And the same supervision would be required on the part of the State?—Yes, to prevent frauds of that kind. Those who were cognisant that fraud was going on and that the sick pay was being given away unnecessarily, would take very good care to give information if they saw the system being abused; it would be to the interest of the working classes themselves to do so.

325. In what way would it be to the advantage and interest of the working classes to prevent the fund being abused?—They perhaps might not see it much to their interest in the way of personal gain, but there is sufficient loyalty among them in other matters to induce them to inform in the event of a fraud being committed.

326. Do you think that our experience of State matters would induce us to believe that the working classes would interfere in a case of this kind?—I think they are sufficiently familiar with each other's circumstances to know the facts, and that where they found that advantage was being taken of the fund, they would be very apt to inform the supervisor or inspector, who-

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Mr. Arthur Acland—continued.

ever he might be; we find examples of that in our poor law administration; we are constantly told falsehoods by parties about their circumstances. A case came recently before our board in which the fact was suppressed that the applicant had a son who was able to support her; that fact was concealed for some time, but ultimately we got an anonymous letter to the effect that this woman was committing fraud upon the board; that letter was followed up by inquiry and the statement confirmed.

327. Do not you think that the ordinary action of the public with regard to the poor law tends really the other way. I speak myself with some experience as a poor law guardian when I say that the ordinary public take the view that poor law guardians are very hard, and that it is a great shame that more money is not given for out-door relief, and that that kind of concealment that you speak of is largely aided and abetted by the public?—Not by those who pay the rates and honourably discharge their obligations. The reports of our inspectors disclose numerous cases in which they get information from the neighbours of a private character which enables them to detect such frauds. I believe there are many cases in which fraud would be connived at, but that in a general way it would be detected.

328. You think that in the same way public opinion would bring itself to bear upon this scheme to the prevention of fraud?—Yes.

Mr. T. M. Healy.

329. Was your attention directed to the evidence given in the Blue Book of last year?—I read Canon Blackley's evidence.

330. Did you read the objections of Mr. Sutton?—I have not read them.

331. Have you examined the objections to the scheme?—No.

332. And in any statements that you say were made before the working classes, were there any arguments *contra* except those naturally suggested by men to whom the scheme was being suggested for the first time?—I have met with no objections on the part of those to whom I have spoken of a scheme of this kind; they did not seem to make any objection to it; I do not know what may have been done by bodies of men acting in opposition to the scheme.

333. Have you studied the actuarial objections to the scheme?—I have not.

Mr. William Lothor.

334. You stated that in your opinion it would be desirable to try this system of Canon Blackley's?—Yes.

335. Do you know how many years it would take to try it?—It would take a large number of years.

336. What is the number of years it would take to try it?—Perhaps before you had it in working order it would be 50 years.

337. Do you think the plan could be tried in one district?—No, I do not think it could be tried in one district at all; I think it must be universal or else abolish it.

338. You state that pauper lunatics cost 9 s. a week each?—Yes.

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339. Do

10 May 1886.]

Mr. PARNIE.

[Continued.]

Mr. William Lowther—continued.

339. Do they live in the house?—They live in the asylum.

340. I suppose the lunatics have people to look after them?—Yes, they are exceptionally well treated.

341. What is the cost of maintaining an ordinary pauper?—The average cost of maintaining ordinary paupers in the house is 5 s. 9½ d., of that, 3 s. 3½ d. is for fuel, lighting, and clothing, and other necessaries, and 2 s. 6 d. is for salaries, medical attendance, and general superintendence; that makes up the 5 s. 9½ d.; our out-door paupers upon the average cost us 2 s. 1½ d. per week.

342. Did I understand that you proposed upon a platform somewhere, or upon various platforms, that people under 25 years of age should pay 19 l.?—No, those figures relate to the incorporations of Glasgow, where similar sums are paid; those incorporations are rich, and are joined by gentleman of independent means. For example, members of this Committee would very likely form suitable members for these incorporations and join them voluntarily. The pensions that are paid from the accumulated funds amount to from 10 l. to 30 l., and 40 l., and 45 l., per annum to the recipients; but that is an entirely voluntary membership.

343. These gentlemen subscribe largely, do they not?—They pay nothing but the fine, a fixed sum to each incorporation they may join, having previously become burgesses; there is nothing in the way of voluntary offering; each member pays the same according to his age and status.

344. What is the sum?—It is 19 l. for the hammermen; the tailors are a little in advance, and the other trades a little in advance of that again, according to circumstances, sons and sons-in-law, of members paying less.

Viscount Grimston.

345. I imagine that these incorporations are in the nature of a tontine?—A tontine is different with us, because when it expires the nominees get the whole benefit, whereas this is an incorporation with perpetual succession.

346. In the event of a system of compulsory national provident insurance such as you propose, at what age should the pension commence?—As contemplated by Canon Blackley, it is 70 years of age.

347. And you would follow that?—Yes.

348. You think that a man would not become incapable of working before that age?—I think he might.

349. How would you provide for that?—Under that age I suppose he would fall under the category of being on the sick list.

350. What amount would you suggest should be paid as sick pay to a man upon the sick list?—The suggestion is 8 s. a week, and that might be sufficient.

351. Would you have him pay the doctor for his attendance out of the sick pay, or would you have the doctor's attendance separate?—I am afraid that the 8 s. would require to include everything.

352. How would the pension be? would it be a weekly or a yearly or a monthly pension?—Weekly, I think.

Viscount Grimston—continued.

353. And what would be the amount?—Four shillings I understand it is.

354. That is the sum you would mention?—Yes, we have gone upon that basis.

355. How would you have it paid and through what office?—The suggestion is through the Post Office, but probably so long as the board of guardians lasted it would be very suitable to pay it through them, so long, that is to say, as their machinery remained in existence.

356. Then how would you have it subscribed; who would receive the subscriptions?—I think the Post Office would be a very suitable medium.

357. How would you compel the subscriptions to be paid?—It would be very simple to have the sum deducted from the wages as public bodies now deduct the income tax from the payment of interest or other funds; by retention, in fact.

358. But how could you put this extra work upon the employers without compensating them?—There is no compensation given for collecting the income tax.

359. This is surely a very separate thing?—It is the same principle.

360. It is a much larger business than the income tax, to begin with?—The details would be pretty numerous no doubt; but I do not think it would be more troublesome to collect than the income tax, and it would not last so long.

361. That is your opinion?—I think that that part of it is perfectly feasible and could be carried out without the slightest difficulty.

362. In case of change of domicile, how would you make sure of insuring the title of the man who paid?—He would have his title from the representative of the Government as having paid up his whole fund.

363. He would hold that title which would be evidence of his having paid?—Yes, he might be called upon to prove his identity before a justice of the peace or otherwise, but upon his title being complete he would have no difficulty then in getting the relief to which his payment entitles him.

364. Then with regard to the payment of pensions, how would you arrange to avoid personation?—That might become a difficulty, and would require to be dealt with just as any other form of fraud.

365. But that of course would be very expensive, as you know; have you any special rule of thumb by which you would go?—No, I have no particular rule beyond just handing an offender over to the public prosecutor to be dealt with for attempting to commit a fraud.

366. But I am speaking of undetected personation; how would you avoid personation at all?—I do not know how it would be avoided; the only way in which it could be detected would be by inquiry and investigation.

367. I heard you speak several times with respect to other societies; but can you assure the Committee from your knowledge that the present societies would not obstruct such an Act as this?—I cannot; I am merely an honorary member of the societies, and in talking casually over schemes with regard to the benefit of the working classes, I have never heard any opposition mooted amongst the working portion of them.

368. Would you incorporate the present friendly societies, or would you let them go on

10 May 1886.]

Mr. PARNIE.

[Continued.]

Viscount Grimston—continued.

as they are?—I would let them go on as they are.

369. You object, I believe, to voluntary national provident insurance?—I do not see how it would work; it must be compulsory and universal.

370. You understand that the present savings banks are voluntary?—They are.

371. And you would not on any account try the experiment voluntarily?—I do not think it would work; I think it would be perfectly impracticable.

372. Would you leave the present poor law to exist in the case of paupers as at present?—Yes, I think so; the present board of guardians could draw the pension as long as their machinery was in existence.

Chairman.

373. You have been invited to enter in some detail into the working of a definite scheme; but I presume the impression you wish to convey to the Committee is that your board are in favour of some scheme of compulsory insurance without binding itself to the details of the scheme?—Yes; we have not had an opportunity of considering the details actuarially or otherwise, but such a scheme as this we regard as feasible and as commending itself to the opinion of the majority of my board.

Mr. ROBERT M'NAIR, called in; and Examined.

Chairman.

378. HAVING heard the evidence of Mr. Parnie, have you anything to add to what he has stated?—I concur generally with the remarks that have been made by Mr. Parnie, our Chairman; he has conveyed the opinion of the Board; they approve of the principle embodied in the proposal of Canon Blackley, the only difference of opinion that existed being as to details, as to

Mr. JAMES RUSSELL MOTION, called in; and Examined.

Chairman.

380. You are the poor law inspector of the Barony Parish?—I am acting inspector.

381. Of course you are brought more immediately into contact with the working classes and the pauper classes than the members of the board?—Yes.

382. You act as an intermediary?—Yes.

383. You have heard generally the subject that is under the consideration of the Committee; can you state in general terms your impression, first, as to its desirability?—Yes; the statement that I can make is that it is a most desirable thing that some plan such as that put forward by Canon Blackley should be adopted, and I think it is quite a feasible one.

384. Do you think that there would be any opposition on the part of the people who would be principally affected owing to the fact of its being a compulsory scheme?—I do not think so.

385. I suppose the people are not acquainted at present with these proposals or any similar proposals?—No; the proposal has not reached

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Viscount Folkestone.

374. The question was asked of several other witnesses, and I should like to ask your opinion upon it; do you think that women would have any difficulty in providing the sum requisite?—I think not; I think that the majority of the female workers in Glasgow would be quite able to provide by themselves, or through their friends enough to make them free women for this purpose.

375. That is within Glasgow?—Yes, within Glasgow.

376. But as regards females engaged in agriculture, would they be able to pay it?—I think so. But as far as any difficulty upon that point goes it is quite a possible thing that it might be continued as a debt over the parties till they were in a position to discharge it, perhaps adding a little interest for the time they were in arrear. I have now the statistics as to pauperism in Glasgow, which I was unable to furnish in the early part of my evidence; out of the 12,777 paupers and dependents, 5,830 were English and Irish, and from other parts of Scotland than Glasgow.

Mr. Hoyle.

377. That was nearly 50 per cent.?—Yes, coming from other parts of Scotland than Glasgow.

Chairman—continued.

the practicability of the scheme. Approving generally as I do of the evidence which has been given by Mr. Parnie, I do not think it is desirable that I should take up your time by making any observations myself.

379. How long have you been a member of the board?—I have been a member of the board for four and a-half years.

Chairman—continued.

Scotland, I think; they are not so well informed upon the matter as they are in England.

386. Do you consider prepayment for a universal scheme preferable to periodical payment?—I think the payment should run almost from the date of birth.

387. Do you mean that there should be a compulsory stoppage from the wages of the father in respect to his child?—When registration takes place it should commence from that point; he should get his card and get all the details arranged then.

388. It would be a very small payment in that case?—Undoubtedly.

389. And you think that would lie more easily upon the insurer than if he were asked to wait until the child attained to wage-earning years?—I think so.

390. Have you entered into any detailed consideration of this scheme?—No, it is simply the result of my notice of the matter, and of my experience in connection with poor law matters.

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391. You

10 May 1886.]

Mr. MOTION.

[Continued.]

Chairman—continued.

391. You have not calculated at what rate the payment would have to be, supposing it to begin from registration?—No.

392. But it would be a very slight one?—It would be a very slight one.

393. Much lower than the educational rate?—Yes, much lower.

394. But in any event you consider prepayment preferable to the periodical payment, such as the subscription to a friendly society?—Yes.

395. The danger of a periodical payment, of course, being the discontinuance of the payment and the loss of membership?—True, that would be the result.

Mr. T. M. Healy.

396. If you are going to calculate the payment from the date of birth, who is to make the payment?—The parent.

397. Supposing the child dies, what then?—Supposing the child dies any time before it reaches the age for a pension, there would be the sick benefit to be paid out of that.

398. Supposing there was a surplus?—Supposing there was a surplus it would go into the general fund.

399. What benefit would accrue to the parents?—The parents would get no benefit.

400. Do you think that would be generally tolerated?—You must start from an initial point somehow to get at this scheme.

401. Would not a more sensible initial point be when the individual first began to earn wages himself?—There is something in that; but I take the birth as the point for securing every case; following the question, in short.

402. You contemplate compulsion upon the parents in every case, as of course the child could not furnish the contribution?—But the child has a parent.

403. Suppose we take a family growing up, of five or six children, do you think that before they came to the age of earning anything for themselves, the parents would be quite willing to pay for them for insurance?—Yes.

404. Have you calculated what it would be that they would have to pay?—I have not entered into any calculation upon that point.

405. Have you studied the evidence *contra*?—Yes, I have.

406. Have you read Mr. Sutton's points of objection?—I have.

407. In spite of the actuarial evidence, do you maintain your scheme?—I do.

Mr. Norton.

408. If a parent has to pay for the insurance of five or six young children, who might be ill in various ways, do not you think it might lead to all sorts of fraud; it is very difficult to determine what is a serious illness in the case of a child of 14 or 15 months?—Of course the rating of every subject has to be raised somehow, and I take the registration of the birth of the party who is to be assured as the earliest and most authentic source of getting at everybody. It is a matter of pure detail as to when it may be paid; if the parent chooses, in many cases it might be paid at once.

Mr. Norton—continued.

409. Do you think it would be a workable scheme?—I think it would be if you started from that point.

Mr. Coleridge.

410. You do not think that there would be any opposition on the part of the people most affected; what would you base it upon?—I would base it upon the number of insurances in benefit societies by people who apply for relief.

411. Your opinion is founded simply upon the existence of benefit societies?—Yes.

412. And not upon the independent opinions of working men?—No, not upon the independent opinions of working men.

413. You appear here to assert your belief in the principle of the measure, and to affirm it in its integrity, as I understand?—Entirely.

414. But you have made no calculation upon the subject?—No, I have not.

Mr. Walter James.

415. You stated that the payment should commence from the birth of the child, and I understand you to say that you would enforce payment by the parent?—That is so; but I want to carry it more out into detail. You have the birth of the child; the parent can insure the child then, or it can be insured any time before the age of 21; you have that child brought into the scheme by the very fact of its registration.

416. At what date of the child's age would you enforce the payment?—At any period between the birth and the age of 21.

417. You would make the parent responsible?—Yes.

418. Which parent?—Either, or both.

419. How would that work in the case of illegitimate children?—Then I would look to the mother.

420. In the case of large numbers of those children that are born in workhouses, whose mothers would only leave the workhouse for very short intervals, how would you do with those cases?—In those cases you could only enforce the payment against the child itself after it reaches an age sufficient to earn its own living.

421. I have no doubt such an object would be very benevolent, but do you think it would be popular?—Taxes, as a rule, are very unpopular, and this is just in the place of a tax.

422. You admit that it is in the form of a tax?—Undoubtedly.

Viscount Grimston.

423. Supposing a child were in a provident sick club, of which I take it you understand the working, there would be a direct incentive to a parent to return it as sick, and to obtain the sick pay; how would you obviate that difficulty; would you admit the child to be returned for sick pay?—Provided the full sum had been paid.

424. When would the subscription have been totally paid upon the child?—At the age of 21.

425. So that there would be no sick benefit until the child attained the age of 21?—Or until the whole sum had been paid in.

10 May 1886.

Mr. JAMES HENRY HIGGS, called in; and Examined.

Chairman.

426. I BELIEVE you are a Coachbuilder in Southampton?—Yes.

427. And you have been interested in friendly societies, and connected with them for some years?—Yes, I have, for 31 years.

428. Do you hold any office in any of them?—Yes; I may say, I have held most of the offices. I am the past Provincial Grand Master in the Southampton District of the Manchester Unity of Odd Fellows, which contains about 10,000 members. I am also at present the treasurer of that district. I am the secretary of the largest lodge in Southampton; a lodge with 600 members.

429. What is the capital fund of the district?—The capital fund of the lodge is 7,000 *l.* Taking the whole district, which includes the whole of the lodges in the district, it is about 70,000 *l.* I cannot give you the precise figure.

430. In short, the Unity has a strong hold in the district?—It has a very strong hold in the district. In Southampton proper, not within the Parliamentary borough, but within the municipal borough, there are 2,500 members of the Manchester Unity. I may say there is a lodge in the town which is composed of "Past Grands;" that is to say, past presidents of the various lodges; they are the leading men of each of the lodges, and the principal object to their associating is to discuss matters connected with the Order, and as affecting the Order. This scheme of Canon Blackley's was discussed there for a number of nights, at five or six different meetings; and I may say that at the outset we were all totally opposed to it, with one exception. I think one of the members expressed himself as slightly in favour of it. We went on with the discussion, and before it was finished we were unanimously in favour of some such scheme as being desirable.

431. Then I suppose that you came to the conclusion during that discussion, being all officials—?—Yes, either past or present officials.

432. Of the Manchester Unity, that there would be nothing hurtful to your Unity in the establishment of a Government scheme?—We came to that conclusion, and we went further, that even if it would be injurious to the Manchester Unity, provided it would, as we believed it would, benefit the whole community, we would not wish to see the Manchester Unity stand in the way. The Manchester Unity exists for the benefit of its members, and we do not believe that this scheme will interfere with it at all; but we do believe that it will raise the moral condition of the people generally, and that they would be bound to belong to some friendly society as well as contributing to this fund.

433. Have you read the evidence given before the Committee last year by the actuary and other officials of the Manchester Unity?—Yes, I have. But I do not think myself that the members of the board of directors when they attain that high position, have as much practical connection with the actual working of the details of the Order as some of the rest of us do.

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Chairman—continued.

434. Have you read Mr. — Watson's evidence?—I do not think I have read the whole of it.

435. I would ask you if you think that the lodges in your district agree with his answer to Question 909. He was asked, "If you could devise some scheme which would be for the welfare of all classes in this country, but which would be to the detriment of the friendly societies, you would not object to it upon that ground," and his answer was "Well, I think I should object. I consider the friendly societies have voluntarily done a very great deal of good in this country, and I think they ought not to be interfered with by the establishment of any system which would be injurious to them"?—The question has never been before the lodges generally; in fact it has never been before the members of the Manchester Unity as a whole, so that I can hardly answer that question; I should not agree with it myself; I do not think the members themselves would wish to stand in the way of it.

436. In short, to quote that witness again, you do not think that this proposed system, "offensive to intelligent persons"?—I do not. At the outset I should fancy nearly everybody I have talked with has been opposed to it, but after meeting their objections and talking with them, they have come to the opinion that it is desirable.

437. How many directors of the Manchester Unity are there?—There are nine directors, and the chairman, and the vice-chairman, and secretary, and the past chairman of the previous year, making 13 in all, and the total of the members is 600,000.

438. For how long are the directors elected?—They are elected for one year, but they are usually re-elected. Of course there are occasional vacancies, but as a rule they would be re-elected if they desired to serve.

439. How often do they meet?—The Board meets once a quarter. Once a year we have an annual moveable committee which is composed of delegates from each of the nearly 500 districts; out of those delegates the board is elected.

440. I presume the witnesses who came before the Committee last year were sent here by the directors?—I presume they were.

441. But you think they hardly represented the general feeling of the members of the various lodges?—I think not, for this reason, that the question has never really been before the various lodges to be considered; they represented, I have no doubt, what they believed to be the opinion of the members.

442. The 70 past masters who considered the scheme the other day were generally, at all events at first, inclined to regard it with suspicion?—Yes, with more than suspicion; I may say, strongly condemning it, until after the matter had been gone into.

443. But they unanimously came to the conclusion that some such scheme would be desirable?—They did.

444. Suppose such a scheme to be instituted; suppose

10 May 1886.]

Mr. Higgs.

[Continued.]

Chairman—continued.

suppose every man on attaining a certain age to be insured against sickness and against failure of strength in old age by this national scheme, would that fact deter many men from joining a friendly society?—I do not think it would myself; that is, of course, a matter of opinion; but my belief is that feeling that they were assured to a certain extent, they would have some motive for going further. At present many of the working men feel that it is utterly hopeless to try to make provision for old age; it makes them reckless, and consequently they do not attempt to provide at all.

445. Excuse my asking, were you ever a working man yourself?—Yes, up to the last 10 years.

446. And now you are an employer of labour?—Yes.

447. What is your establishment?—I employ five or six men varying a little, and about four or five lads running up to 18 years of age.

448. Do you know many instances in which men insure in more than one society at present?—Yes. I think, as a general rule, they do not exactly insure in another permanent society. I am speaking of members of the Odd Fellows who are members of that as a permanent society; that they also insure, as a subsidiary help, in a dividing club which divides its funds once a year.

449. What is the nature of those dividing clubs?—The members pay in so much a week, and are entitled to 8s. a week in sickness for a few months. I think it is for three months, and after that time they come down to 5s. a week, and then 4s. a week, which continues until Christmas. At Christmas the balance of the funds in hand is divided amongst the members, and they start afresh each year. It is, of course, a loose and expensive way of doing the thing, but still it helps the other.

450. The two societies do not interfere with each other, do they?—They do slightly; but not many young men now join these dividing clubs alone; the people who are too old to join the Manchester Unity also help the dividing clubs a little.

451. Do not you think that if men and women grow up with the knowledge of being provided for with absolute security, to a certain extent, that would tend to make them reckless and careless?—Quite the reverse. From my experience of them, I believe it would make them more provident. Whenever I have known a working man who has saved a little money in the savings bank, for instance, he has always been more careful afterwards.

452. Can you give the Committee the average loss of membership by discontinuance?—Taken on the present members, it is about 3½ per cent., and that obtains very generally among all the clubs; but that seems to me to give you an erroneous idea. If we take the comparison of the secessions with the admissions, we find there are nearly 50 per cent. of secessions; that is to say, out of 40,000 that join every year, there are nearly 20,000 who leave each year. The members who leave are those who are in the first few years of their membership; either the first, second, or third year. After they have paid

Chairman—continued.

for a time, and have a real stake in the society, then they do not leave; they manage, somehow or other, either by hook or by crook to keep the payments up. And I may say that if they are in distress, and they make their state known to the lodge, most of the lodges assist them to keep their contributions paid.

453. Do you think there would be any great difficulty in a system of prepayment?—I do not think there would be any great difficulty in that system; in fact I think that more money is wasted by most people between the ages of 18 and 21 than would pay this money; and that in addition to being wasted, its expenditure has a harmful effect upon their after life.

454. Do you find the management of the sick fund a great difficulty?—No, indeed we do not.

455. Do not you find that malingering is practised?—Very little indeed of it has come under my observation, and I think I have had good opportunities of witnessing it; I do not think there is so much of it as is thought. In my lodge we have two sick visitors; one is appointed to visit the sick. He leaves the form for the sick member, or some one on his behalf to fill up, and we have a relieving officer who goes to pay the money, and who collects the form that is left with the sick person. It is a very rare thing that we have any occasion to find fault, although every member is supposed to be visited by us three times a week; and I think if this scheme were adopted, something of a similar kind of plan could be adopted in each representative district. You could have a board appointed; it would no doubt be considered an honour to be upon this board. If you had a chairman and a vice-chairman annually appointed, and two sick visitors (or they might appoint them only for a term of three months), all the claims for sick pay might be brought before that board; and if the certificate to be collected, together with the doctor's certificate, could be passed by the board and then presented at the Post Office and paid, I think that the work could be done in that way for the national compulsory insurance, just as it is done now by the Manchester Unity of Odd Fellows.

456. Did your council of 70 past masters enter into the actuarial part of the scheme?—Not to any extent. I may say that I myself went somewhat into that part of the question, and that one of my objections to the scheme was that it could not be done for the money. But I have been met with this; my calculations were based upon the three per cent. basis; but assuming you can invest the money at four per cent., I have no doubt it can be done; but I should hardly say that the past grand lodge was competent to enter into that point of this question.

457. Have you any instances within your own knowledge of employers of labour making stoppages of wages at the request of their workmen?—I may say that I myself have stopped the contributions to the lodge of Odd Fellows of which I am secretary, at the request of members, and in one case I may say I made it compulsory in the case of a young fellow who was unprovided for. I raised his wages, and compelled him to join a friendly society.

458. You made it a condition?—Yes, I made it

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10 May 1886.]

Mr. HIGGS.

[Continued.]

Chairman—continued.

it a condition. I should think myself that some slips could be issued by the board managing this fund, to give to the employers, and that men when their wages were stopped should have these slips given them in lieu of part-wages, and that they should take them to the post office where they should be taken as payment.

459. What is the proportion of the members of the Unity who pay towards annuities?—I think it is next to nothing. I am not sure whether there is a member of it or not who does so.

460. You mean that when a man joins a friendly society, old age is so distant that it does not impress him with its possibilities?—It does not impress him; he will not provide for it, however slight the payment. I have been over and over again laughed at when I have pointed out that something like 35 out of every 100 joining at the age of 18 would reach the age of 70; they cannot believe it is possible.

Viscount Folkestone.

461. Can you state of your own knowledge, what proportion of these working people reach the age of 70?—About 35 out of 100 who join at the age of 18 would reach the age of 70.

462. I would ask you the same question as I asked a former witness as to the difficulty with regard to women; would the women about Southampton have any difficulty in making the payments?—I do not think so.

463. Not in the agricultural districts?—No; in the agricultural districts most of the women go to service. I think that most servants could manage the payments very well.

464. Most of the women in service you think could?—Yes.

465. If they could not, have you thought of any plan by which they could have the period lengthened to make the payment?—I have not thought of any plan for that; but I should think there would be no difficulty in it; of course they must pay more to make up for the interest.

466. The witness who preceded you said, he thought the payments ought to be made to commence at birth; but as far as I can see I think there would be a good deal of difficulty about that; do you think it would be likely that the payments, supposing that the scheme were in operation, would be made before the age of 18?—Not very much, I think.

467. You do not think they would begin to make them until they were compelled?—Not until they were compelled.

468. Do you think the people in Hampshire and those parts have a general knowledge of the scheme?—I do not, not generally.

469. It would be necessary for them to have a general knowledge of it before such a scheme could be adopted?—Yes.

470. That is to say, the people all over the country should have?—Yes.

471. How would you propose to bring a general knowledge of the scheme before the people; they do not read the newspapers much, do they?—Yes, indeed they do; but I think that friendly societies would be one good means, and certainly newspapers would be another.

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Viscount Folkestone—continued.

472. Do you think that the friendly societies would do it?—I think they would if they were requested to do so. The people do not exist for the benefit of the societies, but the societies exist for the benefit of the people.

473. They have changed their attitude very considerably then, have they not, lately?—I do not know that.

474. I was not upon the Committee last year; but, from what I have seen of the evidence, all those who gave evidence were strongly against the scheme?—That was the opinion of individuals who, no doubt, were officers. I may say I am giving you the opinion of the Past Grand Lodge, but I cannot speak further than that.

475. Those who gave evidence last year merely spoke as officers, but they did not speak for their *clientèle*?—No, they could not have done that, because the matter had not been before them.

476. You think that if the matter were thoroughly understood the friendly societies would be generally friendly to it?—Yes, I think so, once they clearly understood it; it will be a work of time to make them clearly understand it.

477. You do not think that the operation of this scheme would interfere with the friendly societies themselves?—I do not; because while the 8s. would keep men just above pauperism it would not be enough to make them comfortable. The doctor is not provided for by the scheme, but we should provide a doctor, and the same certificate as they would hand in for our board would do for the scheme, so long as we saw a copy of it.

Mr. Walter James.

478. What induced you first to take an interest in this scheme?—What induced me to take an interest in it first, was that one of the members of the Past Grand Lodge brought it on for discussion in the lodge.

479. Have you had much difficulty in your lodge in controlling the dispensation of your sick-pay?—No, we have not; we have, of course, a certain amount of work to do to control it, but we find it work smoothly enough.

480. Do you find much difficulty with malingering?—With regard to my own particular lodge, I cannot call to mind a single instance at this minute.

481. Do you think that if there were a National Friendly Society, extending all over the country, there would be a considerable risk of such fraud?—There would be some risk of it, but I do not think it would be a considerable risk.

Mr. Coleridge.

482. I suppose the persons who join friendly societies are the pick of the working classes?—Yes.

483. Amongst such persons as these the chance of malingering would be remote, taking the bulk of the working classes?—Yes, undoubtedly.

484. Have you considered that fact in giving your opinion as to the chance of malingering?—No, I have not considered that fact, not as to how it would pay to attempt fraud; I have spoken simply from my experience; I have not had

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10 May 1886.]

Mr. HIGGS.

[Continued.]

Mr. Coleridge—continued.

had experience of the lower substratum, so to speak.

485. Have you gone considerably into detail upon the scheme at all?—I have, as far as I am able.

486. Do you seriously think that women between the ages of 17 and 21 could all contribute 10*l.*?—I do think so, if they chose to go out to work.

487. What do you consider the earning power of the women of the lowest classes that you are acquainted with between these ages?—I think there are not any of them who could not earn from 8*l.* to 12*l.* a year, besides their keep, as domestic servants.

488. Do you think that their wages as domestic servants never fall below 8*l.* a year?—I think not by the time they get to the age of 18.

489. Your calculation is based largely upon the wages not falling below 8*l.* a year?—Yes, at the age of 18.

490. Have you made any calculations as to the age at which people marry in that class of life?—No, I have not; but I may say that I married myself at the age of 20, and I found it easier to keep up my clubs afterwards than I did before.

491. We may look upon you as the pick of the working classes; but have you had any difficulty among what I may call the waifs and strays, as to identification?—I do not think there would be much difficulty about it; at all events, we have our members going to all parts of the country, and we are always able to identify them; and I should take it that every member would get a number attached to his name, and would be known by that number.

492. Wherever he went?—I should think so myself; we find no difficulty in that matter ourselves.

493. But you are a limited number?—Yes, comparatively.

Mr. Arthur Acland.

494. You spoke of the voluntary visitors who might help to carry out this scheme. Do not you think that their position would be a very difficult one; that great pressure would be put upon them to continue the sick-pay in cases where it was rather difficult to say whether a man was very sick or not, and also where there was no work forthcoming?—It might be in some cases difficult, no doubt.

495. Do you think there would be more difficulty when you are dealing with State money in a case of that kind than when you are dealing with the money of a friendly society?—I cannot see that there would be, myself, if you have it managed by the same class of people; that is, by the working men themselves principally.

496. You would prefer this scheme of Canon Blackley's to any scheme which takes advantage of the friendly societies which already exist?—I prefer it to any scheme I have seen. If you can show me a scheme that shall reach everybody in connection with the present friendly societies, I would rather advocate that; but I have not seen anything of the kind.

497. Do you know that the German system takes advantage of the existing friendly societies?—I have not seen the details of that scheme.

Mr. Norton.

498. I understood you to say that there was a growing feeling upon the part of the friendly societies in favour of Canon Blackley's scheme?—Yes.

499. Do you not think it would help on the adoption of the scheme if it were pointed out as widely as possible that the rich (that is to say, everybody in the middle and upper classes) would have to pay their 10*l.*, and that the majority of them would never get any benefit from it, so that that would be a clear gain to the working classes; would it not be an inducement to them to take up the scheme and support it, if it were pointed out to them that it was all in their favour if you and I paid in the 10*l.* and got nothing out of it?—I understand that; but I should be rather chary of putting anything before them that would tend to place them upon an inequality. If you put it before them that the rich were going to help them in this respect, I am rather afraid that instead of making converts it would have the opposite effect. I would rather put it upon this ground, that we all may become poor whatever our present position may be, but that only those who are wage-earners, and who lose their wages, will receive benefit of this investment.

500. I do not mean that it should be put before them in a patronising spirit; but that inasmuch as a great number of people who subscribed would receive no benefit, that would be an inducement on account of the greater security thereby offered?—I think if you put it as a matter of fact, that for 10*l.* they would be quite secured, that would take them; if you could show that everybody would be secured, that would add to the inducement.

501. But you would have to get a strong public opinion at your back, to carry the scheme forward?—Yes, you would require time to do that.

Mr. T. M. Healy.

502. It is contemplated, is it not, that everybody should pay towards this fund?—Yes.

503. And not only those who occupy the position of workmen under masters?—Yes.

504. How would you propose to get the amount from persons who are not occupying the comparatively easy position of earning wages; take a man working for himself, a labourer, how would you manage in his case?—If a labourer worked for somebody, his master would have to deduct the amount; I see no difficulty in that.

505. If he was working at one farm upon one day of the week, and at another upon another day of the week, which farmer should deduct the amount?—Both, but I do not think that obtains much as far as my experience goes, taking my knowledge of Hampshire.

506. Take a man loitering at the corner of a street waiting to be hired for a job, how would you do in that case?—There would be great difficulty about that man; but as a rule you will find that they are older men, not men from 18 to 21; they would not have sunk to that position.

507. Can you give the Committee any notion of how many agricultural labourers are members of benefit societies?—I cannot.

508. Is

10 May 1886.]

Mr. HIGGS.

[Continued.]

Mr. T. M. Healy—continued.

508. Is it generally the case in this country that the labourers belong to sick benefit societies?—Yes; I think you would find that the majority of them belong to some kind of benefit society, but I am afraid many of them are not good benefit societies.

509. You think it would not be difficult to familiarise their minds with the principle you have been advocating?—I think it would not be difficult.

510. And you think the plan would be easy of explanation to the common public mind?—I think so.

511. You cannot give the Committee any idea of how you would get over the difficulties of collection amongst what are called the wastrels of society?—I cannot; I have no doubt it is to be done, but I do not think I am in a position to give it.

512. In the general case of providing at the end of life for preventing pauperism; would not a system of graduated income tax, such as has been eminently recommended, get over the difficulty just as well as the plan of making people pay when they were young, supposing the rich and the poor all paid 10*l.* a year; but if you have the national credit to fall back upon always, could not that be met much easier by a system of graduated taxation yearly, to which the people might contribute?—I do not think so; it would not create that feeling of self-respect which I believe this proposed fund promotes, under which each man would feel that he had provided for himself.

513. Do not we all feel a great feeling of self-respect when we pay our taxes?—I doubt whether the wastrel would share in this feeling to any great extent. I do not believe that that would raise the moral tone of the people; whereas I think that that is where the National Provident schemes would be beneficial, in that it would raise the independence and self-dependence of the people immensely.

514. You think it would have a good moral effect, and a good financial effect?—I think the moral effect would be better than the financial effect.

515. Would it not be equally good to have it provided by a tax?—I do not think it would; I think the income tax would be objectionable, and difficult of collection for the purpose.

516. But is not the period from 18 to 21 the most devil-may-care period of life?—It is just at that period that we want to get hold of them.

517. And you think it would be easier to enforce this payment between the ages of 18 and 21 than at any other period of life?—I do.

518. And you think it would be easier to collect this money between the ages of 18 and 21, than to have a graduated system of income tax, to provide a general scheme, and secure the benefit of insurance?—I have not put the two schemes in competition with each other, and I should not like to give an opinion.

Mr. William Lowther.

519. And you have no reason for doubting that between the ages of 18 and 21 every man

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Mr. William Lowther—continued.

could find the 10*l.*?—I believe he could, if blessed with good health; he could not, of course if ill; but as a general rule he could.

Viscount Grimston.

520. With regard to these district boards you spoke of, would they control the payment and reception of subscription; would they have that honorary position?—I should not let them control that at all; I should imagine the money will be paid into the Post Office; the money will be done with then.

521. You would simply have the hard work of visiting the sick, and certifying for payment?—Yes.

522. Would there be any ladies upon the committee?—I think so, seeing that they would have women members.

523. You spoke about taking slips to the Post Office when the employers paid their men; why should not they take the money; why should they take the slips, which would be so much additional work?—I think the workmen should know that the money is paid.

524. But, supposing the workman pays it himself, then he would know that it was paid?—Yes; but I am supposing that he might not pay it; whereas, if he took the slips and paid them in, he would know they were paid, and they would be no good for anything else.

525. But why should he not take in the money himself?—He might not do it if you paid him the money; it is to be a compulsory contribution; therefore I wish to ensure its being paid in.

526. Would not it be probable that societies would at once spring up to advance the money for payment of subscriptions in cases where the subscriber had no money to pay of himself or herself, which under a compulsory scheme he or she would be compelled to do; and how would you prevent extortion in this way, supposing they were not able to pay, seeing that it was to be a compulsory payment?—I do not think you would find that there would be much extortion.

527. Is not that a very strong objection to the whole thing?—It strikes me so now, but I am not prepared to go into it.

528. Would you approve of an earlier payment voluntarily than at the age of 18, the difference being represented by a lower payment?—Yes.

529. Would you not have it that all should pay in, and that all those to whom it would be worth while to take the weekly pay should fetch it, so that there would be no need for restriction as to who should have the pension; that would remove the feeling of inequality, would it not?—I suppose they would have to fetch it from the Post Office, but I should rather it were taken round to them by the voluntary board I am speaking of, because I know that that plan does work well.

Chairman.

530. You have been asked whether you think there is a danger, supposing the compulsory payment to be incumbent upon the men between certain ages, of societies or individuals offering to advance them money at extortionate rates. I merely want to ask you, from your knowledge of the working classes, whether it is probable that there

10 May 1886.]

Mr. HIGGS.

[Continued.]

Chairman—continued.

there would be a greater danger in that respect than there is at present in regard to any payment obligatory upon a man, like rent or any other debt?—I do not think there would be any greater danger.

531. It would be a debt upon him that he is bound to pay, but you do not think it would be attended with any special risk?—I do not; and seeing that it would be deducted from their wages, I think it would be less likely to involve applications to loan offices than otherwise.

Mr. Walter James.

532. Have you had any experience, amongst what I may term the middle classes, as to the view which they would take of this scheme?—Very little.

533. The middle classes, I assume, under the scheme would have to pay like all other classes?—Yes.

Mr. Walter James—continued.

534. Take the case of a tenant farmer or a shopkeeper who was in business; a man to whom the payment of rates was very objectionable; and that he was called upon to make this contribution; he would see that he would have no particular advantage from this payment; do not you think it would be very unpopular amongst persons of that class?—I do not, because the 10*l.* he would have to pay in this way he would save 10 times over in the rates.

535. Do you think that he would look at it in that way?—I do; I should myself. It would not affect myself, because I am too old, but it would affect a great majority of the people, both farmers and tradesman.

536. If a person refused to pay, how would you enforce the payment?—I think any man who refuses to pay his fair share must be compelled to pay.

Mr. GEORGE HENRY PINCKARD, called in; and Examined.

Chairman.

537. You are a Magistrate for the County of Surrey?—I am.

538. And you are also a poor law guardian?—I am.

539. You are a director of the Clerical, Medical, and General Life Assurance Company?—I am.

540. Is that a large society?—It is very large; they have two-and-a-half millions of money accumulated, and about 300,000 *l.* a year income.

541. Have you taken any special interest in the working of friendly societies?—I have taken for the last 20 years a considerable interest in those matters in the locality. I belong to the Oddfellows and the Foresters, and I also take the chair in both of those, and also of the Modern Order of Foresters; I have advocated chiefly superannuation allowance.

542. Where is that?—Near Godalming, in Surrey, at Whitley; I farm largely there.

543. What societies principally exist there?—We have the Oddfellows and the Ancient Order of Foresters; we have courts and lodges of both.

544. And local societies in addition?—Yes.

545. And there are some small local societies, are there not?—Yes, dividing societies.

546. Are you satisfied generally with the advantages offered by the friendly societies, and the security for them?—I consider that we want something different from our present friendly societies in order to relieve the poor rates. I consider that the labouring population are now able, by the large increase of pay they now receive, to take care of themselves, here and hereafter, either by friendly societies, or in some other shape, and that I consider to be best done by a superannuation allowance at the age of 65, because I find very few come into the poorhouse under the age of 65, and at that age friendly societies as they now exist fail in their object.

547. You think the superannuation is even more important than the sick pay?—I do. I

Chairman—continued.

have no difficulty about the sick pay, but I have great difficulty about the superannuation. There are two things which have tended against superannuation; one is, want perhaps of better education, and the other is because so many of our friendly societies have failed and knocked up, and wound up; that has been a very great drawback in my experience to the superannuation allowance. Until the Act of 1875, very few of the friendly societies ever carried out what they promised to perform.

548. Can you give the Committee any instances of losses owing to the failure of friendly societies?—Yes. In my own neighbourhood there was an old friendly society; when I first went there 25 years ago, and knowing a little of the subject, I took an interest in it. I told them it could not go on. I formed new tables, and did everything I could do for them, but they failed. They proposed to give to old men above a certain age 4*s.* a week; they could not do it, and they were obliged to wind up. I also know, I may say, 20 or 30 more of such societies in various towns of the kingdom, all failing from want of sufficient funds, from want of contributions, and from want of proper management; those three things have always been wanting.

549. How did they wind up; did they divide?—Some of them got nothing. In some cases actuaries were called in to determine how much, according to their contribution, the members had a right to receive back in proportion to the money then remaining.

550. Supposing there were to be introduced a system of provident insurance, compulsory or otherwise, upon a thoroughly sound and indefeasible basis, would that tend to remedy the shortcomings of the present Poor Law?—Certainly. If we could get once the superannuation allowance and make people independent at the age of 65, I consider that the contribution

10 May 1886.]

MR. PINCKARD.

[Continued.]

Chairman—continued.

to the present poor rate would be reduced at least one-half.

551. That is because it is in their old age?—That is because all the present friendly societies fail at the time when they are wanted most. They fail when the bulk of their members attain the age of 65, because men cannot earn so much as they have been in the habit of earning, and therefore the first thing they give up is their friendly society.

Viscount Grimston.

552. Under the present plan of Canon Blackley it is probable that everybody would join a provident sick club, so would you not leave it to the existing societies and provident sick clubs to provide for sick pay, and confine the scheme entirely to pensions and cases of chronic illness and disablement?—I think the present friendly societies would carry out the sick portion of the work best, and that if you could get any system by which the poor man could come in for a certain income at a certain age, you would by that means reduce the contribution to the Poor Law relief by one-half.

553. Would you also include chronic illness and disablement?—I should leave that to the friendly societies. I think that might be accomplished by friendly societies.

554. Do you know any friendly societies who pay pensions to their members?—I do. The Oddfellows did it in the case of a poor fellow in my neighbourhood who was chronically ill; he had first 12 s., then 6 s., and then 5 s., and that was continued up to the time of his death.

555. Do you think that these societies will be able to do that in the case of all chronic illness, and to all people disabled?—Unquestionably, because it is in the power of the labouring population now to contribute more largely than they could have done 15 years ago. In the last 15 years I have employed from about 20 to 30 men as agricultural labourers; they are the people who receive the smallest income; what they can do all other classes can do better, and it is in their power now to take care of themselves at all times.

Mr. T. M. Healy.

556. Do you agree with the suggestion of one of the witnesses, that the money should be begun to be paid from birth?—I do not agree with that. I do not see how it could be accomplished at all.

557. You do not think that was a well-considered suggestion?—I do not think it is possible in any shape.

558. You, I suppose, agree with the reverend Canon as to the ages between which the money should be collected?—I agree that that is the time when the money can be obtained the easiest, and when you have more control over people than you will when they become older and more independent.

559. Do you think that as people became more independent they would not pay the money?—I am afraid they would not.

560. Then it is in the nature of a paternal Government measure?—It is.

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Mr. T. M. Healy—continued.

561. You do not think that instead of this huge scheme any system of graduated taxation could be resorted to which would accomplish the same result without the same friction?—I do not think it could be.

562. Would it be impossible to carry it out?—Supposing we start from the assumption that it is necessary to create a fund or corpus for the purpose of carrying out these sick and benefit payments, would it be difficult to say how much should be charged to each person annually per head in the way of taxes?—I think that would be a very difficult problem.

563. Do you think it would be more difficult than the suggestion we are now met to consider?—I think it would be more difficult than Canon Blackley's scheme.

564. In the first place, have we not already in existence the vast machinery of Government for the collection of taxes; would not the new scheme involve a great deal of fresh machinery?—Such a scheme as that would.

565. Would not the Canon's scheme also require a great deal of voluntary effort upon the part of masters in the collection of the moneys?—It would, but the masters would be recouped by having less poor rates to pay.

566. But, surely, if it is just that less poor rate should fall upon the masters and more upon the servants, there are other means of checking that inequality; do you think that the master pays too much poor rate at present as compared with the working-man?—I think he does, and I think that the industrious poor are made to pay for the dissipated poor.

567. On the other hand, if the master pays more local rates, is it not a conceivable contention that the Imperial rates fall more heavily upon the poor than upon the rich, because the excisable articles are those of common consumption, namely, tobacco and whiskey; do not you think the inequality is repaired in that way?—I have not considered that question.

Mr. Hoyle.

568. You are quite clear that the labouring classes receive higher wages now than they did 15 years ago?—Decidedly so.

569. And that the cost of living is less?—It is not more, certainly; and it is less, because the chief article of consumption, bread, is much lower in price.

570. So that their condition is much improved, as compared with what it was?—Yes, it is.

571. And you want to take advantage of that improved condition to establish a system of national provident insurance?—It would be well to do it.

572. I believe you agree with the last witness that the moral advantages to the people would be greater than the financial advantages?—I believe they would.

573. You believe that the payment, coming from themselves, would tend to increase that moral advantage?—I believe it would.

Viscount Folkestone.

574. Do you think there would be any difficulty in getting the benefit and friendly societies

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10 May 1886.]

Mr. PINCKARD.

[Continued.]

Viscount Folkestone—continued.

to advance this scheme. I will put the question in another way; do you think they would oppose the scheme, or would they extend to it a benevolent neutrality?—I think they would extend to it a benevolent neutrality, but I am not sure that they would go beyond that.

575. The Committee have had evidence before them that there is a great change in opinion, as I understand, in the friendly societies with regard to this scheme, and that they are more favourably inclined to it than they were?—That is true; that I know of my own knowledge.

576. I think you have stated that you have something to do with friendly societies in your part of the world?—I have had a great deal to do with friendly societies.

577. From your knowledge of them, do you think this scheme would interfere with them in any way?—I do not think it would.

578. Do you think it would advance their interests at all?—Decidedly; they would take care of themselves in sickness as they do now, and this would give them independence hereafter.

579. In their old age?—In their old age it would give them independence, and they would

Viscount Folkestone—continued.

then feel that they were independent from having provided for themselves.

580. That is not done by any friendly societies now?—It is not done by any friendly society now.

581. That is to say, one or two friendly societies have proposed superannuation, but it has never been carried out to any extent?—It has not been carried out to any extent; it is becoming better understood, but it has not been practised to any large extent. If you could bring that about, that would give thorough independence, and would reduce the poor rate considerably.

582. With regard to women in your part of the world, would they be as able to provide this sum between the ages of 17 and 21 as the men?—Not so easily.

583. But do you think they could do it generally?—I think when they were made to feel the advantages to them in after life, they would make efforts to do it; because I think women are more inclined to be provident than men.

584. The friendly societies, I presume, take women as well as men for members?—Yes; the poor law is the only great drawback.

Mr. WILLIAM KEY, called in; and Examined.

Chairman.

585. I UNDERSTAND that you are connected with a trades union in the north?—Yes, I am.

586. In what capacity?—Simply that I write partly in reference to capital and labour occasionally, and come in contact generally with the leaders of the trades unions.

587. You do not hold any office?—No, I am honorary member of the Seamen's Union and have presided at several of the demonstrations which have recently been held in the north of England.

588. And your attention has been directed to the subject of a general scheme of insurance against pauperism?—Yes; I propounded a scheme for pensions for sailors which has met with a great deal of support in the north of England, and is going to be brought before the house by Mr. Gourley, the junior Member for the borough; and I advocated something similar upon the penny-a-week system as a national provident system of insurance against pauperism.

589. Could you give the Committee an outline of the provisions of that scheme?—I think that a penny a week taken off every *bonâ fide* working man's wages would prevent every *bonâ fide* working man from becoming a pauper, and I would suggest that the money should be collected in a similar way to that in which the local dispensaries and hospitals are kept up. I find that in the colliery districts of Durham there is from 6 *d.* to 8 *d.* a fortnight taken off from the wages of the men, and however poor their condition may be they have a system of keeping 6 *d.* off each man, and they never grumble about it. I have submitted that to hundreds of men in the borough

Chairman—continued.

of Sunderland, and they heartily approve of the penny-a-week system.

590. Is that system which you have described compulsory?—It is.

591. Or rather, I presume it is made conditional as a term of the service?—Yes; it is a condition of the service, but yet it is practically compulsory.

592. That is to say, if a man enters the service he enters it upon the condition of making the payment?—Yes.

593. Towards what fund does this weekly payment go?—It would go to what I term a permanent relief fund.

594. Of the trades union?—No; not only of the trades union, but of all the working classes.

595. But I understand you have spoken of a certain payment which is now made by certain bodies of working men; is that payment managed by the trades union?—No.

596. And not connected with it in any way?—No.

597. What is the designation of the society?—They call it the Relief Fund.

598. What benefits are secured by that payment?—I am presuming that in the borough of Sunderland, where we have 70,000 working population, if that penny a week was kept on, say, for five years, if we had four or five years' steady trade, and in the sixth year we had a depression as we have at present, then I say there would be ample means to pay the men sufficient to keep them from applying to the guardians for
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10 May 1886.]

Mr. KEY.

| *Continued.**Chairman—continued.*

test labour; to prevent them from being stigmatised as paupers, and disqualified as voters.

599. Has your attention been directed to the scheme which has been brought prominently before the consideration of this Committee, known as Canon Blackley's Insurance Scheme?—No.

600. I may take it for granted that you know that one of the main provisions of that scheme is prepayment; have you considered the relative advantage of prepayment and periodical payment?—I would prefer certainly prepayment to periodical payment, providing it could be done.

601. Of course, the instalments would be larger. If the prepayment were $4s. 4d.$ a year, which is only a penny a week, I consider that is quite sufficient to save the people from pauperism at the present time.

602. I think you mentioned to me privately that you advocated the establishment of penny dinners; that would only apply to populous places, I presume?—Yes, only to populous places.

603. That would be, in short, a system of co-operation?—It would.

604. You could hardly expect the State to provide dinners for working men?—No. But even if the scheme were not taken up by the State, it would still provide comfortable dinners, and save the men applying to the charitable public for relief, providing it for themselves, and from the report of the Rector of Gateshead the penny dinners are paying well.

605. They are self-supporting, are they not?—They are.

606. Are there any other definite points which you think it would be of advantage to the Committee to know?—I think the collection of the money is very simply done, namely, by stopping it from the men's wages. As regards those who have not regular employment, I would say, let the poor rate collector collect it from the landlord; just as with regard to tenement property, the rate collector has not to go and get the rate from the individual tenants of the property, but he simply gets it from the landlord.

607. How is this fund managed to which you have referred as existing?—By a committee of the men and masters.

608. Do the masters contribute to it?—Yes, they do.

609. And in what proportion?—In the same proportion as the men.

610. That is to say, for every penny stopped off the men's wages the employer contributes another penny?—If there are 2,000 men employed in the works that is 2,000 pence, and the owners pay 2,000 pence.

611. Supposing a man leaves the works and goes to other employment, what becomes of his insurance?—Of course, if he leaves the works, he leaves the benefits which he would have had belonging to those works; therefore, I think it is important that the system should become national.

612. And the money he leaves, of course, goes to the general benefit of the fund?—Yes.

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Chairman—continued.

613. What is the result of that now, seeing that a very large number of men in the last few years have been thrown out of work?—They have still a good balance in hand in their fund, and they have commenced what they call a benevolent fund in connection with those who are flung out of work, namely, for them to pay a halfpenny a week, and with this halfpenny a week the committee undertake to pay their subscriptions, and to keep them in the benefit of the fund.

614. Suppose an employer has 2,000 workmen, and owing to the shrinkage of trade he pays off 500 of them, what claim have those 500 men upon the benefits of the fund?—They have no claim, any further than that by their paying to the benevolent fund a halfpenny a week their subscriptions are still paid. If it is sheer depression of trade which throws them out of employment, they have then a claim of so much per week; but it has nothing to do with strikes or anything of that kind; the board does not interfere with that at all.

Viscount Folkestone.

615. I understand from you that you have not studied Canon Blackley's scheme?—I have not.

616. Have you a benevolent scheme of your own?—I have written about that to the honourable Chairman.

617. And this scheme is upon the principle of this benefit fund that you have in Sunderland, is it not?—Yes, which has worked well.

618. Do you propose that it should be made compulsory through the whole of the kingdom?—Yes.

619. The basis of which is the payment of a penny a week?—Yes.

620. Do you think it would be a good thing if instead of having to pay a penny a week for the whole of a person's lifetime, some scheme should be devised by which he should pay a certain amount of money before he was of a certain age, say 10*l.* before he was 21?—I do not.

621. Why not?—Because there is a natural prejudice against paying that sum down, whereas, with regard to the penny a week the money itself is insignificant, but it serves the purpose of accomplishing great ends.

622. Supposing a sum of 10 *l.* before a man is 21 were required, and by the scheme I am suggesting it were stopped out of a man's wages from the age of 18 to 21, do you think he would feel it a bit more than a man would a penny a week?—He would not feel it, I quite admit; but I do not think the general public are educated enough to admit the principle; yet I think that only a penny a week is a stepping stone in that direction.

623. You think that the penny a week would be a good thing if you could get the people to acquiesce in it?—Certainly.

624. People are not yet sufficiently educated to understand the benefits of a scheme like Canon Blackley's; they must be more educated generally before we can get them to acquiesce in it. But I understand from you that this scheme would

10 May 1886.]

Mr. KEY.

[Continued.]

Viscount Folkestone—continued.

be a preferable one if people would acquiesce in it?—Undoubtedly so.

625. Have you any women in your scheme at Sunderland; do women subscribe to it?—No, we have no women in it. We have them in this way, that if a man sickens upon the works his widow gets 5 s. a week as long as she remains a widow, and 2 s. a week for each child.

626. Do I understand that a man gets his superannuation after a certain time?—No.

627. Part of Canon Blackley's scheme is, that the men should be superannuated; that would be an immense benefit, would it not?—Yes, it would.

628. We have been informed that some of the benefit societies have put forward schemes of superannuation, but that very few people have availed themselves of them; perhaps you know that?—Yes; the lodge I belong to, namely, the Manchester Unity, put forward a scheme.

629. Therefore, would it not be the fact that if you could combine the two, the sick-pay and the superannuation, and make them compulsory, it would be a good thing?—Yes, it would be a good thing; but I am afraid we are not educated enough to get the thing done yet.

630. It would require a great amount of persuasion and education in putting the matter clearly before them to show them the benefit of it?—It would.

631. You have not attended any meetings with regard to either of these schemes, have you?—I have attended meetings with regard to my own scheme.

632. In Sunderland?—Yes.

633. Of working men?—Yes.

634. Were they favourable to your scheme?—Yes, they unanimously went for it in Sunderland and Shields.

635. They are generally inclined to take it up?—Yes.

Mr. Walter James.

636. I did not quite catch what your particular society was?—It is called the Sunderland Permanent Relief Fund.

637. It does not apply to any particular trade, or to any particular organisation?—No, not to any particular organisation.

638. Any man, whether he were a shipwright or a glass-blower, or in the chemical trade, might come in and join your permanent relief fund?—Yes, any man might.

639. Have you any statement which you have handed in to the Chairman which will appear upon the notes with regard to your scheme?—I have handed in a statement.

640. Do you think, considering the great varieties that there are in the different trades, and the difference there is between the north of England and the south of England, that it would be possible to have one scheme that would be applicable to the whole country?—The penny a week would.

641. You think that would be applicable to the whole country?—Yes.

642. It being compulsory?—Yes.

643. You think that would be preferable to leaving it to the voluntary organisations and arrangements which are made by the different

Mr. Walter James—continued.

bodies of working people?—Yes, I would have it made compulsory.

644. Do you know whether this question has been considered by any of the colliery organisations in Durham and Northumberland?—I have had conversations with members of both Durham and Northumberland miners, and generally they advocate the compulsory stopping of a penny a week, because they say that if it is simply stopped out of the wages they will not miss the money.

645. If you propose anything that is compulsory, you are quite aware that there is a good deal of feeling and difficulty about it?—Yes, generally; but there would not be about the penny. It might be if it were a larger sum, but a penny a week would not be large enough to think anything about.

646. How long have you held these views?—About three years.

647. Do you think that if habits of thrift had been more inculcated and practised, they would have suffered less than they have done in hard times?—Yes, undoubtedly.

648. What is your general opinion of the condition of the working classes at present compared with what it was 20 years ago?—Of course, I think their condition is better, but not so much better as one would imagine.

649. You think that while they may have gained in some things, they have lost in others?—Yes.

650. Where do you think they have chiefly lost in the last 20 years?—I think house-rent is a good deal dearer than it was 20 years ago.

651. You said something about penny dinners; I do not quite understand how that would work in with this scheme?—I do not know that it would work in with my scheme; but I suggested that the system of a penny a week might establish public restaurants to supply penny dinners upon a similar principle to that upon which the Rector of Gateshead has established them with great success. It would save application to the guardians if the poor people could get a dinner for a penny without going before the guardians to get relief, because practically they can always get the penny; if the pennies were sent to this place it would supply a good many dinners.

652. I do not see how this affects the question of superannuation?—I do not know that it does, but I hold that a penny a week would save England from pauperism as far as a *bonâ fide* working man is concerned, because you must take it for granted that there are plenty of people at all times who will not work when there is work, and when there is distress they are the first persons to go out and impose upon the charitable; whereas if the penny a week were kept back, you would find out who were *bonâ fide* working men.

653. Has pauperism increased in Sunderland of late years?—Yes; just now there are 16,000 people a week upon the relief list.

654. You consider that a system of compulsory insurance would be a means of relieving the rates?—Undoubtedly.

655. Do not you think that there are a great number of people who will only look upon this as a means of relieving the rich at the expense of the

10 May 1886.]

Mr. KEY.

[Continued.]

Mr. Walter James—continued.

the poor?—I do not think so, because it is generally believed that Providence helps those who help themselves, and the labourers and people I have talked to would quite acquiesce in it, and heartily support it. Those whom I come in contact with, as a rule, do not go and take advantage of the Post Office Savings Bank, simply because the money gets into their own hands and they squander it; whereas if it were compulsorily stopped they would not think anything more about it.

656. Do you know that at the Hexham Board of Guardians this system was very much resisted upon that ground?—It was so.

657. But you do not think that those views would obtain generally in the part of the town which you and I know?—Not the Hexham views.

Mr. Coleridge.

658. With regard to this relief fund that you talk of, I suppose it applies only over a comparatively limited area?—It is the district of the Wear Commissioners.

659. And the members of the relief fund, if their subscriptions cease, lose the benefit?—Yes, if their subscriptions cease they lose the benefit.

660. That supplies a direct inducement to them to pay?—Yes.

661. You propose to make this contribution compulsory upon all?—Yes.

662. Have you considered at all the question of the increased expenses with regard to collection and investigation if spread over large thinly-populated areas?—Yes; I do not think it would be large at all; the poor rates have always been collected, and also the district rates.

663. Is the population a fitting population in Sunderland?—No, it is pretty stationary.

664. What happens to a man who goes away; does he continue to subscribe wherever he goes?—Yes.

665. Do you find that so?—I would make it so. If a man leaves Sunderland and comes up to London, having a prospect of work in London, I do not know that he would keep up all his subscription; some do and some do not.

666. In spite of the inducements to do so?—Yes, in spite of the inducements to do so.

667. Have you considered at all the difficulty of raising this penny a week from women, and people who are vagrant in their habits?—I would not interfere with the women at all.

668. You would leave out the women entirely?—I would leave the present poor law to deal with women.

669. What would you do about men who have no fixed employment, but are vagrant, and go in search of employment here and there and take odd jobs?—Of course there are difficulties connected with that subject; but if they are serving two or three masters in one week for day wages, I should simply suggest that all the three masters should keep the penny.

670. And make the man actually subscribe 3 d.?—Yes, in that week; the next week he might be out of work.

671. Would not the result of that be, that a man who did odd jobs would pay three times as much as a man in regular employment?—No, because

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Mr. Coleridge—continued.

you would find that the man who was going out and about seeking general work was not so much in regular employment, and earning as much money, as a man in a large city who was in regular employment.

Mr. William Lowther.

672. With regard to the feeling that might arise on the part of the poorer people on account of the rich paying for them; as I understand it, a man employing 2,000 men by the week would himself pay 2,000 pence?—Yes, he would.

673. Whereas each single man would only pay 1 d.?—Yes.

674. Do you think that that feeling I have referred to would arise amongst people?—I do not think it would.

675. Do not you think that a feeling would arise that the masters and the rich people were conferring a benefit upon them by subscribing?—They might not feel that it was conferring a benefit upon them, and they very possibly might; and it would be a very just feeling, because they are really conferring a benefit upon them, though at the same time they are conferring a benefit upon themselves.

676. I think you said that the masters paid in proportion; they would not pay in proportion to what the people do; they would only pay the same sum?—It would depend upon circumstances. A limited liability company, if there were 2,000 men employed, would pay 2,000 pence, I should say, and of course if it was a single individual it is a thing that would be left for further consideration.

677. Do you think that the working people are more provident and thrifty than they were 20 years ago?—No, I do not think they are.

678. Do you think there would be a great deal of difficulty in getting people generally, and women, to acquiesce in these arrangements?—Not at all; I do not think there would be any. Of course I still hold the opinion that they are not more thrifty to-day than they were 20 years ago, but still the penny is so small a deduction from the amount they get that nobody would object to it.

679. How soon would they begin to pay their penny?—I would say as soon as they had done school.

680. And you would leave the women out entirely?—I would.

681. Have you made a calculation at all, taking the population of England, if they began to pay a penny from the year they left school, what amount of money would be collected?—I have made a calculation, but I would not like to vouch for it; still I know it would amount to a very great sum of money.

682. You have calculated that it would provide them at the age of 60 years with comfortable relief?—I would not say that a penny would give them comfortable relief, but I maintain that a penny would save them from pauperism.

683. Would it save them from the workhouse?—Yes.

684. If they paid at the end of the week, do you think they could pay 2 d. a week?—Yes; but I think the way to get them to pay 2 d. is to make them first save a penny, and see the consequent

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10 May 1886.]

Mr. KEY.

[Continued.]

Mr. William Lowther—continued.

sequent advantages that would be derived from the penny a week; and as you gradually educated the people, and got them to see the advantages that would be derived from the one penny a week, you would gradually get them to pay 2 *d.*

685. But the penny a week would not produce enough, would it?—It would produce enough to keep the *bonâ fide* working men of England from pauperism.

Viscount Grimston.

686. Have you considered that this penny

Viscount Grimston—continued.

paid by the working man is equalized in amount by his employer, that is to say, that 2 *d.* a week is paid by each man; is that correct?—That is so.

687. So that a penny a week is not the amount really paid by the men, but 2 *d.*?—It is.

688. Do you intend the Government to take the place of the employer, and to pay the second penny?—I would say that the Local Government Board should pay the second penny whenever there was any deficiency.

Monday, 17th May 1886.

MEMBERS PRESENT:

Mr. Arthur Acland.
Mr. Biddulph.
Mr. Fenwick.
Viscount Folkestone.
Viscount Grimston.
Mr. Finch-Hatton.
Mr. T. M. Healy.

Mr. Hoyle.
Mr. Walter James.
Mr. Llewellyn.
Sir Herbert Maxwell.
Mr. Norton.
Mr. Wason.

SIR HERBERT MAXWELL, BART., IN THE CHAIR.

Sir GEORGE YOUNG, Bart., called in ; and Examined.

Chairman.

689. I THINK you were appointed some years ago Assistant Commissioner of the Friendly Societies Commission?—Yes, in 1871; my instructions were to visit selected districts, taking about one poor law union in each county, throughout the south-west, the south and east of England, the Metropolis excepted. The districts included in all 20 counties; my duties were to report as exhaustively as possible upon the Friendly Societies to be found within those districts, whether registered or unregistered; and special attention was to be paid to local clubs, their nature, state of solvency, and their peculiarities and prospects.

690. Over what period did your duties extend?—I was engaged in that work for upwards of two years, including the compilation of a report which was presented in 1873 and has been embodied in a special Blue Book. I may mention that the greater portion of this sub-report was embodied textually in the principal report of the Commission.

691. Together with extracts from your journals?—Yes; appendices, amounting in all to about 150 pages, were added to the Report in the Blue Book, containing Journals of conversations and documents collected in the course of my work.

692. Of course you are aware that that is regarded by the public as written with considerable authority?—I have reason to understand that my work has been mentioned as an authority upon the condition of Friendly Societies within those districts.

693. There were no definite proposals before the country at that time upon the matter of compulsion, were there?—No, not of compulsory insurance; it was a part of my instructions specially to inquire into the proposals which had been made for a National Post Office system of insurance for sick pay, to be added to the existing system of insurance for death benefits, but not of a compulsory nature.

694. Has your attention been drawn to the matter since then in its compulsory aspect?—
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Chairman—continued.

My attention was drawn to it, not in any official capacity, but as taking great interest in the subject, in the year 1879, by the publication of Canon Blackley's proposals; and in that year I was asked to give a lecture before the Charity Organisation Society, an opportunity of which I availed myself, to treat them at some length, and to point out what I considered to be some fatal defects in the system proposed.

695. What are in your view the principal defects?—The first point that I think it desirable to call attention to is, that looking upon the insurance then proposed by Canon Blackley, from the point of view of the working classes, it does not exactly cover that which they expect from a Friendly Society. I found it to be universal in the course of my investigations, that the first benefit desired by working man from his club is a weekly provision in case of sickness; but the second, with equal unanimity, was declared to be a sum at death, to clear off standing scores, to pay funeral expenses, and to assist the widow and children through the first days of bereavement. Now the proposals which Canon Blackley put forward in 1879 were for sick pay in the first place, but in the second place for an annuity or pension of 4 s. a week after the age of 70, but there was no proposal included in the system for death benefit; to that extent, therefore, it was not that which the working classes expect from a friendly society. The next point which it appeared to me important to notice is the position of a voluntary society. As at present constituted —

696. Before you go to that point, I wish to ask you this: The tenure of the working man's opinion, as far as you could gather it, showed that the probability of death was more present to his mind than that of old age and incapacity?—I should say that the death benefit was one which they looked upon as of the very greatest importance, and only second to the importance of the sick pay; but with regard to an annuity for old age, however much they might have desired it, that was practically given up in the friendly

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Chairman—continued.

friendly societies as beyond their means. It was found that the contribution for the old age annuity, in all societies, except a very few, was beyond the means of the members themselves.

697. Did you find that for one man who is prepared and willing to make provision for old age, there are many prepared to make provision against death as a certainty?—Certainly.

698. You think, of course, that the absence in Canon Blackley's scheme of a death provision would be in the mind of those men an objection?—Yes, it would be in the minds of those men.

699. Now will you kindly continue your remarks?—I desire to call attention to the moral aspect, if I may say so, of the voluntary system in friendly societies. As compared with a Government club of a compulsory nature, the sentiment of mutual help which powerfully influences the tone of popular clubs would be exchanged for a sense of legal right. The friendly societies founded and managed by working men have been something more than provident clubs; they have improved the social and moral qualities of their members as a class; they have been schools of civil action and mutual kindness; they have taught men to act together without distinctions of party or sect, or, in some degree, of class; and with the loss of these collateral benefits, that enthusiasm would be diminished without which thrift itself would cease to be beneficial. The existence and prosperity of this great system of the popular friendly society, founded as it is upon the spontaneous energies and mutual help of individuals without external initiative, and with but a minimum of Government aid, is in itself a valuable national possession. I do not see how voluntary societies can continue to exist side by side and in competition with a national compulsory friendly society.

700. Upon that point may I ask if you have read the evidence that was given last week by a Past Grand Master of the Manchester Unity?—No, I have not had the benefit of seeing that.

701. Are you aware that misgivings as to the action of the Government scheme upon the friendly societies generally are not universally entertained by the officials?—I daresay that is so, but I have no special knowledge upon the subject.

702. Now will you further continue your statement?—I noticed in Canon Blackley's paper published in the year 1879 a depreciation of the existing friendly societies in one important respect, which appeared to me exaggerated. It is that he treated every society which was found to be behind hand by an actuary upon a quinquennial valuation as insolvent; now insolvency in the popular acceptance of the word, conveys a very much stronger meaning than it would be fair to ascribe to a society which is found to be deficient upon a quinquennial valuation, for this reason, that the creditors and the debtors in a friendly society are the same persons; and subject of course to certain considerations as between the older and the younger members of the society of which I do not lose sight, it is in their power at any time to make the society solvent by increasing the rates of contribution or by lowering the rates of benefit. This is very often done with the consent of all parties and

Chairman—continued.

with excellent effect, if the deficiency has not run too far. I merely notice that as qualifying the somewhat despondent tone in which Canon Blackley spoke of the existing friendly societies.

703. At the same time I suppose it must be admitted that the Report of the Registrar General in 1883, does not show the same progress towards a satisfactory financial state as might be desired in the interests of working men?—I feel that is undoubtedly so.

704. If the word "unsound" had been substituted for "insolvent," would you have taken any exception to Canon Blackley's statement?—I think not; I think it must be confessed that perhaps the great majority of the Friendly Societies are unsound.

705. I suppose you have become aware, while inquiring into this scheme, of the objection on the part of the public to the term "compulsory" or to the compulsory nature of the scheme?—I can conceive that there would be very great, if not insuperable objections, to a compulsory scheme of this nature.

706. Is it an objection in your view?—It is. One important point of view from which I take exception to the compulsory characteristic of the scheme, consists of what I may call the economical aspect under which it appears to me that it would assume a character very different from that which was intended by its author, looking at it from the point of view of the workman. It is intended for the poorest. Now the poorest have not got the money to pay a very large contribution, and yet Canon Blackley proposes to take from them a sum amounting to something like 2*s.* of their weekly wages for three years; for three years it is true, of their youth, when their responsibilities would be less, but when also they would be perhaps less willing to submit to such a system. Whether willing or unwilling, I take it that in a vast number of cases they would be unable to pay it as wages stand, and that in the result the contribution must be found for them by the employer. This would tend to a rise in wages. That rise in wages is a thing which must be considered of course from its own point of view; it is not necessarily a bad thing; but coming in this way and coming as it would come, just at a time when the employer was least able to afford it (because, you will observe, it is just at the time when the workman has most power with the employer, when there is most demand for the workman's service that he will be best able to throw the burden of the increase of wages upon the employer), therefore I say, it will have a bad effect. And further it will bear upon the employer in the nature of an assessed tax upon the number of workmen whom he employs; the employer who employs 20 men will have to find the national insurance tax for a certain number of them, if not for all. The employer, who from the nature of his business is turning over as large an amount of capital in the year, but who employs only 10 men, will be liable to only half the tax; and for this reason I think the system will break down.

707. You think you cannot reckon upon any degree of self-denial, whether compulsory or otherwise, upon the part of the workman?—I think you can to a certain extent, no doubt; I am not saying that this will be universally a tax upon

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Chairman—continued.

upon the employer, or that the evil which I foresee will be to the full extent of every farthing of contribution, but to a very considerable extent it will.

708. That, of course, would apply more strongly in the case of prepayment than in the case of periodic payment?—It would.

709. Has your attention been drawn to the result of the working of the system in Germany?—No, I have no knowledge of that system.

710. You are aware, of course, that compulsory insurance exists, including in its operation certain classes of workmen?—I cannot say that I have any special knowledge upon the subject.

711. But you know that it exists?—It is not exactly in my mind; it is not part of my knowledge, although it is possible that I may have heard of it.

712. Apart from the concentrated pressure upon the insurer of prepayment, I suppose prepayment may be admitted to have advantages over periodic payment?—In the sense of making the society more solvent, *à priori* it would, no doubt, be an advantage; and in another sense it would have a distinct advantage, namely, it would guard the workman against the evils of lapse, which are very large in friendly societies. There are certain drawbacks from the point of view of the accounts, which I will come to afterwards.

713. It would also be cheaper, would it not; a much smaller sum would ensure the benefit?—That is so, no doubt. I remember noticing in some of the contribution tables of the best societies that they were able to give benefits at a lower rate when the contribution was taken annually than when it was taken every month; and of course, *à fortiori*, that would be the case if it were paid in a lump sum.

714. What do you anticipate would be the effect of the adoption of Canon Blackley's scheme upon the existing pauperism?—The pauperism of the country, of course, depends upon many causes, and makes itself felt by the working classes in many ways; but it must, I suppose, be obvious that the benefits to the amount here proposed, that is to say, sick-pay to the amount of 8s. a week during sickness up to 70 years of age, and after that time a pension of 4s. a week till death, would not extinguish pauperism. It appears to me that that would, however, saddle the State with a somewhat alarming responsibility, more especially if it were understood that the provision for pauperism which is made under the poor law was to be abandoned in consequence of this scheme, which I think is "the good time coming" which Canon Blackley promises us. It appears to me that we should have a good deal of pauperism still in the country, and that the State would practically have undertaken the responsibility of relieving it.

715. Supposing the actuarial calculations to be sound, where would the responsibility of the State be?—The actuarial calculations would be sound to this extent, that sick-pay to the amount of 8s. a week would be forthcoming in the sickness of the head of the household, and that 4s. a week would be forthcoming for him after the age of 70. But supposing a serious sickness in a family,

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Chairman—continued.

which was not the sickness of the head of the household, or supposing the head of the household to die, the pauperism which consists of persons in the position of the widow and children would remain.

716. What I intended to bring out was, wherein does the responsibility of the State lie, provided that a sound actuarial calculation could be arrived at by which the rate insured would insure those benefits?—The responsibility of the State would lie to the full extent to which the local rates were relieved in respect of the pauperism for which Canon Blackley makes no provision. My point is, that there is a large amount of pauperism for which Canon Blackley's scheme makes no provision, and that if the local system of poor rate is abandoned the State must provide for all the rest.

717. The inquiry seems to be narrowing itself into an inquiry into Canon Blackley's scheme; but, as far as I understand, Canon Blackley's scheme contains no provision for the extinction of the existing poor law other than automatic?—It was my understanding of the scheme that it was intended to extinguish the existing poor law, and I am merely pointing out now that it falls short of that desirable result. The next point which I should wish to call attention to is a certain deficiency in Canon Blackley's calculations, as it appears to me. He calculated that for 15 *l.* which was to be subscribed at 20 years of age, or during three years previously, he could secure to a workman 8s. a week sick-pay till he was 70 years of age, and then 4s. a week pension for life. Now, I have made a rough calculation from well-accredited tables, which seems to show that this can hardly be secured. If you refer to the Post Office annuity tables, you will find that the price of a deferred annuity under these conditions is, for males, 5 *l.* 4s. 10d., leaving only 9 *l.* 15s. 2d. out of 15 *l.* to buy the sick-pay. The immediate payment at 20 years of age of 9 *l.* 15s. 2d. may be considered as equivalent to a life payment of about 10s. a year; that is under the Post Office tables. Now, a life payment of 10s. a year under the tables of a well-regulated friendly society will not secure 8s. a week sick-pay. It requires 19s. 6d. a year for life to ensure 10s. a week sick pay, 10 *l.* death benefit, and 5 *l.* upon the death of a member's wife; and out of this 19s. 6d., 15s. is due to the sick-pay, the remaining 4s. 6d. being due to insurance benefits. Thus the 10s. a year, or its equivalent, a payment of 9 *l.* 15s. 2d., is adequate only to secure a sick benefit under the terms of a well-regulated friendly society, not of 8s. a week, as Canon Blackley puts it, but of two-thirds of 10s. which is only 6s. 8d.

718. These are what are known as the Manchester tables, are they?—I think the tables that were used in drawing this paper up were the tables of the Manchester Unity of Oddfellows. I then notice that the 8s. sick-pay under the tables of the Hampshire Friendly Society is not sick-pay for as long as sickness lasts, but only for 12 months, after which it falls down to 4s. a week. Therefore Canon Blackley's calculations, founded upon the tables of the Hampshire Friendly Society, must be taken as making only that provision of 8s. for 12 months, and then

E 3

after

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Chairman—continued.

after that 4s. a week, which increases the amount of pauperism for which Canon Blackley has made no provision; because no sick man can live and maintain a family upon 4s. a week. Then the question comes to be, how did Canon Blackley come to make this mistake. I think that is evident when you observe that he took the tables of the Hampshire Friendly Society as his guide. Now, in the Hampshire Friendly Society, as in all friendly societies, a very large amount of what may be called profit or advantage to the societies is due to the fact that many men pay for a time when they are young and then leave off paying, when they forfeit their benefits, their money going to swell the accumulated fund of the society. But in Canon Blackley's scheme there will be no lapses; the money having been paid in a lump sum, the right to sick-pay will obtain during life. I take it that that will account for what is clear, according to my calculations, that really only 6s. 8d. sick-pay instead of 10s. can be secured.

719. But upon that point is there not provision made in the scheme to which you have referred, for an income arising from insurers who are not likely to be in a position to claim the benefit?—If I remember rightly, it can hardly be called a provision; it is an expectation of Canon Blackley's scheme that there will be a certain number who are compelled to insure, but who will not claim the benefits.

720. It is a provision in this way, is it not, that the insurance will be universal, and that only wage earners who are debarred by sickness from earning their wages will be entitled to sick-pay?—I did not understand that Canon Blackley intended to levy a compulsory insurance upon other classes and give them no right to claim benefit. If so, it resolves itself into a poll tax upon the community for the purpose of providing sick-pay for a certain portion of the working classes; and in that case it must stand or fall upon its own merits; but it cannot be called a provident society then. It would be taking the money of one class for the purpose of another, but if the scheme is left upon this footing, that a certain number of the insurers will not claim sick-pay, because, as a fact, a certain number under the existing system do not claim it, then I must point out that the conditions will be entirely altered. When, instead of a voluntary society, founded for the purposes of social intercourse as well as for those of mutual benefit, you have a compulsory society co-extensive with the nation backed up by a Government guarantee, the workman who thrives and rises in the world will certainly feel no inducement to refrain from claiming his full benefits. Secessions, whether due to migration or personal pique, will be extinct, and even those due to poverty will be largely reduced, and as far as I can see, the tendency of men who rise in the world to spare the funds, which now to a certain extent operates in favour of the friendly societies must, under the compulsory system be transferred to the other side of the ledger. It is quite true that this does not apply if Canon Blackley has since modified his proposals to the extent you mention.

721. There would be a certain saving, would

Chairman—continued.

there not, upon the universal scheme of funds which are now devoted to what I may call ornamental purposes, insignia for example?—That is so, no doubt; and there would be no doubt a saving from the fact that you would have a universal management conducted upon economical principles, and the Post Office organisation ready to hand to be utilised. On the other hand you must take as a set-off against that, that the secretaries of local friendly societies, or of the branches of affiliated orders, are to a very large extent underpaid at present; they are content to do the work for the purpose of friendliness, and in order to keep a society going, for much less than the value of their services.

722. Have you read the inquiry into the Royal Liver Friendly Society?—I have read the accounts in the newspapers. The Royal Liver Society, I understand, is a burial club.

723. I suppose you would not consider the secretaries were underpaid in that society?—I confined my answer to local clubs and the branches of affiliated orders. I could by no means say that the management of the large collecting societies, at all events of the Burial Society class, is economical.

724. What are the other points which you desire to mention to the Committee?—The most important point still remains, and that is, the difficulty of preventing malingering and imposition upon the Government sick-pay club, which was years ago pointed out by Mr. Scudamore; and, as far as I have any authority to speak upon that subject, I am obliged to say that I think it would be the general opinion, with few exceptions, of the practical men who work the friendly societies of the country that it is absolutely fatal to the scheme. I wrote in 1873, "I have to report a concurrence hardly less than practically unanimous among the managers and active members of sick clubs, that to offer sick-pay through a Government medium would be impolitic and impracticable. Even the few of such authorities who have at first sight approved the idea have invariably acknowledged, on their attention being called to the conditions of working it out in detail, that it would be impossible to prevent enormous imposition. These conditions are, that the 'box' will be well known to all the members to be inexhaustible; that they will be without mutual knowledge or common interest; that imposition will present itself in the (unfortunately) less odious form of defrauding the revenue instead of fellow members, and, that, since such imposition must be punished by law, the public-spirited member who now receives thanks for watching over the interests of the clubs will assume the odious aspect of an informer." There will be found in different parts of the appendix to my report a good deal of evidence bearing upon this point. In this connection I may point to a very decided error that was made by Canon Blackley, in 1879, in supposing that he had discovered it to be a law that the larger a friendly society was, the less was the imposition. This is by no means the case. He quotes the fact, which was well established by the Commission, that imposition is higher among local societies than among the affiliated orders. But the system of affiliated orders is expressly founded upon this: that in so far as sick-pay is concerned,

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Chairman—continued.

concerned, in so far as mutual watching over each other by members is concerned, the branches of the affiliated orders are local clubs; the members live near together, and they can exercise all that mutual supervision which is exercised in an ordinary village club.

725. It would be easier to watch 10 men than 100?—Yes; and it would be easier to watch a man in the next street than a man at the other end of the kingdom.

726. On the other hand, the larger the society the more perfect its organisation ought to be?—Yes; but since a sick pay society absolutely depends upon the mutual watching of each other by the members, you find that the great collecting societies have the largest amount of imposition of any; and those are the societies nearest to Canon Blackley's proposal. More than one agent and several members of different societies impressed it upon me that in these large collecting societies there was more imposition than in any other club in the neighbourhood, as they said, because "we have no local organisation." The secretaries of several of the collecting clubs said to me, "We depend upon the doctor." But the secretary or the manager of a local club would say, "If we depended wholly upon the doctor, we could not get on; the doctor is of the very greatest use to us and helps us in every way; but we require something more." I remember a man putting it in this way; he sends for the doctor and says, "I have the back-ache;" the doctor says, "How can I tell that the man has not the back-ache?" accordingly he "lies down," as they say, and goes upon the "box;" but if after a short time he is found by another member of the society walking about, they have something to say to it.

727. Have you any suggestions to offer to the Committee as to any interference on the part of the Government with the present system of friendly societies?—Among the recommendations which I made in the sub-report to which I have referred, there was one which was divided on by the Commission, and was supported by equal numbers with the exception of the casting vote of the Chairman of that Commission; it was to the effect that the Government should offer, not enforce, a certificate, not so much of the soundness of the rates of a friendly society, but of their being equal to a certain recognised standard, and that the extent to which this recognised standard warranted men in considering the society sound should be explained to them; and it was thought that such a certificate would be eagerly sought after by all clubs of the collecting order, by all the patronised or county clubs, and partly by the affiliated orders and by well-organised local clubs; at all events, that if such a certificate were accepted and the rates so arranged as to entitle them to receive it in a large number of clubs, very great pressure would be put upon the others to do the same, and some discredit would attach to them if they did not. In this way it was thought that a very considerable improvement might be effected in the solvency of friendly societies. That recommendation was not adopted by the Commission; and I believe the certificate of the Registrar means now, as it meant 10 years ago, nothing more than

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Chairman—continued.

that the rules of the friendly society are in accordance with law.

Viscount Folkestone.

728. That certificate being voluntary?—It being optional with friendly societies to obtain that certificate; I do not think it has ever been proposed to prohibit unregistered friendly societies.

Chairman.

729. You are decidedly of opinion that any compulsion or any universal Government scheme would interfere seriously and unfairly with existing friendly societies?—I think it must be considered that it certainly would, for this reason, that if a working man is obliged to put into a Government friendly society, he clearly will not have sufficient resources left to put into a friendly society of a voluntary description besides, therefore, all new members after this system is established must be cut off from the existing friendly societies.

Mr. Acland.

730. Not necessarily after the age of 21?—That is to say, after they have once for all paid their subscription to a Government society of the sort described, they may then proceed to get further aid from a voluntary club; I suppose that is so.

Mr. Finch-Hatton.

731. When you speak of interference with an existing society, would you deprecate that interference if the terms offered were distinctly better than the terms offered by the existing society?—I am afraid that the terms offered must be distinctly worse; I do not see any escape from that, because I have already said that the rates must be sufficient to meet a state of things in which there are no lapses.

732. But without going into that point, you would not deprecate interference except upon the ground that the terms offered would be better?—I could not put it so strongly as that. If for good reasons it appeared that a national compulsory scheme was the better thing, the existing societies must upon public grounds give way; but I put it upon the ground stated, that I think the existing societies are more valuable in themselves to the State than a compulsory society under the State would be.

733. For other than financial reasons?—Yes, for other than financial reasons.

Viscount Folkestone.

734. You stated that you thought that the provision which Canon Blackley's scheme would require would be beyond the means of the greater proportion of the working classes?—I do not think that the greater proportion of the working classes could afford 2 s. a week out of their wages for three years from the age of 17 to 20.

Mr. Acland.

735. Are you right in the sum of 15 l.; Canon Blackley's scheme, as it is now before us, deals with 10 l.?—Yes, I think I am right, unless the sum has been reduced since I looked into it. The reduction to 10 l. is an amendment to the scheme in one direction which increases the object to it in

E 4

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17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Mr. Acland—continued.

another point of view; in that case the benefits in sickness must necessarily be considerably less than those I have been discussing, and the amount of pauperism which was then unprovided for would be so much increased.

Viscount Folkestone.

736. But there must be surely an enormous number of persons who, if this compulsory insurance scheme were in force, would not make use of the benefits of the scheme, who would put in the 10*l.*, but would not require to draw sick pay or old age benefit?—It would depend upon the way people came into a position to claim the benefit.

737. It has been suggested that people should not be placed in possession of the benefit of the scheme unless they were wage-earners, and unable by reason of sickness to earn wages. A person in your position or in my position would not come under the benefit of the scheme, would he?—No; but my answer to that would be that it then ceases to be a national provident scheme, and becomes a poll-tax of 10*l.* on the community for the benefit of the lower classes. There is nothing of thrift about it, it is merely a substitute for local rates to the amount of 10*l.*

738. But do the working classes all subscribe to the poor rate?—No, certainly not.

739. Those are the people who would get the benefit of it, instead of from the poor rate?—Yes.

740. Therefore this scheme (though it does not make those who would get the benefit from it instead of from the poor rate, pay the whole of it, but makes them only pay a part of it) gives them a legal lien upon a fund to which they had subscribed; so that although that would not do away with the poor rate entirely, it would do away with the poor rate to a certain extent, and bring every person within the grasp of the scheme, would it not?—Yes.

741. You said, I think, in answer to the honourable Chairman, that at the period of age, namely, from 18 to 21, when the workman would have to pay this contribution, his services are the most valuable to his employer, and therefore that the payment or contribution (which we assume at 1*s.* 3*d.* and not at 2*s.*, as you said) would fall upon the employer; that is how I understood you, is that so?—No; I must have failed to express myself clearly. I did not mean to say that the services of the workman of that age are the most valuable to his employer, but that at the time when, owing to the state of the labour market, the workman had an advantage, that is to say, at the time when his services were most wanted, he would have a greater power to throw this particular tax upon the employer; and therefore it would fall with a special weight upon the employer just at the time when he was worst off.

742. That would only have effect during the age between 18 and 21?—Yes.

743. But then the competition of labour of those between the ages of 18 and 21 and those between the ages of 21 and 25 or 26 would be such as to prevent any tax falling upon the employer, would it not? If an employer could not get a man between the ages of 18 and 21 to come and work for him unless he, the employer, would agree to pay the contribution, would he not

Viscount Folkestone—continued.

say, "I will not take you; I will take just as good a man, and perhaps a better, beyond the age of 21"?—That would be very bad for the man below the age of 21.

744. Just so. That would be an inducement to the man below the age of 21 to pay his own contribution, would it not?—I put this as a conclusion which would to the extent that it was operative render the scheme a bad one; it would be turned from something which it is intended to be into something different; from being a scheme for the promotion of thrift upon the part of the workman, it would assume the form of a badly contrived tax upon the employer; of course, that might be done; I do not say it would be impossible, but it would not be expedient.

745. That objection not being insuperable, do you see any means by which it could be got over?—I do not at present.

746. Do you think it would be more feasible if the payment were spread over a longer period; would that diminish the difficulty?—It would diminish that particular difficulty, but it would introduce others.

747. You are more favourably inclined, then, to a man subscribing all his life small payments and keeping up his payments all his life, than to his paying down a lump sum before arriving at a certain age; you think it would be more easy for the working classes to make their payments in that way, although in the end, taken in the aggregate, they would have to pay more than if they paid the lump sum down within a certain time?—I cannot doubt that it would be easier for them to do it, because they have universally selected that system themselves.

748. There is this difference between that which they have selected for themselves, and this scheme of Canon Blackley's, that one is a voluntary and the other is a compulsory one, and everyone would have to come under the compulsory one?—But that would not affect the fact of which was the easiest for them; the voluntary one, I take it, they consider would be the easiest. I think the example of existing societies is a sufficient proof of what they find easiest.

749. Then with regard to its being inimical to friendly societies themselves that the people who are compelled to subscribe to a compulsory scheme would not be inclined then to subscribe to a voluntary scheme, you said they would not be so well off; that they would not have so much money to subscribe. Do you think that generally the working classes begin to subscribe to the friendly societies before the age of 21, as far as your knowledge extends?—The tendency was to improvement in that respect. Whether the larger number begin before the age of 21 or not, is beyond my power to say; but there is no doubt that among all those who were interested in the work and were influential in promoting it, great efforts were made to spread among working people a knowledge of the facts; and the introduction of the graduated scale was very influential in showing them that the earlier they joined the less they would have to pay.

750. That brings in young people?—Yes, it does.

751. If they had to pay this 10*l.* before they arrived at the age of 21, they would not be any worse

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued]

Viscount Folkestone—continued.

worse off at the age of 21, would they. From your knowledge of the working classes, do you think they would have saved that 10*l*.; would it not have been spent in amusements and beer?—I have already admitted that after the contribution to the compulsory scheme was over they would be able to join friendly societies; to that extent my answer must be corrected.

752. If they had not to keep up this compulsory insurance fund, they would be more inclined to think that it would be less trouble to subscribe to friendly societies afterwards?—Yes, but of course you are aware that there is a great practical objection to men being encouraged to belong to more than one friendly society; I mean in reference to the temptation to malingering.

753. Do you think that that objection would apply in this case?—I think the amount of sick-pay which you could give in this case would be so small that the objection would be less; but whenever the sick-pay amounts to anything approaching a man's full wages, then I think the temptation to imposition is bound to increase in a very rapid ratio.

754. That was with regard to malingering?—Yes.

755. The report you quoted from was for 1873?—Yes.

756. Has there been any improvement in regard to malingering since the year 1873?—That I cannot answer; but human nature I believe remains the same.

757. But do not you think that the spread of education would be likely to have corrected that tendency?—It is possible.

758. One of the benefits of education, it was hoped, would be an improvement of the morals of the people?—No doubt.

759. Do not you think it possible that if an inquiry were made now into malingering, it might be found that there was not so much inclination to it now as there was in 1873?—That is a matter of moral speculation.

760. You have made some recommendation with regard to the voluntary certificating of societies; but you said in the first part of your evidence to-day that you were afraid that the very great majority of the friendly societies were unsound; the Government would not give a certificate to an unsound society, would it?—Certainly not. Therefore the intention is that a society should be invited to improve its rates up to a certain recognised standard, and that thereupon it should receive a second certificate informing all concerned that such was the case. That passage will be found on page 32 of my report.

761. Now the great majority of the friendly societies which exist being unsound, and it being necessary, in order to get the Government certificate, that they should put their rates upon such a basis as to make them tolerably sound, would it not in your opinion be beyond the power of working men to pay the greatly enhanced contribution that would be required to put them upon a basis to get a certificate?—In some cases it would be necessary for the workmen to pay a larger contribution, and in some cases it would be necessary to reduce the benefits.

762. Do you think that would cover the case 0.99.

Viscount Folkestone—continued.

in every instance?—Yes, that would enable any friendly society to be made sound which was not too far gone.

763. Do you think the working classes would prefer to pay this greatly enhanced rate to their original societies, or that they would not greatly prefer to come under a system of compulsory provident insurance?—Judging from the experience I have, I should say that the working classes would entertain a very large amount of objection to a compulsory government society; I do not rest the case entirely upon that, but I can hardly doubt the fact.

764. The evidence which the Committee have had before them has been very much in an opposite direction. Those who have attended large meetings of the working classes seem to indicate that there is a unanimous consensus of opinion in favour of the scheme amongst the working classes, and that the more they have heard of it the more they like it; you have not seen that evidence, perhaps?—I have not seen that evidence, but I should be inclined to doubt it even though there were a considerable amount of evidence to that effect produced. I think that there must be a considerable degree of difficulty in arriving at that conclusion; although it may well be that at first sight, and as at first represented to them, it had a certain attraction for a large number.

765. This voluntary certificate surely would not improve the position of friendly societies a bit more than the Friendly Societies Act did, would it; the Friendly Societies Act was meant for the very same purpose as your suggested voluntary certificate?—The improvement I should expect from the offering of this certificate would be to excite among the managers of friendly societies a good deal more curiosity and interest upon the subject of their solvency, and a certain amount of competition amongst them; I think that it would tend in the right direction.

766. But that is exactly what the Friendly Societies Act was intended to do, and it has not had apparently its desired effect?—I have never understood that the Friendly Societies Act has been a complete failure.

767. Not a complete failure, but not the full effect that it was hoped it would have had?—That is a question of degree.

768. Have you formed any idea of any other means by which you could get at the unthrifty, so that it would not be necessary to make the thrifty working classes, as they do now, pay for the unthrifty; have you any scheme or any proposal in your mind by which that could be done except by this National Compulsory Provident Insurance?—I cannot admit that it is necessary that some scheme must be found for making the unthrifty thrifty; for I look upon it as rather beyond the province of legislation to propose such a scheme. Frankly, I have no such scheme to propound.

769. Do not you think it would be a very good thing to make the unthrifty who are now fattening upon the earnings of the thrifty working classes subscribe something themselves for their own support, when they are so old that they cannot earn anything?—All taxation, including in that all indirect taxation, has that effect to a certain extent, and the principle so far is a good one.

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770. You

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Viscount Folkestone—continued.

770. You approve of the principle; and if some scheme could be found independently of this, or even if this scheme were to be shown to be capable of carrying it out, you would not object to it?—As far as I understand this scheme, I do not approve of the principle of it.

771. At any rate, you see no other means of making the unthrifty pay something towards their own livelihood?—I do not see any other means of effecting that which Canon Blackley's scheme proposes to effect.

Mr. Hoyle.

772. Do you hold firmly to the opinion that a rise in wages would be consequent upon the payment of National Provident Insurance?—The natural effect of imposing what, in fact, is a very heavy tax upon large numbers of the working classes, that is to say, those between certain ages (including among them, of course, many who are very poor) must, I think, be in the direction of a rise of wages; but it is possible that other circumstances might interpose to prevent the rise, such as were pointed out in the case of the competition of labourers of a slightly older time of life who might be employed instead of the younger ones.

773. I will put it in another way; within your experience have you ever known a rise or fall in wages independent of the demand for labour, and its supply?—I think it is generally admitted that amongst the poorest the rate of wages depends upon another consideration besides that which is known as the law of demand and supply; that is to say, upon the minimum necessary to support life, according to the standard of the class. My experience would not justify me in giving you facts upon that point, it is almost too abstruse, too nearly touching upon theories of political economy for me to give facts bearing upon it.

774. Let me ask you another question; have you any experience with regard to skilled labour in the county of Lancashire?—My acquaintance with the conditions of labour in the county of Lancashire is limited to my experience as Secretary to the Factory and Workshops Commission in 1875. I have had no very great experience.

775. Perhaps you know that "self-actor minders" get very high wages?—Yes.

776. How do you account for the difference between their wages and the wages of the agricultural labourer?—I suppose it depends upon the quality of the labour, and the amount of intelligence which is required.

777. No doubt the quantity of skilled labour is small, and the quantity of unskilled labour is unfortunately large; so that it comes to the same thing as supply and demand in the end, does it not?—Yes, in that respect it is so.

778. What would be the moral effect upon the working classes of paying for three years the amount which Canon Blackley proposes?—It is a matter of speculation; but I think that if you took any means of compulsory payment, it would not have any very large effect in a moral direction towards making them more thrifty.

Mr. Hoyle—continued.

779. I understood you to say that if this scheme were made compulsory, friendly societies would suffer, as new members would not join; is that so?—I think they would suffer.

780. What effect would that have upon their invested funds; are the investments sufficient to meet the claims of continuing members?—I am afraid that in many cases they cannot be considered sufficient at the present rates.

781. So that there would be less and less inducement to join, as the investments were inadequate?—Yes; I am afraid it is the case (of course it is very wrong) that friendly societies do pay to a large extent the old men's benefits with the young men's money; but I must carefully guard myself against putting that forward as a reason against this proposal.

782. That is what you were thinking of broadly when you said that you thought most friendly societies were unsound?—Yes, that amongst other things.

783. I understood you to say that one objection you entertained to Canon Blackley's scheme was, that the well-to-do people would pay for others?—I said, that if the well-to-do were denied the privilege of claiming benefits, it would then assume the form of a tax upon the well-to-do classes, which were excluded from the benefit for the advantage of those which were to receive the benefit.

784. But does not that principle prevail everywhere; your tailor, for instance, makes a great number of bad debts, and you pay for those who do not pay?—Yes; but I do not call that a system of National Provident Insurance.

Chairman.

785. I suppose an honorary member of a friendly society would be more nearly akin to it?—That is a trifle; it is an amiable feature of the system, but it does not contribute much to their solvency.

Mr. Walter James.

786. Do you know what is the total amount of friendly societies' investments in the country at the present moment?—I cannot tell without referring to the returns.

787. As Assistant Commissioner to the Friendly Societies Commission you have watched, I have no doubt, the expansion of the friendly societies subsequent to the passing of the Act of 1875?—I have from that I have watched them closely. I cannot say time to time turned over the reports.

788. It was the great wish of the friendly societies at the time of the passing of that Act, that there should be something like finality about it?—I have no doubt that was the case, but there was something more than that. The law was in a very unsatisfactory and confused condition, and there was a general desire for its consolidation and for a recognition of the branches of the affiliated societies.

789. That Act gave the friendly societies so much trouble that they were very anxious about the questions relating to them should not be reopened?—I have no doubt that that was the case.

790. Is it not the case now that large meetings of friendly societies, such as the Odd Fellows or the Gardeners, or the Foresters, have expressed a very strong view that Parliament should leave them

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Mr. Walter James—continued.

them alone, and that there should not be fresh legislation?—Yes, I have no doubt that that is so.

791. And those societies have taken, and do take active measures amongst themselves by means of juvenile societies to try and promote habits of providence and thrift amongst the young?—Yea. The juvenile societies which I found coming into existence 10 years ago seem not to be a prominent feature of the system; but I may point to the very great efforts which were being made, especially by the large affiliated societies, to improve their condition by better financial arrangements. The Manchester Unity of Odd Fellows has made great efforts, and the same have since been made and continued by the Ancient Order of Foresters.

792. We hear sometimes of meetings of the working classes expressing views in favour of a particular scheme; but you think that the general feeling is, as you have endeavoured to indicate in your evidence, as a fair set off against the feeling of those meetings, that the working classes are in favour of being left alone in this matter?—It is my impression that the feeling of the working classes is in favour of being left alone in friendly society matters.

793. The noble Lord asked you about the working classes and the poor rates, and suggested that they did not contribute to the poor rate; that might rather lead one to suppose that the working classes were not affected by the poor rate; but there can be no doubt, can there, that the diminution of the poor rate must tend to an increase of the wages of the working classes?—I think that must be so.

794. And every penny off the rates would tend to put a penny upon the wages?—Not perhaps the whole penny.

795. But a portion of it; it is very much to the interest of the working classes, as much as any other class, that the rates should be kept at the lowest point?—No doubt.

796. Have you ever come across any desire among the working classes that other classes should contribute to objects of which they alone would have the advantage?—Limiting the question to this particular subject, I may say that my experience was opposed to that conclusion, because I found that in regard to the honorary members and the subscriptions of the upper classes to the friendly societies, they were valued rather as a testimony of good will than for any financial benefit that they were to the societies; and it was a general feeling, I may say a universal feeling on the part of the managers of the friendly societies, that the honorary members were rather to be kept at arms' length in regard to the management of their societies.

797. Under Canon Blackley's scheme it is proposed that everybody should contribute; is not that so?—So I understand.

798. That is to say, a man who was heir to an estate of 20,000*l.* a year?—Yes, undoubtedly, the scheme depends upon that for its solvency. Canon Blackley, undoubtedly, originally proposed that everybody should be entitled to claim sick pay.

799. There are not very broad divisions hap-

Mr. Walter James—continued.

pily amongst classes in England, but they are, speaking generally, upper, middle, and lower. Do you think the independence of the working classes would be affected by contributions from the upper classes, if it were thought that they were to have the effect of sustaining those with whom they are in many respects upon an equality?—I would rather say that it would not tend to promote thrift among the working classes. I do not deny that it would be easy to get up considerable enthusiasm for any scheme for the benefit of the working classes; but I do not consider that that would tend to promote thrift among them, or to make them self-supporting; it would rather tend to promote unthrift.

Mr. Fenwick.

800. Following up a question put by Mr. Walter James, did I understand you correctly to say, in answer to Viscount Folkestone, that the working classes of this country do not bear a fair share of the pauper rate in this country?—I do not think I said anything which implied that; that was not my intention at any rate.

801. I think the question of the noble Lord was to this effect, that the poorer classes did not contribute to the poor rate, and you said, if I understood you correctly, that you were afraid that that was so?—The poorest classes no doubt do not pay poor rates.

802. Do you find that the working classes in this country are very largely ratepayers?—Yea.

803. Is it your opinion that the poor rate is very largely covered in the rent that is paid by the rent payers?—Yes.

804. Then does not it follow by implication that the working classes, even the very poorest, who are rent payers to an extent, contribute their portion to the poor rate?—I am inclined to make an exception to that for the very poorest; but with that exception I agree.

805. In your opinion, if the poor rate were less, the rents would be less?—Yes, with the exception of the poorest, who seem to me to be a little beyond the scope of that self-acting machinery.

806. Of course when you come down to the very lowest, you except them?—Yes, I except the very lowest.

807. And even they, you admit, are rent payers?—Yes, certainly.

808. And if it were not for the charge in the direction of the poor rate, then even their rent would be less than it is?—No; I am rather inclined to question that with regard to the poorest.

809. So that, at any rate in the great majority of cases, the working classes do contribute to the poor rate?—That is so, no doubt.

810. I think you stated also that your attention was first drawn to this question of national insurance in the year 1873; is that correct?—My attention was first drawn to the question of friendly societies in 1871, and my attention was first drawn to Canon Blackley's proposals in 1879.

811. Have you had much experience amongst the working classes?—Yea, I have had very considerable experience in various capacities.

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Mr. Fenwick—continued.

812. Do you find amongst the working classes of this country that there exists much sympathy towards a system of national insurance?—No.

813. That is not your opinion?—It is not my opinion.

814. Your opinion is that there is not much sympathy with it?—I must give my answer with regard to the particular experience which I have had. As I said, there was no proposal for a compulsory system of national insurance before us 10 years ago, but there was a proposal for a system of Post Office insurance somewhat similar in character, and for that I found there was no support amongst the working classes.

815. Are you aware to what extent the working classes provide for themselves at present?—I have had a very large acquaintance with the various friendly societies of course, and I have had some acquaintance with the returns of the savings banks.

816. Would it be correct within the limits of your experience to say that the majority of the working classes already contribute from 1 s. 3 d. to 1 s. 6 d. a week per head to friendly societies?—I could not give the figures.

817. As a matter of opinion, from your experience of the working classes, do you consider it is correct to say that they already contribute anything like the sum I have mentioned?—I should doubt if it could be said that the majority of the working classes contributed as much as 1 s. 3 d. a week to friendly societies.

818. Then do you think it would be correct to say that any large proportion of them do so?—I have no doubt a large proportion of them may, those who are better off and have larger wages. Referring to calculations made some time ago, I find that in the tables of a well-regulated friendly society it requires 19 s. 6 d. a year for life to insure 10 s. a week sick pay and 10 l. death benefit, and 5 l. upon the death of a member's wife. You must add to that something for management and for medical benefit, which, I am happy to say, is an increasing feature in friendly societies. I should doubt whether you could bring it up to as much as 1 s. a week, certainly not for the agricultural labourer.

819. The agricultural labourers form, I suppose, the greater proportion of the total amount of labour in the country?—A very large proportion I should think.

820. Should you think that the agricultural labourers form the majority?—Yes, I should.

821. You think that more labourers are employed in agriculture than in every other industry?—I may be wrong upon the point of statistics. I have not referred to the figures; still I could not call the agricultural labourers a small proportion of the labourers of this country.

822. But nothing equal to the population that may be pitted against them. Then following out the question: assuming that the majority of the labourers are now paying, taking your estimate, 1 s., or something like that, the proposal of Canon Blackley is to increase that payment by 3 d. a week?—I could not assume that. I should very much doubt the fact that the labourers are paying anything like as much as 1 s. a week, taking them all round, and you will

Mr. Fenwick—continued.

observe that the conditions are entirely different. Canon Blackley's proposal is that they should pay the contributions of a lifetime in a few years, and therefore he must necessarily propose a very much larger contribution; something like 6 d. a week is much more near the contribution they make to friendly societies.

823. Would you be surprised if I were to say that, in my own experience, I could point you to two districts, numbering over 50,000 working men, who are contributing fully 1 s. 6 d. a week?—On the average?

824. On the average?—I should think that was an unusually high average.

825. Do you think that, with the present wages obtaining amongst the working classes, they would be in a position to increase that sum by the amount that is now proposed by the scheme of Canon Blackley of something like 1 s. 3 d. a week I think it is, which they will be compelled to pay?—I do not think they would be in a position to increase the payment of 1 s. 6 d. a week by 1 s. 3 d. a week more. I am not sure that Canon Blackley's proposal would enforce that additional payment upon the members of existing friendly societies.

826. I assume that all under a certain age are to be compelled to insure. Then, even taking those that would be compelled to pay that sum, do you think they would be in a position to do it out of the present wages which they earn?—There is no doubt that a young fellow of 17 who was now paying 1 s. 6 d. a-week to a friendly society, if he were compelled to join the National Club at 1 s. 3 d. could do it, because he could drop the other without any very great loss at his time of life; but he would not like to do it.

827. But you take it at the very lowest average when you take it at the age of 18 to 21; men between the age of 21 and 30 would be compelled also, would they not, to pay this contribution?—No: "All males who hereafter shall reach the age of 17 or 18 years."

828. Assuming that a young man at that age dropped the payment that he had been paying hitherto to his friendly society, he would be compelled to sacrifice the amount he had paid into that friendly society; assuming that he had paid his contribution into the National Insurance, he would be compelled to drop the other, would he not?—I think he would be compelled; as far as my experience goes, I do not think he could possibly afford the two.

829. Are you aware that amongst the working classes a very large number become contributors to friendly societies as soon as they reach the age of 12?—A large, and, I am glad to say, an increasing number.

830. And being compelled to drop that membership, he would sacrifice the contribution which he had made for some 6 or 7 years?—Yes, that would be a very serious result.

831. You think that would be a very great hardship to the working classes?—I do.

832. And one that they were not very likely to submit to?—Certainly not.

833. But under this scheme, if adopted, they would be compelled to submit to it?—I think so in most cases.

834. One

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Mr. Wason.

834. One of your great objections was that the men could not afford to pay this sum out of their weekly wages?—I think many men could not.

835. Supposing they could afford to pay the sum that would be required, would you still think it would be a bad system?—Yes, I should still think it a bad system, for the other reasons that I have given.

836. That is to say, it would tend to destroy the independence of the working men?—Yes.

837. And to do away with thrift?—It would be rather a hindrance to thrift than in favour of it.

Mr. Arthur Acland.

838. I want to turn to the point which you thought the most important of all, the point about the claims on the sick-pay, and in order to make my point quite clear, I will read a passage from the letter of a grand master of one of the largest societies, the Odd Fellows. He says, "I am a member of the largest sick society not divided into lodges. This society is the nearest approach in point of general experience and centralisation to what a State insurance system would be like. The amount of sickness claims paid by the society to which I am referring was 14·13 per cent. above the 'expectation' tables which are used by the society, and which are the same as are followed by the Manchester Unity of Odd Fellows. This excessive sickness entailed a loss to the funds of the society of 12,639*l.*, and renders it necessary to maintain a rate of contributions which would otherwise result in a divisible surplus of funds." Am I right in thinking that that is a counter-action which in an exaggerated degree would apply in your opinion to a State insurance system?—Yes, that is the ordinary language, and entirely the sort of argument that I heard, I may say scores of times, during the period that I was engaged in investigating the subject.

839. Do you think when a man had already paid his contribution and was insured for life in the matter of sick pay and pension, he would have any particular interest in keeping down the sick pay with the view to the payments, not of grown-up people, but of a future and rising generation?—Do you mean in abstaining from claiming on his own sick pay?

840. No; in keeping down the sick pay of his neighbours?—I think that his inducement to take care of the fund would be infinitesimal. A man cannot realise danger to a national fund. When you come to deal with millions, of the responsibility for which the whole State stands guardian, you cannot bring that home to a man. Therefore I should decidedly think that there would be no possibility of inducing the men to do the work which is now done in every well-regulated sick society, of looking after each other.

841. You do not think that any system of forming voluntary local bodies to look after the sick pay in the interests of the nation, would be likely to succeed?—I am sure it would not, because that has been again and again tried by the great collecting societies, such as the Hearts of Oak, but without success; they cannot get the

Mr. Arthur Acland—continued.

work done, and must rely entirely upon the doctor's certificate.

842. This would be an affair of the State, and not of an individual society?—Certainly, and in that case the danger of insolvency, it would be considered, would be more remote.

843. You do not consider that the doctor had any power really of keeping down the sick pay by its being closely looked after?—No, I could not go as far as that. A doctor is a very important agent in checking malingering, and therefore in keeping down the rates of sick pay paid by a club; but that club which depends entirely on a doctor's certificate is by no means in so good a position as that club where there is a mutual system of vigilance.

844. You think that even under a State system, the pressure of public opinion upon the doctor not to turn a man off the sick pay, especially if there were no work forthcoming for him, would to some extent act upon the doctor in this way?—Yes. I recollect being employed in an investigation with reference to the coolies employed on some estates in South America, where a great deal depended upon the certificate of the doctor. The coolies were obliged to work unless they could get a certificate from the doctor, and that ended in the doctors being all taken into the service of the State, and made salaried officials; there was no medium.

845. But in this case would the doctors be made salaried officials?—That is a contingency which I could hardly contemplate in this country.

846. I want to take the case of a young man whose employer had been paying his contribution for him from the age of 18 to 21; he would not have been paying it himself, but through his employer. Do you think when he had completed his payment he would be more or less likely than a fairly thrifty man of 21 now to join a friendly society?—I think he would be less likely, because he would feel that he was to a certain extent already insured.

847. Therefore you feel that to that extent the scheme would work against the friendly societies?—Yes, I think in that respect it must be set off against the extent to which he had already insured himself.

848. You would object to anything that would do harm to the friendly societies, because of the general education in thrift which the friendly societies give to the public?—I do; I look upon it as a most important point, and I should like to refer the Committee to that which is now a classical passage in Bastiat's "Harmonies Economiques," page 459; a reference to it will be found on the first page of my Report: "Ce qui a fait jusqu'ici le succès de ces sociétés; succès lent à la vérité comme tout ce qui concerne les masses; c'est la liberté, et cela s'explique."

849. Assuming that we should not have to extinguish the present Poor Law system under Canon Blackley's scheme, do you think that whatever happened under that scheme, there must still remain a large amount of pauperism, hereditary and otherwise?—Yes, I think there must still be a large amount of pauperism in the country; that

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Mr Arthur Acland—continued.

is to say, of persons who cannot meet the expenses involved in their existence.

850. According to Canon Blackley's scheme in its present form, those only would be entitled in the future to claim the sick pay who are wage-earners; do you think you could make a fair distinction between those who can do without sick pay, and those who cannot?—I think it would do very great injustice.

851. The scheme, in its present form, includes women as well as men; do you think, from your experience, that women between the ages of 18 and 21 would be able to make the same provision as men?—Women between the ages of 18 and 21 are not generally in receipt of wages, and it is my decided opinion, gained from a considerable amount of experience, that sick pay as a benefit should be regarded as an incident of the condition of thrift on the part of wage-earners, and that, therefore, any proposition for putting sick pay, compulsory or otherwise, into the pockets of those who are not in the usual receipt of wages is open to very grave objection.

852. When you say that women are not generally in receipt of wages, do you say that in face of the fact that women are to a large extent engaged in factories, and also to an immense extent in domestic service?—The question must be a difficult one to answer, as a matter of opinion; still it would be allowed, I think, that women are not a wage-earning class to the extent that men are.

Mr. Llewellyn.

853. I want to ask you from your experience, what opinion you have as to the amount of money that is spent by members of friendly societies in matters not exactly connected with their benefit. I mean to say, with regard to fêtes and expenses of that sort, apart from actual benefit?—I cannot give you any idea as to the actual amount of money; but I can give you some facts bearing upon the subject which are interesting. In the first place, the expenses of the old village feast were, to a very large extent, the cause of the ruin of the old village clubs. For the village feast the affiliated orders tended to substitute a fund, a different kind of feast of a better sort, and more under control; but they spent a good deal of what they saved in regalia. Then, again, a great improvement was effected by the exertions of the Registrar, and the operation of the Friendly Societies Acts prohibiting expenses of this kind being paid out of the regular contributions, and obliging the societies to keep a separate management fund upon which such expenses should come to be charged. I am able to say from my experience of 10 years ago, that that has been very effective, and that, to a very large extent, the expenses of which you read in village accounts, the annual feast and the regalia, are now no longer provided in such a manner as to diminish the solvency of the clubs. One or two societies I still found paying for feasts out of their benefit funds, and I reported them accordingly; but it was by no means common.

854. But, at present, do most of the purely local clubs "walk," as it is called, or have one

Mr. Llewellyn—continued.

day in the year upon which they have a feast?—Yes, but they have a separate contribution mostly for the walk, and where they do not, they keep it separate from the benefit contribution.

855. You have no return as to the expenses of those feasts and so on, have you?—I can conceive that there would be some difficulty in getting such a return, because they are so very largely paid by voluntary contributions.

856. Could you say at all what the amount of the voluntary contribution would be?—It must depend very much upon the nature of the feast; if it is a dinner it is generally about 2s. a-head.

857. But I speak more of the fund specially collected for the purpose, partly from honorary members and partly from subscribing members?—That is very largely done; they very largely appeal to honorary members to subscribe for the purpose, and I think it is a very good thing. I think a feast is not a bad thing for a club if it is well done, and provided the money is not drawn from the benefit fund. One of the ways in which richer people may act who desire to keep a benefit club upon its legs is to give them a trifle for their annual celebration.

858. You think that annual celebrations are a good thing?—Yes, but I should like to see them conducted as they are coming more and more to be conducted. The old village feast, I think, belonged to a very barbarous period.

859. My question is as to the expenditure upon things which are not for the benefit of the insurers themselves, which would be available to a great extent towards assisting those who would have to insure in the national insurance fund?—My point, in answer to the question, is, that those funds are to a very much less extent than formerly, and they are getting to be less and less so, drawn from the thrift funds of the poor. Of course you cannot prevent people from subscribing funds for the purpose of having a dinner together; but what has been done is to separate those funds from the benefit funds. That is an excellent thing, and that has been carried out to a very large extent.

860. Have you any idea as to the average cost of a funeral in those local clubs; you did not speak of funeral clubs, but you know what I mean by burial clubs, and you also know of what is called being "buried alive"?—Yes, I have come across that.

861. Have you any idea what is spent on the average on a funeral?—I have known cases where, in the ordinary way, 10*l.* or 12*l.* benefit was said to be generally spent in backward villages.

862. The whole amount?—Yes, the whole amount was spent upon the funeral or funeral feast; but that was diminishing, and was becoming less and less.

863. In your opinion the practice is going out of fashion now of spending that large amount of as much as 10*l.* to 12*l.* upon funerals?—It is certainly becoming less and less the practice to spend that extravagant amount upon funerals, but I cannot give you any statistics which would be of value in such a matter as that.

864. You spoke as to a speech that was made at a meeting you attended of a local society with regard

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Mr. Llewellyn—continued.

regard to malingering; you spoke of the opinion of the meeting being that malingering was not carried on to a very large extent, and that under this proposed scheme malingering would be fatal to it; have you any returns, or from your own experience can you state to what extent malingering is carried on now in large societies, such as the Foresters and the Oddfellows, and so on?—It is hardly a matter which admits of returns or figures. Such a figure as that indicated, by comparing the amount of sick-pay in a large collecting society with that in a well-managed affiliated order which is grounded upon the local principle with regard to sick-pay, is the nearest you can get in the matter.

865. Is it largest in collecting societies?—It is largest in collecting societies; it is less in the affiliated orders, because they are grounded upon the local principle.

Mr. Finch-Hatton.

866. Upon the question of the inability of the working classes to pay, I think you said in your first statement that you took 2 s. as the groundwork of your belief as to their inability to pay; if that were reduced to 1 s. 3 d., would that modify your opinion?—It would modify my opinion as to their ability to pay to the extent of 9 d. out of 2 s.

867. But to what extent would it modify your opinion as to the working classes; would you say that only a small proportion would be unable to pay?—I should say a less proportion.

868. You stated that a good many of the working classes began their payment to friendly societies when they were 12 years old?—That was to the juvenile clubs.

869. I suppose if they begin early they pay less?—Yes.

870. The payment does not increase; it remains at one level?—The system, which is called the graduated scale, is that you pay less for the whole of the life if you enter early.

871. Supposing a child of 12 was able to make his payment to a friendly society, would you contend that when he arrived at the age of 17 he would have made no increase of income by his work sufficient to enable him to make a further payment to any other insurance?—It is very likely he would. Moreover, in the case of a child of 12, payment is necessarily made by the father for the most part. Children of that age are only just beginning to receive anything in the shape of wages, if anything at all. It is in fact a well-to-do father who in order to bring his child into the club to which he belongs, enters him as a member of the juvenile branch.

872. Then your objection would only apply to the case of children of well-to-do parents, would it not?—It does not follow that the child of a well-to-do parent will, when he comes to the age of 17 or 18, himself be in the receipt of large average wages; and therefore he might be in a position to suffer, as was put to me in examination by an honourable Member.

873. Have you considered this further with regard to the question of inability to pay, that the time at which it was proposed that the working classes should make this payment is the very time when they have the maximum earnings

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Mr. Finch-Hatton—continued.

and the minimum of expense; that is to say, it is the time just before they marry. I think I am right in saying that their expenses before they marry are considerably less, as everybody else's are, than after they marry?—I daresay it would be so.

874. Therefore it would be easier for them to make the payment before they marry than to make a continuous payment to friendly societies after they marry?—Yes; that is, I gather, Canon Blackley's argument for taking it in this form. The necessity of taking it in these few years of youth is the reason, I take it, why he has proposed a three years' system.

875. Would you concur as far as this: that the amount of money earned by a young man between the ages of 18 and 21 is much more, relatively, than the amount earned by the same person in later years when his expenditure has increased; that is to say, his earnings bear a greater proportion to his expenditure than they afterwards do?—Provided he does not marry.

876. Then I suppose you would agree that before the age of 21 people should not marry unless they have the means of subsistence otherwise?—I think so.

877. You said, I think, that women between the age of 18 and 21 are not generally in receipt of wages; if they are not, how do they live; they either have a living or they earn one?—A large number of them marry young. A large number of them are in domestic service, and they are no doubt in receipt of a certain amount of wages, but not wages calculated on the same basis as those of persons who are engaged in industrial occupations; they get just enough to provide clothes and to put by something towards furnishing a house when they marry. To that extent I must modify my answer, that when you take out all those engaged in industrial occupations and domestic service, it might be that the majority would be earning something at that age.

878. I think you said that Canon Blackley had made his calculation upon a state of things which existed in the Hampshire Society; have you any ground for saying that?—Yes; Canon Blackley quoted the Hampshire Society.

879. As affording a ground for his calculation. Seeing that this is entirely a different process from that existing in any friendly society; because, as you pointed out in your statement, there are many who will subscribe who will not receive the benefit; that is not the case in any friendly society?—When Canon Blackley put forward his statement in 1879, he did not prohibit the members of other classes from claiming the benefit; therefore he was not entitled to take other than the usual friendly societies' tables; he did, however, claim assistance from the fact that numbers would not take the benefit.

880. But supposing he did not originally propose that the benefit should be confined to wage-earners, should you be surprised to find that in the first edition of the work in which his proposal was issued he says, "In a national compulsory club, such as I discuss, every person, not merely every earner of the lowest wage, must be a contributor, and a vast number of these

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Mr. Finch-Hatton—continued.

these would belong to classes either too proud to claim a weekly payment, or unable to state on their certificate that they were prevented by sickness from earning their usual wages." If that is the case in the original statement, I suppose you would modify your statement as far as that goes?—You mean that that was to be interpreted that he did not intend those who were not in receipt of weekly wages to have any right to benefit; I do not understand it so.

881. Supposing Canon Blackley is rightly interpreted as confining it to the wage-earners, taking it to be so, you describe the scheme as a poll-tax upon the classes who do not receive the benefit, inasmuch as the money is taken from one class for the benefit of another class; but have you considered the number of persons who are constantly passing from one class to another. There is no hard-and-fast line which divides the people in one class from the class below them; there are cases where people sink in life, and themselves become wage-earners; could you call that a poll-tax which eventually results in the benefit of the person who insures if he gets down to the class which it was intended to benefit?—In the case of a person who began by belonging to the classes who could not claim the benefit, and afterwards came to be reduced in circumstances, and to belong to the classes who could claim the benefit, no doubt he would be exempt from the criticism I passed upon the scheme, that it was taxing one class for the benefit of another.

882. But is it not possible as to every single person belonging to the upper and middle classes, that he may be reduced to become a wage-earner and so a claimant to the sick pay?—That is rather a shadowy possibility, I should think.

883. There is no such line dividing the two classes that a person may say absolutely that he never will be in a position to claim that money?—I think for all practical purposes there is a line, not a definite line, between one individual and another individual, but a line between class and class.

884. But it is a line which is frequently broken by transference from one class to another. The wage-earners become persons of independent means, and *vice versa*?—Yes, that is so.

885. In that case you would modify your description of the scheme; it would be no longer a poll-tax in that case?—It is a poll-tax; by which I mean a tax per head not arranged in proportion to a man's property, but an equal sum, whoever he is. Its character as a poll-tax is unaffected by the question you put to me.

886. But I take it you meant it as rather an invidious description of the application of the scheme, and I put it to you whether it would not be possible that every person who paid the money might be himself a recipient by sinking from one class to another?—Putting aside the question of the poll-tax, the answer I gave was carefully guarded, that in so far as the money was to be paid by persons who could not claim the benefit, it would be a tax on one class for the benefit of another class; the bare chance of their afterwards becoming reduced to earning their living by wages does not, I think, affect the argument.

887. Do you think it fair that the working

Mr. Finch-Hatton—continued.

classes should be obliged to give a guarantee to the country that they will not become chargeable to the rates, and that the richer classes should not be asked to give such a guarantee?—I do not.

888. If the working classes should be asked to give such a guarantee, the richer classes ought to be asked to give one too, ought they not?—I think it would be necessary if this scheme should be contemplated.

889. Inasmuch as they may ultimately themselves become chargeable to the rates by a transfer from the upper to the lower classes?—I would put it rather upon the ground that it would be necessary to hold out a large bribe to the working classes from those who were in a better class of life to induce them to consent to any such proposal.

890. Upon that point I think you said that the working classes were not favourable to any scheme of national compulsory insurance?—I said that they were unfavourable to the scheme of Post Office sick pay.

891. This particular scheme has never been placed before the working classes in your hearing, and their judgment taken upon it?—Never.

892. You do not express an opinion upon what their view of this particular scheme is, but only the Post Office scheme?—I am able to report that the working classes thought that the Post Office sick pay scheme would not do, and that they would object to it; but with regard to the particular question whether the working classes are or are not in favour of this scheme, that must be a matter of inference.

893. I understand that in your opinion any interference from a State point of view would be objectionable?—Any interference is likely to create objection which must be removed by argument.

894. But upon the point of expense, have you examined the objection which is entertained to any State interference?—Yes; there is a large amount of objection to any sort of interference either with friendly societies or wages, or with the property of the working classes or their actions; but of course I do not mean to say that that objection could not be removed upon sufficient grounds and for a sufficient object.

895. At the meetings you have attended has the matter been placed before the working men by friendly societies from a friendly society point of view, or by other persons?—The discussions I have had in my investigations upon the Post Office sick-pay scheme were for the most part with the managers and secretaries and active members of friendly societies.

896. There was one answer you gave upon the point of imposition; I think you said you hoped you would never see doctors salaried officials of the State in this country; but supposing this scheme were adopted, the doctors would, I suppose, have to be salaried officials of the National Provident Insurance, would they not, in the same way that they now are salaried officials of some of the friendly societies, either through the members themselves or through the insurance society?—It would be carried out I presume somewhat in the same way as the employment of medical officers to give certificates in factories is carried out.

The

17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Mr. Finch-Hatton—continued.

The purport of my answer was, that where the whole ordinary responsibility rested upon the doctor's certificate, it would have to end as it did in the Colony I mentioned, in the State taking over the doctors entirely; a very formidable result, and one which cannot be contemplated with satisfaction.

897. I understand you to say that the check which now exists by one means or another would be removed or reduced almost to an infinitesimal point?—No doubt.

898. Could we look to any safeguard corresponding with that from the increased efficiency of the medical organisation?—I do not think you can get much better work out of the doctors than you do now; they do their work very well as far as doctors can do it, but something more is necessary.

899. I suppose you would think this point an important one: that where the sum to be insured for as sick pay does not come up to the ordinary rate of wages, there is not the inducement to imposition that there is where a man has joined two friendly societies, and where the joint amount of sick pay would come to more than the amount of his wages?—That is so.

900. In this case it would be only 8s. a week?—Yes. In fact, now that I learn that the contribution is to be 10*l.* instead of 15*l.*, I cannot suppose that even 8s. a week could be given.

901. Have you taken into account the enormous number of people who will be excluded from these benefits?—No, I have not.

902. It would make a great difference, would it not?—It might be so managed as to make all the difference in the world.

903. Supposing it were a universal scheme?—Then I should not call it a compulsory insurance scheme; I should call it a taxation in that case, because there would be no insurance for a person who would get no benefit.

904. But supposing one man passed from one class to another, he would get the benefit; therefore you would call it, would you not, a very remote contingency?—I could not take much account of that; I should call it a bad sort of taxation.

Viscount Grimston.

905. You said something as to the amount that the men could pay weekly during those four years; you said that 1*s.* 2*d.* would be too heavy; how much do you think they could afford to pay?—I doubt if I could give you any better answer than to point to the contributions that are now made to the friendly societies; the fact that every man would have to contribute his three years subscription would not, of course, in the case of the working classes, increase their ability to pay, and, as I said, I do not think the agricultural labourer or unskilled workman in towns will give more than 6*d.* or 8*d.* a week to his friendly society.

906. Assuming that, do you think it would be a step towards pauperising the people to reduce the amount necessary to be paid by a subscriber by paying any proportion of the pension and sick pay out of the State exchequer, or by assisting a subscriber by a proportionate amount to what he himself subscribes?—It would partake of what is usually called pauperising the people.

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Viscount Grimston—continued.

907. It would not end by being an encouragement to young men to be thrifty and to try and gain the advantages offered by the national provident insurance?—Encouragement is one thing, but a bribe is another, and I am not at all sure, as I have said, that the operation of a scheme of this kind would tend in favour of thrift; a certain number would be brought within the system; no doubt, but would they be more thrifty men because they had been brought within the system? It is a matter of speculation rather than of evidence, but it appears to me that that is very doubtful.

908. Is it necessary that there should be sick pay at all; why not have a pension only, and leave the sick pay to provident and friendly societies and sick societies?—That is a complete transformation of the whole system, and it of course obviates a large number of my objections; but whether insurance for annuities for people over 70 years of age is worth establishing a compulsory system for is a question that would become a very important one; you would then close the insured against provision for a very large proportion of the ills of life, and to that extent you would leave the paupers dependent, as at present, upon the poor rate.

909. You think that the friendly societies would not cover that by giving their subscribers an opportunity of making special provision?—Friendly societies for the most part do not cover the region of annuities for the old.

910. Again, you say there would be no lapses. Now, in the case of death what would happen to the money subscribed by the person who died; that would lapse surely to the National Provident Insurance Fund?—Yes; but the argument I was using was of a financial sort, founded upon tables. People die in other societies, but these also reap benefit from the lapses. In the national society they would reap the benefit that arose from death, but they would not reap the additional benefit which arose from lapses.

911. You said that the payment by wage-earners would act as a badly contrived tax upon the employers; does this not arise at present when a man belongs to a friendly society?—No, certainly not; because the payment to a friendly society is voluntary.

912. Do you consider that that removes it from the category of a tax upon the employers?—Yes, because my argument that it would become a tax upon the employer does not at all depend upon Canon Blackley having used the employer as agent to pay the State the money. It depends upon this, that you must pay the workman money enough to give him the means of living according to a certain scale; for anything below that he will not work. Then comes the question, how is the money to be found? It can be got out of the employer, and then it becomes an assessed tax upon employment; but it cannot be got out of the workman, where it would leave him below a certain standard of comfort.

913. Would you pay the doctor's salary?—The medical benefit is quite independent of sick pay. A certain small additional contribution is sometimes charged upon the management, but in the better clubs it is entirely independent. I

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17 May 1886.]

Sir G. YOUNG, Bart.

[Continued.]

Viscount Grimston—continued.

have heard that the doctor is paid at the rate of 4 s. or 5 s. per annum per member.

914. You would do the same in this case?—I do not understand that Canon Blackley makes any provision for medical benefit in his scheme.

915. Would you think it objectionable to try a scheme as a voluntary national providence insurance scheme, the nation taking the place of the friendly society, and collecting and distributing the money?—That is the point into which I was charged to examine 10 years ago, and upon which it became my duty to report; but you will find, on page 25 of my report, a hint (I could call it no more than a hint) that if anything in the direction of a post office or Government sick fund were to be attempted, it would be desirable to

Viscount Grimston—continued.

inquire if it could be done in the form of what is known as a deposit friendly society, invented by the late Mr. Best; for, on the principle of that form of society it becomes the direct interest of every contributor to spare the fund as much as possible. It is not a complete system; it is only a partial system of sick pay, and, as such, it does not generally commend itself to the working classes. It is in that direction only that I was able to see my way towards a move of this character.

916. Then you think that a voluntary provident insurance would not be taken up by the working classes?—My point rather is, that voluntary provident insurance for sick pay, if managed by the Post Office for national purposes, would be every whit as liable to imposition as a compulsory scheme.

Mr. JAMES RANKIN, called in; and Examined.

Chairman.

917. I THINK that you have represented an agricultural constituency?—It was an urban constituency; but, for the most part, it was composed of agricultural voters.

918. You were, therefore, brought much into contact with the working classes?—Yes, constantly.

919. You have been interested for some time in the question of the modification of the poor law system, and the improvement of the means of Providence?—I have been interested in a system which would lead to doing away with the poor laws as much as possible, or, at least, with pauperism.

920. Have you formed any views on the subject of a scheme of universal application, such as we have had under consideration?—Upon the whole, I am in favour of Canon Blackley's scheme, if it is feasible; but my own private view is that it would meet with great opposition from the friendly societies. If their opposition could be overcome, I should say, by all means adopt the scheme which has been put forward by Canon Blackley; but if not, then I should advocate a scheme of national insurance, which would be done through the medium of the friendly societies themselves.

921. What is the motive of the opposition of the friendly societies; is it self-preservation?—I believe the chief motive of the opposition of the friendly societies is that they believe, rightly or wrongly (I think, to some extent, rightly, though) that if every person were compelled to insure his life in a government or state scheme before the age of 21, the motive of joining another society for further insurance would to a great extent be taken away; and also another very strong motive in urging the friendly societies to oppose Canon Blackley's scheme is, that they like the management of this insurance business themselves.

922. Do you think the security of the existing friendly societies is adequate?—No; I think if the scheme I have roughly suggested were carried out, it would be necessary to have a special scale of benefit laid down by Act of Parliament which these friendly societies might adopt, or would adopt in that case.

Chairman—continued.

923. That would be a minimum scale?—Yes; as the law would probably be that every person would be compelled to join some one out of the several friendly societies who were willing to adopt that particular scale, it would be a scale very much upon the same lines as Canon Blackley's scheme; but they would have the management of it, and all the young persons who had to join would necessarily become members of that society. And my belief is, that having once become members of a friendly society upon this particular scale, when their payments ceased at the age of 21 or 25, whatever it was which was finally determined, they would be far more willing to go on and remain members of that society than if their payment had been previously made to a State society or fund, which had no particular connection with this friendly society.

924. That system approaches more nearly to the German system, as far as we understand it. Short of compulsion, do you see any means of attaining this end?—No.

925. Have you discussed the matter with bodies of working men?—I have; I have discussed this particular method of carrying out the thing with several bodies of friendly societies, and upon the whole they are willing to consider the matter. I have found nearly always a very decided opposition upon the part of members of friendly societies, especially the managers, to the proposal of Canon Blackley. I am bound to admit that, and I am sorry for it; because I must say, to make myself quite clear, that I look upon Canon Blackley's scheme as the most precise and the best scheme in the abstract; but his difficulties seem to me to be practical difficulties, and I think further that the people like to have more to do with it than they would have to do if it were done altogether through the agency of the Government or the Post Office. I am bound to say that the members of the societies, when they have discussed and understood it (*i.e.*, my proposal as to the Friendly Societies doing the business of insurance themselves), have not been antagonistic. It is quite true also that many who have been examined by the Committee, in answer to questions put by yourself, and by myself when I was a member of the Committee,

17 May 1886.]

Mr. RANKIN.

[Continued.]

Chairman—continued.

Committee, when they did not understand it, objected to it; but I have a list of questions here which will show that when they understood it they generally modified their opinion and said they would not object to the scheme. And I may say that, as far as my experience goes with regard to members of friendly societies who are not managers, and also working men who are not members of any friendly society, they nearly always acquiesce in the desirability of some compulsion being applied to the younger members of society to enforce their joining some friendly society.

Mr. Finch-Hatton.

926. I understand you to say that great opposition is likely to come from the friendly societies, and I think you further narrowed that down to the managers of friendly societies?—If you refer to Canon Blackley's scheme, I did not make any narrowing down to Canon Blackley's scheme. I have not found that.

927. But they objected to it?—I spoke of narrowing down to my own proposition, that the work should be done through the friendly societies themselves.

928. Have you found that the friendly societies have objected, generally speaking, to Canon Blackley's scheme?—That is my personal experience, undoubtedly; that is what I gathered from the evidence that was put before the Committee when we had the managers of the friendly societies before us.

929. That opposition came chiefly from the managers of the friendly societies and not from the members?—Chiefly, because it was the managers and secretaries of the friendly societies who were examined.

930. I understand you think that, in the abstract, it is the best scheme now before the country?—In the abstract, I think it is.

931. Would you be inclined to think that the managers of friendly societies have such a *locus standi*, as it were, before the country as would entitle them to hold the balance as to whether this scheme should be received or rejected?—That is my practical view. I do not believe that any Member of Parliament could be returned now if he were opposed by the whole body of friendly societies; and if he could not be returned no Acts relating to friendly societies could be carried. I find that there are nearly 5,000,000 members of friendly societies, and that those chiefly represent voters. I look upon that as a very large body of opinion.

932. But that is no reason why they should have that *locus standi* as matter of right in the question?—The only reason why I think they have a *locus standi* in the matter is, that they themselves are doing, voluntarily, a great deal of this work. And it is the fact that comparatively few persons who are, and have been, members of a friendly society come upon the rates, except in those cases where they belonged to lapsed societies, and even then not in many cases.

933. Do you believe that the opposition of the managers and secretaries of friendly societies to this scheme lies in the fact that they would

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Mr. Finch-Hatton—continued.

be themselves superseded, and would lose their salaries?—I do, in this way: I believe that if a young man had paid up his insurance to the Government fund at the age of 21 he would not be so likely to belong to theirs or any other society. I do not think there is much in that, but there is something.

934. Do you not think that if habits of thrift had been inculcated in the minds of young men of those ages they would be inclined to continue those habits of thrift?—Yes, I think that would have a great effect.

935. That would counteract the other case?—No doubt. I think I said I thought that would have a certain effect.

936. Would not these be something like locally-managed branches of Canon Blackley's own provident scheme?—I would leave the management in the hands of friendly societies to carry on the management as they do now; but I would add to their present plans that national or minimum scale at which everyone would be required to join.

937. Would you have a uniform rate in all those friendly societies?—Naturally it would have to be the same, undoubtedly.

938. Why I ask the question is this, that if they were not interchangeable in their benefits and members you might find that a small society would not be able to afford the same benefits as a large society?—I take it that there would not be more than a dozen societies that would be able to go on with this work.

939. A small society would be unable to work in with your scheme?—That is so; and the unsound ones would not, but that I do not look upon as an evil.

940. It would be Canon Blackley's scheme worked through the medium of large friendly societies, in order to give the local control of their own affairs, which they now feel likely to be taken from them?—Yes. I might add that I would not propose to have any honorary members. I quite agree that the working men do not like the idea of honorary members joining, who would pay but not get any benefit; everyone should join and get the benefit when he required it; the benefit being that he would get sick pay when he was not able to earn wages.

941. When you say that there should be no honorary members you do not mean that there should be nobody who subscribes who is not likely to get the benefit?—Not at all.

942. But that nobody should subscribe who is absolutely excluded from ever benefiting?—Certainly; what I mean by no honorary members would be, that by compelling a minimum or national scale I would not allow any honorary members, because everyone would be obliged to join, and they would only get the benefit when they were actually in a position, which of course the upper class rarely would be, of claiming the benefit by reason of stoppage of wages.

943. You would not call a man an honorary member because he had 100,000*l.* a year?—No, certainly not; he would be a benefit member.

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944. I think

17 May 1886.]

Mr. RANKIN.

[Continued.]

Mr. Fenwick.

944. I think you stated that you had discussed this question with working men, who it is assumed would be directly benefited by a scheme of national insurance; may I ask if you have ever discussed it with those who would be called upon to pay, but not likely to receive?—Yes, both with the old and the young; of course those who are called upon to pay will always be in a position to receive; because under the proposition it is only those who are coming up, the young persons, who would be called upon to pay, and those would be always in a position to receive. It is not to be supposed that old persons would be called upon to pay; it only takes effect with the rising generation.

945. Have you any reason to think that the secretaries of various friendly societies who have given evidence upon this question do not fairly represent the opinions of the members of the various friendly societies which they represent?—No, I have no reason to think that; I believe they do represent them very fairly.

946. I understood you to say, in answer to a question put by an honourable Member, that the question of salary to some extent influenced them in the evidence which they gave; was that so?—I said that they liked having the management in their own hands. I did not say anything about the salary, because it must be well known that the majority of the officers of friendly societies have but very little salary at all; but I think they do love, and I think very rightly, having the management of these things in their own hands. Question 1071, put by myself last Session, will illustrate that point very well: "Do you think that the people prefer to pay a little more for their benefits and have the management in their own hands, rather than have it done through the Post Office cheaper, but without the management being in their own hands?" The answer to that by Mr. Stead, who was the High Chief Ranger of the Ancient Order of Foresters, was this: "I believe they would prefer to have it in their own hands." Then I said again, at Question 1072, "Why do you think they would prefer that," and his answer was, "Because of the interest which it creates in them in the work." (Q.) "Do you think that is a very widespread interest?" (A.) "Yes, I do."

947. Then I may take it, in answer to my question, that you have no reason to think that the secretaries of provident societies who have given evidence against the system of national insurance are influenced by any sinister motive in the evidence they have given?—Certainly I would not for a moment suggest that, but the evidence they have given must be looked at carefully, because most of the evidence they gave was upon a scheme with which they would have nothing to do. My proposition is something quite different; under that they would have the whole handling and management of the business.

948. Would you think that they fairly represented the opinions of the societies which they represented?—Yes.

Mr. Acland.

949. You heard the evidence in relation to the German scheme?—Yes, I did.

Mr. Acland—continued.

950. What opinion did you form of that?—I thought it was a very desirable thing.

951. If I understand it rightly, your scheme, to some extent, approximates more nearly to that than it does to Canon Blackley's scheme?—At this moment I cannot call to mind sufficiently well all the details of the German scheme to be able to answer that question with sufficient certainty.

952. Your scheme, as I understand it, includes everybody?—Yes. Let me qualify that to some extent; to include everybody who made such payments. Now, Canon Blackley's scheme does not include everybody, that is to say, the insane and the impotent are not included; that point would be decided with regard to the friendly societies doing the work in exactly the same way, and that leads me to speak of one thing which I know the friendly societies would make a very strong point of if this proposition were brought up before them; that is to say, they would require some kind of rejection of the members brought up before them to join the society; they would insist upon that. Then it would be necessary, if such a scheme were carried out, to lay down what exemptions they would have a right to claim.

953. You would keep to his figures generally, would you not?—I would say, with regard to the actual figures, that no one, not even Canon Blackley, can say with certainty that his figures must be absolutely correct, but we have very good reason to believe that if the payment of 10*l.* is completed at the age of 21 the benefits, on the assumption that all join, would probably be what Canon Blackley has read them to be; that is to say, 8*s.* a week during sickness, and 4*s.* a week pension after the age of 70. I myself would, perhaps, like to see a little less sick-pay and a little extension of the pension before the age of 70, but those are details only.

954. Do I understand you would demand that the friendly societies should effect benefits of which those two should be the chief?—Yes; I should submit that if they could not effect both they should effect one; that would be a great advantage.

955. You would not insist upon compelling both?—I would myself; but one must deal with possibilities; and if it were found possible only to enforce the sick-pay, and not the annuity, I would take half the loaf rather than no bread.

956. I understand you think that by utilising the friendly societies, and even taking one of those benefits if we can only get one, we might begin at once to do something practical?—That is very much my view. I go very much upon the line that was taken by the Education Act of 1870; it was voluntary at first, but it took advantage of the existing institutions as much as possible, which I look upon as a constructive rather than a destructive proceeding; therefore I would follow that principle, and take the existing friendly societies, which I regard as a sound institution, and I would make them as useful as possible.

957. I understand that the German system is limited to wage-earners; have you thought whether it would be wise to begin your scheme in that way?—I have not; I think that would be

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17 May 1886.]

MR. RANKIN.

[Continued.]

Mr. Acland—continued.

be unjust; practically, I think that all should be called upon to make this provision. A man may be rich, and may become a pauper ultimately. It would be unjust to say that a man should be exempt from paying anything, and should be allowed possibly to go upon the rates, because he was a rich man; all the more, because he was a rich man he should pay.

958. I had rather in my mind the exclusion of the very poor?—The exclusion of the very poor would become a question of possibility.

Mr. Walter James.

959. Did it ever occur to you that the compulsion might act as tending to promote miserly habits?—The suggestion has crossed my mind, but I do not think there is any fear of the British character tending that way.

960. There is a very old saying, "*Crescit amor nummi*;" but if it had that tendency it would not be likely to be very popular?—What you mean is miserly habits; that means saving money, which means investments of some sort, unless it is kept in the old stocking; so that, unless it is invested in a foreign country, it is a benefit to this country.

Viscount Folkestone.

961. Your scheme is to compel everybody to join the friendly societies, and therefore you think there would only be a very few, two or three, of the friendly societies that they could join?—I think I said a dozen.

962. There would be only a dozen societies upon such a sound basis that they could join them?—There are not a dozen at present which have the scale that would be necessary; the money would have to be put into certain safe investments, so I do not see any reason why they should not become sound.

963. They would have to open a new ledger, practically, because they do not now give pensions?—From the evidence that was given by the Manchester Unity it was evident that they were beginning to try it, but that they had not gone so far as to be able to say whether it would succeed or not.

964. So far as I could gather, they did not know whether it would take, and did not think it would?—It would be a new sort of business altogether.

965. It would be like a friendly society trying a new business; the old business of sick-pay, and the new business of superannuation?—Yes.

966. Would it not be the case, as I understand, that the nation would have to guarantee a sum, not only upon the superannuation, but upon the sick payment?—My opinion is, that the nation ought to guarantee a particular scale, but it would only guarantee it upon the understanding that the Government would take pains to see that it was well carried out, and that the funds for these benefits were invested in proper securities.

967. But, supposing there were possibly an extensive scheme of fraudulent action upon the part of the officers of these societies, the Government should take the risk?—I think they should,

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Viscount Folkestone—continued.

because I regard it as a very essential thing that, if compulsion is applied to every person, there should not be the slightest chance of their not being paid.

968. Taking the view suggested by Sir George Young, that because it was a national thing it would tend to increase malingering, as many people would think they were justified in picking the pocket of the nation; if that were so, would it also be likely to induce the officers to be less careful with the funds?—I do not think it would, because, in the first instance, members of the society would proceed against the society, and the funds of the society would have to be exhausted before they could have any Government assistance. The fund put aside for this special scale would only be a small part of the funds of this society, which all would have to be mortgaged, in my opinion, to supply the funds for this minimum benefit.

969. You are not making a difference between superannuation and sick-pay; you are putting the two together?—Yes; I am speaking of this as a Government scheme.

970. Would you open a ledger for the superannuation and sick-pay together?—When you say a separate ledger, the names of those who paid into this particular fund would be kept separate; but there is a separate account for every member now.

971. Has it ever struck you whether it would be possible for people in better circumstances to subscribe or to insure to a larger sum than the working classes; I ask that question because I have heard, in the course of the last two years, that a certain feeling has arisen amongst certain of the working classes that the upper classes ought to pay more than the working classes?—I would not make any distinction in the matter, because I do not think there should be these decided distinctions between what are called the upper and the lower classes, in what you may call a national thing, and I do not know how you would carry it out. I do not know where the upper class would end and the lower one begin; there is no broad gulf in anything except in rank, or anything but a gradual scale; so I think that, for this national benefit, there should be no distinction of class whatever, except that those who do not lose their wages by sickness should have no benefit, and that would, of course, exclude the wealthier classes entirely from receiving benefit.

972. With regard to malingering, do you think that would be a great detriment to your scheme?—I do not see any reason why malingering should be any more under my proposal than it is at present. The friendly societies have to combat that evil at present, and have to overcome it.

973. There is a great difference of opinion as to malingering; one witness ventured to say that a great part of what is charged as malingering is caused by old men, who, having nothing really the matter with them, are really past their work. If you had your scale commencing at 60 or 65, let us say, that would get rid of a great deal of that supposed malingering, would it not?—Certainly.

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974. And

17 May 1886.]

Mr. RANKIN.

[Continued.]

Viscount Folkestone—continued.

974. And you would be in favour, would you not, of superannuation commencing as early as it is found possible?—Certainly; my reason for saying that is, that I find from the returns that the number of able-bodied men who find their way into workhouses from sickness is very small, but that there is a very large number who find their way in from old age when they are unable to work at all, therefore I do regard an annuity of even 4*s.* as a very important one, because in the agricultural districts we know that a very little assistance is sufficient to keep men out of the workhouse.

975. Some people talk about 4*s.* a week not being enough to keep a man out of the workhouse; but, as an actual fact, very great numbers of people in the country when they are past work do live upon very much less than that, do they not?—Certainly. I have known cases of it.

976. So that 4*s.* is a sum which can save a person from starvation?—Yes, certainly, because there are generally members of a family who are willing to keep them for that sum.

Chairman.

977. Have you found any difference in the apprehension of young working-men as to the relative probability of old age and death; what I mean is, do you think it more likely that the young men of provident habits would insure against death than against old age?—I know of very few cases amongst the working classes where there has been any insurance, or anything of the kind to accrue to a family after death, except the funeral fund; the funeral fund undoubtedly is a popular fund; but I do not think they often insure to leave any sum of money to their families after death.

978. I am asked by an honourable Member to ask you what is your greatest objection to Canon Blackley's scheme?—I have no objection myself to Canon Blackley's scheme, except that I am afraid, from the evidence I receive from a good

Chairman—continued.

many of the working classes and the friendly societies chiefly, that they would not accept it; that is my objection. Personally I have already stated that I consider it would be the most precise, the cheapest and most mathematical scheme that I have ever seen.

979. Has your attention been drawn to the evidence we received last week from a past grand master of the Manchester Unity, who reported a unanimous meeting of 70 past grand masters of the lodges?—If that is so, I can only say that I am rejoiced to hear it.

Mr. Hoyle.

980. If what we heard last week was largely and generally true, your objection to Canon Blackley's scheme would vanish?—Certainly; I have no objection to Canon Blackley's scheme; my scheme is only an alternative supposing the nation refuses to accept Canon Blackley's scheme. I think Canon Blackley's scheme is the most precise; but if the friendly societies do, as I understand they do, strongly object, I would as far as possible honour their objections; I think I may say that, with the full consent of the National Provident League, I did send round a letter to a great number of friendly societies putting very shortly the view that I held before them, and a good number of them, though not all of them, returned answers; a good many of those answers were, I am bound to admit, hostile to my proposition; but I am bound to add that a good many of them did not understand it; because I found in first putting questions to witnesses from friendly societies, when I had the honour to be upon this Committee, that they generally said no, but when the scheme was explained to them they altered their opinion; and I believe the majority of them would do so now; but if the fact is that they prefer Canon Blackley's scheme, I at once say that I consider it the best of the two.

Mr. THOMAS SINCLAIR, called in; and Examined.

Chairman.

981. You are a Solicitor in Glasgow?—I am.

982. And you have been connected with the Manchester Unity of Odd Fellows for some years?—I have since the year 1874.

983. In what capacity have you been connected with them?—I joined as an ordinary member, out of curiosity I may say, and I attended the meetings regularly. Finding that the society was a very good one, I interested myself in the whole business of it until I came to occupy the highest position in the district; latterly that of Past Provincial Grand Master, and on two occasions I have represented my district at the annual moveable Committee.

984. Where did that take place?—First in Nottingham in 1883, and last year, 1885, in Aberystwith. I have been nominated on other occasions, but did not seek election.

985. Of course a discussion took place at those meetings?—Yes.

Chairman—continued.

986. Did the subject of national insurance come up?—At one of those meetings the subject was specially referred to by the Grand Master of the Order, who was a Mr. Walton at that time and my colleague, and I, who represented the Glasgow district at that time, referred specially to it in the report which we prepared for our district on our return.

987. Will you read the reference to it?—This meeting was at Nottingham. In the address (the Grand Master's) "the subject on which most emphasis appeared to be laid was that of National Insurance. Recognising the desirability of extending habits of thrift and providence, the Grand Master recommended to serious consideration any scheme tending in that direction, and acknowledged a general improvidence; but, standing on the voluntary work of the past and feeling the progress of the present, he questioned the good results of an elaborate Government scheme;

17 May 1886.]

Mr. SINCLAIR.

[Continued.]

Chairman—continued.

scheme; yet the fundamental principle of compulsion in the Poor Law system and Education Act, and the tendency of modern legislation, had convinced him that arguments in favour of one kind of compulsion might be repeated in favour of another. Need your deputies tell you that a system which takes by compulsion from a man when he has it to give, and keeps it till he requires it, is better than a system which waits till he has wasted his opportunities and himself, and then takes from those who have improved both, and gives to him what he does not, on account of his improvidence, deserve. The principle of the Poor Law is unsound, not the fundamental one of compulsion to which the grand master referred, but the other one, which so often takes from the provident to give to the improvident, and, in Scotland at least, to fatten officials as well, and to raise idle and expensive controversies, which have been severely condemned by the courts of law as a 'waste of public time, parochial funds, and judicial acuteness,' and as calling forth 'subtle arguments involving metaphysical questions about a few pounds.' These are the opinions of Lords Justice Clerk and Young, in *Boyd v. Beattie and Dempster*, 12th July 1882. The principle of compulsory insurance, however its necessity may be regretted as destructive to voluntary organisation, is sound, inasmuch as it would make the improvident provide for themselves. The voluntary work of the past and the progress of the present are good, but general improvidence continues, and there is often more of necessity than expediency in the enactment of law. The friendly societies of the day, too, are very far from perfection. The cost of management is too great, and the law of clearance in this society is altogether unsatisfactory. Were compulsory insurance adopted, the serious questions for consideration would be, Could the existing societies, supposing their rights were reserved, conduct the business with greater economy than the State could? Would there not be a superior system of centralisation in a Government insurance which would admit of removal from place to place without increased contribution? Your deputies do not advocate national insurance; they only hint at preparations which may be necessary for successfully coping with it, for they believe it to be one of the questions of the future. However that question may be determined, the glory of having discovered a remedy for some of the ills of life will for ever belong to the people; and whatever shall tend to mitigate poverty, remove discontent, and heal the open sores of a nation, even if it be by giving every man a forced pecuniary interest in the State, should be hailed with joy."

988. That was in 1883?—Yes, that was in 1883.

989. Has the matter come up for discussion since then?—It has not.

990. It was not alluded to at Aberystwith?—It was not, although it was spoken of privately amongst the members meeting each other in the evenings.

991. I suppose the high office you have held, and the duties you have had to perform have made you practically acquainted with the whole friendly society movement?—I know the whole

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Chairman—continued.

friendly society movement intimately; I not only have my knowledge of the Manchester Unity, but I hold the office of secretary to the Glasgow Friendly Societies Association, the objects of which are the discussion of friendly society questions; and besides that I have had many opportunities of becoming acquainted with the whole friendly society movement.

992. Have you ever had any intercourse or dealing with trade unions?—I have; I have acted professionally for several years for two, and have advised for others. I have my attention frequently directed to the benefit rules of the unions. Many of the trade unions, as no doubt you are aware, are largely friendly societies under another name, providing superannuation, funeral, accident, holiday, suspension, and enforced idleness, benefits, and I think that this is their popular side, that is to say, I do not believe that without their friendly society aspects the trade unions would exist.

993. Have you been connected with the administration of the Poor Law?—I have had no practical knowledge of that.

994. You have observed its effects, have you not?—Yes, as a lawyer I have observed something of its effects.

995. Have you formed any conclusions upon the subject?—I have simply formed this view, that it has a very degrading effect upon some people. I think that when a man comes to depend upon the Poor Law, and looks to that as his future provision, he is not a very good citizen.

996. Now with reference to the financial status of these societies, which do you consider the soundest?—The Manchester Unity, as far as I have been able to learn, is by a long way the soundest.

997. And their tables have been adopted as the soundest, have they not?—Yes, until the tables of Mr. Nieson were published, those are the Foresters' tables, but even the Manchester Unity at its last valuation shows an over-all deficiency of 627,820 *l.*; that of course is prospective.

998. With regard to the lodges that you are immediately concerned with, how are they situated?—The Scottish portion of this great society not only shows an over-all solvency, but the very handsome surplus of 9,897 *l.* over a membership of 10,019, that is according to the last valuation. I have no doubt their position has improved since then, and that the valuation which is in course of being taken now will show a great improvement.

999. The society is in an improving condition then?—It is I think.

1000. Is that the case of the other affiliated orders?—I question as to the whole of the orders, but I can speak as to the Glasgow district branches, that, with the exception of the Oddfellows and Rechabites, the whole of the affiliated ones are in a very unsatisfactory state. By the first valuation under the 1875 Act the Oddfellows, with a membership of 2,902, are shown to have a surplus of 3,103 *l.*, and the Rechabites, with a membership of 195, a surplus of 16 *l.*; while the Foresters, with a membership of 6,818, are deficient 40,550 *l.*, the Shepherds (Ashton Unity), with a membership of 1,793, are deficient 13,431 *l.*,

G 4

and

17 May 1886.]

Mr. SINCLAIR.

[Continued.]

Chairman—continued.

and the Gardeners (St. Andrew Order), with a membership of 3,332, are deficient 23,234 l.

1001. Their tables are at a much lower rate than those of the Manchester Unity, are they not?—They are. I believe the two last societies, that is to say, the Shepherds and the Gardeners, are making the greatest numerical progress, but I think that they are so hopelessly unsound in principle that they must either increase their contributions or go to the wall.

1002. I suppose, of course, they are registered societies?—Yes, they are. The primary cause of the deficiency is to be found in the insufficiency of their contributions. I have here copies of the statements furnished to the different lodges, which I can put in if the Committee desire, showing the figures to be correct, and that my statement is correct, that the deficiency is to be found in the insufficiency of the contributions. Their numerical strength is largely due to the fact that they cater for honorary members among our leading citizens, and put their names prominently in all their printed matter.

1003. Did you hear the evidence of Sir George Young upon that point?—I did not.

1004. You may take it from me that he said that honorary membership was a trifle?—In a pecuniary point of view I believe that is quite correct, but I cannot tell the extent of the value of the honorary members when their names are perpetually printed on the front of a sheet, and that sheet is delivered to all and sundry. The honorary members, I understand, in young societies generally give a guinea, and upon that all payments cease; I do not think those gentlemen before consenting to give their names and their guineas can possibly take the trouble to examine into the condition of the societies, otherwise I am quite sure that our leading citizens would not lend their names as props to unsound institutions, and I believe that by the names of those gentlemen being upon the face of those sheets ignorant people are imposed upon; in fact, the name of Sir William Collins, for instance, our late Lord Provost of Glasgow, appears on one of the sheets, and the people who know him as a public man believe that he would not lend his name to any institution that was not good. I do not believe that any direct statement is made that these gentlemen guarantee the solvency of the society, but the fact of the existence of their names on these prospectuses induces people to believe that the societies are solvent.

1005. These gentlemen give their names from philanthropic motives, I presume?—Yes, they do so from philanthropic motives, and they become very much induced to do it, for I know the gentlemen, and I can speak to that. I have spoken to one of the gentlemen, and he has withdrawn his name in consequence of having the reports of the society placed before him, and if I may say a word on the subject I might mention that there has been a second valuation of the Glasgow District Branch of the Foresters, with the result that on a membership of 9,304 the deficiency is now 48,536 l., or an increase upon the deficiency of 7,986 l. during the quinquennial period.

1006. What course do you think should be adopted, if any, by the Government?—I was

Chairman—continued.

much impressed when I read at the time the articles that appeared in the monthlies on the subject of national insurance, and it appeared to me that the proposal was just an extension of the friendly societies principle, and I expected that there would have been a recognition of it as such.

1007. In extension from the voluntary system to compulsion?—Yes; in fact, the Government system I understand to be simply limiting the ages, the same provision as the friendly societies make, with compulsion added.

1008. Do you think that the existing machinery of friendly societies could be made use of for the purpose?—I do not know that it could. I am rather inclined to think it would be better to adopt a new system. There are a great many faults in connection with it.

1009. You have heard it suggested that a minimum standard should be prescribed by the Government, and that friendly societies adopting that standard should be those the membership of which would make a man club free, that the men should be recognised as insured?—Yes, if the society was a positively sound one membership in that society might be made to exempt them from contribution to the Government scheme, but beyond that I would not be inclined to go.

Viscount Folkestone.

1010. You heard some part of Mr. Rankin's evidence, did you not?—I did not hear it very well.

1011. He had a sort of alternative scheme to which the honourable Chairman has just alluded; you do not agree with that, do you, that people should be compelled compulsorily to insure in a certain friendly society?—I do not think I do, because these societies are not sufficiently sound or solvent for that.

1012. Mr. Rankin suggested that they should place themselves upon such a basis that they should be perfectly solvent?—I am afraid if that were done we should have to wait a very long time for compulsion; because societies are very slow in the matter of reform.

1013. But Mr. Rankin suggested that some of the big societies, the Manchester Unity, for instance, should open as it were another ledger, and that people should insure in them compulsorily for sick pay and superannuation; could that be done?—It might possibly be done, but I would not like it. I think it would complicate the accounts.

1014. You would perhaps require to have a separate set of officers, you think, or would the same staff be able to do the work?—I think the same staff could do it.

1015. It would cause an immense amount of extra work, of course, being compulsory upon all?—Yes, but I think the same staff in Glasgow could do it, because they are very competent men.

1016. Do you believe that malingering would be increased?—I believe it would, but I have no particular evidence upon it. It is a very remarkable thing, however, that during times of commercial depression the sick list is a very high one.

1017. That sickness might be due to a deficiency of food, might it not?—It might, but I rather

17 May 1886.]

Mr. SINCLAIR.

[Continued.]

Viscount Folkestone—continued.

rather think it is not; I think that all the societies have to submit to malingering and that their tables must be based upon malingering, otherwise they could not be sufficient if malingering does exist.

1018. You do not know anything about its effects?—I do not think there is anybody who really can speak authoritatively upon the matter.

1019. You do not know whether malingering is more prevalent amongst the younger or amongst the older members?—I do not know that.

1020. With regard to the scheme of Canon Blackley, you have thoroughly examined it?—I have.

1021. You referred to some place where you read an extract from Canon Blackley's speech, and you said it had not been referred to except privately; was that amongst the officers or amongst the rank and file?—It was among the rank and file.

1022. What is their general opinion?—The opinion amongst the rank and file of the society is against Canon Blackley's scheme as far as I know, and as far as my conversation goes, but I find that the better members of the Glasgow district are coming round to understand it; I believe the opposition arises to a very large extent from the fact that it is not understood. I think that to understand it thoroughly Canon Blackley's essays require to be read very carefully because the argument is very close.

1023. Most people if they have any education would be able to understand them, would they not?—I think they would.

1024. Aided by a little lecturing through the country, you think that if it were understood people would accept it?—I think they would, for this reason, that the scheme does not interfere with the provident or with those who are above the age of 21. It attempts to catch the young men upon the threshold of life, and interest them in habits of thrift.

1025. With regard to young women do you think they would find a greater difficulty between those ages of 18 and 21 than young men in providing that sum?—I do not know; it depends to a great extent upon how they are employed, but I have no statistics to guide me upon that matter.

Mr. Hoyle.

1026. I am not sure whether I understood you rightly, in reading from the paper or pamphlet which you read, to say that a national system of provident insurance would be destructive of voluntary association?—I do not think I said that.

1027. That would not be your opinion?—No, I was not in a position then to advocate national insurance; I was only in a position to press upon those who were Oddfellows that a time was coming when it was a question that would be in the front.

1028. Your opinion is that Canon Blackley's scheme would not materially injure any sound friendly society?—On the contrary I think it would do them a great deal of good.

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Mr. Walter James.

1029. I think you stated that you were a solicitor practising in Glasgow?—Yes.

1030. And you are a native of Glasgow, are you not?—I am.

1031. Have you lived there all your life?—I have.

1032. Do not you think that habits of compulsory thrift would more readily adapt themselves to Scotchmen than to Englishmen?—Possibly; I do not feel able to speak with reference to Englishmen.

1033. You would not consider that the friendly societies when they once understand the scheme of Canon Blackley, would have the same feeling of opposition to it as they had in the past?—I cannot speak with certainty, although I think it is gaining ground at present in our quarter, but the question has never been discussed in Glasgow openly.

1034. You read the report of a meeting at Nottingham?—I did.

1035. By whom was that drawn up?—It was prepared by me.

1036. Did it go before the committee?—It was laid before the district meeting, and we received a vote of thanks for it.

1037. Have you had any experience at the annual meeting of the views of English members of the Manchester Unity?—I have had some little conversation with them, but they were then opposed to it. I think the growth of opinion in favour of the scheme is of quite recent date, since the Aberystwith meeting in fact.

1038. Is that in consequence of the notices that have been issued through the press and other channels?—Certainly.

1039. You think there is a growing feeling in favour of the scheme?—I do think that there is a growing feeling in favour of it.

Mr. Fenwick.

1040. I think I understood you to say, in answer to a question of an honourable Member, that instead of Canon Blackley's scheme injuring existing sound provident societies, you think it would be a positive benefit to them?—Yes.

1041. What are your reasons for coming to that conclusion?—I think, for instance, it would hasten reform in the good societies. There is one very sore point among the Oddfellows in particular, and it is this: That they have paid probably for a great many years their contributions, and that when distressed times overtake them, and they are not able to continue their contributions they lapse, and all they have contributed to the society is lost to them, whereas by Canon Blackley's scheme their contributions would be terminable and something would be got in return.

1042. Do you think that the younger members in sound societies would be likely to continue their contributions to them if they were compelled to contribute to such a scheme as Canon Blackley's?—No, but I think the younger members would, if they understood the scheme of Canon Blackley, be willing to contribute to it, and when they had completed their contribution there would be a feeling of satisfaction and a habit of thrift acquired, for it is a habit, mark you; and that they would then

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17 May 1886.]

Mr. SINCLAIR.

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Mr. Fenwick—continued.

join the societies and pay their contributions voluntarily.

1043. They would not do it until they had paid off the contribution applying to a scheme such as Canon Blackley suggested?—I think not.

1044. Then of course they would come under the graduated scale in the existing societies?—Yes.

1045. They would have a higher rate to pay at the age of 21 than they would have had to pay at the age of 18?—Yes, a mere fraction more.

1046. Still it would be an increase, would it not?—Yes.

Mr. Arthur Acland.

1047. You said that the young men would learn the habit of thrift by payment between the ages of 18 and 21?—Yes.

1048. If the employers paid the money, do you think the men would still learn the habit?—They would learn the habit of thrift more if they made the payment themselves.

1049. As I understand, the employer is to make the payment?—With the men's money.

Mr. Finch-Hatton.

1050. I think you say you consider Canon Blackley's scheme as an extension of the principle of friendly societies?—I do.

1051. So that no friendly society ought to be adverse to that scheme?—So I think.

1052. Still, generally, you say that the friendly societies do not in your opinion constitute a sound enough concern for the nation to make them depositories of this scheme?—They do not.

1053. You stated further that as far as Glasgow is concerned you found that the societies were hopelessly unsound in principle, and that more people joined them partly because of these advertisements and partly because of the lowness of the payments?—That is so.

1054. Therefore, as far as that fact amounts to anything, it rather induces the working classes to join unsound societies than sound ones?—It does indeed.

1055. Do you find as a matter of practice that the working classes do exercise a proper amount of circumspection in choosing the society to which they will belong?—I do not think that in one case out of a hundred they make any inquiry or exercise any circumspection at all.

1056. Therefore, if an advertisement is given of a well-known name which does not guarantee the soundness of a society, but merely indicates

Mr. Finch-Hatton—continued.

his interest in it, do you think that would be likely to influence members of the working classes?—I do; I have found it so influence members of the working classes who did not understand the principle of insurance at all; they seem always to think they can get what is promised to them whatever the rate they pay.

1057. You think that the lowness of the rate is more attractive to the working men than the soundness of the society?—Yes, I think always what is cheap and nasty is popular.

1058. Have you gone into the calculation which Canon Blackley has made from an actuarial point of view, so as to say whether the scheme is sound?—No, I have not. I have not either the knowledge or ability to do that.

1059. I suppose you would say that a universal scheme of compulsion over the community would insure larger benefits for a smaller price than would be within the reach of any friendly society to offer?—I could not say that, because there would be no such thing as lapses in the Government scheme; in a friendly society the lapses, I think, are higher than has been pointed out.

1060. The person who suffers from the lapses would be the person who pays; therefore if I understand your evidence there would be security to the investor from the fact that there was no lapse possible?—I cannot say that I remember making that statement.

1061. I think you pointed out that the fact that there was no possibility of lapse was a distinct benefit to the person who insures?—It is a benefit in this sense, that he does not lose what he has paid in, but it is not a benefit in another sense for all membership is permanent, and the funds cannot gain as now by lapses.

1062. Would this be your view, that a double security is necessary in the case of an existing friendly society, one that the society should be able to pay, and another that the man should be able to keep up his payments?—Yes.

1063. Whereas in the other scheme there is only one security necessary; supposing the payment is once made the nation should be able to pay the money?—Yes, but I think that the nation should only pay to the extent that has been contributed, and that there should be a valuation regularly to see that the contribution is equal to the risk.

1064. Are you in favour of the scheme?—I am.

1065. And you think that sound friendly societies ought not to oppose it?—I think they ought not.

Thursday, 20th May 1886.

MEMBERS PRESENT :

Mr. Arthur Acland.
Mr. Biddulph.
Mr. Finch-Hatton.
Viscount Folkestone.
Mr. Hoyle.

Mr. Walter James.
Mr. William Lowther.
Sir Herbert Maxwell.
Mr. Norton.
Mr. Wason.

SIR HERBERT MAXWELL, BART., IN THE CHAIR.

The Reverend WILLIAM HENRY EDWARD M'KNIGHT, called in; and Examined.

Chairman.

1066. You are the Rector of Silk Willoughby, in Lincolnshire?—I am.

1067. And your attention has been directed for some time past to the question of National insurance?—Twenty-five years ago some working men at Swindon first directed my attention to this question; they stated it to be a necessity of their condition to supplement their own wages by providing sick-pay and an annuity for themselves; and at the same time, also, the agricultural labourers in the neighbourhood of Purton, in Wiltshire, asked Mr. Coates, a friend of mine, and myself to devise some scheme which should accomplish the same end for them. The working men of Swindon proposed to pay a capital sum which should ensure them 8s. a week in sickness and 5s. a week after the age of 60 or 65. We attempted to find some office which would undertake the work, but they all declined to have anything to do with sick-pay. We then resolved ourselves to try and establish some scheme by which this end could be accomplished on an independent basis; but we found that the sum required would be more than the working men of Swindon could find, and certainly more than the agricultural labourer could find, and the matter, therefore, was laid aside.

1068. What sum did you suggest?—They gave me 15*l.*, or one man did, to invest for him to attain that object; I was obliged to hand it back to him, and suggested that he should put it into a building society, which he did.

1069. Was any sum named by any office as sufficient to enable them to work the scheme?—No; the offices declined altogether to take up the matter, and I am not sorry that they did.

1070. I understood you to say that a given sum, which you did not mention, was too large for the working men of Swindon, and too large for the agricultural labourers; what sum was that?—The sum mentioned was about 30*l.* to undertake the whole thing, which was quite beyond their possibilities.

1071. That was a sum proposed to be invested by a society of working men, was it?—No, we 0.99.

Chairman—continued.

asked some insurance society to undertake the matter, and they suggested though they would not bind themselves to any sum, but they talked of 30*l.*, but that was evidently without due consideration.

1072. Did the offices undertake for that sum to provide that sick-pay and pension?—No, they gave us a rough estimate of what we should require. I was not sorry that it was laid aside, inasmuch as I felt that if it were generally taken up, it would cast a responsibility upon any society, much too great for anything less than a Government security. Then Canon Blackley published his article about eight years ago, which gave a new turn to the matter. We then took up the matter and held meetings in Wiltshire and in different counties in England, and we have discussed it at 18 meetings in Lincolnshire, three in Shropshire, three in Herefordshire, one in Worcestershire, one in Surrey, three in Wiltshire, nine in Somersetshire, and one in Gloucestershire.

1073. What was the character of the attendance at those meetings?—The meetings were crowded.

1074. And what was the class of people who attended those meetings?—They varied according to the localities. In Lincoln we had the middle-class in the middle of the day, and the artisans from the factories in the evening. At Boston we had general meetings of both classes. At Grantham we had a very large meeting of the working classes from Hornsby, and at Grimsby of seafaring men and the working classes. In Shropshire agricultural labourers from Wellington, and from Newport we had agricultural labourers. In Worcestershire I had a most interesting meeting of workmen in the salt factories. In Surrey I had a meeting of the middle-class and working men. At Swindon I had a meeting of artisans, and at Wootton Bassett of agriculturists. In Somersetshire I had meetings of agricultural labourers and colliers. Notably at High Lyttleton they were all colliers. At Bibury I had a meeting of pure agricultural

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Chairman—continued.

tural labourers. At all those meetings the proposition was heartily received. After the Boston meeting an artisan met me in the street to discuss the question further, and for half an hour we talked under the shadow of the tower of the church, and I gave him all the particulars of the scheme; and I may give his reply, as an instance of the way in which I am pressed about the matter by working men. He said to me, "Get it done as soon as you can; I have a large family, and I will see that they have all got their money ready when the time comes; and when I hand over the insurance slips to them, I shall say, 'There is a fortune for you my lads, which I never had myself, and never expected to see you have.'"

1075. Were those proposals which were discussed at those meetings identical with those of Canon Blackley's scheme?—They were; so that in fact I feel that I have, as it were, a commission from the working classes to push this matter forward on their behalf. They have told me that with all the care they can exercise, and with what thrift they can apply, they cannot secure for themselves that certainty for the future which is necessary to "round off" their own existence as working men.

1076. Of course when your working man friend spoke to you of a fortune being secured to his children, he spoke metaphorically, that they would be protected against pauperism?—Yes, that they would be protected against pauperism. He went into the figures accurately with me.

1077. He understood that there was nothing secured but that protection?—Nothing but that; he thought that protection against the lack of full labour or full wage in old age was to his idea a fortune. It is only the more thoughtful and the more earnest of these working men who have looked at the matter in the light I have now put it to you, but they have suggested it to me. I have myself noticed that with the spread of education and with the change in the habits of life which has followed upon higher wages, and the power therefore of a better and a freer life, there has come also an impatience of poverty, and what in the past generations was borne by the apathy of intelligence unawakened, will no longer exist in the future, I am certain.

1078. Has any discussion taken place at those meetings?—Yes, at all.

1079. Were any amendments moved?—No amendments were moved, the resolutions were carried unanimously at all our meetings; at every meeting I have attended, except one at Holborn, at which the Democratic Confederation opposed us, and as Mr. Campbell, the associated secretary, said, on the ground that we were wanting to tax the poor to save the pockets of the rich. I rebutted the idea of taxation to him, for I said that a tax was a certain sum of money taken from the individual for State purposes in which he might have no interest, but have a steady and earnest objection to the application for which it was intended; whereas in this case it was money taken from the individual to lay by for the individual's use, and to be returned to him in the most suitable form for his needs when those needs are greatest. That is the only meeting at which there has been any amendment moved. At Ross

Chairman—continued.

there was an objection made by one individual as to compulsion. He raised the cry of "liberty" when I spoke of compulsion, and I promised to meet that question at a meeting if he would meet me and discuss it fairly. He wrote certain letters in a Ross newspaper, and made a challenge which I accepted. I went to Ross, and he brought forward his objections in a very manly, straightforward, and quiet way. I met him, and we discussed the question before a large meeting, and took the verdict of the meeting upon each question *seriatim*, and the verdict was decidedly in favour of my replies. And the interesting fact that follows this is this; the same Mr. Smith, whom I met last autumn, accosted me in the street, wishing to talk the matter over with me. He then said that he had received his orders from headquarters to oppose National insurance in every way. He was a member of either the Oddfellows or the Foresters, I do not know which, and that he had done what he was told to do as best he could, but that he found he had not a leg to stand on; and that now in all the lodges about Ross he had been preaching up National insurance as the only full answer to the needs of the English workman. I think I may now turn to another part of the matter. I have found in France, from frequent visits there to the western parts, that there was a power of thrift among the people there which in England we have no idea of. Out of smaller means they live a harder life, and put by a surprising amount of money. One individual whom I know personally, from frequent intercourse with him as a servant of my friend, out of 10 francs a week saved a sufficient sum to invest in the loan which Napoleon the Third ordered when he attempted to draw out the secret hoards of the peasantry of France.

1080. What was the amount of the investment?—He would not tell me; I saw a roll of 5-franc pieces up his arms as he was going to invest it; there was not a gold currency then; I met him going with a roll of 5-franc pieces from his wrist to his shoulder, going to invest them. That man had purchased a cottage for himself, and a close of land, a very decent one, out of his previous savings, and he was induced to bring the hoard from the hiding place, which was the only security they had in France at that place, for there was not ever a bank in the town of Quimper with its 50,000 people.

1081. What was his occupation?—He was a gardener, at 10 francs a week.

1082. Had he a family?—Yes, a wife and four children. I inquired of him how he managed to do it, and I saw that it was by an amount of self-denial and hardness of life which told upon the frame of his wife, himself, and his children, and must certainly shorten life. That is not the thrift which I should desire among our people, but it is the only thrift by which the same ends could possibly be accomplished, according to my belief, amongst the body of agricultural labourers of England.

Viscount Folkestone.

1083. Under present circumstance, you mean?—Yes, under present circumstances.

1084. But

20 May 1886.]

Rev. W. H. F. M'KNIGHT.

[Continued.]

Chairman.

1084. But that kind of thrift and the results of that thrift are different from the objects of the scheme with which you have been interested?—Yes, entirely different. There is no other resource for them in France, they know that; but what they can procure or save for themselves; therefore they are driven to it, having no refuge like our Poor Law to provide for the future of their lives.

1085. There is a provision in some departments of France, is there not?—Not in the west of France which I am best acquainted with; there is a kind of committee of benevolence or charity which does relieve, but it is not at all established as a general fund from which help can be given.

1086. Is there no power of rating?—None at all; they are merely charitable funds which are placed to meet cases of emergency. I may say, that at all our meetings, I have made it a practice of asking the young men and the young women if it was possible for them to raise the sum of 10 l. in the stated time, and at no meeting have I met with anything but a ready response, that they could for the advantages that would be given to them; the only difference from that statement was this, that in Wiltshire, in a very poor neighbourhood, they asked that the period might be extended to four years. The colliers at High Lyttleton took up the matter very earnestly, and entered into calculations with me afterwards, and one man asked if he could not pay the sum up beforehand, and have a discount allowed him, so much in earnest were they at that meeting.

1087. What are the average earnings of a miner at that colliery?—I could not tell you exactly, but it is better than that of the agricultural labourer.

Viscount Folkestone.

1088. Would it be 1 l. a week?—No, certainly not; it would be somewhere between 15 s. and 18 s. a week; my friend the vicar of the parish told me so.

Chairman.

1089. What do you gather is the feeling of the working men towards the present Poor Law?—The older people have a patient acquiescence in it; the younger people dread it. One man from Swindon who pressed the matter very strongly upon me, at the remote period I tell you of, said that it was a thought that haunted his life. And indeed one of the motives that impel me most earnestly to work in the matter is not only to respond to the responsibility which the labourers have laid upon me, but also to deliver them from the system of the Poor Law; and I unhesitatingly describe it, if my words may not be misunderstood, as inhuman; meaning, not according to what is human and divine in our life. I was called upon to take the duty of chaplain to a union in Purton for my friend, to whom I have already referred, during his last illness; and I saw then the inside of what that life is; it is the life of the animal part of us most perfectly and satisfactorily answered, but nothing of the higher and human element of that life is ministered to in

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Chairman—continued.

any degree. I was told that I should find it very different at some unions from that in which I had my experience, and I was taken to the union of Northleach to contradict my assertion as to the inhumanity of the system. I found the union perfect in all its arrangements, and the master doing what he could to modify the influence of the system by encouraging the boys to occupy themselves in gardening, and he with them. I found the house perfect in cleanliness, and the inmates very well clad and well fed; the school children too neat and too clean to be in a fully developed childhood. When I went into the infirmary, where I was to see the comforts of old age in abundance, I found everything that was suitable for their warmth and little comforts, but I found one man sitting without his shoes; I asked him why, and he said complainingly they would not let him have them. The master explained that he kicked the door for four hours together with them, and disturbed all the inmates, and said that "he would not be locked up a prisoner there." Even in that union, with everything that could be done by thought and expenditure of money was accomplished, the real human element was not met and answered at all. I went from there to the almshouses opposite, and in a small room, with an allowance of 1 s. a week, except what charity was given, I found a widow with all the elements of her human life about her; things that were memories of the past; and something that had knit the heart to it. I found there the home of old age, which I want to see the home of all the old age of England.

1090. But I suppose that with all its defects the Poor Law gives a certain sense of security to the working classes?—Yes, it does; I do not want to see it put aside; I think it is what should exist for a crisis of our history, but not what should be the common law and rule of a workman's life. Another point I want to explain to the Committee is with reference to compulsion.

1091. Before you leave that part of the question, I should like to ask you this; I gather that what you want to convey to the Committee is this; that the subject was brought under your notice by working men, and not under the notice of working men by you?—Certainly; 25 years ago it was stated to me by a consultation with one of themselves. A man walked over from Swindon to me, and in my study debated the matter with me.

1092. Will you now proceed to your point of compulsion?—I have stated it broadly at every meeting that I have held, and I have asked the people whether, if they felt it as a compulsion, they would absolutely refuse it. The answer to the question has not come from the working men in any one instance; it has been suggested to them by others from without, but as far as my experience goes with the working men, they have not taken it up.

1093. How do you mean, "suggested from without"?—Take the instance of the Ross meeting; Mr. Smith had orders from London to oppose it upon that ground. He attended the meeting, and when I spoke of compulsion first he raised the cry of "liberty," which led to that subsequent discussion; it was from without that he received instruction; but further experience

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Chairman—continued.

has led him to put aside that objection, and to advocate the cause.

1094. Do you know whether Mr. Smith was an official of the lodge?—He was an official of the lodge at Ross.

Viscount Folkestone.

1095. Of what society?—Of the Oddfellows or the court of Foresters, I forget which; but I should very much like the Committee to examine Mr. Smith.

Chairman.

1096. At the same time, I suppose it must be admitted that there is nothing attractive in the nature of compulsion, but, on the contrary, something rather unattractive to most minds?—If it restrained our liberty to any great degree, I should most resolutely oppose it myself; but if we take these three years of the young life of men and women in England, and if we, as I may express it, put them under an apprenticeship of thrift for three years, and then leave them with full liberty of action for the greater portion of their lives, we inflict no wrong upon them, nor do we diminish their sense of responsibility, nor kill the desire to make further provision by thrift. I think the feeling that has raised the greatest cry of compulsion is this: that it was to take the man's life entirely out of his hands, and to rule it by a hard law for the whole of it. Apprenticeship in other things is never considered to demoralise a man, or to weaken his power of self direction and self control when you apply it to the trades to which you do apply it; and my belief is that that apprenticeship to thrift will be a grand implanting of the idea of thrift in the mind of the thoughtless and the young from which England will reap incalculable benefits. I may illustrate that by an instance of one of my own servants; he had come to work with me when he was 42 years of age; having been a most excellent workman, he had, by what they call in Wiltshire tuck labour, earned many times, as he told me himself, 2*l.* a week.

1097. What is tuck labour?—Taking pieces of work to do at so much; doing it by the piece.

1098. By the job?—Yes; he came to me and he told me that he had saved nothing, and he asked the question as though it were the most natural thing, "How could he?" He came to work with me at 14*s.* a week, and I resolved to make him save and use the compulsion of my position. I took 1*s.* a week of his wages and put it by for him, much to his disgust at first, but he quietly acquiesced, and, after a certain time, between two and three years, I asked him if he knew how much money of his I had. He told me he did not; he left it with me, and seemed to be careless about it. I told him I had between 6*l.* and 7*l.* of his laid by, and from that moment a new spirit was inspired into the man; for the first time in his life he had felt the spirit of possession. He told me he could save more now. He brought me 10*s.* the next week, and at different times other sums of money. The spirit of that man's life was entirely changed, and the result is that, at the present moment, he is possessed of eight cows, and farms 40 acres of the best land in the parish.

Chairman—continued.

1099. Was he married at the time he came to you?—He was married, and had five children. I could give you instances similar to that, in which the education of thrift has come from my personal compulsion attended with the same great results.

1100. That is to say, you made it a condition of his service; it was in his option to leave your service if he did not like the conditions?—Yes, quite so.

1101. But State compulsion would be inevitable?—Certainly; but the results would not have followed if he had left my service. But what I want to make clear is, that it is really the inability to save, or to make a beginning to save, which is the cause of half the unthrift of England; and, therefore, if we could first compel them to have a certain amount secured for themselves; it would give that which I call the spirit of possession, and I believe more would be laid by; in fact, the form in which the case has very frequently come before me is this, "Give us the machinery by which we can do it," and if that machinery were provided by the State, I believe the result would astonish even many who at the present moment think that the wage labour of England is incapable of putting by at all.

1102. How far is that end met in the districts with which you are acquainted, by the existing friendly societies?—I have always urged them to go in for that, to save them from what I call the degradation of pauperism, and I am thankful to say that in my old neighbourhood in Wiltshire, where I did most, which I left seven years ago, there was not a club but what I took an interest in, and subscribed to, and presided at, and tried to keep their accounts in order for them; so that I have no objections at all to the clubs, but am heartily with them, and should be sorry to see them injured in any way. But I believe that this system will not injure them in the least, but rather increase their efficiency and their numbers. It is said to me by some again from without, and not from the labouring men, that once insured they would not go into other clubs at all. At Newport, in Shropshire, I took that question up after the meeting, when there was a knot of all the members of the clubs gathered round me, and we discussed the matter thoroughly. In the midst of the discussion the agent for a providential society spoke up and said, "You are quite right; insuring in one encourages insuring in another. When I started the Providential Society here five years ago, they were insured in the different clubs, and two-thirds of those who have now insured with me, are members of the other clubs." There are inherent weaknesses in all benefit societies which, I think, have been brought before the Committee very clearly. The inability to keep up payments, for example, and one thing, which I think has not been mentioned, and that is, the current fashion of a club; I will explain that. I found the Victoria club in my neighbourhood; the club of all North Wilts. The Odd Fellows started a lodge in the neighbouring parish of Purton, and it became the fashionable club to which the young men flocked, and left the Victoria. After about five years there was a grand procession of Foresters, and a lodge

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Chairman—continued.

lodge started. The grand procession of the Foresters, and the *éclat* of the proceedings then turned the fashion again, and that became the favourite club.

1103. Was not that owing to a smaller rate of subscription on a greater benefit insured?—No, the tables were the same in both; I cannot explain it any way beyond calling it the fashion. It might be that there would be some more congenial members in one than in another; but it seemed to me to have no other reason for it than that one was the favourite, and that all the young men flocked into it. But I have also noticed that clubs that have lasted for 41 or 42 years generally begin about that time to draw upon their accumulated fund; and the moment that that is seen by the agricultural labourers, a suspicion arises that it is going down, and they forthwith begin to start a new club for themselves. That was illustrated in a neighbouring parish, at Heckington, in Lincolnshire, this year. An old club at Helpingham had begun to lessen its funds, and forthwith a suspicion arose, the labourers took fright, and started a new one for themselves at Heckington. That will run the same career as the other, undoubtedly, and the same suspicion will arise again with the same results.

1104. Have you any experience on the subject of malingering?—With regard to malingering, if I were to speak from my own experience, and that has been a close one, in an agricultural parish in Wiltshire, where from frequent intercourse, and I might almost say a life amongst them, I have been able to judge, I think it is a wrong to the working man to say that he habitually shams, and trespasses upon the funds of the club. My own experience is that they are always too ready to go off the box, instead of lying upon it; and the only case in which the reverse might be said to take place was in the case of men advanced in life in whom sickness was rather a weakness of age than a real sickness of body, and for whom, therefore, an annuity, rather than sick pay, would have been the proper provision.

1105. There is a tendency, is there not, among the public (I will not specify any particular class) to be less particular in imposing upon the Government than upon a club of individuals?—I do not think that for 8s. a week there would be any disposition to remain on the box beyond an absolutely necessary time. If, as my hope is, they would also be members of another club, and be the recipients of double pay, then the money might be a temptation, but you would have this additional safeguard, that the committee of the club would be able also to unite with you in detecting any case of malingering. I have consulted the working men upon this point, and asked what they would advise us to do. In many cases they have given me important advice; they tell me that one powerful restriction against malingering would be, that which they have in all their clubs, namely, the necessity of inaction during sickness, no work being done. One man illustrated it in this way: He said, "I left my tools under the garden hedge before I was sick, fetching them in brought me under the rules, and I was fined, and right too." If that restriction were carried out, the tedium of inaction when health returned, would certainly prevent

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Chairman—continued.

any extension of malingering; but with regard to the Government, if a national club were established, we should all be members of it, and every one would have the right to exercise some surveillance of the members who were on the box; and I think at least in our agricultural districts and in our country towns, there would be ample protection against it, even with the double pay which I wish to see them have.

1106. Is there any other point which you wish to bring before the Committee?—No, I think that is all that I propose to state to the Committee.

Viscount Folkestone.

1107. You told the Committee at the commencement of your evidence that you had been asked to do something of this kind, or to initiate a proposal by the labourers, that of course, would be proposed to you by people who are inclined to be thrifty, and not by people who are inclined to be unthrifty?—No, they would be thoughtful, earnest men.

1108. What age were those people?—Forty was the age of one; I cannot tell you the age of the others; I know the age of one, because he died lately.

1109. Do you know what their age would be, generally?—They would be more than 30 years of age.

1101. Have you any particular experience about young men in the different parishes with which you have been acquainted in Wiltshire and Lincolnshire, and in those places where you have met them, with regard to their ideas of being compelled to come under the scheme; I mean the people who would be hit by it?—I have put it to them, and they have made no objection to me, for at that meeting we never had an objection stated by any of them, excepting, as I told you, the one case of Mr. Smith at Ross, which you have had before you.

1111. And you have never found any objection made by the younger men who would come under the operation of the scheme?—Not of themselves: it has been made, as I have said, from without.

1112. They being people who would not be touched by it?—Yes; they being people who would not be touched by it at all.

1113. You were referring to this scheme which you tried to initiate, and you said that you found out from the societies, or the companies, to whom you applied, that the sum that they required would amount to, certainly, 30*l.*; that would be commenced at what age, between 30 and 40?—Yes.

1114. Therefore the sum would be smaller taken between the ages of 18 and 21?—Yes, much less.

1115. To what number of men would your scheme have applied at that time. Of course when you applied to the Insurance Company, they asked for all particulars; they would have wanted to know how many men would join?—It never went so far as that. My friend, Mr. Coates, said it would require a large sum, more than a poor man would give, to undertake the work. I asked him how much the poor man would have to give, he said he did not know, but that it

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20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Viscount Folkestone—continued.

would require, he thought, 30*l.*, as far as he was informed. But it never went further than that; the conclusion that was come to was merely that it was impossible to be done.

1116. You have had a great number of meetings through the country; those were all public meetings where you have had discussions—Yes, they were all public meetings.

1117. And they were all unanimous?—Yes.

1118. People might be unanimous in public meetings, but they might not be unanimous in private talk. Could you give the Committee any instances of private opposition in conversation?—I have had no opposition from the men themselves; but after the meetings I have had frequent discussions upon the matter. I may illustrate that by saying that at Lincoln, in the middle of the day, a large meeting of farmers, and of the middle class took place, and after the meeting, walking up Steep Hill, a man stopped me to tell me that he thought it to be a most excellent thing, and he hoped we should get it done as soon as we could.

1119. Was he a labourer?—He was, he said, a self-made man. He said, "I was a plough lad once, and I am now farming a bit of land; if you could possibly get this it would save me money now, for I am suffering from the very evil you spoke of with regard to pauperism. If you had been able to obtain the 10*l.* from my father when he was a young man and inherited a fortune from his father, I should not be now obliged to pay for his maintenance in the union."

1120. This was an instance where a man who had had an independent livelihood had come down to the status of a pauper?—Yes, he had a fortune, he said, from his father, and he was now in the union.

1121. He was one of those who generally, one would assume, would not come under the operation of the scheme?—He had every reason to believe that he would not, because he had inherited a fortune from his father, but he was in the union, the son having been obliged to turn out as a plough lad and get his own living.

1122. This man would not have provided for his own superannuation; but if this scheme had been in operation he would have had a certain amount of provision made by himself?—Certainly.

1123. Now, we have had a great amount of evidence before us with regard to this scheme, and one or two of the witnesses have made the objection that 4*s.* a week is not enough superannuation to enable people to live. You have had a great deal of experience of the working classes in agricultural districts, and I want to have your opinion as to what is a sufficiency?—I should like it to be more if it were possible, but I have found that the 5*s.* a week allowance given by the Poor Law Board, and a loaf, is readily taken. Say it amounts to 3*s.* 6*d.*, that is readily accepted by an aged labourer, who can always find some friends who will take him into their house, if he has no house of his own, and keep him there.

1124. Can you give the Committee an instance of any case in which you have known a poor person being taken charge of, I may say, by other

Viscount Folkestone—continued.

poor persons?—Several. In my old parish of Lydiard there was the widow of the clerk taken in charge and kept till her death. There was an old lady who was formerly in my lodge taken by her niece and kept till her death, and who received the parish pay of 3*s.* and a loaf.

1125. What was the old lady in the almshouse getting?—The parish allowed her 1*s.* a week, but Lady Sherborne gave her coal at Christmas, and she told me "friends were good." I think that is what it meant; but she certainly had all the comforts of true family life and home about her apparently.

1126. She seemed perfectly happy?—Perfectly; she said, "This is all my own, and I can be quiet here."

1127. The only ostensible means she had for living were this room, which was given her by a particular charity, and 1*s.* a week?—One shilling a week, and her friends were good to her.

1128. Her only ostensible means of living was 1*s.* a week?—Yes; her only ostensible means of living was 1*s.* a week.

1129. With which she had to clothe and feed herself, and at some time of the year most probably she had to find firing?—I dare say the friends were good in the neighbourhood, and other charities were given to her.

1130. But that was all?—There was no allowance beyond that from the parish.

1131. What is your opinion about the young women; you found that some said they would like the time extended; do you think that the young women would generally be able to find the sum between 18 and 21 years of age?—Again I say that at Osbournby, a parish in Lincolnshire, which is a central parish, around which are grouped many small parishes, which send their children to Osbournby School, and where we held a thoroughly representative meeting of the agricultural labourers of Lincolnshire; the plough lads were on the front bench, and I got my answer from them, that they could find the money readily enough. There were a number of women servants in that meeting, and they also answered readily enough that they could find it; and that was followed by the assertion of the masters, that from the wages they paid them, they knew very well that they could. That was from poor labourers with purely agricultural wages.

1132. Were they in service or were they in lack of employment?—They were all in service; there is no lack of employment there. In the "Statties" that are going on now, I find in my own parish that all the men are hired again.

1133-36. Is it your opinion that this poll-tax, as it has been called, would fall upon the employer, as stated by other witnesses, and that it would be unpopular?—I have brought this objection: "that the tax would fall on the employers of labour" before employers, and I may sum up their reply in the words of one of them: "You may very well leave us to take care of ourselves on that point." It would not be unpopular, therefore; and they have expressed their willingness to take the responsibility to the State of securing payment of the insurance money by deducting it from wages at the time of payment, by which

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Viscount Folkestone—continued.

which means they themselves would suffer no loss, and the payment to the fund would be secured.

If the attempt were made to throw the tax upon the employer, the natural law of supply and demand would come into operation, and for what would be the higher wage demanded, older and more experienced labour would be employed.

But my experience of the working classes is to the effect, that it would be the last thing they would think of asking their employer, "to pay their club for them." They would regard it as one of their own investments, and to be secured out of their own means.

I do not, therefore, regard this as a valid objection to the scheme.

1137. There has a feeling arisen in certain districts in the last two years among people where this question has been discussed, that the upper classes, as they call them, or the moneyed classes, ought to pay more; have you come across that feeling?—That is what I think is the serious feature of the case, which made me speak in my first answer as to the necessity of the scheme. Within the last two years, going about the country as I have now done, I have found what I call a serious demoralization in the English mind with regard to independence. No word that I ever spoke appealed so strongly as that one that I made use of, namely, "eating their own bread from their own savings and thrift." That was applauded to the echo again and again, and I felt that I had really earnest spirited Englishmen about me who sympathised heartily with me. The last two years I have seen a change, not so much from the working men themselves, and, as an example, I will give you one instance at Cheddar. The men themselves approved of it, and they passed a resolution, but one of the gentlemen at the meeting got up and said, "Why not make the rich pay instead of the poor? For instance, why should not the Marchioness of Bath be made to pay her 100*l.* if I am to be made to pay my 10*l.*" I told him that he was quite out of the running altogether; that he was now an old man and would be required to pay nothing, but that the young men had made no objection such as that; that as the scheme had only one principle in it, which was that each man should provide against destitution by paying into the one fund 10*l.*, it would be quite as unjust to ask the Marchioness of Bath to pay more to prevent destitution in her case, as to make the poor man pay more to prevent destitution in his. He said, "That is the point I wanted to see answered." In a long discussion I had at Holborn Town Hall with Mr. Campbell, he told me that the principle that they had lying at the bottom of their measures when they had the vote, was to make it impossible that we should any longer tax the poor, but tax the rich to pay for the poor.

1138. You mean a person in the position of the Marchioness of Bath, if she came to destitution, would only require the same relief as a poor person?—That 10*l.* will secure every individual from destitution, and if the Marchioness of Bath became destitute then her provision is already made for her.

1139. In the case of friendly societies, though, of course, these people go into them voluntarily,

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Viscount Folkestone—continued.

they do not have superannuation, but only sick pay?—Yes.

1140. So those who are never sick pay for those who are?—Yes.

1141. That is the common law of all insurance, that those who never need should pay for those who do?—Yes.

1142. So that the thing stands upon all fours?—Just so.

1143. I know you are a great mathematician; I want to know your opinion upon the actuarial calculation in Canon Blackley's scheme which you have gone into; will you give us your experience?—I have looked into Canon Blackley's scheme, but I do not want to set myself up as an actuary, and therefore I have accepted his figures as sufficient, according to my estimate, of what the possible sick pay required would be, and for an annuity. I do not pretend to be an actuary, and I have accepted Canon Blackley's figures as sufficient, and I believe myself they are, and that from what I have seen of sick pay, and the experience I have had of the thing in Wiltshire, he is rather below the mark than above it, that is to say, that not as much as he has said would be required. For instance, it is often forgotten that one-third of the population would not draw upon the fund, at least, I take it so from the statistics that were given in the industrial remuneration meetings held a short time ago; and I believe further, myself, that one-third never would come upon it, and if Canon Blackley's calculations are correct, that for all to draw 9*l.* 15*s.* would be sufficient, and 5*s.* for the working expenses, it is manifest that if one-third never do draw, those calculations must stand. But I feel, also, that until we have worked it for a time, we shall not have a number of statistics and facts sufficient to give us a law, and that, therefore, it must be tentative, but not necessarily dangerously so, and that by repeated calculations we shall arrive at a just conclusion.

1144. Have you, or anybody who has calculated those figures, taken sufficiently, do you think, into calculation the fact that we shall have to take every life, good, bad, and indifferent?—That is so.

1145. I think friendly societies do not take unsound lives if they can help it?—They do not if they can avoid it; but there are all these uncertainties.

1146. There are also dangerous and unhealthy occupations, where, very often, persons like railway servants, for instance, have to form a friendly society of their own, because they cannot get any existing friendly society to take them on account of their dangerous occupation; has that been considered sufficiently by you, do you think?—Yes, I think so.

1147. Now with reference to the tramps, Canon Blackley's scheme seems to me to be a fairly good scheme for getting hold of tramps. You were speaking about malingering. We have some statistics in 1873 about malingering; and I asked a witness whether he did not think that there had been an improvement in the morals of the working classes with regard to this, and he said that he thought there might be. Do you think so; too; do you think that the malingering will be lessened now that there is a

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20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Viscount Folkestone—continued.

greater feeling of moral responsibility throughout the country?—Yes, I think so. I think that my experience of the working classes is that they are not really so bad as many people would like to paint them.

1148. You said that you would depend upon the natural dislike of men in health to inaction to prevent malingering?—Yes.

1149. But you would not find that natural dislike to in action in tramps, would you?—No; but the payment is to be before the age of 21.

1150. But now we are upon the point of malingering?—If they are ill, tramps though they be, they have the right to their money; again, if they linger on, it must be the doctor and those who have them in charge, who can declare whether they ought to knock off the box; and if they are turned off the box they must set to work again.

1151. But we have been told that it is sometimes rather difficult for a doctor to decide whether a man is shamming or not?—Yes, but he may exercise his discretion; and if he says, "You are not ill," and turns him off, the thing would answer.

1152. You know a good deal about friendly societies. You, I understand, do not think that this compulsory scheme will be in any way detrimental to the friendly societies?—Not at all.

1153. Do you think since you first commenced agitating this matter, that there is considerably less opposition amongst the members and the officers of friendly societies now than there was?—I may give you an instance of what occurred at Wellington, in Shropshire. We had a meeting, and before the meeting was held I was told that the Foresters had called a meeting and had appointed a committee to attend my meeting, and make their objections to it. When the meeting was over, or before it was closed, I waited for their objections, and none were made. Then I invited them to state their objections; they still refused, and none were made. Next morning I met the secretary in the town, and I said, "Why did you not speak out last night; what are your objections?" He said, "Well, you answered them all as we went on; we had them written out, but we put our heads together, and there was nothing to ask; but we thought of one thing afterwards, and I want to ask you now this question. "Suppose a child of mine emigrates, does he lose his right to participate;" I said, "No, he carries it with him to his grave." "Then," he said, "we are satisfied." I have felt, I may say again, that the opposition of the various societies is gradually weakening, and it is only from the officials that the opposition comes; but I believe it is dying out; in fact I know that in the publications of the Odd Fellows Society there has been a very strong remonstrance made to the opposition brought against us.

1154. Talking about going abroad, have you any idea that the scheme has been advocated or thought of in any of the colonies?—In New Zealand it was proposed, and it is still now, as it were, a subject for discussion waiting for further development. The result of the scheme in Germany, now that Prince Bismarck's last mea-

Viscount Folkestone—continued.

sure brings in agricultural labour as well as all labour, is that compulsion is now universal in Germany for all the labouring classes.

1155. You have studied the German system, have you not?—Not thoroughly; but I saw that announcement one day, and I was very pleased to see it, that the agricultural labourers are now enrolled into the scheme.

1156. The authorities have not extended that system to superannuation, have they in Germany?—No; it is still confined to the sick fund.

Mr. Walter James.

1157. You approve of the system adopted in Germany, do you not?—I approve of that system as the first beginning of better things.

1158. Do you think that an English community would readily accept a system of this kind, which I might term for my purpose, a scheme of benevolent despotism?—No; I rather think they would prefer a scheme like our own which is not life-long in its action, but terminates after a period of three years with its results attained; it is that, I think, which appeals to our English instincts better than the other.

1159. Will you explain to the Committee the difference between Canon Blackley's scheme and the scheme now prevailing in Germany introduced by Prince Bismarck?—Canon Blackley's scheme requires the co-operation of the whole community to accomplish those ends which the labour class unaided could not do. In Germany it is required of the capitalists to help the labourers, and where the labourers' wages are small, the Government helps the capitalists to meet the wants of the labouring class. I do not think that myself either wise or good; still it arose out of the necessity to meet the sudden demand that is upheaving from below.

1160. But they are both identical in respect to compulsion?—Do not confound it with ours; compulsion in our case is of the individual youth or woman for three years only; in Germany it is as long as they earn wages, which is life long, and the only bait there is, that the Government pay a part, and the capitalists pay a part, and so make it less; but still in that case it is not by thrift or by laying by out of a man's own wages, but it is really by a continuous tax.

1161. In Canon Blackley's scheme it is a tax for three years; in Germany it is a tax during the duration of a man's life?—Yes; in that case it is certainly more objectionable in Germany than even Canon Blackley's scheme, which the most bitter opponents of compulsion can class it with.

1162. I do not wish unduly to press you, but still there is compulsion introduced in both cases?—Yes.

1163. And State interference?—Yes.

1164. Then your opinion is not very favourable to the poor law?—No, it is not.

1165. Its influence has been deleterious to those upon whom it has acted?—Yes.

1166. Do not you think that State interference has a tendency to destroy independence?—If State interference is life long, it most certainly would have that tendency; but really the young mind is considered to be yet under a state of tutelage

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Mr. Walter James—continued.

tutelage up to the time of manhood, and then let go free in its manhood to do as it will. We ask no more than that, and that little State interference will not inflict a permanent evil upon that spirit of independence which is among us. But it will do more, it will put the youth upon the vantage ground of independence, and that consciousness will pass with him through life and make him a much better man.

1167. You think it is better that that process should be put in operation by the State than that it should be left to the voluntary agencies of education, existing friendly societies, and other means?—I do, simply because it is a measure so vast and so extensive in its operation that it would be dangerous to trust it to any voluntary agency. For instance, I feel a certain unwillingness to recommend persons to buy annuities from any but the State, inasmuch as there is a possible insecurity in almost every other, except that which can give a State guarantee. If you were to gather the whole labouring population and put them under any voluntary institution, you would not have that security; it would be too tremendous a peril.

1168. But still in a limited degree, as you pointed out to me, do not you think it would still be unpopular?—I do not. I believe, myself, that with those who have to live by toil, it would be a most popular movement. If you were to hear people asking, "How are you getting on with it; go on with it boldly and push it on," you would understand how the people themselves most interested in it are anxious for it, or for what they call the "machinery" to work it.

1169. What effect would it have upon the Poor Law?—It would become extinct by insurrection, having none to feed; except that I want it always to exist for some crisis in our commercial life, for which we have no other provision.

1170. You are familiar, no doubt, with the evidence which was given last year before the Committee?—I am.

1171. Have you read Mr. Sutton's evidence?—I have.

1172. Did you read the memorandum which Mr. Sutton handed in?—I did; and Mr. Blackley's answer.

1173. There were one or two points with regard to Mr. Sutton's remarks upon which I would ask you a question or two; and in the first instance with regard to the question, Do your views extend to sick pay as well as to superannuation?—To both.

1174. How do you think the question of sick pay in so large a society would work; do not you think that there would be great difficulty in certifying actual cases of sickness?—I do not think so. I think that would be done in the same way in which the clubs certify cases. We should be easily able to do it. And if there is, as I hope there will be, an additional club in most cases, we should make arrangements in the matter and have different systems of identification; the club with their body and we in our own.

1175. I quite agree that there is no intention on the part of the working man to sham and avoid legitimate work. Still, as is sometimes said, there are great numbers of idle people, and

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Mr. Walter James—continued.

do not you think that the cases of idleness which will always exist, no matter how strict you are, would always have a tendency rather to increase in view of your sick pay?—You have only to see a sick man sitting idle in his house and forbidden to do anything, to know the extent of the tedium and weariness that it is, and his wish to get off the box. If he could be idle, and enjoy idleness, he might do what he liked; but I assure you that the weariness of it is very great, because the rule is very strictly carried out that they must do no description of work.

1176. It is what I may call a condition of laborious idleness?—Yes, that term expresses it exactly.

1177. But what would enforce it?—The supervision of the neighbours.

1178. You think they would exercise that supervision?—I do.

1179. They would exercise it, no doubt, in cases in which they were directly interested in any organisation of their own, but do you think they would do it if they were not personally interested or responsible?—In that case I should feel myself, as a member of the public, as much entitled to exercise supervision as though I were an enrolled member of the Odd Fellows or whatever society it might be.

1180. But do you not think that it would place a man in rather a delicate relation to the man who was receiving the sick pay?—I do not think it would be difficult.

1181. But he might be really ill, and you would be bringing a most unjust charge against him if you reported that he was not?—I do not speak so much about his being ill as about his doing any work. The judgment as to illness must be with the medical man.

1182. With respect to the medical man, if you had this system prevailing you would have friendly societies existing alongside the State society, and would it not be very inconvenient to have two medical men doing the same thing?—Canon Blackley proposes no medical fund, but that every man would have to provide a medical fund for himself; and the medical fund necessarily would imply that the doctor would be the responsible man, therefore that would not attach to the expense of the scheme at all.

1183. Mr. Sutton in his paper, printed in the Appendix, speaking of the sum of the experience of the two large societies, the Manchester Unity and the Ancient Order of Foresters, says that according to the rates of contribution made by those two societies, assuming that experience to correctly represent for both classes the experience of a compulsory national assurance society, the sum of 10*l.* per individual to be paid up by the age of 21 would only provide the promised benefits for about 52 persons out of every 100, exclusive of the cost of management?—I have not gone into that subject, therefore I cannot give you any answer upon it.

1184. Supposing that to be correct, what would you say?—I believe it to be quite incorrect; but not having studied the figures, I cannot give an answer upon the matter.

1185. But it would be a very important element, would it not?—It would be a very important element, but I think it is utterly incorrect.

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1186. That

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Mr. Walter James—continued.

1186. That is an actuarial point upon which you think the testimony of some very experienced actuary would alone be valuable?—And what is more, until we have statistics upon which actuaries can form a judgment, I do not see that you can have a conclusive judgment given.

1187. Mr. Sutton also says that the assets of the principal life offices of the United Kingdom amount to 120,000,000*l.*, and that they find it very difficult to get more than 4 per cent. all round, and that even that rate has a tendency to fall?—Is not the best test for those insurance societies the rate they are able to obtain?

1188. I was going to carry it a little further. Suppose National Insurance was to be started at once, and that all persons at the age of 21 had only to pay for their deferred annuities in a lump sum, you would have at once 3,000,000*l.* of money to invest, and the next year the same; and that in 49 years, the first period when any benefit would be derived from the insurance, the National Provident Insurance would have invested no less than 300,000,000*l.* in respect of its annuity fund. What effect do you think that would have upon the financial condition of the country?—I think it would be absorbed entirely by the extension and occupation of investment which is going on continually. It seems a large fund to read about, but I think it would be absorbed year by year. We see what is going on daily in the creation and investment of capital.

1189. But even now a statement of that kind is somewhat startling, is it not?—It is; but I think the sources of investment are quite ample to absorb it, without disarranging the financial condition of the country in any way.

Mr. Arthur Acland.

1190. You think the present application of the Poor Law in our agricultural villages in the country is, on the whole, very disastrous to the poor?—I do.

1191. And that the present condition of the poor in the villages is consequently worse than it should be?—Worse in this respect, that it indisposes them to provide for the future. In early life it is not so, but after they come up to middle life they acquiesce in their lot, and then all the manliness is gone out of them.

1192. Do you think the French are still worse in that respect?—No; they have a spirit of self-reliance and of making provision for the future, knowing that they must make, and are compelled to make, such provision.

1193. Do you think that self-reliance in the French villages is not partly due to the fact that there is no Poor Law system in France?—Clearly it is. They have no Poor Law to look to, and they know they must look to themselves.

1194. Do you think that is a good thing in itself?—Yes.

1195. Do not you think it would be dangerous to introduce another State compulsory system?—Yes, if you were going to make it life-long; but if you were going to give them the machinery to do the work, they would acquire that self-reliance and independence, and would carry the theory out fully, for that is an endowment which never fails.

Mr. Arthur Acland—continued.

1196. You said that if a man was receiving 8*s.* a week he would not be tempted to sham sickness, because he would want to earn more; he would want to get a sum equal to his week's wages. Supposing he were getting 16*s.* instead of 8*s.*, would he then want to get to work?—I have seen enforced idleness inducing such weariness that they have been anxious to go back to labour.

1197. But if the man and his wife were both insured, the 16*s.* they would get might be more than they were receiving in wages?—I do not think it would be more, but I think I can state your difficulty in even stronger terms. Supposing there were the Odd Fellows' pay of 12*s.* a week coming on the top of the man's 8*s.*, making 20*s.*, it would not be a bit too much in the time of sickness, when I do not think any one of us would be inclined to stint it; but when he got better, and the temptation was to linger on, a week perhaps, then the medical man must do his duty, and surely the weariness of no work would also tell.

1198. You said that, under this scheme, we should all of us have the right to exercise our surveillance; do you think we should all of us have an interest in exercising that surveillance?—Yes, I do; at least if I may judge of all men by myself. At all events we should feel that it was a fund entrusted to the nation for a purpose.

1199. None of us who are over 21 would have any direct pecuniary interest in that surveillance?—None at all for ourselves, but there are the coming generations who would, and then I think we ought to consider.

1200. You said you thought that people would willingly pay this 1*s.* 3*d.* a week from the age of 18 to 21;—Yes, I think they would.

1201. According to your idea of the scheme, would it be collected from them individually?—No; according to Canon Blackley's idea it would have to be paid through the employer, because it would be necessary, in the cases of those who are naturally weak, or under strong circumstances of temptation, that the insurance money should be paid before it came into the discretion of the man handling it.

1202. When the master pays the insurance for his labourer, do you think that the same educational process is going on in the mind of the labourer as when he pays weekly or quarterly to the insurance fund himself?—Yes, the money is paid, and if it is done by means of an insurance stamp affixed to the insurance slip, and cancelled by the signature of the master, and it is put into the hands of the labourer, he is responsible for its care, and his education goes on.

Mr. Wason.

1203. You were telling us about your servant who had a farm of 40 acres after he had been in your employ; what capital would it require to start a farm of 40 acres?—When I had accumulated the 23*l.* for him I told him of it, and he said, "I will buy a cow next fair-day;" he came for the money, and bought his cow.

1204. But he had not the 40 acres at that time?—No; he turned the cow into my field; I let it out also at lack; that year she had a calf; with the proceeds of the cow he bought a yearling,

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Mr. Wason—continued.

yearling, and it was a matter of five years after that I found him in the possession of eight cows, and farming 40 acres.

1205. That does not quite answer the question of what capital was required to stock that farm of 40 acres?—You might put down the cow at 20*l.*; that would make for the eight cows 160*l.*

1206. You stated something about New Zealand; I do not know whether you are aware that the legislature there considered this scheme, and I understand, reported against it?—I thought it was left in abeyance until it was more developed in Europe.

Mr. Norton.

1207. Do you think it would help on Canon Blackley's scheme if we were to offer discount for prepayment if a man were in a position to pay the 10*l.* in his 18th year?—I think it would. I may mention another feature which the discussion has already developed, that is, that young people have begun to put by already for it.

1208. We have a regulation in my own parish in the working men's club that they pay 3*d.* a week at the end of the month, and 2*d.* if they pay it in advance; do you think that that principle could be applied generally?—Certainly, it is already stimulating an immense deal of thrift.

1209. Do you think it would be possible to extend the period to the age of 22, that is to say, spreading the payment of the 10*l.* over four years?—I would begin earlier, say at 17, as the Wiltshire men wanted me to do.

1210. In my own district, during the last winter, there have been many young men out of employment nearly the whole winter. I do not see how you could deal with those; you could not get their payment during that time?—It must be suspended until work returns, and when they are in work the payments must be resumed, but I think that if you begin earlier, say at 17, that difficulty would be greatly met.

1211. I think Lord Folkestone's suggestion about men of 22 being successfully competed with by men of 27, would only apply to the first three years or so of the starting of the scheme. Then I want to ask you again, as a practical question, do you think that the removal of a young man from one part of the country to another, when he was under the age of 21, would create any appreciable difficulty in collecting and checking the contributions?—No, I do not think so. The young man so leaving would take his insurance scrip with him, showing the amount of the payments he had made, so that his identity could be certified, and that difficulty would be solved at once.

1212. You do not think it would be easy to tamper with these papers?—I think he would take abundant care of that.

Chairman.

1213. That difficulty is met by the friendly societies, is it not; that is to say, by the best managed of them?—Yes, it is.

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Mr. Norton.

1214. It has been often stated in evidence by other witnesses, that the 8*s.* a week proposed to be given would not cover the sick pay in many instances; do you see any difficulty in having a sliding scale for those who are willing to pay more than 10*l.*, so that if they paid 12*l.* they might get, say, 10*s.* a week?—I should recommend it to be worked upon an absolutely fixed sum.

Mr. William Louther.

1215. With regard to a man moving from one part of the country to another, he would take with him, I presume, some sort of a passport with a description of himself upon it. If that fell into other hands it might suit some other man?—No doubt that might be so, and fraud might take place in that way, but people must take care of themselves in those matters, and no persons take care of their deeds so well as the poor.

1216. Have you had experience of penny banks?—Yes, I have had a most interesting experience of the system at a meeting in Northamptonshire at Moreton Pinckney. I had a room full of agricultural labourers, where they agreed to a resolution in favour of it unanimously, and afterwards the vicar told us the result of his penny bank, and the amount that he was sending monthly into the savings bank at Northampton, and it astonished me, although I forget the figures. How it came, and where it came from he could not tell, but that it did come in large sums was certain.

1217. Do you know, as a fact, that even children attending school somehow or other get pennies; you do not know exactly where they come from?—That is so.

1218. But they do?—They do.

1219. Do you know that they are able while they are at school to lay by a sum of money which is far beyond what people in general have any idea of?—Yes, the returns from the schools at Liverpool; I think it must be seven years ago that I saw a return; showed that the sums which they had laid by out of their pence from unseen sources amounted to 9,000*l.* At Ghent, where there are 32,000 children in the schools, there was 10*s.* per head laid by.

1220. Do you find that the poor people are able to put money into the savings banks?—Yes, I have personal knowledge of that, being a trustee of one.

1221. You have no personal knowledge of penny banks?—No, I speak upon that subject upon the authority of the vicar of Moreton Pinckney.

1222. You have not started a penny bank?—I am going to do so.

1223. Do you think there would be any difficulty in people getting their 10*l.* beforehand?—I believe they would have it ready beforehand, and claim the discount in a large number of cases.

1224. Do you think that the opposition from the friendly societies is greater or less than it was a year or two ago?—It is certainly getting less. It is now really purely official, if I may say so; that is to say, that the officers of them are working at it. They have an unsound fear

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that

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Mr. William Lowther—continued.

that we shall do them harm, and it is that which is moving them; but I have seen at the different meetings a strong feeling to this effect: "Do not strangle this scheme; it is better than yours." That was said at one of our meetings, and I see also in the case of that Mr. Smith how the feeling has completely changed with him; having opposed it, he is now advocating it.

1225. Have you had any other scheme before you besides Canon Blackley's?—None.

1226. You have no scheme of your own?—No.

1227. You think that Canon Blackley's is the best?—I think so. I think that there is so much information gathered about it that we may accept it at present until we have had experience, which may modify it in some degree, but not much.

1228. You said there were charitable funds in France for the support of the poor?—Yes.

1229. How are they supported?—Simply by collections and sums given by individuals; there is no tax at all.

1230. You mentioned a man who had been very thrifty in France and had saved money; do you consider that was an exceptional case?—No, in France there is an immense deal of drinking in that neighbourhood, and that demoralises everything, but at the same time there is a wonderful amount of thrift amongst them. I cannot tell how it is, but they make a little money go a great way.

1231. Do you know how they are able to save more in France than we are in England?—They deny themselves.

1232. What do they deny themselves?—Their food is certainly much more wholesome, and at the same time less costly than ours.

1233. What kind of food do the French labourers generally eat?—Going into the cottage one day I found the *pot au feu* upon the fire. I found a piece of bacon and a quantity of vegetables, and bread in slices, those were placed upon the table, and the family sat round it, and fed upon it. The cost of that dinner was not 1s., and himself and his wife and his four children were feeding upon it.

1234. It was not a very strong *pot au feu*, I suppose?—It was what they enjoyed; and I must say that no man worked better than François, the man I speak of, in the garden; what physical power he had! at the same I must say that their lives seemed hard, and I do not want to see such heroic thrift in England for working people.

1235. You think they can be thrifty in England if they are inclined to?—Yes, and I can give you an instance of that. A lady coming over from France brought her French servant over, and they fed him and her family for one-half of what our people in their own way of living fed themselves for, and, I think, fed them more wholesomely.

1236. They are more thrifty in firing?—Yes, they do not burn coal; they merely burn wood, which they gather from the trees in the forests around.

1237. You said that you had a conversation with a man under the tower of Boston Church in Lincolnshire, who expressed himself as very

Mr. William Lowther—continued.

well satisfied with the scheme; he said, "You put into my hands a fortune;" in what station of life was that man?—I cannot tell you; but his trousers were greasy from the top to the bottom, and when he shook hands with me his hand was very hard; he may have been an artisan.

1238. To return to your man with the cows and the acres, I suppose he got some assistance from somebody else besides his 20 l. with which he bought the cow?—I am not aware of that.

1239. You gave him some assistance, I suppose?—No, I did not.

1240. Did not you help this man?—I did not.

1241. Did not his neighbours?—I do not know that, but when he left me he was possessed of a cow and two calves, which he would of course sell and buy another cow with the proceeds.

1242. How long was he acquiring these?—The third year of his service he had got 6 l. or 7 l., and after that he rapidly accumulated; the first possession gave him another idea.

1243. You put his money in the bank and got him interest for it?—Yes, I put his money into the bank week by week, and that gave him an idea of saving which he had not before.

Mr. Finch-Hatton.

1244. You say you have a commission from the working classes to push this scheme; I think you have some better commission than even an ordinary clergyman of a parish would have; your practical experience in connection with the working classes has been of a long and peculiar character?—Yes, certainly; in North Wilts I had no cure, and therefore I was free to move throughout the whole district.

1245. In the district of Swindon, I think you had a very large connection with the class of artisans of the Great Western Railway?—I had.

1246. So that you are speaking from a strong practical point when you speak of that commission?—Yes.

1247. May I sum up what you have said in this sentence: that after considerable attention paid to the subject by yourself, and expounding it in the clubs of working men, you have come to the conclusion that no system of working men's insurance, pure and simple, unaided by other sources, is possible?—That is so; you cannot give the security.

1248. You told the Committee that neither you nor the insurance societies had arrived at any sum at which they would take the scheme?—No, none at all; the information was given me by my friend to whom I referred. When I asked him, he said 15 l. which was given me to invest, would not be sufficient, but I think he said that 30 l., he thought, would be sufficient. Under Canon Blackley's scheme, however, when you consider that one-third of those who contribute it would never draw from the funds, that makes an essential difference.

1249. You spoke of an objection having been raised to the scheme on account of its being a tax on the poor to save the pockets of the rich. Now the Committee have from Sir George Young, an expert witness, evidence to the effect that it was a tax upon the rich to save the pockets of the poor; in your opinion neither of these is true?—No, I think not. There is another

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Mr. Finch-Hatton—continued.

another principle in it, namely, that of helping our brother.

1250. But you do consider it, in fact, an operation of a business-like character; an investment at the best rate of interest for the person's own benefit?—Yes, certainly.

1251. There is another point which has been met with as an increasing objection in the last two years, that the rich do not pay enough; do you consider that inasmuch as the rich have very little chance of ever coming upon the fund they really do in that point of view pay more than the poor?—No, they may never draw; but then I think the rich ought to remember that if they are helping a poor man to his self-independence, in the long run the poor rate must lessen.

1252. But is it not the fact that inasmuch as the rich have very little chance of ever coming upon the fund, the poor *pro tanto* benefit by the rich paying?—Certainly.

1253. And you do not consider that as unfair?—No, not at all.

1254. Do you consider that the chance of one person falling from one grade to another makes a material difference in the aspect of the fund?—Yes; at one of our meetings at Ross a gentleman got up, no less a person than Mr. Blake, the present Member for the division of the Forest of Dean, and told upon his fingers how many tradesmen in the town of Ross were in the union who would not have been there if this scheme had been established.

1255. Is it within your knowledge that at the present time there are within the different unions of the county persons whom you would very little expect to find there, persons in your own profession, and others whom you would not in the least expect to find within them?—I have met with them.

1256. Sir George Young would not admit that there was such a possibility of a person falling from one grade to another as to be worth a moment's consideration; you differ from him in that particular?—The case at Lincoln of the young farmer whom I mentioned was a case in point. His father was in the union; he had spent his fortune, and also two others. I do not know where they came from.

1257. The difficulty in this case is at the extreme points, is it not?—Yes.

1258. Have you considered whether persons earning the lowest rate of wages would be able to pay this contribution?—I think you must remember the results of early thrift, and I think that by that means the difficulty will be met. There may be cases of extreme destitution, and there I think there must be help in the shape of some relief to meet them; but they would be few, and they do not come from the staple labour class of the country.

1259. Have you considered whether extreme cases of this kind would not provide a very excellent channel for charity?—Yes, you do not degrade them when you give in this way.

1260. I mean charity merely in the form of providing this payment for them?—Yes.

1261. I understood you to make some very severe strictures upon the poor law from the point of view of the working classes; do I understand that it is not so much from the point of

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Mr. Finch-Hatton—continued.

view of creature comfort that you regard it, but as lowering the general tone?—I think it destroys family life, and it is practically a sin against great eternal laws of social life.

1262. Upon the point of compulsion you were comparing the compulsion in Germany to the compulsion proposed in this country; is it not the fact that we have compulsory providence in this country in the shape of the poor rate?—Yes.

1263. Life long compulsion?—Life long compulsion; you must have compulsion, inasmuch as you compel the thrifty to pay for the unthrifty. A remarkable instance of that occurred in Swindon; there were two men living in the same street only a few doors from each other; one with his wife and family well cared for, and the house carefully managed. The rate collector called on him for his poor rate. He made the remark, "I suppose you are going to call upon my neighbour, so-and-so, for his rate. It is no use doing that, he has applied for relief. He has been earning just as much as I," he said. "Then I suppose I am paying for him." The collector said, "Yes, undoubtedly you are, but we cannot help it; that is the law."

1264. Is it your experience of human nature that if there must be compulsion at all, people would rather be compelled to provide for themselves than for others?—Certainly.

1265. And that in your view compulsion exercised under Canon Blackley's scheme would not destroy nascent thrift, but would encourage it?—Yes.

1266. You spoke of the fashion in different clubs; does that constitute a serious element; do you think it would be taken into account in their calculations?—Yes, I think it might be.

1267. Is it one which they can well take into account?—I do not think it is, because you cannot tell where it arises from; I tried to analyse it in a few instances that had occurred within my knowledge, but I could not tell what it arose from.

1268. But it is a factor always present?—It is always present. I may remark that in my own parish I found a club in which there were 400 members 40 years ago, and it has fallen now to 34, and the sick pay instead of being 10 s. a week has been reduced to 6 s.; they cannot get the club to "go on again," as they term it.

1269. The reduction of pay of course would greatly affect the security of the society?—Yes, it is a question whether it will stand much longer.

1270. In your view, is advertising a necessary and considerable expense in those societies?—I do not know; I cannot answer as to that.

1271. With the expenditure upon regalia and insignia?—That I think ridiculous.

1272. But it is necessary perhaps for fashion? Yes, it may be one of the reasons why the Foresters beat the Odd Fellows in the neighbourhood I speak of; they had a grand procession, with a wagon and arched boughs and all that.

1273. You gave the Committee a startling statement from your experience that at 40 years old a club generally begins to draw upon its reserves?—Yes, I have found that.

1274. Is that because at that stage it comes to

20 May 1886.]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Mr. Finch-Hatton—continued.

its normal state of income and expenditure?—Very likely; Mr. Nceson's tables rather corroborate that. I give it you as my experience that I have watched them up to that period, and I have found that at 40 years they have begun to go down.

1275. Then if they begin drawing upon their reserves, it is only a question how long the reserve lasts, how long the club lasts?—Unless they can re-animate the club.

1276. Supposing a thing to go on upon that inclined plane, it must end in bankruptcy?—Yes; I was citing the case of a club which had drawn its reserves down to 400 l.

1277. May I take it that your opinion is that at 40 years old, when they have come to their normal state of income and expenditure, those clubs generally become incipiently insolvent?—I would not say that; but what is worse, they create a suspicion in the minds of young fellows that they are going down, and that militates against the societies.

1278. I understand you to say that you have gone into no actuarial calculation with regard to Canon Blackley's figures; are you aware whether they have been ever publicly questioned in correspondence?—I have heard it, but I have not myself sufficient actuarial knowledge to give an answer upon the matter.

1279. There has been a considerable published correspondence, has there not, upon the subject, in different directions and aspects in the newspapers; are you aware that there has ever been a serious attempt to question the calculations upon which this scheme rests?—No; what I think is that they have taken imperfect conceptions of this scheme, and upon those imperfect conceptions have drawn their own conclusions. They have taken their own calculations and worked them out, but not Canon Blackley's. When lately it was questioned, they forgot to eliminate the one-third who would be non-recipients, and therefore, of course, the figures must have been at starting erroneous.

1280. And upon their erroneous conception of the scheme it may be destroyed; but are you aware that in any public correspondence any fault has ever been found with any calculations based upon a correct estimate of what the figures really were?—Certainly not.

1281. An honourable Member asked you a question as to the accumulation of the fund which would take place, from the fact that it will be a considerable number of years before there would be any drawing upon it, and as to the rate of investments, and how far that would be effective?—But the honourable Member forgot that the sick pay would be continually drawn upon. I understood the honourable Member's question to be, that the drawing would be for the annuities in 49 years, but there would be drawing for sick pay during the whole of that time, therefore, there could not be that accumulation.

1282. In that case it would be unfair to assume that the yearly contributions multiplied by the number of years, would give a correct result as to the deposit, because there would be the sick pay constantly being withdrawn?—It would.

1283. I think 4 per cent. was also spoken of;

Mr. Finch-Hatton—continued.

are you aware that 3 per cent. has been the figure at which the calculations have been made, notably the calculations of the Manchester Unity?—I am not aware of that.

1284. Have you studied the Report of the Select Committee upon National Provident Insurance which was issued?—I have read it, but I could not say that I have entered into the figures.

1285. There was a point made also as to the government of New Zealand's scheme; are you aware that the sum proposed for compulsory insurance in that scheme was as high as 47 l.?—Yes.

1286. That would be a material difference, would it not?—No, when I mentioned that to a gentleman who had been in New Zealand, he told me that it would be only proportionate to the wage which they received there; that labour was infinitely more valuable there than with us, and that that would be a very fair rate, about proportionate to what we are claiming here.

1287. Are you aware that it was proposed to compel bachelors to provide for problematical widows and orphans in that case?—I am not.

1288. With regard to the amount of money that can be saved by juvenile contributions; do you know what is the amount of money standing in the names of children going to school in France?—I have not got the figures by me.

1289. Would you be surprised to hear that it is something like 140,000 l.?—I thought that it was 262,000 l.; but I did not like to say, because I have not got my figures.

1290. A great deal in your opinion might be done in the way of making their contribution even before the compellable ages?—Certainly, and I believe they would do it as soon as it is known.

1291. When you say compulsion is universal in Germany, you do not mean that they have universally accepted compulsion all over the States, do you?—Only the working classes, as I understand.

1292. Does that apply all over Germany?—No; only over what I would call the Prussian dominions, or those over which they have the right; I do not think that it has been followed over the whole of Germany.

1293. Am I right in saying that the original plan was that certain towns or neighbourhoods were allowed to combine together and adopt compulsion together?—It began in that way, and now they have extended it to bring in the agricultural labourer.

1294. You draw a favourable conclusion in favour of this scheme because it is confined to the age of infants?—I do.

Viscount Folkestone.

1295. I have been requested to ask you whether you can account for the demoralization you alluded to as having arisen in the last two years?—I cannot; it is a thing that has puzzled me, but there certainly is a different feeling in the meetings I have attended lately compared with what there used to be, and I think seriously of it.

1296. Has

20 May 1866]

Rev. W. H. E. M'KNIGHT.

[Continued.]

Viscount Folkestone—continued.

1296. Has that anything to do with the proposals for legislation that have been before the country in the last few years?—It may have.

Mr. Hoyle.

1297. What kind of moral depreciation do you refer to?—That they are too ready to say, "Instead of asking us to contribute, why do not the rich do it themselves." I believe this has not come from the young men themselves, but from those who are older. The persons who started the difficulty at Cheddar, where I first met with

Mr. Hoyle—continued.

it, was the retired butler of the late Bishop of Bath and Wells; he has taken a very prominent part, I believe, in some Nonconformist body, I do not know which, and he it was who brought the matter very strongly before the meeting, but he did not carry the meeting with him, I am happy to say, and the resolution was carried unanimously; I asked him to hold up his hand against it, and he said, "No, I will not; it may be a good thing, but I do not like it."

1298. You could not say whether he was an ardent politician or not?—I could not say that.

The Rev. W. WALTER EDWARDS, M.A., called in; and Examined.

Chairman.

1299. You are the Vicar of St. Barnabas in South Lambeth?—I am.

1300. And you have had your attention drawn to the various schemes which have been suggested for the benefit of the working classes?—Yes.

1301. You have written a good deal upon the subject. I believe?—I have.

1302. This inquiry which we are engaged upon has a tendency to narrow itself into the details of one particular scheme which has been formulated, therefore I will ask you first has your attention been drawn to that scheme?—It has.

1303. How does the scheme strike you?—I am opposed to it very strongly.

1304. Are you opposed to it in theory or from your experience?—Both from my experience of the administration of the relief of the poor in England and the schemes of thrift in France, Germany, and Italy, in all of which countries I have studied the question; and also (and especially) on principle, I am opposed to it.

1305. You think the principle of State interference is objectionable?—I do.

1306. In all cases?—I should not like to make so sweeping an assertion as to say that the principle of State interference is objectionable in all cases, but certainly I am opposed to the principle upon which the Poor Law is based, and I am also opposed as a logical sequence to my objection to the Poor Law, to such a scheme as Canon Blackley's. The point upon which I mainly desire to insist is, that all legislative dealings with men and women which remove from them in any part of their lives the necessity of exertion and self-reliance, have a bad effect and increases pauperism and want of thrift. I believe the principle of compulsion to be false, and I found this opinion upon the dicta of such economists and authorities as John Stuart Mill, Bastiat, and Lord Bramwell; I name those three as simply representative men, but there are a large number of other economists who are equally opposed to it; Ricardo, amongst others.

1307. I suppose you would agree that there is a precedent in this country for setting their principles more or less at defiance?—Yes, in the Poor Law, no doubt. I am further of opinion that these views may be summed up in the words that "the State should never be called upon to do for the people what the people can do for themselves."

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Chairman—continued.

1308. As a matter of experience, do the people do it for themselves now?—Yes, emphatically; the present friendly societies are trying to do it, although blunderingly and imperfectly; but they are improving in their action, and in time they will succeed. In holding that view, I desire strenuously to oppose the socialistic theory, that the State should be called upon to do everything, or as much as possible, for the people.

1309. In this scheme it is the people who are to be called upon to do for themselves what at present they neglect?—The people would be called upon to do it for themselves; but I should contend that that is one of the fallacies upon which the whole thing is based, and that if the State compels a person to do a thing, practically it is the State which does it; that is, is responsible for it.

1310. But if it is the State which compels a man to pay his poor rates, does the State pay the poor rates?—It does not pay the poor rates, but it causes the payment of the poor rates. I desire to go on to say, if I may be allowed, that I have no objection to the socialistic argument, because I am personally imbued with the conviction, call it socialistic or not as you please, that wealth is too unequally distributed in this country; in other words, that labour does not, as a rule, receive its full share of the value of the commodities created by labour. I mention that to show that I am not opposed to the socialistic principle in general, but to this special application of it.

1311. You think that the rise of wages in recent years has not kept pace with the accumulation of wealth?—No, certainly not.

1312. But there has been a decided rise, has there not?—Undoubtedly. I am convinced that the educating and training power of creating and managing their own friendly societies is invaluable to working men; that is the point upon which John Stuart Mill dwells so much, the educating power of creating and managing societies like friendly societies. In my opinion the effect of compelling people to provide against illness by one great effort in early life would be to render them to that extent less provident in after years. They would be affected by this scheme in the same way, though to a less degree, as by the compulsory Poor Law; that is to say, pauperism would increase.

1313. It would be of value to the Committee if you could give them instances from your own experience;

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20 May 1886.]

Rev. W. W. EDWARDS, M.A.

[Continued.]

Chairman—continued.

experience; because these are opinions, and it would be useful if you could give instances in support of them?—Do you mean an instance in support of the way in which the Poor Law has a deleterious influence?

1314. I was referring to your statement of opinion that the effect of effort at one period of life to provide against illness during the remainder would be detrimental to a sustained habit of thrift?—I do not see how I can give an example of that.

1315. We may take that as an opinion?—I say that my objection to Canon Blackley's scheme is that that would be the result. Until the scheme comes into practice I do not see how we can find any example of it. What I want to insist upon is, that because a man or a woman is thrifty between the ages of 18 and 21, it does not follow that he or she will be thrifty between the ages of 50 and 60.

1316. You cannot give an analogous instance of that?—I think I observe the operation of that principle going on in the world around me. I think that as long as people are provided for, as long as they have not to guard against a special evil, they do not see the necessity of making any further effort.

1317. But you have stated that the result of an attempt at thrift, confined to that period of life, would be a disinclination to observe thrifty or provident habits afterwards?—To that extent. I would put it in a different way, if I may be allowed to do so: that to the extent to which they would be relieved by having 8 s. a week in sickness, they would not find it necessary to work so hard as they otherwise would, nor be so thrifty as they otherwise would. I should like to say this (I can give many instances of it), that the Poor Law has a deleterious influence upon the national character. My argument, if I may venture to point it out respectfully to the Committee, is, that this proposed scheme will, to a very large extent, be similar in its influence to the Poor Law; my argument is based upon that idea. The Poor Law renders the general fibre of the English character less tough than it ought to be, and makes the English people look to others rather than to themselves for assistance in difficulties. The Poor Law does tend, and Canon Blackley's scheme would tend, to foster, for instance, early marriages. In countries where there is no Poor Law there is much more self-reliance and less pauperism than there is in England, notably in France. The thrift of France is produced by the operation of natural causes undisturbed by the Poor Law, or by any other compulsory scheme. A good deal has been said (I have been in the room this morning, and I have listened to the evidence) about what the state of affairs actually is in France. I may say that I have here a paper published in the "Nineteenth Century," of some few years ago now, in which the whole matter is clearly laid down. If the Committee will allow me to do so, I will say that of the great French charitable organization, the Bureaux de Bienfaisance, of which there are over 5,000 in France, the income in a certain year, a few years ago, was between 26,000,000 and 27,000,000

Chairman—continued.

francs. Of that 40 per cent. was derived from invested property; 22·18 per cent. from municipal subventions, that is to say, from a tax upon the people. It has been stated that there was no compulsory poor rate in France; this is an answer to that. Every theatre ticket or amusement ticket, and every grave that is sold in France pays 10 per cent. of the price received as a poor rate. That produces 6·67 per cent. of the whole income of the Bureaux de Bienfaisance; 15·69 per cent. arises from subscriptions and voluntary efforts, lotteries, and subventions from the State, and the remaining 14 per cent. is special funds belonging to the Parisian Bureaux, so that as a matter of fact there is a considerable amount of money which is paid by the State to support the poor in France, a very considerable proportion being voluntary.

1318. What, in your view, is the advantage of that system over our Poor Law?—The great point of that is that no Frenchman, however indigent he may be, has the right to demand assistance from the State. That is the root of all the evil of the English Poor Law; that the State gives to every individual the right to demand assistance.

Mr. Norton.

1319. May I ask if the article referred to was written by yourself?—It was, and I have a letter from M. Chevalier, a distinguished Frenchman, in which he assures me that he has had my article translated, and that it is perfectly accurate. He says, "Vous avez parfaitement exposé le système Français;" but for that I should not have ventured to bring it before the Committee to-day.

Chairman.

1320. Are there any friendly societies or benefit societies in France?—Yes, there are Sociétés de Secours Mutuels, though not to so great an extent as in England; but still in industrial centres they exist to a large extent; to a considerable extent, perhaps I ought to say rather than a large extent. Since the English system or something akin to it has found favour in Germany, there is an increase of pauperism in that country.

Mr. Norton.

1321. When does that date from?—I visited Elberfeld and Barmen about six or seven years ago, and wrote the result of my examination of the famous Poor Law system which was going on there at the same time; and from the time immediately preceding that date up to the last few months, there is no doubt that pauperism has increased; there is a great desire to lean on State or extraneous aid.

Mr. Lowther.

1322. What do you put as the date of the introduction of the English system?—I do not say that it is the introduction of the English system. I say

20 May 1886.]

Rev. W. W. EDWARDS, M.A.

[Continued.]

Mr. Lowther—continued.

I say something akin to the English system, a compulsory poor rate, for instance.

1323. But when did that begin?—I should say it began 10 or 12 years ago, or longer; it has been always the law in Germany that every parish must support its own poor, but it may support its own poor in its own way.

Mr. Biddulph.

1324. Is not Elberfeld in Germany?—Yes.

1325. Has that system been superseded?—No. It is a system of very lavish relief to the poor; the system is voluntary; the officials who distribute it are volunteers, but the money is supplied by a compulsory and very heavy tax.

Mr. Norton.

1326. Is it a tax upon land?—It is an income tax. The poor law experiment at Elberfeld is fully set forth by myself in the "Contemporary Review" of July 1878. It is a very lavish system of out-door relief.

Chairman.

1327. That is, apart from the compulsory insurance?—Yes, distinctly; the latter is quite recent. I propose now, with your permission, to pass on to or say a word or two upon the friendly society movement in this country. My contention is, that on the whole it is in not an unhealthy condition. The great societies have a wonderful power of recovery as soon as their weakness is pointed out to them, and many societies which are apparently unsound, and are included in the black list, as I may call it, that is to say, the list in the Blue Books of the Registrar of Friendly Societies, showing the last valuations, I say a large proportion of the societies whose balance sheets show a deficiency, are not by any means past recovery. The Manchester Unity of Odd Fellows was in a deficiency of 12 per cent. in 1871, and it has now, I believe, entirely recovered, or very nearly so.

Mr. Acland.

1328. When you say the "Manchester Unity," you will admit that some lodges of the Unity are sounder than others?—Yes, certainly; I was speaking of the average condition.

Mr. Norton.

1329. Do you say that the Manchester Unity have recovered the loss of 12 per cent.?—They have recovered a very large proportion of it, I am sure, and that by a reduction of the benefits, and an increase of the contributions.

Chairman.

1330. Do you think that the work of friendly societies could be aided, or made more useful by State interference?—There is one point on which I should like to see the State interfere if it were found practicable; but I am not quite sure that it would be; that is, I think a society which is shown to be in a hopeless state of insolvency should not be allowed to take new business. It might go on operating with its own members, but must not enrol new members.

1331. Have you any precedent for that in any other countries?—Yes, in the State of New

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Chairman—continued.

York, and I think in other American States, that is the way the insurance offices are dealt with.

1332. Public companies in that condition are prevented from taking new business?—Yes, public insurance companies are prevented from taking new business. When after the annual Government inspection it is shown that they are in an insolvent condition, they are not allowed to take new business.

Mr. Wason.

1333. Are you speaking of companies or of insurance offices?—I am speaking of public insurance companies.

Chairman.

1334. That would affect the status of the old members, would it not?—Yes, but I think deservedly so; if they have managed their affairs so badly as to be in a state of hopeless insolvency, they ought not to be allowed to attract new members.

1335. You think there are cases in which the State should interfere in the public interest?—Yes. If I may obtrude it upon the Committee, my reason for saying that is that I think the function of law is to do away with injustice.

1336. The last valuation of the Manchester Unity, as a whole, showed a serious deficiency. I take that as the best of the friendly societies; is it not so?—I think it is.

1337. A deficiency of over 600,000 l.?—Yes; but that is a very small proportion. I think you will find that that is less than 12 per cent. of the amount of valuation.

1338. It was 627,000 l. short?—I think you will find that they have something like 6,000,000 l. saved up, and according to the valuation, the present value of assets are perhaps 15,000,000 l. or 16,000,000 l., so that 600,000 l. out of 20,000,000 l. would be a very small deficiency.

1339. Will you now proceed with your statement?—I think that the members of the present friendly societies are unanimously opposed to Canon Blackley's scheme; certainly the officials, and, I think, all the more thoughtful and intelligent of the members are.

1340. Are you aware that we have had it in evidence two or three days ago, that at a meeting of 70 Past Grand Masters at Southampton of the Manchester Unity, they passed a unanimous resolution in favour of Canon Blackley's scheme?—I was not aware of that.

1341. You would be surprised to hear that that was so?—I am surprised.

Mr. Acland.

1342. At any rate, the large majority of members of friendly societies that you know are against the scheme?—Yes, to a man. The members think, and I agree with them, that a large part of the business done by the new national society would be taken from the existing societies. In view of the enormous number of persons who are members of existing societies, and of the vast sums which they have collected, it seems to me that it would be nothing less than a national disaster to do anything which would even tend to weaken this magnificent effort of the working classes to shelter themselves from sickness. And upon the question, if I may say

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20. May 1886.]

Rev. W. W. EDWARDS, M.A.

[Continued.]

Mr. Acland—continued.

a word or two upon it, of the practicability of the scheme, I should say it would be quite impossible to compel the payment of a lump sum by the pauper and criminal classes, and that a very large proportion of the working men of London, who are now, unfortunately, leading insufficient lives from the low rate of wages, would also be inaccessible. I may say that I have acted as Chairman of the Vauxhall Ward of the Mansion House Relief Fund, and I have had to do, therefore, with a vast number of cases which came personally before me during this winter; and I asked myself the question as each case came forward, How would this man have been affected by the provident scheme? A large proportion of them were very young men and married men, many of them less than 21 years of age. I felt that it would have been impossible to raise such a sum as 10*l.* a head from those men, even if 10*l.* were found sufficient.

Chairman.

1343. Do you suppose that the expenditure of those men in luxuries, such as beer and tobacco, had been very small or nil up to the time they came before you; that no effort of self-denial would have enabled them to lay by that amount?—I think there is very little self-denial among the English working classes; that is my experience, both in London and the country.

1344. I suppose that every one of those men would have smoked a certain amount of tobacco and drank a certain amount of beer?—The very large majority of them.

1345. Showing that they have the means of doing more than merely sustaining life?—Till the moment comes when they are in distress and they have not food to eat, they do not exercise any self-denial; that is, not until the moment comes when they must exercise it. My argument is, that there is not sufficient natural compulsion; the natural laws are not allowed to make their way enough in this country.

1346. I gather from you that you were struck by the fact that if those men were under a law such as is indicated by Canon Blackley's scheme, they would have found it press very severely upon them, and they would have been utterly unable to pay their contributions; but what I want to bring out is, that they had had means sufficient to provide themselves with a little more than the absolute necessities of life?—That depends upon whether you consider beer and tobacco necessities of life. I confess that I think if a man works hard you ought not to confine him entirely to what you call the absolute necessities of life.

1347. But the Frenchman would possibly have denied himself?—No, I think not; I think there is quite as much smoking in France as there is in England; the French are thrifty and provident because they have no right to demand relief. The English are unthrifty and improvident because their lives are being constantly hedged in by artificial safeguards against poverty.

1348. Have you anything further to say to the Committee?—I think not.

Mr. Finch-Hutton.

1349. You stated, I think, at the beginning of your evidence that you were opposed to the principle of the English poor-law and also to Canon Blackley's scheme as a logical sequence?—Yes.

1350. That assumes, does it not, that both are based upon the same principle?—Very much so.

1351. What do you consider to be the principle of the English poor-law?—That every man has a right to demand relief.

1352. That is from their point of view; but take it from the other point of view, as to the persons who are obliged to provide it. There must be a corresponding obligation, must there not?—Yes, everybody is obliged to pay; may I just add that a large proportion of the persons who are in receipt of relief, at the present moment, from the poor-law, have in their day been rate-payers.

1353. And that is what makes it press so hardly upon the working classes, is it not?—No, I do not know that it presses more hardly upon the working classes than upon any other class.

1354. But the principle of the poor law is that there is an obligation upon everybody who has the means to pay towards the poor rate?—Yes.

1355. What is the principle of Canon Blackley's scheme?—That a very large number of rich people would have to pay for a very large number of poor persons.

1356. Is it not the principle of that scheme that everyone is to be obliged to pay for himself?—Yes, but I object to that. Although that may be the paper theory of it it is not the fact, because a very large number of persons who would pay would not be recipients of the relief.

1357. But is it not the case that every person who pays might, by the operation of natural laws, become a recipient of relief?—Certainly, as in the case of the poor-law.

1358. Therefore, is it too much to say, that it is making every person provide for himself in certain eventualities?—I do not think it is; it is not very different from the poor-law in this respect: a poor man pays rates all his life, even if he is merely a lodger.

1359. Would there not be this difference, inasmuch as the one compels a man to provide for others, whereas the other compels him to provide for himself?—I do not think it would be a fair description to say that.

1360. How would you define it?—I think, in the case of the poor-law, every individual who has supported himself for a certain time, when he comes as an indigent person, to receive assistance from the poor-law, may fairly say that he has been hitherto a payer, and therefore is receiving back what is really his own.

1361. But that is not the principle. You described it as a right which every person has to receive money in certain eventualities from the public funds?—The principle which seems to be common to the two systems is that, in both cases, a man will have the right to demand a benefit.

1362. But would it make no difference to you whether he had the right to demand his own money or somebody else's?—It would make a difference, but I do not see the difference between the two.

1363. You

20 May 1886.]

Rev. W. W. EDWARDS, M.A.

[Continued.]

Mr. Finch-Hatton—continued.

1363. You define the function of the law as being to prevent injustice?—Yes.

1364. And upon that ground you are opposed to the application of the English poor law, because you think it causes injustice?—I think the operation of the English poor law is unjust in this way: that it does the individual to whom you give a right to demand relief injustice, inasmuch as it injures his character.

1365. May I ask you this: you object to the English poor law, and you object to Canon Blackley's scheme; do you propose any alternative scheme to one or the other?—No, emphatically not.

1366. Then you would leave the State without any liability to maintain persons reduced to poverty, would you; do you not think that would be a hardship in individual cases?—No, because in France, for example, I see that charity is real.

1367. But although you said at first there was no poor law in France, I understood you afterwards to modify that answer very considerably; did not you say that there was in France a fund towards which by law certain profits were set apart?—Yes.

1368. How does that differ from the poor law?—Because it does not give the right to any individual to demand help from the fund thus created.

1369. But does not it involve the individual necessarily receiving something if he is in a state of sickness?—That comes to the exact point upon which a great French writer, says this: "*La législation charitable en France est dominée actuellement par ce principe; que si la société a le devoir moral de ne laisser aucune souffrance réelle sans soulagement, l'assistance ne peut jamais être réclamée comme un droit par l'indigent. L'assistance ne constitue donc pas, et c'est un honneur pour notre pays, une dépense obligatoire de l'Etat et des communes.*"

1370. Do you take that as your opinion?—Yes, emphatically.

1371. But I understand that that paragraph expresses that the State has the "devoir moral" to provide that no person is to starve?—Yes, certainly.

1372. But does not that in your opinion involve a corresponding right upon the part of the individual to claim relief?—No, that is the point upon which I agree with the French writer, that whilst society at large ought never to leave any real suffering without relief, so on the other hand the claim upon the part of an indigent person to be relieved as a right ought never to be admitted.

1373. Then what in your opinion is the reverse of the medal; on the one hand we have the admitted State obligation to provide for the suffering, what is there upon the side of the individual?—Simply that the individual will come forward and take his chance with the rest. The eminent Adolphe Thiers, who was a great authority upon these matters, always said that it is of extreme importance that relief should be casual, incidental, and broken.

1374. Then the duty of the French poor law it seems, as opposed to ours, is that chance is a great element of relief?—Perhaps chance is hardly a fair word to use.

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Mr. Finch-Hatton—continued.

1375. I used your own word?—Then I will withdraw the word and substitute this idea; that it ought to be casual and uncertain, so that no one should learn to rely upon it rather than upon his own exertions.

1376. That, of course, is a matter of opinion; now as to your view of a compulsory insurance scheme between the ages of 18 and 21 making people less likely to be provident in after years; is that from analogy, your experience of human nature?—Yes.

1377. For instance, would it be your experience that children brought up in a school, up to the age at which they leave school, under the instructions that they ought to keep the Ten Commandments, would be more likely on that account to break them when they left school?—If they were instructed that they ought to keep the Ten Commandments during their school life under the implication that they would be free to break them for the rest of their life, they would immediately do so; they would consider themselves free from any observance of them afterwards.

1378. But that is not the scheme, is it?—That is the effect of Canon Blackley's scheme.

1379. At any rate if a person were not provident, he would be made to provide; would not that be the effect?—Yes.

1380. That would be a great advantage?—I think it would probably be an advantage in some ways, but not in all.

1381. A great deal of this matter turns upon the position of friendly societies, not only relative to this scheme, but relative to the confidence that the country can place in them as great organizations for the promotion of thrift?—Yes.

1382. Upon that point of view it is important to know whether they are generally speaking sound. You said that there were many unsound societies which were not in your view past recovery?—I would beg to say that a great many of the apparently unsound societies are as a matter of fact not past recovery. And might I just say, without mentioning the name of the society, that there is a magnificent society, perhaps the largest society without affiliated orders in existence, a society having vast funds collected, in which there is a small deficiency of about 10,000 £, which I think would be something under 2 per cent. of the whole liabilities of the society if it were going to be wound up to-morrow. But it is not going to be wound up to-morrow; it is improving every day; its members fully understand its position; I feel quite certain that next year, or the year after, it will be found to be upon the right side of the line; but in the meantime it is upon the black list.

1383. You gave the Committee an instance in the case of the Manchester Unity of a recovery of that kind?—Yes, of the whole Unity. The whole Unity in 1871 voluntarily submitted to valuation, and finding it was 12 per cent. in arrear, it immediately altered its rules and scales, and list of contributions and benefits, and rapidly proceeded to recover its position.

Chairman.

1384. That unity would not be upon the black list, would it?—It is a purely imaginary black list.

20 May 1886.]

Rev. W. W. EDWARDS, M.A.

[Continued.]

Chairman—continued.

list. In the Friendly Societies' Return you will find two columns showing respectively surplus and deficiency, and in my mind, I always consider that the list which shows deficiency is the black list.

1385. You told the Committee that the Manchester Unity promoted its recovery by a failure to meet its promises, that is to say, by reducing its benefits to members?—That is a detail which I cannot bring myself to speak to here.

1386. It would be an important detail, would it not, because a tradesman might make himself solvent by refusing to pay his obligations?—I think it only affected the new members, not the old ones.

1387. If it only affected the old members, you would have said that that would not have been a fair way of recovering, would you not?—Yes, I think it would be, because they were the old existing body of members, and if they found they had made a mistake it would be their duty to correct it.

1388. You have spoken of the objections taken to this scheme as almost universal?—Yes.

1389. Do you extend that to the members of the societies, or to the officials?—As far as I know, it extends to members as well as officials.

1390. Supposing another scheme were to be proposed which would assure greater benefits at a cheaper rate to the working classes, would you consider that the friendly societies would have a *locus standi* to oppose it?—I should recommend them to adopt it.

1391. That might be possible or not, according to the tables. A large society is always able to give greater advantages than a small one?—The Manchester Unity is a society which is composed of a vast aggregation of small societies; it is not quite so much one great society as a collection of small societies.

1392. I was rather considering a national society which would be able to offer greater advantages; in that point of view would you consider friendly societies exist for the benefit of the working classes, or *vice versa*?—Of course the advantage you suggest, if it could ever be obtained, might be bought at too high a price.

1393. What are you thinking of when you say that?—The sounder management of the societies growing up and the educating influence of the creation and management of those societies.

1394. You spoke about the exercise of self-denial, and I think you said you had observed very little of it in the working classes from the point of view of thrift?—Yes.

1395. A provident self-denial is rare?—Vast amounts of money are placed in our penny banks and invested in the Post Office Savings Bank, and there is a great deal of thrift amongst the working classes: but the lower-half, the residuum, which I am afraid in other places, as in London, forms the majority, are utterly indifferent to the future and careless about the present, because they find, in every stage of their life, the State, or some benevolent organisation, or some such scheme as is propounded very often in these days, stepping between them and the necessity of providing for themselves.

1396. I understand you to deplore the existing

Chairman—continued.

state of things, but I do not understand what remedy you propose for it?—The remedy I propose for it is, that I would leave the people alone. Of course the break could not be made without preparation, but I believe, that in a very few generations we should have a similar state of things to that which exists in France.

1397. You would repeal the poor law?—Of course it must be repealed, but I would not sweep it away without any preparation.

Mr. William Lowther.

1398. When you say you would leave people alone, would you let them starve, in order that they must learn to provide?—No, but I would reserve to the drunken, dissolute, blackguard who will not work the fate for such people that St. Peter reserved in his own hands, if he would not work, he should not eat. I would reserve to him the right of dying in a ditch. Probably I would not let him die in the ditch; at the last moment I would come forward and help him.

1399. So that he would not be any better for the lesson, where as if you did let him die he would be the better?—That is a theological difficulty, perhaps.

1400. You believe generally that the majority of friendly societies are solvent?—I cannot say; I believe that there are a good many of them unsound; the valuation is not complete. Not even Mr. Ludlow himself knows whether the friendly societies are in the majority solvent or not, because the quinquennial valuations are not yet complete.

1401. If societies are not solvent they ought not, in your opinion, to be allowed to do fresh business?—If a society is hopelessly insolvent I would not allow it to do any fresh business.

1402. How much would you say they must be in arrear?—That is the difficulty I am afraid of. I do not know that it could be got over.

1403. You spoke of a society of importance being in not the best circumstances?—It is not in bad circumstances; in the last year the total receipts in that benefit club were 206,358*l.*, while the total expenditure was only 149,685*l.*, and the savings for the year were thus over 55,000*l.*; it has 93,615 members, and has a saved up capital of 422,332*l.* The present value of the benefits it has undertaken to pay is 3,282,662*l.*, and the present value of the contributions it expects to receive is 2,808,027*l.*; that sum, added to the cash funds, shows a deficiency of just over 10,000*l.*; in other words, if this great concern were to be compulsorily wound up, it would be able to pay nearly 98 per cent. of its liability.

1404. If all those who have claims upon it made their claims, it would not be solvent?—But they cannot make their claims upon it; it is not only the valuation of to-day, but of what the value of their contributions for the future would be; that is the way in which the position of a friendly society is valued. They say, We have so many members, and they will live so many years, and they will pay a certain sum of money to us, and the present value of that sum, therefore, is so much. Then they say, What we have to pay out is so much; part of the

20 May 1886.]

Rev. W. W. EDWARDS, M.A.

[Continued.]

Mr. William Lovther—continued.

the money has not to be paid for 50 or 60 years to come; and I contend that in this case any defection or difference is so very slight; only 2 per cent., that is to say, that they would be able to pay 98 per cent. of their liabilities at present. I say that that society is practically solvent.

1405. I understood you to say that if this plan of Canon Blackley's were carried into effect, people might be disposed to pay their money, and would be satisfied with the idea of having 8 s. a week, and that then they would do no more?—I think that a great many would.

1406. They would not care to provide themselves with anything more?—A very large number of people would be satisfied with the 8 s. a week.

1407. That the people generally would not care to provide themselves with anything more?—I would not say generally, but that a considerable number of the members of the present existing friendly societies would say, we will not join a friendly society, because we get as much as is absolutely necessary for us.

1408. That is to say, just enough to live upon?—Yes, a sufficient number of those persons would leave so as to greatly damage friendly societies. On the other hand, no doubt many would wish to do more.

Mr. Morton.

1409. I understood you to say at the commencement of your evidence, that you objected to any form of State interference?—I object to any form of State interference, unless it is shown to be necessary. The exact opinion that I expressed was that the State should never be called upon to do for the people what the people can do for themselves.

1410. Of course they have to obey the laws in a hundred different ways?—Yes, no doubt; in the matter of education, for instance.

1411. And you went on to say that you advocated the present system, because it gave them the training and educating power of managing their own affairs. That has been going on for the last 30 or 40 years, and is it right that we should see the societies crushing and smashing all around us without making an effort?—But I do not think that is a fair representation, if I may say so respectfully, of the experience of friendly societies; that they are "crushing and smashing up."

1412. I have had experience of two friendly societies breaking up in my own district; do you think it is our duty to stand calmly by and let them go to rack and ruin?—That is the principle upon which all friendly society legislation has gone on for the last 80 years, and that was the principle of Sir Stafford Northcote's Act of 1875.

1413. Supposing this distress should come again, do not you think that there would be great danger of a State affair relapsing into the state described by Professor Fawcett in his book, before 1832?—That might be, but the reason why they got into such a state of pauperism was that the State did too much for the people; and the poor rates were so enormously heavy that land went out of cultivation.

1414. As a matter of fact, if people do not

Mr. Morton—continued.

help themselves through friendly societies, the State must eventually help them, under the present law?—It does not help them in France.

1415. But I am speaking of England; we shall eventually have to help them if they do not help themselves, but I understand you to advocate the system of leaving them alone entirely?—Certainly.

1416. And doing away with the poor law?—Yes. Let it be always understood that my argument is that you are not to do it at once; you must consider vested interests; I do not think I quite understand your point, perhaps.

1417. I understand your point to be that we are to leave people alone, and I ask you if you do not think, if the present depression of trade continues, and a large number of men get thrown out of work, that there is very great danger of our getting back to the condition of affairs before 1832?—I do not think there is.

1418. Then with regard to the poor in France, is it the fact that they regularly drop out of existence; that when they get old and unable to work, they go round to their relatives and just hang on in any way they can; I believe it is so?—There is a very large amount of charitable work done in France. In Paris there is a most magnificent system, indeed, of outdoor relief, but it is all voluntary; no one has the right to claim it. There is no more beautiful sight to my mind than the *hospices* for men at Bicêtre, and for women at the Salpêtrière, containing, as they do, thousands of old men and women.

1419. I know of places where the poor have been found dead, simply because they have been allowed to drop out of existence and starve; that is the system you are advocating?—I have lived in France a great deal, and have never come across those cases.

1420. You stated that you were chairman of the Vauxhall branch of the Mansion House Fund, and that a considerable number of the young men applicants were married under the age of 21?—A large number of them were married when they were under the age of 21.

1421. But if they could not pay the 10 l., they were keeping their wives and families?—But do they not come upon the Mansion House Fund, and upon our poor law funds, and various other funds, immediately work fails?

Mr. Wason.

1422. Do you know the difference between the wages earned by the English and French artizan and the agricultural labourer?—The wage is less in France, but I could not state the difference.

1423. It is considerably less, is it not?—I should say not considerably less, and then you have to consider the purchasing power in France, as compared to the purchasing power in England.

1424. Would you say that the purchasing power is less in France?—No, I should say it is more.

1425. The labourers get less money, and can purchase more?—Yes.

1426. Your idea is that Heaven helps those who help themselves?—Yes; my belief is that helping

20 May 1886.]

Rev. W. W. EDWARDS, M.A.

[Continued.]

Mr. Wason—continued.

helping them at every turn causes them to rely upon that help, and injures their moral fibre, so that at the first moment of pressure they want, not only what we are willing to do for them, but a great deal more.

1427. Then with regard to legislation, you say that in New York no new business is allowed to be done when a public insurance company is insolvent; you would like to see something of the same sort extended to our existing friendly societies?—Yes, if it could be managed. I do not quite see how it could be done, but I think it would be a very good thing if it could be.

Mr. Acland.

1428. You say that you know the agricultural districts of France?—Fairly well. I know the large towns better.

1429. In your opinion, are the peasants of France in a much more comfortable position than ours?—Yes, distinctly.

1430. Although their income is smaller?—Yes.

1431. You would think that if a scheme like Canon Blackley's were introduced into France it would distinctly injure the people?—I think it would distinctly injure the people in whatever country it was introduced, just as the English poor law injures our people.

1432. Then with regard to the English poor law; which you think does a good deal of harm, do you attach much value to the argument that in a crowded country like this it prevents what are called socialistic developments?—I think it turns them in the wrong direction; the extreme democratic socialists of London of the present day, are to my certain knowledge, in favour of the poor law on the ground that it is an instalment of what they conceive to be due to them. I say, "Let us concede that there is something due to you from society, do not take it in the form of poor law, which is injurious to you, but ask for it in some other way," not, of course, by Mr. Hyndman's method.

1433. Have you in your mind any way in which we could tend in the direction of abolishing the poor law, or any method by which we could improve the administration of it?—The restriction, not the abolition, of out-door relief; but I am not very enthusiastic about that.

1434. In fact, although you dislike the poor law very much, you do not see any very easy way of getting rid of it?—No; simply because people have been taught to rely upon it. There are paupers whose names and those of their families have been upon the rate-books ever since the time of Queen Elizabeth, and it would be rather hard upon them, no doubt, if you were suddenly to disendow them.

1435. Canon Blackley does not contemplate disestablishing the poor law?—No, he does not.

1436. Do you think that anything that undermines the feeling of self-help would affect not only the friendly societies but the great co-operative societies, the trade unions, and other organizations for self help among working men?—I think it would have that tendency.

1437. You think that the fibre of young men between the ages of 18 and 21 would be to some extent made less tough than it is at present?—I do not think it would be made less tough than

Mr. Acland—continued.

it is at present whilst they were paying their money, but when they were married and found they had not to make any provision against sickness in after life, then the time would come when their moral fibre would be loosened or relaxed.

1438. But I did not understand you to consider that if the employer paid the money between the ages of 18 and 21, there would be much education arising out of it?—No, the parents would pay for them in many cases. For example, I should have to pay for my boys, and should certainly find it very inconvenient; many clergymen and professional men would find it a terrible tax.

1439. You are aware that in some such societies as you have mentioned, which have not got local lodges, the amount which goes out in sick pay is larger than under those where there is local supervision, as in the average Oddfellows' lodges?—I am not aware of that.

1440. It is stated that that is because from the absence of supervision in a large society of that sort spread over England, it is more difficult to keep down sick pay than where there is constant local supervision by the members of the various lodges upon the box. What I would ask you is, whether, assuming that that is the case, it would be likely to be still more the case with a great State society; that it would be more difficult to keep down the sick pay where the supervision was by the State than it is at present in the case of friendly societies like the Oddfellows' lodges where the supervision is personal and local?—I emphatically do think so. It seems to me that it would be impossible to exercise proper supervision in the case of a State society.

1441. You do not think that the interest of the public, which a former witness spoke of, would really be effectual in that way?—No, it would be too general.

1442. Do you think that the fact that every person over the age of 21 would have done with his payments, and would have no pecuniary interest in keeping down that sick-pay, would add to this difficulty?—I quite admit that.

1443. We were speaking of friendly societies raising their contributions, and so, to some extent, the old members recovering themselves at the expense of the younger members; in the case of this scheme of Canon Blackley's, if the 10% which he estimates is not enough, the amount is to be raised, say, at intervals of from five to 10 years, according to the calculations which have been made; supposing the amount were raised, do you think the same objections would lie there as lie in the case of the friendly societies?—Yes, certainly, because, if at the end of 10 years it were found necessary to raise the amount, the younger men would be taxed for the sake of the shortcomings of the previous 10 years. But I should like to point out this, that there would be a difference between the two cases, because in the case of the national society it would be a compulsory tax placed upon them; in the other case the members of a friendly society would place the tax upon themselves for their own benefit.

1444. Therefore, it would seem that under Canon

20 May 1886.]

Rev. W. W. EDWARDS, M.A.

[Continued.]

Mr. Acland—continued.

Canon Blackley's scheme, it would be a hard case?—Yes, I think so.

1445. You are aware that the scheme is that only those who are wage earners are to be entitled to receive benefit; have you pictured to yourself how that division between the wage earners and the non-wage earners could be carried out with any justice?—I think it would be a monstrous injustice to the people of England to compel every person to pay 10*l.* for the benefit of the lower classes; it would produce a convulsion of all our feelings of what is right and proper; and I do not think that any answer whatever is to be found in the statement that a wealthy man may some day come to want to receive the money.

1446. You think you cannot call it people insuring themselves, but that to a considerable extent it is people insuring themselves at the expense of others?—I do, most emphatically.

1447. What would happen, according to this scheme, in the case of very poor shopkeepers, clerks, and others, who cannot be called wage-earners?—They would feel the injustice very strongly; they would feel a double injustice; first, when they paid their 10*l.*, and afterwards when they found they could not receive any benefit from it. I should feel it a very great injustice if I had paid 10*l.* for my sons, and found that, because they were not wage-earners a few years afterwards, they were not allowed to receive the money if they come to require it.

Mr. Walter James.

1448. To take your own case, suppose Canon Blackley's scheme were embodied in an Act of Parliament, and you had to contribute your 10*l.*, what would you do?—I suppose I should pay it, and grumble.

1449. But in the case of these unhappy people whom you relieved from the Mansion House Fund, if they, being called upon to pay 10*l.*, felt many of them unable, and others reluctant to pay it, what would you do?—I suppose there would be some penal clause in Canon Blackley's scheme, and that if they did not pay the money after a certain time they would be put upon the treadmill and punished; I only assume that, but I cannot answer for it.

1450. That would be very unpopular, would it not?—Very unpopular indeed.

1451. Do not you think that it would act prejudicially to those very habits which a scheme of this character desires to encourage?—I do.

1452. Am I correct in believing that your parish is the home of the Democratic Federation?—No, I think not; we have some social democrats, but it is not in my district; my parish is in South Lambeth, not in Lambeth itself.

1453. But you have members of the Federation adjacent to you, have you not?—Yes, but I do not agree at all with social democracy.

1454. But there are members of that social organization in your parish?—Yes, there are.

1455. Do you think that they have any extensive hold, and that there is much sympathy with them on the part of people who hold their views amongst the working classes?—I think it is increasing; I think that there is a very strong feeling amongst the working classes that they do

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Mr. Walter James—continued.

not receive a sufficiently large amount of the value of the commodity which their labour creates. It is a very growing feeling amongst the working classes as far as I gather.

1456. You do not know the north of England?—I do not.

1457. Are you aware that those views are not shared by the working classes in the north of England?—I am not aware of that.

1458. You stated that the members of friendly societies with whom you were brought into contact objected to Canon Blackley's scheme; do they understand it?—I should think they understand its main features; they understand the compulsion, and, most of all, they feel that it would injure their own societies, of which they are very fond.

1459. Is it much talked of?—Not very much, I think.

1460. Is it not much known?—I think it is sufficiently known.

1461. What friendly societies have you come across?—I was an honorary member of a lodge of the Manchester Unity 20 years ago. I have been constantly in communication with the leading members of friendly societies; I have corresponded with them, and upon the visitation of my very large populous parish, with its 9,000 people, many of whom are working men, I scarcely ever speak to a man without asking him if he is a member of a benefit club, and urging him to be a member, if he is not.

1462. Do not you think that there is a very ardent wish amongst philanthropic people to urge people to do what they can to join these clubs?—Yes.

1463. How do the working classes themselves regard these efforts?—My opinion is that among the more intelligent members of the working classes efforts such as Canon Blackley's are regarded with suspicion, but accepted as a small instalment of the debt which they conceive society owes them.

1464. It is a sort of acknowledgment on the part of those who put them forward that there is a debt due?—Yes; and I always tell them, "If you think there is a debt, you had much better not take it in the form of charity, but get it in the form of justice."

1465. But do not you think there is also a suspicion that these same people are anxious to get something out of them?—No, I cannot say that. I think a great many of the working classes are highly independent and singularly straightforward and honourable.

1466. Do not you think that their great ambition is to be left alone?—Certainly.

Viscount Folkestone.

1467. With reference to your sons, you said that you should grumble if you had to pay for your sons, but there would be no obligation upon you to do that?—There would, if they could not do it themselves.

1468. You would give them something in the way of allowance or pocket money, and, if you made them that allowance, they would be able to pay the money themselves?—I could not give them sufficient for them to pay the 10*l.* between

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20 May 1886.]

Rev. W. W. EDWARDS, M.A.

[Continued.]

Viscount Folkestone—continued.

the ages of 18 and 21, beyond the amount necessary for their amusement.

1469. Are your boys all 18 years of age?—No, but two of my boys are being educated at Westminster, and one has just left; he is 19 years of age.

1470. Then he is not the same sort of expense, possibly?—He is at a much more expensive establishment, because he is reading for a special examination.

1471. However, you yourself would not be called upon to pay, because you are over the age; you would not come under the operation of the scheme?—That is so.

1472. I understand you want to leave things alone?—I do.

1473. You do not see your way to doing away with the Poor Law, although you would like to do so?—That is so. I am a theorist, a publicist, I acknowledge. I see the evil effects of things; I have seen the evil effects of the Poor Law; but if you ask me, because I object to the Poor Law, how I propose to do away with it, I am at once hung up. I do not see my way to do it. I do not propose an immediate abolition of the Poor Law, although I believe it to be doing a great deal of harm in the country.

1474. Your parishioners, who are members of friendly societies, are, you say, generally opposed to Canon Blackley's scheme?—That is my opinion.

1475. We had the Provincial Grand Master of the Southampton Unity of Odd Fellows, which contains 10,000 members, that is 1,000 more than all your parish, and by answer to Question 430, at our meeting of the 10th of May, he said, "I may say that there is a lodge in the town which is composed of 'past grands'; that is to say, past presidents of the various lodges; they are the leading men of each of the lodges, and the principal object of their associating is to discuss matters connected with the order, and as affecting the order. This scheme of Canon Blackley's was discussed there for a number of nights, at five or six different meetings; and I may say that at the outset we were all totally opposed to it, with one exception. I think one of the members expressed himself as slightly in favour of it. We went on with the discussion, and before it was finished we were unanimously in favour of some such scheme

Viscount Folkestone—continued.

as being desirable." That is rather in opposition to your assertion that every person belonging to friendly societies, as far as you know, is decidedly against the scheme?—I only said "as far as I know."

1476. But your evidence would really lead one to believe that friendly societies were generally opposed to the scheme?—But may I point out that that was so here before the discussion took place; it is possible that I might be converted, too.

1477. Then there was another point of his evidence with regard to the officials; last year we understood from the evidence that the officials who gave evidence then were very much opposed to it. This witness was further asked at Question 440, "I presume the witnesses who came before the Committee last year were sent here by the directors?" to which he replied, "I presume they were. (Q.) But you think they hardly represented the general feeling of the members of the various lodges?—(A.) I think not, for this reason, that the question has never really been before the various lodges to be considered; they represented, I have no doubt, what they believed to be the opinion of the members." That is the exact position you occupy at the present moment?—I believe, as far as my conversation with them goes, that they are opposed to the scheme.

1478. They have seen fit to modify their opinions, and if you had the time to inquire into it, you might do the same?—I could hardly answer that in the affirmative, because when you say, "If I inquire into the matter I might modify my views," I reply that I have inquired into the matter.

1479. I do not mean into the scheme, but amongst those who hold views *pro* or *con*?—But I have; I have been in communication with an immense number of working men in my parish; and not there only, but I have cross-examined many people about it.

1480. Then we must come to the conclusion that a lodge of 70 past grands who represent a district of 10,000 members are the solitary exception who prove the rule?—I do not think that is quite a logical deduction.

Monday, 24th May 1886.

MEMBERS PRESENT :

Mr. Arthur Acland.
Mr. Fenwick.
Mr. Finch-Hatton.
Viscount Folkestone.
Viscount Grimston.
Mr. Hoyle.

Mr. Walter James.
Mr. Llewellyn.
Mr. William Lowther.
Sir Herbert Maxwell.
Mr. Wason.

SIR HERBERT E. MAXWELL, BART., IN THE CHAIR.

Mr. ROBERT DAVIE, called in; and Examined.

Chairman.

1481. WHAT is your profession?—I am a Commission Merchant and Russian Shipowner.

1482. You reside in London, do you not?—Yes, I do.

1483. Your attention has been directed for some time past, has it not, to schemes for the benefit of the working classes in this country?—Yes, to some extent.

1484. In the direction of insuring them against pauperism?—Yes, against poverty in old age.

1485. Have you come to any conclusion as to the means by which that may be done?—Yes, I have a scheme for this purpose, which, perhaps, I may lay before the Committee. My wish in this matter is, shortly, to provide a means whereby a larger permanent and ultimate income can be got out of a small investment than by any other system, so that the thrifty in their lifetime may derive the largest possible benefit from their thrift. Mr. Brown, of Staines, and myself have been acting in this matter, and we call this system, for convenience sake, the "Brown Annuity System." We call it also "The National Tontine Annuities," but there is a "National Annuities" already, so that for distinction we call it the "Brown Annuity System."

1486. How far has that scheme advanced?—The scheme, of which a print is before the Committee, we started about three years ago, and it got no further than that, because it was a new idea, and it had solely reference to the better classes; we had nothing to do with the working classes in that scheme at all. I spoke to many leading men in the City, and they all approved of it; but unfortunately our leader in the matter, Mr. Jervoise Smith, has since died rather suddenly, and the thing has been in abeyance. But seeing that Canon Blackley's scheme was before the House, I thought I might, at all events, mention this scheme, to see whether it could not be adapted for the working classes, for this reason that while we could do it for the upper and better and richer classes by means of an Association, without very great expense, for the working classes it would require a very large organisation

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Chairman—continued.

such as the Government almost alone could face.

1487. This seems to be an extension of the Tontine system?—It is an extension of the Tontine system.

1488. The Committee would be glad to have what is in your mind as affecting the working classes?—I quite understand that, but I can illustrate my point better by reference to the better classes. The Brown scheme is not a matter of insurance or actuarial computation in any form; it is simply a scheme whereby the thrifty can make a handsome provision for their old age. We all know that life assurance is not a very popular mode of investment among the middle and lower classes. Although it is an enormous business, still these classes are scarcely touched yet with insurance; they either do not understand it, or they think there is very little thrift in it. I am striving to induce thrift without the aid of compulsion; and as against the life insurance business of the country, which, of course, is arranged with a view to profit, I propose to popularise and extend the scope of life annuities as an aid to thrift, and in order to secure an annually increasing provision for old age. In other words, I propose by means of an application of the Tontine or survivorship system of life annuities, to popularise them as a means of investment with the view of securing through survivorship a handsome competence in old age. The fear of destitution in sickness and old age is the most powerful factor in the creation of habits of thrift, and if this can be secured against by a moderate investment, and without any very appreciable sacrifice of immediate income, an "aid to thrift" will have been established such as has not yet been placed before the public. To effect this, it is proposed, by means of a national association or otherwise (I am speaking of the better classes just now, because for the sake of illustration, it is easier to deal with them) to issue annuity bonds as after-mentioned on the Tontine or survivorship system, whereby anyone purchasing one of these Brown bonds from us will secure, *firstly*, an absolutely safe

24 May 1886.]

Mr. DAVIE.

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Chairman—continued.

safe investment for his money; *secondly*, a present income therefrom by way of annuity which will gradually increase through survivorship till in his old age he has a handsome competence; and, *thirdly*, the eventual return to the representatives of the original annuitants of the whole of the money invested, thus avoiding the great evil incident to an ordinary annuity, which always involves the total extinction of capital. Assuming that this were done by an Association, the money invested by the public in the purchase of their annuity bonds would be reinvested by the association in such a class of securities as would command the absolute confidence of the public, and the annual income thence arising would be divided rateably among the holders of the annuity bonds or those of them who survive, less a small commission for management, say, half per cent. The association would come under no obligation as regards the annual returns from their investments, but there is every reason to believe that these would never start at less than 4 to 4½ per cent. The association would simply do the best they could as high class business men, because there would be bankers and other business men associated with them in the matter of investments, and divide the proceeds annually among the survivors. In the matter of investments the association need not go outside of Consols if they think proper, as the plum lies in the absolute certainty of an annually increasing income through survivorship; and as every person believes that he will live longer than his neighbour, and would like to have the absolute certainty of a comfortable competence in his old age through a small investment, there is in these facts as large a field for such an association's operations as there is for life insurance. The system is, in fact, the counterpart of life insurance; the one yields an exceptional and sure income during life, the other an exceptional and sure payment on death. Life insurance yields a premium on death; this system a premium on life. In life insurance those who survive pay for those who die; in this system those who die pay for those who survive. There are no complications, or medical or actuarial questions connected with this system of annuities; all that is required is the investor's cash and a certificate of his or her age. The reason for asking for a certificate of birth is simply to classify the different investors according to their ages, so that everyone may have (so far as age is concerned) the same chance of survivorship. Leaving out of sight the working classes for the present, I would illustrate this system by a reference to its working among the better or wealthy classes, as it is applicable alike to all. This is an illustration. The investors or buyers of the Brown Annuity bonds would all be ranged according to their ages in classes of say 50, each of which (for the sake of convenience) may be called a tontine. Now suppose 50 gentlemen of the age of 40 were each to buy a Brown Annuity bond for 1,000 £, this would amount to 50,000 £, which the association would invest along with their other funds, so as to yield, say, 4½ per cent., or 2,250 £. For expenses of management they would deduct half per cent., so

Chairman—continued.

that the first year the annuitants would only get 2,000 £ divided amongst them, or 4 per cent. on their investment, which, however, would be an absolutely sure one, because the men associated with us would be men who would not take anything but the very highest class of investments. From year to year thereafter, one or other of the 50 annuitants would die, and the survivors would get the 2,000 £ of interest divided among them; and so on year after year, till perhaps there were only two survivors, who would divide the 2,000 £ between them. Thereafter the last survivor would get the whole 2,000 £ on his investment of 1,000 £, and on his death the 50,000 £ originally invested would be distributed equally among the representatives of the original annuitants, thus closing the tontine. That is the whole thing: we simply get the people's money; we invest it to the best best of our ability, or even in Consols; and we divide the income, investors in our bonds having this guarantee that the longer they live the larger will their income become. There is nothing in operation at the present moment of this kind, and when it comes to be understood and appreciated, in our opinion it will be a very popular mode of investment, as the money would be not only absolutely safe, but the income of the investors would be always growing; and not only would it be always growing, but the absolute certainty of this annual growth of income constitutes the very essence and value of the system, which may be described, as I said before, as the converse of life insurance. In our case the benefit accrues in respect of a good life; in the case of insurance in the case of a bad life; and each one can judge for himself which form of investment will best suit the circumstances of his particular case. Besides this, the large survivorship income which will accrue to investors in the bonds will enable them without its being burdensome to them to insure their lives if they think proper, so that whether living or dying they and their families will be duly provided for. To professional men with families who can scarcely keep their heads above water, it would be a very good system, because they could buy bonds in the name of their children or their wives, and life-rent themselves, so that they would have the benefit of them for life, but it would be an investment ultimately for the benefit of the wife and children. The details of the system are similar for the other age-classes.

1489. Now proceeding to the industrial classes, how would you apply this system so as to reach every part of the kingdom to them?—As regards the industrial classes, the machinery of this scheme would necessarily require to be very large, but to get over this I would suggest that the Post Office or some other authority of the Government (perhaps the Post Office would be the best, because it would be so much akin to their own annuities) should adopt the scheme, and then it could easily be worked all over the country as an extension of their present annuity business. Of course it would require to be made widely known. Mr. Fawcett regretted very much the want of success of the annuity system and the insurance

24 May 1886.]

Mr. DAVIE.

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Chairman—continued.

insurance system of the Post Office, but that is because it is not pushed, it is not worked as if it were a private concern, they leave it to grow of itself. Now in the case of the industrial classes the annuity bonds would be limited to 10*l.* each; but every man according to his means could buy one or more bonds in a year, each bond being in a separate tontine. In the majority of cases working men and women would require to save up money for some years to be able to buy a 10*l.* bond; and to enable them to do this I should open for them "Paying-in annuity bond accounts," to which their weekly savings could be paid in until they had accumulated to 10*l.*, which they could then pay over to the Government in exchange for a Brown Annuity Bond. A working man or woman in England should be able to save at least 1*s.* per week from the age of 17 to 21. This would be equal to 2*l.* 10*s.* a year, so that in four years they could purchase their first annuity bond. While they were thus saving to buy such a bond, the Post Office would give them interest at 2½ per cent., equal to 6*d.* per *£.* per annum, so that at the end of the fourth year there would be 10*l.* 10*s.* 6*d.* at their credit; 10*l.* goes for purchase of an annuity bond, and the annual income from that bond (say at 2½ per cent. to begin with, or 5*s.* per year) I would not allow to be withdrawn. I do not care about the details, because the details must not master me. I want to give the Committee a general idea as to how it ought to be worked; there is no difficulty. All the interest should go to the investor's credit every year till he was of the age of 55 or 60. That is to say, in the case of the industrial classes, I should be inclined not to allow them to draw out the annual income on their bonds, but to allow it to accumulate at their credit till that age, when it would amount to a very considerable sum. And here I would remark, supposing the State were to take up the scheme, that in order to encourage thrift, it ought to allow a larger rate of interest than 2½ or even 3 per cent., for this reason, that it is a recognised custom in banking transactions that the rate of interest allowed should increase proportionately with the term of the deposit. If a person puts money in a bank at call, he gets less interest for it; if he puts it in for a year he gets so much more; and if for five years so much more. Now in this case the money would not be disturbed during the lifetime of the annuitant, and for that reason, which I think is a sound banking reason, the State ought to give more than the ordinary rate which it allows on Savings Bank deposit accounts at call. Having at 21 bought his first Brown bond, he goes on accumulating till 25, when he will be able to buy his second annuity bond of 10*l.* After 25 he should be able to save, instead of 1*s.* per week, 2*s.* per week, if not more; so that every second year thereafter he will have saved 10*l.* to buy further bonds, all bearing interest which will go on accumulating till he is 55 or 60. In the case of the industrial classes, I would limit the numbers in each tontine to 200; and, on this basis, a person saving as above would at the age of 60 possess 20 10*l.* annuity bonds, or shares in 20 different tontines of 2,000*l.* each, and would thus

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Chairman—continued.

have an interest in the survivorship income accruing from 40,000*l.* in all. That is what he would be interested in. Not only from the very first would he receive a fair annual return on every shilling invested, but should he reach the age of 60, there can be no doubt that his income from the whole of the tontines in which he was interested would, through survivorship, be very considerable, and go far to keep him in comfort during the remainder of his life. The longer he lived, the more unfit for active labour he became, the more income from this source would he receive; and, although the capital invested would be ultimately returned, as he by will might direct, his death would be no immediate benefit to his relatives and friends, and thus care and attention in old age would be better secured than by taking shares in burial clubs or other benefit societies. In their case the death of an aged or infirm relative, unable to help the family income, is too often looked forward to as an event by which his relatives will immediately acquire a considerable sum of money. That generally is the idea which we have in regard to this matter. Objections have been raised to it in some instances, that, if a person takes a bond and dies early, his capital is practically lost. So it is; it is lost so far. But, by means of the survivorship income which he would have, he might be able to insure his life from time to time, not always, because it would not pay; but every three or four years he might insure his life, and therefore, living or dying, he would have the money.

1490. You have stated that you would make a distinction between investors belonging to the industrial classes and others; that would be rather an invidious distinction, would it not?—No; we make no distinction, excepting in the amount of the bonds.

1491. But I understand you to say that you would restrict the payment of interest, in the case of the industrial classes, until after the age of 55 or 60?—I think, perhaps, it would be better to do that.

1492. You would not insist upon that?—No, we do not insist upon that; it is simply our idea. Our object is to do everything we can to encourage thrift; and when a man sees he is putting this money into a bond, and that it will always grow (because we must remember that with the working classes a very small growth is considered a very great thing), however small it is, I think it would tempt them. And we must accept this, that people are generally afraid of dying in poverty; it is the weakness of human nature that everybody believes he will live longer than his neighbour on which we are moving.

1493. Do I understand you to say that you suggest this scheme as an alternative to any national scheme?—We simply suggest it as a scheme that we think would go very far to encourage thrift in the working classes. Thrift is a thing that must be encouraged; it is not a thing that will grow of its own accord; and our idea is that when the working classes come to understand the working of the scheme, and to know that their income is always growing by the deaths of those associated with them, they would take advantage of it. Then, again, I would have these bonds very

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24 May 1886.]

Mr. DAVIE.

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Chairman—continued.

handsomely engraved; almost works of art, I might say; so that they might be framed. It may look strange to business men to propose anything of that kind, but the working classes like to have their houses illuminated as much as possible, and I would not hesitate to give them something that they could frame and hang up. It would be a certificate of respectability, and the more bonds they had to frame the better, just as Rogers, the poet and banker, or the Hopes, of Amsterdam, had large bank notes framed. It would be idle to steal it, as it would be of no use to any other person; therefore they might frame it and hang it up, it would be a guarantee of position and character, and to some extent of respectability.

1494. Would you propose to invoke the interference of the Legislature to establish this scheme?—For the better classes, no; we can do that ourselves; but for the working classes I think it is a thing that the State should take up. We have considered it in all its bearings. As far as individual association is concerned, it would be a very expensive thing. For instance, there is that large association, the Prudential; it is an enormous organisation, and the cost of it is something very great.

Viscount Folkestone.

1495. One of the main objects, as I understand, of Canon Blackley's scheme is not only education in thrift, but also some compulsory means by which you could compel the young and unthrifty (the thoughtless, he called them) to belong to a scheme which would be of benefit to them when they were past work, or came to old age. Your scheme would not embrace that class at all, would it?—It would not embrace the unthrifty; we do not intend that. The object of it is to encourage thrift. To compel thrift is not thrift at all in the right sense of the word, in my opinion. Of course, if Canon Blackley's scheme can be arranged, perhaps it might be a good thing. At the same time, in my opinion, it would be no encouragement to thrift. I think it would be rather the reverse.

1496. Taking the fact of a person being compelled to save a certain amount of money between certain ages, do not you think that would encourage the habit of thrift when he found how easy it was to do it?—I do not think it would; I think rather the reverse; that is to say, with the thriftless. There are a number of people who have brought themselves into distress through their own conduct. The worthless and the profligate would be very glad if they could by begging, borrowing, or stealing, get their 10*l.*, and pay it in, and then for life have a handsome competence. Of course, that could be guarded against to a certain extent; but, in my opinion, the tendency of it would be rather to discourage thrift than to encourage it. I think thrift must be of spontaneous growth.

1497. The effect of our present system is rather a discouragement to thrift, is it not, inasmuch as a thrifty man in poor circumstances would say, "I have no encouragement to save, because I have the workhouse to fall back upon, and if I do save I shall come under the grasp of the tax for the Poor Law; and although I shall have provided to a certain extent for myself, I shall have

Viscount Folkestone—continued.

to assist in providing for those who refuse to provide for themselves"; so that in that way voluntary thrift is rather discouraged by our present system, is it not?—I think so; I do not believe what is aimed at can be done by a voluntary system, and I do not like the word "compulsion," so far as thrift is concerned. But my feeling in regard to Canon Blackley's scheme is that instead of making people save between the ages of 17 and 20 (because then people do not like to have compulsion applied to them in any form in the way of making provision for themselves), I would suggest, in order to get at everyone, to make it a sort of compulsory assessment in the matter of the children at school. Every child in the kingdom must go through the schools; and to get over this impatience of compulsion, I would be inclined, if Canon Blackley's scheme were workable at all, to make the school rates for this Blackless assessment double what the school rates are now; and then you would not be dependent on the parents' voluntary payment, because when parents send their children to school they have to pay for them somehow; and I think it would be an easy way of getting at the money, as a penny or twopenny a-week for the education of a child is really nothing at all. Of course, I do not know the *modus operandi* of Canon Blackley's scheme; but I think that when people come to the age of 17 or 18 they do not like the idea of being compelled to lay their money aside for their own benefit.

1498. A person who came into your scheme at an early age would have to pay, I presume, less than a person who came in at a later age?—No, not less; they would all be in classes of ages; if there were 50 of the age of five years, that would be a tontine.

1499. Then you would have to keep a separate account of each tontine?—Yes.

1500. Of course it would take an enormous amount of labour to keep your accounts?—I think not. I think, on the contrary, it would be very simple; they would only pay in their money to us; we would give them their bond; and then we should divide the interest from year to year.

1501. A person joining at 50 years of age a tontine comprising 50 people, and a person who joined an 18-year tontine would both get the same income, would they not?—The person joining at 50 would be along with other 49 persons aged 50, and those joining the 18-year tontine would join the tontine of which the other 49 were aged 18.

1502. But they would all get exactly the same percentage from their investments?—Yes, they would all get exactly the same percentage.

1503. Then it would be rather an advantage to join at 50, would it not, than to join at 18, because if you joined the tontine at 50 your companions would die off considerably quicker than your companions at 18?—That would be so; but still when the working classes knew it was in the hands of the State, or of people of character and responsibility, I do not believe they would think much of that, but would be content with the gradual growth.

1504. Do you think it would be possible to get the State to undertake a general voluntary insurance

24 May 1886.]

Mr. DAVIE.

[Continued.]

Viscount Folkestone—continued.

insurance business of this kind?—It is not an insurance.

1505. It is analogous to an insurance, is it not?—No, it is not; it is simply an investment.

1506. You call it a tontine?—We call it a tontine because there is no other word that is quite applicable to it; but it is really an investment.

Mr. Hoyle.

1507. What is to be the security for the repayment of the bonds?—The security for the repayment of the bonds will simply be the investments which are made by the directors and trustees, who would be men of the very highest character. Those who were associated with me were going for investments, I think, of rather too fine a character; you cannot get, of course, the finest class of investments to yield anything over 4 per cent. The expenses, taking off $\frac{1}{2}$ per cent for them, would reduce the thing to about $3\frac{1}{2}$ per cent.; but I think they were rather too particular, because bankers, as we know, are extremely particular in regard to the class of securities they go into; but they thought it was better, as the scheme was to have a national character, that they should have the very finest paper that was to be got; or even, Consols.

1508. Do you think safe investments would be obtainable now, paying 4 per cent. upon the average?—Yes, I think so. The general impression is that about $\frac{1}{2}$ or $\frac{1}{4}$ under 4 per cent. is the figure for the very finest investments, but I think they might be got at 4 per cent., or within a quarter; in fact, with good business men we could get more. For instance, take the case of the Trusts, some of which are very successful. These men watch the progress of events, and upon the principal of general average these Trusts yield 5, 6, or 7 per cent., and are absolutely safe. There cannot be anything safer than the principle of general average; and we would give a safer Trust than these because we would have a wider field and more money.

1509. I am interested in several Trust Estates, and my experience is rather different; that nothing that was good would yield more than 4 per cent. during the last 18 months?—Four per cent. is the figure which the friends I was acting with calculated upon: but my impression is that, as a business man, I could get more than 4 per cent., only I must watch it.

1510. With regard to Canon Blackley's scheme, you thought that the compulsory payment between the ages of 18 and 21 would not in any way induce thrift?—I thought not, not subsequent thrift.

1511. There would be a deprivation of something probably, would there not, during those three years, the 1 s. 3 d. a week that was paid between the ages of 18 and 21 would lessen the spending power of the individual, would it not?—Yes.

1512. So that to that extent economical habits would be engendered?—Yes.

1513. Do you think that would pass away when the character had become somewhat fixed at the age of 21?—I think that with the great bulk of the people who would derive benefit from Cannon Blackley's scheme, it would.

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Mr. Hoyle—continued.

1514. And that they would spend more in consequence of having gone through the previous period of thrift?—I think they would not spend more, but that they would be careless.

1515. I think you said the tendency would be not to induce thrift, but the reverse?—Yes, that they would be careless about saving. If a man thought, "I will get 8 s. a week under any circumstances," that might operate in favour of carelessness; but still that is a mere matter of opinion.

1516. Do not you think that the difference between Canon Blackley's scheme and what you propose is this: that in Canon Blackley's scheme the individual himself would contribute; whereas if the parent paid double school rates for the children, it would be the parent that would be fined without the child knowing anything about it?—I would be inclined to fine him or compel him for his children's provision; my impression is that it would be easier for the State to get the money in that way.

1517. But what about the parents upon whom the expense falls of educating three or four children if you were to double the education rate; because every expense at that period of a man's life is a serious burden?—I confess I do not understand it at all in that aspect. In Scotland, when I was a boy at school, everybody paid his school rates, there was no difficulty, and there were no poor people who did not pay. Everybody now seems to believe that no one is able to pay his 2 d or 3 d. a week for schooling, but in the district in which I was brought up the poorest all paid. The parents found the means somehow to pay, and the rates were very small. I was at the parish school at first, and the fees were, I think, 3 s. a quarter, and if you took French or Greek they were 3 s. 6 d. When I left that school I was reading Cæsar and Virgil, and a little of the Greek Testament; and the poor people (some of our companions were stone-breakers' sons) were in the same class, with all those educational facilities. Some of them were getting Latin, none of them French, but they all got just as good an education as I did, and they paid. Some of them possibly may not have paid, but I think that everybody paid; there was a general spirit of independence amongst them.

1518. Do you think the scale of expenditure generally is higher than it was at the period to which you refer?—Yes, I think it is higher.

1519. People of all ranks spend more money than they did?—Yes, in some form of extravagance; it is not necessary.

Mr. Walter James.

1520. Do I understand that you are in favour of a National compulsory scheme?—I should like to see the poor laws done away with, and along with the poor laws being done away with, to see some sort of provision made for the thriftless if it can be done. I am not opposed to Canon Blackley's scheme at all. I wish to see the poor assisted in every way possible, and would help them to assist themselves. Our scheme comes in rather in this way; that while Canon Blackley's scheme assists those who are ill, or to whom an accident has happened, or anything

1. 4

24 May 1886.]

Mr. DAVIE.

[Continued.]

Mr. Walter James—continued.

anything of that kind, ours does not do that; we cannot do it; we aim at one thing only, provision in old age.

1521. But while you are anxious for people to help themselves, you are in favour of some form of compulsion in the matter of thrift?—Not of thrift, but of provision. I do not like the word "compulsion"; but I do not see very well how to get over it.

1522. But you must either have a voluntary system or a compulsory system?—I do not think that a voluntary system would do by itself. I think there would require to be some compulsion.

1523. But you have the voluntary system now in benefit societies?—Yes, but the expenses of the working are very heavy. I am afraid the poor people do not get their full pennyworth out of the benefit and other societies.

1524. What do you base that assumption upon?—On what I hear. I do not know anything of them.

1525. Have you ever studied any of the annual reports of the friendly societies?—No, I have not. I have never studied anything of the kind; but I have come a great deal in contact with working men, and I know that some of them are provident and some are not.

1526. Have you read the evidence given before this Committee?—No, I have read nothing about it.

1527. With regard to these bonds, you said you would have them framed; you did not mean to indicate that that was a task which the State would undertake?—No, but I would give them an illuminated thing which they could frame.

1528. But who would pay the expense of it?—The State; that would be a mere trifle. I do not mean that the State should pay for the framing. I would let the people frame them; but I would give them the bond, and let them do what they liked with it; and if they had a nicely illuminated bond they could frame it if they pleased. This is an æsthetic age, and we want to encourage that as well.

Mr. Llewellyn.

1529. You propose that at some period of a child's life the rates should be doubled in order to meet the expenditure of this scheme; out of what rate or tax would you propose to take this fund; what rate would you increase for the purpose?—The parent should pay it.

1530. But you also said, I think, that if the money could not be subscribed in any other way, the State should increase the rates for the purpose during the time the child was at school?—That the parent should pay more.

1531. I think you said double?—Whatever would be needful; if it were more than double, I then would not object; I do not think there can be anybody who could not afford 3*d.* or 4*d.* a week. If a man is making 16*s.* or 17*s.* or 18*s.* a week, and spends it all extravagantly, then, of course, he has not got it. But these villagers, and so on, that I refer to, farm servants and hinds, in Scotland, never got more, if so much, and they paid their 3*d.* or 4*d.* a week, or whatever the amount was.

Mr. Llewellyn—continued.

1532. But have you ever taken into consideration those who would be only able to bring home as much as 9*s.* a week to pay the expenses of the family?—To pay the expenses of a family how large?

1533. Say a family of five children?—Of course it would be exceedingly difficult in a case of that kind; but I do not know that any wages are so low as that.

Mr. William Lowther.

1534. I think I understood you to say that that association would not give any kind of guarantee?—I think Messrs. Freshfield & Williams, our solicitors, suggested that there should be a guarantee, and that for that guarantee we should charge so much; but I do not care about guaranteeing anything, because the class of men who would be trustees must be such in their position and character as would practically vouch for or guarantee the whole thing. It has merely been suggested; but we could not give a guarantee without charging something for it as business men.

1535. Do you think that the scheme would take generally with the public if there were no kind of guarantee given?—Yes, I think so. Our idea was to have a representative Englishman as trustee for England, one for Wales, one for Ireland, and one for Scotland; so that the whole people would know that the thing was sound. Taking the case of Lord Aberdare, whom Mr. Jervoise Smith suggested for Wales, any of the Welsh people seeing the name of Lord Aberdare at the head of the association, would take that as a stamp of soundness and respectability. And the same would apply, for instance, to Lord Monck for Ireland, or the names of any men who are well known in the same sense.

1536. Do you think they would undertake so great a risk as that?—Yes.

1537. Without any remuneration?—Certainly, unless a mere *douceur*. They would be trustees to hold the money; they would not be the people who subscribed the money. The directors, of course, would require to be remunerated.

1538. How many directors do you suppose would be necessary?—I should think about four or five altogether; five, perhaps.

1539. That would entail an enormous amount of labour, would it not?—I think not. Of course all these details, when you get the thing organised and have clerks and machinery all in order, are not matters of difficulty; it is the initial starting of the thing which entails difficulty.

1540. But still some time or other you must come down to details?—Yes; but I am not speaking with regard to the directors. As far as they are concerned, what they would be chiefly required for would be to exercise their judgment upon the matter of investment. We simply get the money from the people, and their function would be to invest it, and nothing more; the clerks and other persons would be the people to divide it.

Viscount Grimston.

1541. A tontine acts upon the principle of survivorship, so that the survivors get more than the interest of the money they invest; does not this

24 May 1886.]

MR. DAVIE.

[Continued.]

Viscount Grimston—continued.

this introduce the element of gambling, which would be objectionable in a national scheme?—It introduces it to such a very small extent in the matter of interest, that I do not think it would be an objection. Perhaps, on the other hand, it might be said that there is just that slight amount of the gambling element in it that would make it popular with the people. At the same time, I must say that the element of gambling, if it may be called

Viscount Grimston—continued.

so, is not present to a larger extent in this annuity scheme than in life insurance. One man takes out a life policy lest he should die; another, believing that he will live rather than die, invests in a survivorship annuity bond. In this respect, as it seems to me, both systems run on exactly the same lines, so far as taking one's chance is concerned, only the greater human interest lies with us.

Mr. RICHARD NISBET, called in; and Examined.

Chairman.

1542. YOU are a Gardener?—Yes.

1543. Who is your present employer?—Sir Thomas Whichcote.

1544. You are acquainted, are you not, with the subject which is under the consideration of the Committee?—Yes, I have been giving it a little consideration for the last two years, I may say.

1545. Are you conscious of any want on the part of the working classes which requires to be supplied?—Yes; there is a great want among the working classes which leads them to require this scheme, both in the lower working classes and also in the higher working classes.

1546. You think there is an indifference on their part to make provision against sickness and old age?—At the present time they are not able to make provision against sickness and old age; it is quite an utter impossibility for them to do so; in hundreds of cases it is so.

1547. There are certain means for doing so, are there not?—Every man is compelled to send his children to school; if you have, whether it is four or six, or, as it is sometimes, eight or nine children, they must go to school whatever happens. If a labouring man is only getting, upon the average, 13*s.* a week, it is an utter impossibility for that man to provide for either sickness or old age, with doctors' bills and other things.

1548. But I suppose many of these labouring men are members of friendly societies?—No doubt; but all these friendly societies, you know, are going upon the backsliding scale; young people are withdrawing from them at the present day; they are not joining these friendly societies as they used to do 20 or 30 years ago. As for myself, I am a member of no society whatever, because I do not believe in them. I have two sons who became members of the Juvenile Branch of the Manchester Unity; they joined at 16 and they have been three years paying the full member's fee; but two months ago they saw that these clubs were going to the wrong, and they put the question to me whether they should continue to pay. I said, "Why should you not?" They said, "We think it is likely to be no good to us, and before it goes all wrong we think we should like to withdraw our names, and put our savings in the Post Office Savings Bank; when a member withdraws his name, there is no money allowed to be taken out of the society, so that the member loses the whole of his money invested in the society. Now this club had its 0.99.

Chairman—continued.

accounts looked over last week, and it is found to be going from better to worse every year. Its expenditure is found to be 86*l.* over its profits. The working classes are beginning to see these facts, and they will not join these clubs.

1549. Was their attention drawn to the assumed unsound state of their society by any statement which they saw or by the publication of the balance-sheet?—I believe some of the working classes are now getting so well educated that they look for themselves and judge by their own experience.

1550. Your sons gathered the information by the publication of the balance-sheet, did they not?—What I am explaining about this club I saw from the balance-sheet only on Saturday last.

1551. Then there are the Post Office Annuities; are they well understood by the working classes generally?—I think they know a fair deal about them too, considering the position that they are in.

1552. Has your attention been drawn to a scheme, which has been described before the Committee, known as Canon Blackley's scheme?—Yes.

1553. Are you familiar with the main provisions of it?—I am quite familiar with the main working of the scheme, and I have been advocating it for the last two years amongst the labouring classes.

1554. Supposing a scheme like that were started, that would entail a burden upon the working classes, would it not?—If that scheme were to be started now I think it would be quite the opposite thing altogether.

1555. But it would entail a payment, would it not?—Yes, the working men are quite aware of that, and they are agreeable to it. The only thing the working people around Sleaford want, is to know when it will become law; they are all ready to put their money in it as soon as ever it becomes law. I have a family of seven children, and they commenced at once to save their odd coppers, and to put them into the bank; and I am happy to say that all those seven children will have their money ready to throw into the scheme as soon as it becomes law.

1556. You do not think that a young working man or young woman would find it impossible to pay, say 10*l.*, before the age of 21?—No, they would not; their great desire is to know when this scheme will become law.

1557. What effect, in your opinion, would the fact of being insured have upon the minds of the ordinary

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ordinary

24 May 1886.]

Mr. NISSET.

[Continued.]

Chairman—continued.

ordinary working men; it has been put forward in evidence, as an opinion, that it would make them reckless and disinclined to thrift?—I do not think so; it would encourage thrift in my opinion. I have not the least doubt that it would encourage such a large amount of thrift that it would alter the people of this country altogether; that the people would raise themselves up from pauperism to self-esteem, and would create in themselves that noble spirit of independence that every man and woman in this country ought to be possessed of.

1558. Do you think that the compulsory nature of the scheme would be used as an objection?—I do not think it would, except by a few indolent people. I do not think it would be much required if the scheme became law. I think the labouring classes would use it, simply because they would have something to trust to in their old age.

Viscount Grimston.

1559. Do you think that a voluntary national insurance scheme would be generally taken up by the people?—I believe it would.

1560. Sufficiently to obviate the necessity of having a compulsory scheme?—I should not say that you would be able to do entirely without compulsion in certain cases, but I do not think it would be required to the great extent that some people imagine it would be.

1561. What proportion of the working men of your neighbourhood do you think are anxious for the passing of a law for national insurance?—In the district which I come from, around Sleaford, I may include the whole.

Mr. William Lowther.

1562. How came you to be acquainted with Canon Blackley's scheme?—By seeing a notice of it in the newspapers; Lady Whichcote drew my attention to it first.

1563. Has Canon Blackley come down to Sleaford, and lectured there?—I have never known him to be there.

1564. Why do the people not join friendly societies; have they no confidence in them?—It is because they have no confidence in them whatever.

1565. They do not think that they are very secure?—They do not.

1566. Supposing this scheme of Canon Blackley's were to become law, do you think that they would be satisfied in old age with what would be allowed them?—They would be quite satisfied, I think.

1567. What amount do you put it at?—Eight shillings a week in sickness, up to the age of 70, and 4 s. till death after the age of 70.

1568. And you think that that would do?—It is such a very momentous scheme that it would be better to offer little, and get the people's goodwill with it, than to offer much and be unable to pay them; I have not the least doubt that as time goes on, you would be able to offer the people more than you could at the present time.

1569. But you have never made any calculations about it, have you?—I have never made any calculations about it.

1570. You say people cannot make provision

Mr. William Lowther—continued.

against poverty or sickness; is it that they cannot, or that they will not?—The working classes have not the means to do it at the present time.

1571. They have savings banks, have they not?—Yes; but you would be surprised to see what little confidence they have in some of the savings banks; the Post Office bank is the only one that they have confidence in; what I refer to are private savings banks like the Sleaford Savings Bank, and the District Savings Bank; but not the Post Office Savings Bank.

1572. Are you a Scotchman?—Yes, I am.

Mr. Llewellyn.

1573. What friendly societies have you about Sleaford?—They are nearly all the Manchester Unity of Odd Fellows.

1574. Are there no private clubs?—No; there is no private club, that I know of.

1575. Do you know of any local clubs?—I do not know of one in the neighbourhood.

1576. There is only the Manchester Unity of Odd Fellows?—There is nothing else; there might have been some other clubs of a different name, but I think they have been all brought under the Manchester Unity within the last five years round our neighbourhood.

1577. Do most of the people who can afford it insure in the Odd Fellows?—No.

1578. They insure in nothing?—In a very few cases.

1579. Why is that?—Because they have no assurance that the money they have been paying in will be theirs when they want it.

1580. Is that the reason they do not join; they appear to be rather suspicious in your neighbourhood?—People want to be very careful.

1581. Do you think that such a scheme as Canon Blackley's would have the effect of extinguishing other friendly societies?—No doubt it would, in time.

1582. You think that people who were made to insure in Canon Blackley's scheme would not also insure in friendly societies?—I think it would be the means of abolishing all those friendly societies. I do not think they would be required, because people would find out they had a better investment for their money in the savings bank.

1583. Do you think it would be an advantage to society at large to abolish them?—I do think so.

Mr. Wason.

1584. What was the amount your boys put into this friendly society; you said they had paid for three years?—They have been in more than that; they entered the juvenile branch when they were 16 years of age, but they have put a good deal of money into it since; at 18 they go into the men's branch and pay the full fee.

1585. But whatever it was, they gave it up because they thought the society was unsound?—Yes.

1586. And you think that no individuals ought to be trusted for these purposes, that no matter what guarantee you have for the respectability of the individuals managing friendly societies, you think they would be better managed by the State?—Yes.

1587. And that you could not get any person to

24 May 1886.]

Mr. NISBET.

[Continued.]

Mr. Wason—continued.

to be trusted except the State?—People would be perfectly satisfied to trust the State.

1588. They would not trust individuals?—I do not think they would from the way times are going now. This affair at Cardiff has caused a great commotion among all the working people who have small earnings to put by in savings banks.

1589. You say you have seven children?—I have.

1590. And you say they have all their money ready?—They have all their money ready to pay in to-morrow if the scheme becomes law; that has all been saved out of coppers or little gifts given them by their friends.

1591. And you say you think that people generally will be glad to join, and pay up as quickly as they could?—I quite think they would.

Mr. Fenwick.

1592. I think I understood you to say in the commencement of your remarks that the working classes at present were not able to make provision for sickness and old age?—No.

1593. And I understood you to say, in reply to a question put by an honourable Member opposite, that they were quite willing to endorse this scheme of Canon Blackley's?—Yes.

1594. With the knowledge, of course, before them that they would have to contribute to it?—Yes.

1595. Where are they going to get the provision?—They will strive and punish themselves as soon as they come to know that this has become the law of the country, and that they can depend upon it for their own assistance when they come to old age.

1596. You said just now, in answer to a question put to you, that it was impossible for them to do so at present owing to the low rate of wages they were receiving; how do you reconcile that statement with the statement you have just made?—We all know that when we want to gain a point we take special measures for the purpose. The poor people would do the same to procure their purpose. In all cases like that the labouring classes have to punish themselves to get any object they want.

1597. You do not think that they are so anxious to make provision now in voluntary societies that they would make that sacrifice?—They would not go into the present societies of to-day, they do not do it, and they will not do it.

1598. Do you think that that is strong evidence of the sincerity of their desire to make provision for old age?—If this scheme becomes law they would do it.

1599. Do you think this scheme would create the disposition?—This scheme would create such an amount of thrift that it would entirely alter the people of this country, and that it would make them have that respect for themselves, and that spirit of independence which they should have.

1600. Do you think that the existence of such a scheme as Canon Blackley's would be likely to encourage thrift among men, who knew they were provided for in case of sickness and old age by the provisions of that scheme, having made their contribution to the fund before attaining the age of 21?—I quite believe that the thrift would still be continued, because we all know

Mr. Fenwick—continued.

that if any poor man or woman gets a few shillings they are very anxious to get a little more to it.

1601. But they would know they could not add to it?—If they were able to save a little independent of Canon Blackley's scheme, they know it would be so much the better for them in old age.

1602. I suppose you have read Canon Blackley's scheme?—I have read some of the little tracts which have been distributed about it.

1603. Do you find that the working classes in your locality are very much taken up with Canon Blackley's scheme?—They are very much taken up with it.

1604. Do you know that Canon Blackley claims for his scheme that its tendency would be to increase the wages of the working classes?—I have never seen it in that light; although the working man will be better off having no poor rates to pay.

1605. But I think it is admitted that Canon Blackley claims for his scheme that its tendency would be to increase wages. Do you think that if that were claimed for it that would be an incentive to the working classes to favour Canon Blackley's scheme?—It has never struck me that it would increase the wages of the working classes, and the working man has not seen it in that light either.

1606. I will give you one of the reasons which are stated in one of Canon Blackley's pamphlets. At page 4, sub-section 4, he says: "It would increase the working man's comfort by raising wages, as it would leave a larger wage-fund." Do you think that that claim will act in any way as an incentive to the working classes to espouse Canon Blackley's scheme?—I cannot see how this scheme is to affect the working man's wages myself.

1607. You do not believe that it will?—I cannot see how it will do so.

1608. You say your attention has recently been called to the balance-sheet of a friendly society in your neighbourhood; was it a local balance-sheet or a general balance sheet?—It was a local balance-sheet for 12 months, printed in a newspaper, where I saw it.

1609. But it was a branch society?—It was a branch of the Manchester Unity.

1610. Are you aware that branches are subsidised from a central association?—Yes.

1611. So that a temporary decrease in contributions would not materially affect a local branch, as it would be subsidised from the parent association?—Yes; but then, you see, the great difficulty there again is to get the working classes to believe in it.

1612. I suppose to do so simply means that men should speak in favour of the voluntary scheme, as Canon Blackley and others now advocate their scheme; it is a matter of education?—Yes, I believe education has everything to do with it.

1613. Do you think that the adoption of Canon Blackley's scheme would very largely affect the existing voluntary societies?—I quite believe that in time all these voluntary societies would be entirely done away with; they would not be required at all. These voluntary societies give

24 May 1886.]

Mr. NISBET.

[Continued.]

Mr. Fenwick—continued.

only 10 s. a week for the first six months, and for the next six months 5 s., and after 12 months you have only 2 s. a week, even if you are lamed for life; and out of that 2 s. a week you must still pay to the club from 4 s. to 6 s. a quarter. Now, that is not nearly so good as parish relief, and persons are looking at it in that light.

1614. Are you aware that only persons of and under 21 years of age are expected to contribute to Canon Blackley's scheme?—Yes, I am quite aware of that.

1615. And that persons above that age are not to contribute?—Yes, persons above that age are not to contribute. I think it is a great pity that the age is not extended to above 21.

1616. I think you have already intimated in your evidence that young men are largely withdrawing themselves from voluntary institutions?—Yes, they are.

1617. What do you think is likely to become of the persons above 21?—I suppose these clubs will have to be carried on as they are in the best way they possibly can until this scheme comes into law and working order.

1618. But, I suppose you are aware that the life of the existing voluntary societies is the young blood that is introduced into them?—Quite so.

1619. If young people withdraw their contributions from the existing voluntary societies, the old men will be eventually thrown upon the rates?—Yes, no doubt.

Mr. Acland.

1620. You said you thought that when this scheme came into working order, the people would feel more respect for themselves because they would be insuring themselves with their own money?—Quite so.

1621. And they would feel that it was not a matter of charity or help from other people?—Yes. Only think how nice and comfortable it would be for an old man and his wife to sit by their own fireside, and to think that they were eating the bread of their own independence, and that that bread was earned by the sweat of their own brow.

1622. How much a week do you understand that a man would have to pay between the age of 18 and 21 to get this allowance?—I have made no calculations.

1623. You know how much he has to pay altogether?—£. 10.

1624. It is reckoned that that would be about 1 s. 3 d. a week?—Yes, it would be about that.

1625. Supposing a man was told that the squire or the parson were going to pay 6 d. out of the 1 s. 3 d. for him, would he feel as independent then, or would he rather pay it himself?—He would rather pay it himself. I am speaking entirely of what I know of people in my neighbourhood around the Sleaford district.

1626. Because if it is to be all done with the poor people's money, it would have to be a great deal more than 10 l.?—But I understand that it will not be all done by poor people's money, because from the Queen to the poorest man all will have to pay.

1627. That is what I am putting you before; that the total fund does not come out of the poor

Mr. Acland—continued.

man's pocket?—It is that which is giving the poor man so much satisfaction.

1628. Then with regard to sickness, have you seen much of the looking after sickness in friendly societies?—Yes.

1629. Do they have to look after one another pretty much in order to prevent the sick-pay going on longer than it ought to do?—They are obliged to be very strict in those clubs.

1630. What is your idea under Canon Blackley's scheme for keeping down the sick-pay; supposing every wage-earner were entitled to 8 s. a week, how would you get him back to work?—Every man would have such respect for himself if the scheme becomes law, that they would be glad to avoid it; in any case we all like to get out of a sick bed.

1631. But why would it be necessary to look after sick people in the friendly societies?—Because they might unjustly draw money from the funds.

1632. But would they not be equally drawing on their own funds in the case of the State Society?—It would not be the money of the State; it would be the money of the people.

1633. Then the people would be looking after their own money?—There would be no better master than the person who is looking after his own money.

1634. But you would have paid your 10 l. when you were 21, and it would not matter to you if your money was drawn upon by other people, if it were in the hands of the State?—But if the scheme was carried out, there would be the people appointed, I take it, to look after these things, and doctors' certificates would have to be given. I should suppose that if a man were in sickness a doctor would have to give a certificate before he could draw any money.

1635. One of the advantages of Canon Blackley's scheme is, that a man would get 8 s. a week as long as he was sick, and that it would not go down like the friendly societies' sick-pay; that is to say, it would not go down to 5 s. or 2 s., but would always remain at 8 s.?—That is so.

1636. Suppose one of your children had a small shop, and fell sick, would you expect him to have this pay?—That is rather too complicated a question for me to answer. I should say, if he was in a good way of business, and making his living, I would not expect that he should put himself on to the sick-pay.

1637. But if he were in a small way?—If he were in an honest good way of living, he ought not to come on the fund.

1638. But if he had to employ some one to come and look after his shop for him?—Then he would be entitled to his sick-pay.

1639. You would not call him a wage-earner, but you would let him have the sick-pay if he were obliged to have another man to do his business?—Yes; he would, in my opinion, be entitled to sick-pay.

1640. Do you think that friendly societies are getting less made use of than they were?—They are certainly being less made use of in my district; and when this scheme comes into operation, I believe they will in time be done away with altogether.

1641. Supposing

24 May 1886.]

Mr. NISBET.

[Continued.]

Mr. Acland—continued.

1641. Supposing a man wanted to insure for more sick-pay than 8*s.* a week, could he do so?—If he had the money to do it he would be entitled to do so.

1642. You think that Canon Blackley's scheme ought to allow him to insure for more than 8*s.* a week if he liked?—Do you mean to insure in a different insurance society?

1643. I understand you to say that after a time the friendly societies you think would disappear. I was supposing the case of a man who wanted more than 8*s.* a week sick-pay, and more than 4*s.* a week after the age of 70?—But I do not think it would be necessary to go into other insurances; there would be the Post Office Savings Bank for him to put his money into, and to draw it out when he required it.

1644. Supposing a man and his wife were both sick at once, and drawing 16*s.* during sickness, that in your neighbourhood would be considerably more than their weekly wages, would it not?—It would be more than the man's weekly wage; in our neighbourhood they are only getting from from 12*s.* to 13*s.* a week now.

1645. Do you think that a man and his wife would be apt to keep on sick-pay rather too long if they were getting 16*s.* a week?—But they would not be allowed to remain on; the doctor's certificate would prevent that, just as it does in the Manchester Unity, and other clubs. The management of the sick-list is entirely in the doctor's hands; he must sign a certificate for a man to continue on the club.

1646. And you think that the certificate of the doctor will be sufficient to prevent anything of that kind going on?—Yes.

Mr. Walter James.

1647. You stated to the Committee that you had been unfortunate in your experience of the working of voluntary organisations; does that extend over a long period, or is it of recent experience?—I have never been a believer in them at all since I have heard anything about them.

1648. What has led you to form such an unfavourable conclusion?—From hearing such unfavourable reports about the friendly societies, and building societies in the same way; there have been some terrible revelations about them.

1649. You think that the Legislature should intervene?—Yes, I do.

1650. In what part of Scotland or England has your attention been directed to the condition of the friendly societies?—There were very few when I left Scotland 30 years ago, but there are a good many of them now, I believe, just as there are in England.

1651. If you were told upon good authority that the basis upon which the scheme rests which is put forward by Canon Blackley was financially unsound, and was likely to break down, would that shake your confidence in it at all?—No, it would not; because if it was once set on foot it is an utter impossibility for it to break down. I have that idea of it.

1652. What do you consider the basis of it?—That every man and woman in this country should pay his 10*l.*

1653. Supposing you were told, upon very good authority, that that sum was utterly insufficient and inadequate to keep it upon its legs, what

Mr. Walter James—continued.

would you say?—But no one can make me believe that. I look to the thousands that will never require it, and people will not all fall sick at one time either; it is an utter impossibility.

1654. You seem to have great confidence that in these cases of sickness there would be no difficulty whatever in verifying them, and being satisfied that a man was in receipt of sick-pay only for a proper time, and that if he were shamming it would not be very difficult to detect fraud; but do not you think that there are a very great number of cases in which imposition is possible. If a man breaks his arm or his leg, obviously he cannot go to his work; but he may be affected with a bad headache, or a bad stomach-ache, which may render work very difficult for him, or he may allege himself to be so; how do you think the State could ascertain all these particulars?—It is very easy to ascertain the condition of the man by employing the doctor in the district, or the parish doctor; because the doctor must give his certificate before a man can get any money, and he must give a certificate before he is taken off, just as they do with the clubs.

1655. But you must have a large staff of doctors to do that?—Yes; but they would not be solely employed in waiting upon these people; they would do it in the ordinary rotation of business.

1656. Would you pay those doctors?—The doctor would have to grant certificates to the sick persons who employed him without extra pay.

1657. Supposing the whole of this fund broke down with the weight of sick claims upon it, do not you think that the people who had put their money into it having been compelled to do so, would have great cause of complaint?—Yes, certainly they would, if it broke down.

1658. Do you think that if any scheme of this kind should emanate from the State, it should be under Government security and guarantee for its absolute success, and do you think that the fact that the security of the State had been given would be a guarantee to the people?—I think the people would be satisfied if the Government were to take it up.

1659. But suppose it broke down?—We have no right to suppose that.

1660. They would then be very angry?—Of course they would be very angry.

1661. Did you ever seriously consider the question of compelling the people to make this contribution?—We are so much accustomed to compulsion in England that it would not be any particular difficulty to the people if it were compulsory.

1662. In what way are we subject to compulsion?—Everything that we have almost is subject to compulsion.

1663. You mean in social matters?—No, not in social matters, but still in many matters.

1664. Would you mind pointing out in what details?—I am compelled to send my children to school, for one thing.

1665. Are there not many people who even now object to send their children to school?—Yes, and that has caused a great deal of ill-feeling.

1666. Do you mean among the farming classes?

M 3

—Not

24 May 1886.]

Mr. NISBET.

[Continued.]

Mr. Walter James—continued.

—Not so much among the farming classes as amongst the poorer working classes; they do not like to be compelled to send their children to school.

1667. Supposing a man objected very strongly, and that compulsory means had to be taken to make him pay his 10*l.*, that would be very unpopular, would it not?—Yes, but I think it would never be required to put in force a law like that; they would contribute voluntarily to it.

1668. In some respects, of course, all law is based upon compulsion; but you will admit, will you not, that there are a large number of people who are careless, or drunken, or perfectly thriftless, who merely consider their wants from day to day, and live from hand to mouth, and think they may live as they like; if you compel those people to pay their 10*l.*, they would resist it and they would object?—But if it were compulsory they would have no escape from it.

1669. There would have to be some penal enactment in the scheme, so that if they did not comply with the law, it could be put in force against them?—Certainly.

1670. Do you think that we should compel this class of people to pay their contributions?—Yes, you would have to compel them; there would be no other means except compulsion.

Mr. Hoyle.

1671. You are a gardener?—Yes.

1672. Have you been a working man all your life?—Yes, ever since I was nine years of age.

1673. Have you had many situations?—This is the first head-gardener's place I have ever held, and I have held it now for 26 years.

1674. And you have been in the receipt of wages all your life?—Yes.

1675. What is your idea with reference to the rising and falling of wages; how does it come about?—It comes about, I should think, as much by the demand of the labour market as anything.

1676. If there are two employers wanting one man, the wages will be high?—I should say so.

1677. And if there are two men applying for one situation, the master will have the advantage?—Yes.

1678. Do you think there is nothing else affects wages but that?—Nothing but the labour demand, that I am aware of.

1679. It is not your opinion that the style in which people live regulates the wages?—It is not my opinion.

1680. For instance, a man would not get more wages because he had three children than if he had only one?—Certainly not.

1681. It is simply a question of supply and demand, in your opinion?—It is.

1682. In reply to a question about the well-to-do classes paying for other people, what is your idea of Canon Blackley's scheme; is it to provide for persons who are sick and incapable of work, irrespective of class?—Yes, to provide for sickness and old age.

1683. And not simply to benefit the working classes?—No.

1684. Therefore in that respect it is not a class question at all?—I look upon it as a matter

Mr. Hoyle—continued.

simply for the benefit of people in sickness and old age.

1685. And who are in need. Take my case, for instance: suppose I were to lose what property I possess now, it would not apply to me because I am over 18. But take one of my boys or one of my daughters between the ages of 18 and 21, who would pay into this national fund; supposing all my property was scattered, and they came to want, they would have just the same claim as the son of a weaver?—Certainly.

1686. So that it is not a class question, in your opinion; it is to provide for those who need?—Yes, in their time of need.

1687. So you would not say that it was the rich helping the poor exactly?—The rich would benefit to a great extent, having no poor rates to pay.

1688. You answered a question just now about a man and his wife being on sick pay at the same time, that they would have more of an income than they get when in full work in your part of the country; what would they be subjected to in the way of expense if the wife were laid up and the husband laid up too?—I cannot say what the expense would be, but the doctor's expenses would be heavy, and there would be a nurse to provide for the time of their illness.

1689. So that there would be a considerable sum required every week to pay for this additional help?—Yes.

1690. Now, with regard to the State being responsible, provided the funds were not adequate for the payment of 8*s.* and 4*s.* a week respectively, what is your idea of the State's responsibility; does the State in your idea guarantee the 8*s.* and 4*s.* a week irrespective of the amount paid in, or does it only provide that the amounts paid in shall be forthcoming when wanted. Supposing that the funds were exhausted, as Mr. James suggested, would the State be bound to find additional money to make up the deficiency?—I should not think so.

1691. You would not think that the State would be responsible for more than it had received?—I should not expect that for a moment.

Viscount Folkestone.

1692. If that were the case, as has been suggested by Mr. Hoyle, it would be necessary to raise the amount of contribution, would it not?—It would if the funds were not sufficient.

1693. If there were compulsion in one case there would require to be compulsion in the other; that is to say, if a law were passed that each person were compelled to insure himself for the amount of 10*l.* before he was 21 years of age, and then it were found that that sum of 10*l.* was not sufficient, the State could then compel those coming in afterwards to pay a little more in order to make up that deficiency?—Quite so.

1694. Your idea is not that the State should supply the deficiency by taxation?—I should not hold the State responsible for it at all. What I should do would be to raise the rate of contribution.

1695. You told the Committee that your children had already saved this amount out of pennies and gifts of that kind; what are the ages of your children?—There would be two of those

24 May 1886.]

Mr. NISBET.

[Continued.]

Viscount Folkestone—continued.

those children that are now past age, so that I should only have five children to go into the fund now, providing that children went into it.

1696. What is the age of the youngest of the children?—A girl six years of age. ..

1697. Has she saved the necessary amount already?—Within a very little of it; it will be complete by the time the scheme becomes law, and she will put it all in.

1698. You would be able to assist her as parents would have in many cases to assist their children, in contributing to this fund?—I should have very great pleasure in assisting them.

1699. Have those children who had saved their 10*l.*, and who are now too old to come within this scheme, even if it were within the operation of the law, put their money into the Post Office Savings Bank?—The money is not in the Post Office Savings Bank; it is in a local savings bank.

1700. Are you satisfied with the local savings banks?—I must say I like Post Office Savings Banks better.

1701. You let the children do as they like?—I let them do as they like after they have passed the age of 21.

1702. You were saying that you considered that if this scheme became law, in course of time the friendly societies would be done away with?—I think they would.

1703. Then you do away with even those that were upon a good basis?—I quite believe they will in time be all done away with, though it would take some time.

1704. You think that if men wanted to provide a larger sum in sickness and in old age than this scheme would give them, they would not subscribe to friendly societies, but would place their money in the Post Office Savings Bank?—I quite believe they would.

1705. But the working classes do not use the Post Office Savings Bank to any great extent now, do they?—Yes, in the villages all round us they do.

1706. I think you stated that you thought it would be a very good thing if the friendly societies were done away with?—I do think so.

1707. What is your reason for thinking so?—Because there is no stability about them. All these societies, when the young blood drops away from them and does not go into them, soon come to the ground. All these clubs are in a flourishing state for about 40 years, and then down they go.

1708. Have not the Oddfellows and the Foresters been in existence more than 40 years?—Yes, I should say they have.

1709. Are they going down?—All the local lodges are going down. From the Manchester centre the little local branches are, a lot of them, going down.

1710. But are they not assisted by the central body?—Yes, but then the young people lose their confidence in them, and so will not join them.

1711. What is the reason that the young people will not join a society; is it that they consider that a society which is dependent for its stability upon young blood is not sound?—Yes; 0.99.

Viscount Folkestone—continued.

and then you see they have more surety in the Post Office Savings Bank, and they have no expense in connection with the Post Office, because these clubs entail a considerable amount of expense to each member in a small place.

1712. I suppose you have no real means of judging; but what is your opinion as to the average number in your district, round about Sleaford, who have put their money in the savings bank; do you suppose half the working classes have?—Yes, I should say about half of them.

1713. I should say then, that yours must be an exceptionally good specimen of an agricultural district?—They are very fair for an agricultural district.

1714. I suppose you have no idea what the average amount would be that they put into the savings bank?—I should say the amounts ran from 1*l.* up to 200*l.* I had a savings bank balance-sheet sent to me, but I did not think to put it in my pocket; I wish I had done so now.

1715. Should you have had any difficulty in putting by that 10*l.* in the position in which you were between the ages of 18 and 21?—No; I think I could have managed it very easily.

1716. Do you think that the generality of the labouring class in your district could do that without any great amount of pinching?—They would certainly be pinched to a small extent, but still they would try hard to do it, and they would do it.

1717. Do you think that they would be pinched at all in the real necessities of life?—Not in the actual necessities of life.

1718. But they would have to exercise some little restraint as to little things, perhaps, in the way of dress; the men as well as the women?—Yes, I expect so.

1719. Do you think that women and girls between the ages of 18 and 21 would be as well able to save up the sum as the men?—Yes; I believe the young women between those ages would be more willing and able to do so than the young men, because as a general rule young women are more thrifty than young men are.

1720. With regard to the question of malingering, the Committee had some evidence the other day that one of the great preventatives of malingering is the determination of the friendly societies not to let a man do any kind of work whatsoever while he is on the box; is that your belief?—Quite so.

1721. And then, when he has got well, and finds himself able to work, the enforced idleness would make him come off the box because it would be so irksome to him?—He would not be allowed to stay on in idleness; the doctor always guards against that.

1722. The doctors cannot guard against it altogether; if a man was determined to sit still and sham illness, the doctor could not say, "You are not ill"?—I think a doctor who was up to his business could always find out the difference between idleness and illness.

1723. You do not think that there would be any great danger of malingering?—I do not.

1724. You believe that this scheme would do away with the friendly societies, good as well as bad?—I believe it would in time.

24 May 1886.]

Mr. NISBET.

[Continued.]

Viscount Folkestone—continued.

1725. Would it do away with those that are upon a sound basis?—I think it would.

1726. You think, as a matter of fact, that there are none of them upon a sound basis?—I should not like to trust to any of them.

1727. Your district has been thoroughly well-educated with regard to this scheme, has it not?—Not quite so well as it ought to have been. I think if it had been more ventilated amongst them, and there had been more education on the scheme, it would have been better for all parties there.

1728. But I think the Committee under tood from you that in your district almost the whole of the population are in favour of this scheme, has Canon Blackley been down amongst you?—All round our district several lectures have been given, but I have never known Canon Blackley to be there lecturing. Mr. McKnight has been down giving lectures, and has always had unanimous meetings wherever he went.

1729. Wherever you first heard of the scheme, did it take with you at once?—It did, after I studied it over a little.

1730. I suppose Lady Whichcote explained it a little to you at first?—Her ladyship mentioned it to me and gave me a pamphlet to read over.

1731. Do you think that if the same system of explanation were to take place over the whole country, the great majority of the population would be in favour of the scheme in the same proportion as they are in your district?—I believe they would.

1732. But you would quite agree with me that unless by far the greater portion of the population were in favour of it, it could not be carried out?—Unless the greater portion of the population were in favour of it, it would be impossible to carry it; but I think there would be no difficulty whatever in getting a very large majority in favour of it.

1733. Have you had any opposition to the proposals of the scheme when you have been talking in private to your friends upon it?—Yes, a great deal in one way or another; but I have been always able to explain it in such a way that they have been thoroughly satisfied with it in the end.

1734. You have been able successfully to explain it?—Yes; I have never been unsuccessful in a case where I have talked about it to working men.

1735. Have you attended any meetings?—Yes, I have attended one meeting.

1736. Was it an open meeting?—Yes.

1737. What classes was it composed of?—It was composed of nearly every grade of society from the poorest man up to gentlemen.

1738. Was there any discussion?—There was, and questions were asked.

1739. Was there any opposition in the room at first?—There was a little in the way of questions; but the questions were almost always answered in a way that was satisfactory to those who proposed them, and the people were convinced when they went away.

1740. In your district has this proposal been advocated more by the labouring classes or by the clergymen and resident gentry?—It has

Viscount Folkestone—continued.

been pushed more by people in the same position as I am in myself, by the better classes of working people. Some of the lower class of working people have also pushed it on.

1741. Do you think that there are any of the working classes in your district who are so idle or so careless, or so in want of employment, that they would find it impossible to collect this sum of money between the ages of 18 and 21?—No; we have very few of those classes in our neighbourhood. I do not know one of that class of persons in our neighbourhood.

1742. Does this knowledge of the people in your district extend to the town of Sleaford?—A good many in the town of Sleaford too; there have been several lectures given in Sleaford on that subject.

1743. But are you as well acquainted with the people in the town of Sleaford, and as well acquainted with the necessities of the people in the town of Sleaford, as you are with the country round?—I am.

1744. You think there would be no difficulty in getting the people of the town of Sleaford to adopt the scheme?—I do not think there would for a moment.

Chairman.

1745. If there were a voluntary scheme of national insurance guaranteed and managed by the State, do you think that the working men would join it?—I do not see what objection they could have to it.

1746. You think that a State guarantee would be a sufficient basis of confidence?—I do.

Mr. Hoyle.

1747. Being a strong advocate of Canon Blackley's scheme, will you tell the Committee in what way it would be liable to abuse, in your opinion?—I cannot see that it would be liable to abuse in any way.

1748. You think the scheme is perfect?—I think it is perfect as far as my knowledge and understanding go.

1749. Some of us think that there is nothing absolutely perfect, and that there might be defects even in this scheme?—I am thoroughly satisfied with the scheme as far as my understanding of it goes.

Mr. Walter James.

1750. What is your impression with regard to the general condition of the agricultural classes in your district; I am speaking now of the agricultural labourer; has he improved in condition in the last 30 or 40 years, or has his condition gone back?—It has improved, certainly.

1751. In all respects?—Yes, I should say so.

1752. What are a labouring man's wages now?—His wages are from 12 s. to 13 s. a week at present, but sometimes they rise up to 16 s. a week.

1753. Do you think he has been at a loss with regard to his wages in being now compelled to send his children to school?—Yes; it has been a very hard trial to him, because supposing he has 13 s. a week, and he has six children for whose education he has to pay, that is a considerable call upon him.

1754. Besides

24 May 1886.]

Mr. NISBET.

[Continued.]

Mr. Walter James—continued.

1754. Besides that, the children do not now work in the fields as they did before the Education Act passed?—Certainly.

1755. And he has lost money in that way?—No doubt he has lost money in that way, but his general condition has certainly improved.

Mr. William Louth.

1756. Do you know whether the friendly societies have doctors who visit the sham sick people?—Yes, they have all doctors; there is the club doctor.

1757. He goes round?—Yes, he goes round. They have a doctor paid by the funds of the club, and this doctor must give a certificate of the man's illness to the club before the man can receive any money from the club; and by the same rule he must give a certificate when the man is perfectly well and able to work.

1758. And there would be no difficulty, you think, in finding a certificate under a general national scheme?—They would find their own doctor, who would grant them a certificate when they came upon the fund, and also when they were able to work.

1759. Who would pay the doctor?—Those who employed him, I should say; there might be a little paid to the doctor, but his charge for the certificate would be very small, I should think, because his benefit would be derived from the patient.

1760. In the friendly societies who pays the doctor?—The society pays the doctor.

1761. So that the doctor in this case might be benefited by the payment he received from the society?—No doubt that might be so; but I should have thought that, inasmuch as the doctor was getting his living from the sick people, he might give a certificate without any charge.

1762. Do you think that generally the working man would prefer shamming to be ill to

Viscount Grimston.

going about his business, and earning money?—Not for a moment; he would prefer doing his business.

1763. Is the population in your neighbourhood very well off?—As a general rule, they are.

1764. Are there any paupers or very poor in your neighbourhood?—There are some, I am sorry to say.

1765. How would you provide for the very poor laying by this sum of money?—It would be in their young days that all this money would be provided.

1766. You think they could do it?—If the scheme became law they would have to do it; the objections to it, I believe, would only come from a very few careless people.

1767. There are some young people who are very poor. I am assuming that the people at the time of laying by the money are very poor; how would they be able to provide this money?—They would have to put by so much a week.

1768. But if they have not got it?—Then there would have to be some means employed to find these people work until the money was paid.

Mr. Llewellyn.

1769. Is outdoor relief given freely in your neighbourhood?—It is given, but not to any large extent.

1770. Most of the paupers being made to go into the workhouse?—Yes, most of the paupers being made to go into the workhouse, and that is the great dread of the poor working people. Many of them would die from starvation rather than go to the workhouse.

1771. Those who have outdoor relief, what do they get?—2s. 6d. a week; I think it all depends upon the age; young children have 1s. a week.

1772. But the guardians, as a rule, compel them to go into the house?—Yes, as a rule.

Monday, 31st May 1886.

MEMBERS PRESENT:

Mr. Arthur Acland.
Mr. Coleridge.
Mr. Fenwick.
Viscount Folkestone.
Mr. Finch-Hatton.
Viscount Grimston.

Mr. Hoyle.
Mr. Walter James.
Mr. Llewellyn.
Mr. Norton.
Mr. Wason.

SIR HERBERT MAXWELL, IN THE CHAIR.

Sir EDWARD WALTER, called in; and Examined.

Chairman.

1773. I THINK you are the original founder of the Corps of Commissionaires?—Yes.

1774. In that corps you have established a system of provident insurance, have you not?—It is quite analogous to it. We have an insurance, but the grand principle I started upon was practically compulsory thrift. I compel every man to pay 1 s. a week to a savings bank; that is the first rule of the corps, and it is invariably kept up. I could not demand a heavy payment in the shape of insurance, for this reason, that I have to dismiss a very large number of men, and if they had been compelled to make a direct payment of any serious amount, I should feel myself rather in a difficulty in dismissing them; but what I do is practically the same thing, I compel a man to put into the savings bank, and he makes his own provision, which I do not interfere with; if he is dismissed he takes what he has deposited with him.

1775. What is the strength of the corps?—Sixteen hundred.

1776. And what is the amount paid by each man towards this fund?—Looking over the accounts the other day, as I do every year, I found that each man has 20 l. upon the average; that may be thought to be a small average for a large number of men; but so large a number of men have joined in the last three years that that reduces the amount very much. There are a number of men in the corps who have 200 l., 300 l., and 500 l. deposited. Last year I paid one man a cheque for 1,000 l., and the same year I paid three or four men 300 l. a-piece.

1777. How is the money collected?—It is collected through the serjeants from the men at out-quarters, and in London it is paid in direct.

1778. What is the rate of the stoppages for the savings bank?—It is based upon a contribution of 5 per cent. upon the wages. That was the principle upon which I went; and it is so far compulsory that every man, whatever his position may be, must pay 1 s. a week.

1779. Are the men allowed to pay more?—

Chairman—continued.

They can pay almost any amount; but, of course, I am careful as to what I do in receiving deposits, because I have to find an investment for the money, and unless I can get a certain rate of interest I have to be careful how much I take. I have adopted the same principle as the Post Office, depositors cannot invariably put in any amount they like; but if I am able to buy a good property which will pay from 4 to 5 per cent., I should be willing to take more than 1 s. a week. Sometimes a man may join, and put in 100 l. or 200 l., or more, and it remains with me to take it or not as I like.

1780. It is an inseparable condition of their service that this provision should be made?—Yes.

1781. Suppose a man refuses to pay, what happens?—He cannot refuse, otherwise he goes out of the corps. It is just as much a condition of my service as it might be a condition of your own private service; it is not a Government service in any form.

1782. And in the event of a man going out of the service he takes his money with him?—Yes, if he leaves the service he takes his money with him.

1783. The Corps of Commissionaires is not under the Government, is it?—Not in any shape or form, nor will it ever be.

1784. And it is a private uniform?—Yes, it is private.

1785. Do the men never make any difficulty as to the payment being exacted?—Not the slightest.

1786. How long has this fund been established?—The actual savings bank itself was established about 15 or 16 years ago. I did not, in the earlier existence of the corps, make it a *sine quâ non*, because, of course, I could not see what would happen; but from the first every man has had to pay for his clothing, in fact, for every expense connected with the corps; but this savings bank was an addition. I think it has been established about 16 or 17 years.

1787. Is there any provision made for sickness?

31 May 1886.]

Sir E. WALTER.

[Continued.]

Chairman—continued.

ness?—Yes; men pay 1 s. 6 d. a week towards a sick fund, in addition to the savings bank. The general fund or club subscription is 1 s. 6 d.; and besides that there is a subscription to the clothing fund of 1 s. 3 d., for which he receives a certain amount of uniform; then the 1 s. 6 d. general fund goes to the payment of the non-commissioned officers' staff, while the sick fund has to pay for the doctor and the sick allowances. The fact is, the corps is nothing else but a business; I deal in men just as another man might deal in horses.

1788. You have spoken of the wages of the commissionaires; do they receive wages from you?—No, not unless I employ them. I have 20 non-commissioned officers upon the staff, and those men would be getting upon the average about 100 l. a year a-piece; but I am, as it were, a contractor for labour. If you want to engage a commissionaire you must come to me; you cannot engage a commissionaire permanently without signing an agreement; the commanding officer of each division is one party to that agreement, the man is the second party, and the party engaging is the third. You cannot employ a commissionaire for your servant without coming to the corps for him. The agreement binds the corps, and binds the man too, because the corps becomes security for the man; that is one of the advantages of the corps.

1789. What becomes of the payment to the sick fund?—A man gets 9 s. a week if he is sick, and the money goes also to pay the doctor's salary; the doctor gets 400 l. a year.

1790. Supposing a man dies without coming upon the sick fund at all, what then?—It is like any other sick fund; he pays and he gets nothing out of it; he takes his chance.

1791. It is an insurance?—It is.

1792. Do you find any difficulty with reference to malingering?—Not the slightest in the world. I have an effectual cure against that, I think. First of all, all the men I have are men who are well known to the officers, as a rule. If a man is at out-quarters, he may be at York, for instance, where I have not a division, or any country place, if he reports himself ill he is reported upon a certificate which must be filled up, first by the employer, secondly by the medical officer, thirdly (if I choose) by a magistrate or clergyman, and fourthly, if I were dissatisfied at all, I might send one of his comrades to look at him.

1793. We have had evidence that doctors find a great difficulty in detecting the degree of sickness under which a man is labouring; do you find any difficulty about that?—No, I do not think there is much difficulty about that; occasionally men try it on, but soldiers are like other people in that respect; they do not try it on with me or with my doctor at all events; he is quite up to that.

1794. Do those men when they are enrolled in the corps have any money of their own?—No; it is a very rare thing to find a man joining with money. I should say that probably 60 per cent. have saved nothing, and it is a very common thing with the reservists, who when they leave the service, get a certain amount of money given

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Chairman—continued.

them, that quite half or more than half spend it in the course of two or three months. I have refused several lately who have not been able to join the corps; they have spent their money feeling themselves uncomfortable during its possession. When they have spent it, then they think it is time to look for work, and if they wish to come to the corps they have not what is requisite to put into the savings bank. An ordinary man joining the corps has to make a deposit of 10 s., but if he is a reservist he has no pension, and therefore I make him pay 5 l. into the savings bank, because he has not got the security which the pension affords. Then I go further than that, because as a man's reserve pay is what used to be called a temporary pension, expiring in four or five years, if a man spent the whole of it, and did not put by more than the ordinary man, he would be very much worse off in the end; so I compel him to put by double the amount every week that an ordinary man would. A reservist is therefore obliged to put by 2 s. a week, and at the end of six years, if a man begins with 5 l., and puts by 2 s. a week, he would probably have very nearly 40 l. of capital; whereas, if you were to examine the mass of the reservists when their pensions expire, you would probably find that they had not got a farthing. I happened to get a copy of Canon Blackley's pamphlet on "Thrift" soon after it was published, and I had not read it through before I was a thorough disciple of it. I found other people would say, "You cannot make people do this," and "You cannot make people do that." I said, "It is very easy to do it if you have a will of your own, and you show them that it is to their advantage." I am quite convinced that it is perfectly possible, because I have talked a great deal to men outside the corps upon this question, and I find they would be very glad of the chance. May I tell you what happened the other day: I had two people in my employ, one was a boy likely to make a very good labourer, and the other was a gardener, at 18 s. a week, and they had never saved a farthing. I said, "I will give you 1 l. upon condition that every week you are in my service you put by 1 s. a week." The man was delighted, and the other day I said to him, "Now, George, are you going to have a pig this year?" he said, "No, it does not pay at all; your plan is a very much better one; instead of investing my 1 s. a week in meal for a pig, I shall put it in the savings bank." About 14 or 15 years ago, when I went into the country, I took a large farm, and my labour bill was over 100 l. a month for eight years. I wished very much then to have established the same sort of system in the country, but I could not do that, because I could not compel the other employers. If I had done anything of this sort by myself, I should have put myself rather in a difficulty with regard to the labourers, because a labourer would not have liked to come to me to have 1 s. or 6 d. a week stopped out of his pay for his own benefit. And there was another reason, that if those men had saved 30 l., or 40 l., or 50 l., they would not only have been saving for themselves, but the first thing would be that they would have been saving for other people; they would have had to pay the poor's rate,

31 May 1886.]

Sir E. WALTER.

[Continued.]

Chairman—continued.

rate, and to help to support other people who had not made the same provision.

1795. Why would it have been necessary to convert the other employers?—Because, if you tell your men that you insist upon certain conditions, and they do not like being subject to them, you are shut out of the market; you get only those who cannot go anywhere else. That is the advantage of compulsion, and I have no doubt whatever that the great bulk of the people in this country would be very much pleased if they were obliged to save, but what they do not like is being obliged to save for the benefit of other people.

1796. Referring to your system in the Corps of Commissionaires, you have a double fund, one upon the system of deferred pay, and the other a sick insurance fund?—It is practically a savings bank. Each man puts 1s. into the savings bank, whether he likes it or not. If a man is brought up for not paying the savings bank stoppages, I ask if he has a wife, and he replies, "Yes;" and then I ask him if he has two or three children, and he says, "Yes;" I say, "What would happen to them if you died in the course of the week?" and he is shut up. Sometimes a man will say, "The Poor Law will have to support them;" I say, "No, not on any account whatever, because that means that I shall have to put my hand into my pocket, and your comrades will have to put their hands into their pockets." I say, "I will give you five minutes, you either pay your savings bank stoppages to provide for those whom you brought into the world, or else you go out of the corps." That settles the matter; there is no discussion after that, and the man is very well pleased when he comes to be an old man. Then, as to the employed, it makes a great deal of difference in the rate of wages, because an employer will give a great deal higher wages to a man who has got 100 l. put by, than he will to a man who has got nothing. I believe my men are getting from 10 to 20 per cent. better wages than the average, because they have that security.

1797. Do many of your men join friendly societies?—Yes, a good many of the men belong to the Odd Fellows, and the Foresters, and to the Hearts of Oak, and if they belong to one of those I do not compel them to belong to our sick fund; I only insist upon their showing their books regularly in order to compel them to keep up their payments. If a man belongs to a sick fund, which I consider a good one, then he is not obliged to join that of the corps.

1798. Could you give the Committee any statistics as to the number of members of friendly societies among the corps?—I could not give those particulars, it would take an immense time to get them out. I should have to send round questions to a vast number of men; but I could look through the books and tell you the number of men who do not belong to our sick fund. I should think that 40 or 50 may belong to other societies, such as the Odd Fellows. It is not a very common thing for them to belong to those societies, because soldiers enlist at a very early age, and have no occasion to do so. You will find that prevails more amongst the members of

Chairman—continued.

the Artillery and Engineers, who are very much more stationary.

1799. Those men would have joined the friendly societies before they joined the corps?—Yes.

1800. What is the age at which you take men into your corps?—I have taken them when wounded at 18; the average age of a pensioner is about 42, but the average age of a reservist would be about 23 or 24.

Viscount Folkestone.

1801. Is your office in the Strand?—Yes.

1802. You said you were the original founder of this fund; did you determine to start this fund as soon as you started the corps?—Yes, I had it in my mind. I forget, at the moment, when I started the savings bank. It was some time after the corps was founded. I did not know what I was about when I started the corps the least in the world; I was not a theorist. I had no particular theory; it was originally intended for wounded men, and I thought there was a round hole, if I could only find it out and put the men in. I had not half-a-dozen rules at first, but they have now grown into a book.

1803. What I was driving at was, whether you had found a necessity for this fund after you had started the corps?—I did; I think that all the rules have been the result of what you may call experience in working the men. I found the fund gave me a very great hold over the men, of course.

1804. You get your men entirely from the army, do you not?—From the army, navy, and the police, if they are injured on duty; or, as far as that goes, from volunteers or anybody injured upon service.

1805. You started your corps before the volunteers came up?—Yes, a few months before the volunteers came up.

1806. The consequence of that is that you get reservists coming in at a much earlier age than the old soldiers did?—I do not take a very large number of reservists at present. The real truth is that the men are not up to the mark. I practically keep a shop, and I deal in men; if I keep men that the public do not want they are of no use to the corps.

1807. You find the reservists are not what the old men were?—No, they are neither so well disciplined nor as well, physically and morally, as the old men. I get many men out of the cavalry regiments who are infinitely better for the purposes they are required for than the others.

1808. You make the reservists pay double?—Yes; I make the reservists pay double to the savings bank on account of their not having pensions.

1809. You have no security with them?—No. When a reservist comes to 30 years of age, and has no pension, he would be working at a great disadvantage as regards the other men, and that is one point of view in which I look at it.

1810. Then, as regards these men who put into the savings bank and accumulate a large sum of money, when they die the sum goes to the widow and the children?—They leave it to whom they like, and if they like to go from the corps they can get it out at any time.

1811. Do

31 May 1886.]

Sir E. WALTER.

[Continued.]

Viscount Folkestone—continued.

1811. Do you find that many men leave you?—No, very few leave the corps; sometimes men leave after they have been in the corps some time; perhaps they have made a lot of money, and want to retire from business, as it were.

1812. When you discharge men do you allow them to take their money out of the savings bank?—Yes. I am very particular about their money, because if you are very straightforward with people, and they know what your rules are, there is no difficulty about enforcing the rules. I make none that affect the men retrospectively.

1813. You said that you paid one man a short time ago a cheque for 1,000 l.?—Yes.

1814. That man must have paid in considerably more than you compelled him?—Yes, he had paid in a large sum. I had a case in which a man had a deposit of nearly 500 l. in the London and Westminster Bank. It was at the time when there was a run upon some of the banks, and he wanted us to take it to our fund. I said, "If I take your note, in two minutes it will be back to the London and Westminster Bank," because we banked at the London and Westminster Bank. He said, "That is nothing; I do not care about that; I only want to have your security."

1815. Have you men out of employment?—No; I get places for good men faster than I can get good men to fill them.

1816. So that you have not had much experience of the difficulty on the part of the men in paying in money when they are out of employment?—No, not the slightest; but every now and then, when there is a slack season, a man might be out of employment for a month or so; but, like other people in business, I do not keep my supply much above the demand. I should be very glad to have more men if I had more employment, and we should get more employment if the character of the men leaving the service was what it ought to be. Being a soldier should be no disadvantage whatever, though there is a good deal of prejudice about it, but still there is no reason why he should do worse than other people.

1817. You have very few people out of employment, and therefore you cannot speak as to the difficulty of getting their contributions at such seasons?—We cannot speak to that, having no people out of employment, practically.

1818. Your observations with regard to shamming sick would not apply to malingering throughout the country, because the men you have are the very best class of men?—Yes; still I have had a large experience of working men; I employed a very large number of men when I was farming, and I think I know the lower orders as well as anybody living.

1819. In the country?—And everywhere else. I think there is no class of people who are so little likely to malingering or sham. I should say that sort of thing occurs very much more amongst the people of a higher class; but I must say, as regards Englishmen anyhow, that they are an uncommonly straight set of men; you will not find many Englishmen sham; it is rather the other way. I have known many men die in the corps when they have been doing a day's work.

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Viscount Folkestone—continued.

It is astonishing how a man will keep on to the last moment, and you cannot see that he has anything the matter with him; he will not report himself, and you do not observe it.

1820. You think that the idea that the practice of malingering would prevail to any great extent under the system of national provident insurance is a bugbear?—Yes, I quite think so; they would be very soon found out by their comrades even if they succeeded in deceiving the doctor.

1821. You have studied Canon Blackley's scheme?—Yes. I may say that I am a thick and thin supporter of it. I do not see any difficulty in it.

1822. Except that you must get the majority of the people in the country to support it?—Yes; and, as regards that, I think if it were made law the nation, consisting of thirty millions of people, ought not to have so much difficulty with the whole country as I have had with private individuals; because I am under no Act of Parliament. I have nothing to do with any department of Government at all. I am not registered as a society, and would not have anything to do with it, and what I have done certainly the nation could do. It is, in my mind, ridiculous to suppose that if Parliament made a law the people would not conform to it.

1823. Now, you have had certain experience in your corps as to the amount of money that these sums when subscribed would bring to the people in the course of years; have you studied Canon Blackley's scheme so as to form any opinion as to whether the sum he proposes, namely, 10 l., would be sufficient?—No, I cannot give any opinion about that; it requires a number of actuaries, skilled men, to speak to that; but I am under the impression that Canon Blackley is pretty safe; still, whatever the sum was, I, as a taxpayer, should be very glad to make it up, because, after all, the result of the thing is merely to make those who have hitherto avoided the burden take their fair share of it. I should be glad, for instance, to pay for all my children. Why? Because I pay much more in poor rate than the interest upon 40 l. or 50 l. would be to me; and as to my men, I think it is an intolerable hardship that my men should have to subscribe to the poor law for the benefit of other people, when they never need expect to get a farthing of benefit for themselves.

1824. Do you think, if the system were in operation, it would save the pockets of the moneyed classes by diminishing the poor rates?—I think it would.

1825. Do you think that would affect the minds of the people adversely?—No; of course I think they are easily led, and many are uneducated; but I have a good opinion of the people generally, and if I had half-a-dozen labouring men to talk to, I do not think I should have much difficulty in convincing them.

1826. Do you suppose, if the system had been in operation, and were now in full work, it would make your men more disinclined to subscribe to your own corps?—Not the least, for I find the more my men pay the more willing they are to do so. Directly a man acquires the habit of

saving,

31 May 1886.]

Sir E. WALTER.

[Continued.]

Viscount Folkestone—continued.

saving, he begins to acquire what some people might call miserly habits.

1827. You find that the exercise of thrift makes them feel a desire to exercise it of their own accord?—Yes.

1828. I suppose the benefits of your scheme are sufficiently large to prevent your men from desiring to belong to any other society?—Certainly; but still I should be very glad to see my men come in with a benefit of 8 s. a week in sickness, and 4 s. a week after they attain the age of 70, because I should be able to reduce my claims for contribution, and that would be an immense thing for us all.

1829. You say you have a certain number of men belonging to the friendly societies?—Yes, probably men belonging to corps which were more or less local. Sometimes you will find a man who has never been abroad at all; he has been useful as a clerk; he goes on from one officer to another, and from one station to another, and I think that would be the man who has joined a friendly society.

1830. You do not find that any of your men join the friendly societies after they join your corps?—No, they would not do that; because they would have enough benefit from the corps.

1831. If their desire for thrift has been intensified by your compulsory system, and they can keep on increasing their savings under your system, there is no inducement for them to join another benefit society?—Not the slightest.

Mr. Hoyle.

1832. You said that some of the men were not up to your mark; are you very careful in selecting the men for your corps?—Yes, of course we are, for we should lose our business if we were not.

1833. They are what you would call picked men?—Yes.

1834. What percentage do you reject?—That I can hardly say. If I were to go to Aldershot, and go round a regiment, and look well through the ranks, I should find, probably, more than a third, possibly quite half, who would not be fit for the corps in any infantry regiment, that is to say, physically; and if I looked into their countenances, and looked well through them, I should find a good many more whose personal appearance I should not like, just as you might have a number of servants sent you from a registry office; if you looked them well over, you might find one or two men who had a peculiar cast of countenance, and you would reject them for somebody else.

1835. So that, speaking broadly, you would reject from 30 to 40 per cent.?—I do not know that, for this reason, that the men know very well that they will be looked at, and when an old soldier knows that if he is looked at he will not be likely to be taken into the corps he does not come.

1836. Those who do come even with that knowledge are not all accepted, so that your experience in that respect would hardly apply to the general population?—You mean to say as regards the principle of compulsory thrift?

1837. Yes?—But I have also stated that I

Mr. Hoyle—continued.

have been a considerable employer of labour. I paid 100 l. a month in labour upon a farm for eight-and-a-half years, and I have had a pretty good acquaintance with working people at various places and times. I have also taken a good deal of interest in them, and I think I can speak as fully as most men upon the subject as regards the average of men wherever you go.

1838. Your evidence is valuable as regards the corps, and also as representing your experience in private labour. Now, as regards these picked men, what effect has the weekly payment upon their moral character after they join the corps?—When a man has a good place and commits himself he knows he will lose it. Every year I have a certificate signed by the employer, and a very stringent one it is, and if the character does not come back perfectly right the man is suspended from duty and has to explain his conduct. Then, if he does not get quite a satisfactory character from his employer in three months, he goes.

1839. You consider that the saving has a beneficial effect upon the men's character?—I think it cannot possibly have the contrary effect.

1840. You are of opinion that, if Canon Blackley's scheme were to become national, the practice would become voluntary among the working classes?—Yes; I do not think there would be any difficulty about it.

1841. Is it your opinion that the amount which would be paid in would be otherwise wasted?—I have no doubt whatever about that.

1842. So that really and truly the amount paid in would be so much addition to the national wealth?—Certainly, it would be, and so much less for the brewers.

1843. And not only so, but enforced abstinence from these things would be a gain to moral character?—Certainly.

1844. So that there would be two gains; one to the moral character and the other to the wealth of the nation?—Yes, that would be so.

Mr. Walter James.

1845. Do you think the rate of contribution of 10 l. which Canon Blackley proposes would place the thing upon a sound basis?—I have not sufficient actuarial knowledge to say that. I should not like to give any opinion upon it; the question of morey has never vexed me at all, because if 1 l. or 2 l. or 3 l. more were required I think it would be a matter of no moment even if the country made up the sum. That is to say, if the country said to a man, "If you will pay the 10 l. now I will give you 5 l. additional afterwards if it be necessary."

1846. Are you in favour of a compulsory insurance scheme?—Yes.

1847. I can easily understand that a compulsory scheme might be applied to men of highly trained character, selected from regiments, and in a state of semi-military discipline, but do you think that such a scheme could be employed throughout the length and breadth of the country for the industrial classes generally?—Yes; I have a better opinion of the working classes than is generally entertained, not merely from

31 May 1886.]

SIR E. WALTER.

[Continued.]

Mr. Walter James—continued.

from theory but from practical acquaintance with them.

1848. I think the term "industrial classes" is sometimes misunderstood. I will ask you what effect you think such a scheme would have upon those classes whom we all desire to see improved or diminished, namely, the depraved and the drunken?—You must compel them; I divide people into three classes, the good, bad, and indifferent. The way to deal with men is to take hold of the good, the indifferent you can train into being good, and you must deal with the others by force.

1849. Supposing you go amongst the criminal classes, if you were to ask the governor of a prison, would you be aware that it is his common experience that malingering is one of the most difficult circumstances with which he has to deal?—Yes, I have seen a good deal of prisons, and they are not all bad men who are in prisons; they are capable of being made a good deal better than they are.

1850. They are not all good, at all events?—No, certainly not; but I should not consult those people at all. I go upon this principle: if you have a lot of people pulling in a boat everybody must pull "a fair oar."

Mr. Fenwick.

1851. I think you admit that your system was conducted purely upon commercial principles?—Yes.

1852. And you compel all men who join your corps and have not previously entered a benefit society to enter the sick society?—Yes.

1853. Are your sick accounts open to supervision?—Yes, they are open to audit; the men audit their own accounts.

1854. Are the men permitted to audit the sick accounts?—Yes, they audit every account.

1855. And are balance-sheets published?—Yes, the balance-sheets are published for the men.

1856. Are they submitted to the members of the corps?—Yes, the men elect their own auditors; there is a continuous monthly audit.

1857. I think you stated also that men were liable to be discharged from your corps for misconduct?—Yes, they are.

1858. Have you ever had occasion to discharge members from your corps who are members of the sick fund?—They are all members of the sick fund.

1859. But I think you said that they were not all members of your sick fund?—Not quite all, but practically they are, though there are a few who are not, which is one reason I am so anxious for Canon Blackley's scheme, because, of course, I have a duty to perform to the rest of the men. I cannot allow a man to be in the corps who is a drunkard, but if a man has been 10 or 12 years and has to leave because he is a drunkard, it is very difficult for him to get into another sick fund; but that is his look-out, of course.

1860. Suppose you have to discharge a man who has been in the corps five or six years, and is a member of the sick fund, and has never had occasion to apply for relief, what becomes of his payments?—They go to his comrade. If a man is expelled from the Oddfellows or from any other society he cannot take his money out when

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Mr. Fenwick—continued.

he leaves. If you take your own name off your club you cannot get your money back.

1861. I suppose you have rules for the guidance of your corps?—Yes. (*A copy of the Rules was produced.*)

1862. Is it a rule brought before the members who enter your corps that they are liable to be discharged for misconduct?—Yes; I can read something which will make that very clear indeed. First of all, before a man comes into the corps he applies to the officer of the corps to be admitted; he is given a copy of these rules, and he sees amongst other things, "I agree to pay in such proportion and at such periods as may be from time to time ordered, any sum that may be chargeable against me for clothing, equipment, lodging, messing, general fund, sick fund, insurance fund, fines, or any other claim connected with the Corps of Commissionaires. I also agree in case of my resignation or dismissal from the corps, to forfeit all sums I have paid in on these accounts, and to return at once all the clothing and equipments with which I have been at any time furnished;" and as occasionally you will find what you may call "lawyers" among soldiers, as you do amongst other classes of life, at the end of the rules he has to sign, "I have carefully read and perfectly understand all the foregoing rules, which I agree to observe and abide by, as well as all others which may from time to time be made by the officer in command of the corps, or of the division to which I am attached."

1863. He has a very large faith when he subscribes?—Yes, he must trust in me.

1864. He is fully acquainted with the fact that if he is discharged from the corps he has to forfeit what he has paid?—Yes, he knows that perfectly well; he does not forfeit, you recollect, his savings bank money; that is one of the reasons why I am so anxious for Canon Blackley's scheme. Supposing that that was the case, and a man paid under Canon Blackley's scheme, I should be able to reduce my payment to the sick fund by at least a third or more, and it would not be such a loss to a man when he was dismissed from the corps.

1865. With regard to this sick fund, I understand you pay a weekly allowance in case of sickness of 9 s. a week?—Yes.

1866. Do you pay anything upon death?—The widow gets an amount equal to about 10 s. a year for each year a man has been in the corps; in fact, it comes to more than that. If a man has been in the corps for 10 years and dies, his widow gets 9 L 10 s.; it is only for the first years that it is small, but after that it increases rapidly, and after 35 years' service a man would get 25 L; that is a fund to which he has practically contributed little, if anything.

1867. I think you admitted that it was a very unfair principle or arrangement which called upon the thrifty to make provision for the non-thrifty?—Yes.

1868. How are the poor rates paid, in your opinion?—I suppose everybody pays directly or indirectly; I was thinking last night over that subject; I do not know exactly what the poor rates are in the pound, but in London I should think my men pay 15 l. a year in the shape of

31 May 1886.]

Sir E. WALTER.

[Continued.]

Mr. Fenwick—continued.

rent, and supposing they were rated at two-thirds of that amount, or 10 *l.* a year, and that the rates were at the rate of 6 *d.* in the pound, each member of the corps in London would be paying practically 5 *s.* a year, and that upon 1,000 men, about the number we have in London, would be 250 *l.* a year, but we are also hit much harder, because we are living in London. I have laid out a good deal of the savings money in building barracks for the men, and I have not only got to pay interest upon the money so invested, but I have also to pay a very heavy rate for the metropolitan improvements for the housing of the working classes, so that my men pay a double tax in that way.

1869. Do you think that the rates are only paid in rent; are they not paid in any other way than rent?—I presume they affect everybody all round.

1870. So that it is not strictly correct to say that a man who receives poor-law relief is receiving out of a fund to which he has never contributed?—I think that all the poor people contribute to a certain extent. Those, of course, who are the most thrifty and have saved most, and are people of property, pay more than other people do; my man, who had 1,000 *l.*, and had probably invested his money in a house, is very heavily taxed upon that house; I know as a fact that numbers of men pay these heavy taxes towards the poor upon their savings.

1871. You are assuming that a man is living in his own house?—I am; but whether he does or does not, he pays the poor rates.

1872. But if he lets the house to another the tax is covered by the rent that is charged?—Yes, but he would get higher rent if there were less rates. It is like the tithe, it is not the farmer who pays the tithe, it is the landlord who pays the tithe; the tithe or the poor rate is a tax upon the property, and a person must pay it directly, or indirectly. It is known that some landlords pay the tithe, but of course the tithe is practically charged no rent.

1873. Is it not the fact that the grocer covers his rate in the price of the provisions he sells?—I cannot say that; I know I let part of the barracks to a grocer, and I have to take into consideration the rates he pays, which are pretty heavy. I should either ask him more rent if there were no rate, or he would pay me less if there was one; there being a rate he cannot avoid it. If the money is spent, you may depend upon it that somebody has to pay it.

1874. But do not you think that the rates are largely covered by the rent of the property and that the public very largely contribute to the rate in the price of the articles that are sold?—No person, I think, can avoid paying rates in one form or other.

1875. A wealthy man has property, he is a consumer as well; the rent he charges upon his property covers the rates in that respect?—Yes.

1876. And then he has got to pay rates as a consumer; but a working man, who has neither houses nor lands, and who has both to pay rent and is a consumer, is he not, in your opinion, to that extent doubly taxed in the shape of rates?—That is a very difficult question to answer. I can only say generally that I have a strong

Mr. Fenwick—continued.

impression that there are certain parts of London where the rates are high, and where the rents are proportionately high.

1877. I think you have admitted that a man who pays rent pays rates?—Yes, he does.

1878. And a man who consumes is also a ratepayer?—Yes, he is indirectly, but not so directly as a man who pays rent.

1879. In your opinion does not the man who pays it first receive it?—Do you mean that if a man pays rates, he first of all receives the money in some other way? He must receive it in order to pay it.

1880. Then, strictly speaking, he is simply the channel through which it comes?—I am not prepared to go into the question of the incidence of rates, but my impression is that everybody more or less suffers by the rates, just as he would by misgovernment or anything of that sort.

1881. Leaving the question of rates, I think you stated that you were a thick-and-thin supporter of Canon Blackley's scheme?—I certainly am.

1882. How do you suppose that the payments of the lowest classes are to be stopped?—I do not see any difficulty about it. I have a lad working for me who is getting 12 *s.* a week. I gave him 1 *l.* the other day on condition of his putting by 1 *s.* a week into the savings bank, and he was very glad to do it; and I have not the slightest doubt that the boy could put by 1 *s.* or 2 *s.* more a week if he liked.

1883. You are now assuming that all working people are employed directly by some employer?—I think that that, as far as I know, is the case. If they are able to do anything, and I believe that everybody is, with certain exceptions; every now and then you may have a crisis in a large manufacturing town, sometimes brought on by the men themselves; but as a rule, everybody who is able and willing to work for wages can get employment of some sort; he must get some employment to live.

1884. But speaking only of London, for example, there are a number of, say, costermongers, who are not directly employed by any employer, but who practically are their own masters; how would you propose to receive the contributions from such characters?—A man does not begin to be a costermonger at a very early age; he is generally a man who has tried other things and failed. I should say that the costermonger, when he was 17 and had only himself to keep, was perfectly able to put by 1 *s.* a week.

1885. How would you propose to get the money from him?—I should leave that to the Government, just as they get the taxes, I presume. I take it that he is getting wages, and I presume that the Government might call upon his employer to stop the requisite amount.

1886. Are you aware that there are numbers of men, and of women as well, who would be compelled to pay to this scheme in large towns and cities who are not directly employed by any employer?—I think if I were asked to devise a plan, I should be able to do it. In the first place, so far as men are concerned, I should not allow any man to have a vote until he had a certificate that he had paid. I should consider him in the light of a pauper, or worse than a pauper. Taking

31 May 1886.]

Sir E. WALTER.

[Continued.]

Mr. Fenwick—continued.

Taking my own case, if it were retrospective, I should have no objection to bring a certificate to show that I had paid my 10 L., to prove that I was a solvent honest man.

1887. Then you would alter the basis of the franchise?—Yes; if you consider it the basis of the franchise, that a man who has not got a farthing should have a vote, I think it is high time to alter it.

1888. But I thought the right to vote was based upon the payment of rates?—But there is also the lodger and the service franchise. I have servants who have votes who do not pay rates. I have a butler, for example, who has a vote, but who does not pay rates.

1889. But he pays rates indirectly?—Certainly he does.

1890. So that it is true, to a large extent, to say that the franchise is based upon the payment of rates?—Yes. I think that strengthens my argument in favour of Canon Blackley's scheme, that the law has already admitted the grand principle that a man, before he votes for the expenditure of other people's money should have done something to acquire property of his own.

1891. Then it would not be necessary to change the basis of representation according to your last answer?—I think it would be desirable. The more stake you can give a man in the country, the more likely he is to be a good man. I have no objection to the extension of the principle which has been already admitted by the Houses of Parliament.

1892. But does it not strike you that there is a little discrepancy there, because the evidence you are just giving is that a man is not only receiving a vote to deal with other people's money, but he is receiving his vote to control the expenditure of his own money?—Of course he is.

1893. How do you reconcile the two statements?—I do not see any difficulty about it at all myself.

Mr. Coleridge.

1894. Have you made any investigation as to the number of people out of employment in London, for instance?—I am so busily occupied with my own affairs that I have not very much time to attend to the affairs of other people; but every now and then strangers come to me of a philanthropic turn of mind, people engaged in societies, and the general impression I gather from them is that there is not so much difficulty at any time in a good man getting work. Of course there are times when trade is very bad, and it is very bad now, and there must be a great number of men out of work, there can be no doubt about that; but as a rule I think the number of people out of work has been a great deal exaggerated. I think the best reason for believing that is this; that wages as a rule have certainly increased 25 per cent. in the last 20 years; you pay your servants now very much larger wages than you did; all your mechanics are getting very much higher wages; and that I suppose tends to show that the supply is not so large as the demand; that is to say, that the supply and demand are not in the same proportion.

Mr. Coleridge—continued.

tions that they were in a few years ago. I think everybody knows that wages have increased very much.

1895. You have just told the Committee that it is absolutely unavoidable that a great number of persons should be out of employment?—It is when trade is very bad, as at this present moment.

1896. Have you considered that Canon Blackley's scheme is based upon the supposition that persons are never out of employment?—I do not think that Canon Blackley's scheme supposes that.

1897. Do you know enough of it to say one way or the other?—I do not think I have read that in Canon Blackley's work.

1898. You do not think it is based upon that supposition?—I do not think it is.

1899. What amount of want of employment does it contemplate?—Perhaps Canon Blackley would answer that question better than I can. I do not see any difficulty in that, because from what I have observed, and I am a pretty good age now, and I look about a good deal, I have rarely found an instance of a person between the ages of 17 and 25 who could not get a very fair place if he liked for a certain proportion of the time. I should say that it would be an extraordinary thing for any lad to be in want of a place for four or five years. I cannot conceive anybody able and willing to work being unable to get a place for more than three or four months or six months at the outside.

1900. What would happen during that six months with regard to the contribution?—Canon Blackley's scheme supposes a period of three years during which the contribution shall be paid up; but I believe he has no objection to extending the period to four or five during which this 10 L. is to be collected.

1901. Mr. Fenwick has mentioned the case of costermongers; have you considered the question with regard to the contribution of women?—My experience of women is not very large except in the case of domestic servants. I do happen, however, to know a good deal about Nottingham, where women are employed at very high wages; it is a very common thing for a woman to earn 1 l. a week and often 30 s.

1902. Are you not aware of many instances in which domestic servants are employed for little more than their keep and their clothes?—I certainly am not. I have never been able to find those sort of people.

1903. If that were so there would be a difficulty?—If that were so there would be a difficulty; but then I assert that there are not many people who are fortunate enough to get servants who are worth having at that rate.

1904. I am not talking of servants who are worth having, but of the whole mass?—I have not supposed that to be possible.

1905. Have you studied the question in relation to prostitutes?—No; I have no communication with that class of people.

1906. But how do they live?—I presume they live by their profession.

1907. But how would you take their contribution

31 May 1886.]

Sir E. WALTER.

[Continued.]

Mr. Coleridge—continued.

bution from them?—I should not trouble my head about them.

1908. But you would have to take them into consideration, would you not?—Prostitutes pay nothing now, I believe, and we should be no worse off than we are now.

1909. You would omit prostitutes, would you?—No, I would have no objection to licensing all prostitutes. I am an advocate for the Contagious Diseases Acts; I would license them all. I would license everybody who carried on the trade. I would prefer myself that all the people were moral, but I have not the slightest objection to prostitutes being licensed.

1910. You would admit that there is a difficulty as to the prostitutes?—I should not think that there would be much difficulty about them.

1911. If there was found to be a difficulty about them, you would omit them?—I should have no objection whatever to apply the licensing system to prostitutes if that were to be the means of collecting the money from them; I do not see any reason why they should not pay like other people.

Mr. Norton.

1912. You found thrift upon compulsion in your corps?—It is compulsory thrift, but a man can take his money away at a week's notice.

1913. You say that yours are all picked men?—All men that are in the corps after a certain time are, I may say, picked men. I take men upon character, and after some time I may find that they are not quite according to their characters.

1914. Do you think that the rank and file of reservists would be able to pay the contribution that you speak of?—Certainly; but whereas the rank and file man pays 10 s. to the fund upon first coming into the corps, the reservist pays 5 l.

1915. Soldiers are practically all picked men before they join the army, are they not?—I should not say they were picked men according to my standard at all; they are many of them utter rubbish.

1916. I do not mean in regard to character necessarily?—Neither as to character nor physical standard. I have never seen a man of moral character too bad to be taken into the army as long as he was 5 feet 3.

1917. Still a man of bad moral character does not stay long in the army?—I do not admit that at all; I should say that there are a very large number of very bad men in the army with whom I should not like to have anything to do.

1918. You have seen a good deal of general labour also?—I have.

1919. You are aware that the success of Canon Blackley's scheme must depend upon everybody paying his contribution of 10 l. between the ages of 17 and 21?—I should not like to say everybody; you must have exceptions. You may have the law, but you cannot compel everybody to obey it, because you cannot get at everybody, still I do not think that that is an argument against the principle. Some men will escape, you cannot help it; but I think the thing could be carried out perfectly well notwithstanding those difficulties of detail.

Mr. Norton—continued.

1920. Assuming that the present depression in trade and agriculture continues and increases, as it possibly may do, do you think you could possibly recover the money over the great bulk of the country. Take any fellow out of work six months in the winter?—Farm labour is only scarce from December to January and February; nine months out of the 12 there is good employment for good men, and a part of that time they work double tides, as it were; that is the time those people would put by; and I think if you told people that they had to do it they would very soon find the means of doing it.

1921. But in the case of "rolling stones" and people who set their faces against it, how would you deal with them?—If a man is not born with money and has not money at the age of 17 he must work for it. Perhaps he begs; that is not a bad trade at all; perhaps he thieves; that is not a bad trade either. Many of these, however, are industrious, and they must earn something to eat to get their dinner and breakfast; if men have not the money, they must get it from someone else; I should go to the employer and say, "I call upon you to stop a halfpenny," or whatever it might be, "in the shilling out of that man's wages," if you cannot get it in any other way.

1922. You think that would be possible?—Yes, judging from my experience in the corps; I do not experience half the difficulty in dealing with poor people that I do in dealing with the better class.

1923. We most of us agree that most people would be able and willing to pay it; but we want to know how we are to deal with the people who will not or cannot pay it?—If a man is a madman, or otherwise really cannot pay it, you must deal with him as you do with the board school payments which the parents are unable to make; his contribution must be paid by the State, who would have to keep the man sooner or later.

Chairman.

1924. You have no scheme of superannuation, I think; have you ever considered the relative advantage of giving a man a lump sum upon his discharge from your service and giving him a superannuation allowance?—If a man has been in the corps up to a certain number of years, after the age of 65 he is entitled to a small superannuation; I think it is 2 s. a week.

Viscount Folkestone.

1925. If he remains in the corps?—Yes, the whole thing is based upon a man sticking to the corps. Any man once joining the corps can remain as long as he keeps to the rules of the corps; but, if he breaks the rules of the corps he cannot make rules either for me or his comrades.

Chairman.

1926. Upon considering the results of the extension of compulsory providence it does not appear to you that there would be much advantage in a man who had paid his 10 l. upon commencing life, receiving a lump sum after the age of 65?—

No,

31 May 1886.]

Sir E. WALTER.

[Continued.]

Chairman—continued.

No, I would rather give him an annuity, most decidedly.

1927. I did not quite catch what you said about what your experience with working men led you to suppose would be the difficulty felt in contributing that 10 L.?—I have a very favourable opinion of working men; of course there are a good number of humbugs among them, just as

Mr. RALPH PRICE HARDY, F.I.A., called in; and Examined.

Chairman.

1929. WHAT is your profession?—I am an actuary by profession; I am a Fellow of the Institute of Actuaries; and I hold a certificate of competency from that body.

1930. You have considerable experience no doubt in actuarial work?—I have a very large and varied experience in both pension funds and superannuation funds, both in respect of investigating their actual condition and in estimating their liabilities.

1931. What societies have you acted for principally?—The one with which I am chiefly familiar is the "Hearts of Oak," a very large London centralized society, numbering about 100,000 members.

1932. Is the membership of that society principally confined to the working classes?—That is rather a broad term; I believe there is a minimum wage test; I think it is 25 s. a week; but as a matter of fact the social status of a number of those men is much better than that.

1933. You mean that a man earning 18 s. a week would not be eligible?—He would not be eligible; he is not excluded, however, as I understand if his wages fall.

1934. That is an unusual condition, is it not, in friendly societies?—I should say it was.

1935. It restricts it to a certain class of workmen?—Yes, and it of course secures the first-class men.

1936. What is the reason of that restriction?—I never inquired, but I expect it is to keep out the unthrifty and the careless, and those persons who were likely to mis-manage themselves and become an encumbrance upon the sick fund.

1937. But the object of most friendly societies is, is it not, to reclaim the thriftless?—I never inquire into people's objects, I take the facts as they stand.

1938. You are acquainted with the subject of the inquiry of this Committee, can you give the Committee the conclusions to which your experience has led you as to its possibilities?—There are two questions, one of finance, and the other of administration, which are embraced in this subject.

1939. Probably, as an actuary, your attention has been more directed to the financial aspect of the question; do you think it would be possible to insure certain benefits, say 8 s. a week sick-pay and a small superannuation by a moderate pre-payment upon the part of every citizen?—Provided that that pre-payment was sufficient.

1940. You have heard no doubt that it is proposed by Canon Blackley's scheme to exact a 0.99.

Chairman—continued.

there are among other classes of people, but I have great belief in them upon the whole.

1928. Do you think it would require a great sacrifice of luxuries?—No, I do not think it; if you take the ordinary amount of tobacco that young men consume, say it is 1 s. week, if they gave up smoking for two or three years, that would pay their contribution.

Chairman—continued.

payment of 10 l.; would that be sufficient in your view?—Not according to any basis with which I am acquainted, unless it could be shown satisfactorily that the number of abstentions from claims or those who became ineligible under the scheme would be such as to make the balance a sufficient payment.

1941. You have not calculated perhaps what percentage of abstention would be necessary?—There are no data for that at all. I have had shown to me by Canon Blackley certain statistics showing that a large definite proportion of the population die in a state of pauperism; I confess his figures very much astonished me, and I think before those figures could be safely employed as the basis of a large National scheme involving the credit of the State they would require very careful examination.

1942. I am afraid you have rather misapprehended the question. Assuming a universal contribution of 10 l., have you calculated to what proportion of the population that would secure 8 s. a week sick-pay and 4 s. a week after a person attained the age of 70?—That is a question which requires answering with several limitations, and I propose to take the widest view first and leave the Committee to reduce it. There is a figure given by Mr. Sutton in a memorandum he submitted to this Committee based upon the Manchester Unity's experience upon the assumption that the fund could be accumulated in the 3 per cents. securities, and upon those conditions he made the necessary contribution 19 l. odd. With those figures I agree. If, on the other hand, it were possible that the sickness experience would exceed the standard of the Manchester Unity then that figure would have to be increased *pro tanto*. Again, if it could be shown that sufficient control could be exercised over the sickness to reduce that rate below the standard, to the same extent could that figure be abated. And further, there would be an abatement if the rate of interest to be obtained upon the fund were higher than 3 per cent. But I may point out that these figures make no allowance for the cost of administration, the assumption being that the parties themselves will do all their own administrative work.

1943. Do any other difficulties occur to you in the administration of a scheme of this sort?—Questions of collection and supervision are not actuarial questions, and therefore I speak with some diffidence upon the matter; but it occurred to me that there would be a good deal of difficulty in collecting the money from those shiftless persons

21 May 1886.]

Mr. HARDY, F.I.A.

[Continued.]

Chairman—continued.

persons of whom there are a large number in this country, and there would be also a good deal of trouble in getting payment from young women, and I suspect in a large number of cases it would be borne by the employers. Then coming to the difficulties of actual administration, as far as my experience of life has gone, those would be very formidable. When you get a large number of men there is very great difficulty in actually identifying them. I had an investigation myself running over 80,000 persons, and I have actually found that there were different persons of the same name born in the same month of the same year, and entering the society the same year; the presumption would be of course that those persons were the same; they were not, they were different people. If you were to go to the borders of England you would find Musgraves in any number; if you go into Wales you will find Jones's and Williams's and like names in any quantity, and very often with the same Christian names; and how you can possibly identify those people either for a case of sickness or at the expiration of 50 years when their pension becomes payable, I confess I do not see. I do not mean to say that it is impossible, and that a perfect system of Government registration might not be set up, but it seems to me to be attended with very formidable difficulties, and certainly it would cost a great deal of money to be effective.

1944. The difficulty would have been just as great if the Post Office scheme had been universally adopted, would it not?—That is no doubt what they would have had to encounter.

Mr. Arthur Acland.

1945. You say you have had considerable experience in connection with the Hearts of Oak Benefit Society; have you any information to give the Committee as to the amount of sick-pay that is payable to members of the Hearts of Oak as a body as compared with the amount of sick-pay payable to members of the Odd Fellows lodges?—Yes, I have a complete statement as to that. I beg to hand in a copy of the rules of the society which touch upon the point to which the honourable Chairman has referred. I have made a series of valuations of the Hearts of Oak for some years past, and I now, founded upon a preliminary investigation of the point to which you have alluded, put in my reports which give information upon the point in detail. My last report shows that there is a considerable excess of sickness in the districts remote from the centre of management; that is to say, as it seemed to me, as far as I could judge from the facts before me, that the further you got away from the controlling influence the more difficult it was to keep down the sickness. I would refer to page 5 of my last report.

1946. I understand you think that the Hearts of Oak suffers upon that point from want of supervision in comparison with the Odd Fellows lodges?—I would rather not draw any comparison. I would prefer to state it technically. The experience of the Hearts of Oak in certain districts works out less favourably than the combined experience of all the lodges of the Manchester Unity.

Mr. Arthur Acland—continued.

1947. I understand the Hearts of Oak have not the same system of local supervision that the Odd Fellows have?—I take it that that is impossible; if you take a lodge of the Manchester Unity, no doubt the members are all known to the committee, and unless the lodge is very large, no doubt they would know them personally.

1948. We may take it as a fact that there cannot be the same kind of supervision?—I think that may be admitted.

1949. What is your opinion as to the way in which the supervision of sick-pay would work from the point of view of its expensiveness if Canon Blackley's scheme were brought into operation?—You would want professional inspectors, and probably a staff of medical men; when you have the National purse to pull at, claimants would not be very particular. It is hard enough in some societies I could name to keep people's hands out of the common purse. I know one large society where the sick fund was administered in aid of the poor rate. The medical men thought it was all one and the same concern, and the fact of an undue number of sickness claims was not found out until I investigated it and traced this enormous sickness. When people find they have John Bull at the back of a concern they would have no mercy at all.

1950. This was the case in a large society that you know of?—Yes, it was the case of a large society that I know of, not 100 miles from the county of Essex.

1951. Then I understand you do not think the action of public opinion interested in a large State society of this kind, would be enough to check a practice of that description?—It would be inoperative against the National purse.

1952. I understand that in the Hearts of Oak Society the sick-pay becomes less after a certain number of weeks?—In common with most societies, it abates after an illness has been continuous for six months, or some period of the kind.

1953. You are aware that in Canon Blackley's scheme the sick-pay does not diminish?—I do not attribute too much importance to that either way in the proposed scheme.

1954. You think that the inspectors and officials and doctors might be a very costly body?—I think if you are to select people who would do their duty irrespective of local influences they would be. You must have persons perfectly independent of all local influences, that is a very difficult thing with doctors. I know the case of a very large society, I do not wish to identify it in any way, where if a man does not come in time to his work (it is a very large employment indeed), he loses his day's wages, and that man invariably gets a medical certificate to say that he is unwell. That was traced by the extraordinary excess of sickness, as indicated by the remarkable amount of short time, half days and days and a half; and upon examining it closely it was found that the members had such influence over the poorly paid doctor in this district, that a man absent from work was declared to have a headache or some common sickness which prevented him coming to work, whereas the man had probably been drinking heavily the night before, or had over-slept himself, or something of that kind; and that I think is what would be the case

31 May 1886.]

Mr. HARDY, F.I.A.

[Continued.]

Mr. Arthur Acland—continued.

case in the national society; if the doctor were not firm, and were placed in a position of being beyond yielding to these sort of claims he would be let in for a number of small claims. What we have understood by public opinion in the matter would not exist; people would not care much about the beneficial position of the fund, but would assist the person rather.

1955. We have been asked to believe that public opinion is likely to improve every man in this matter, and that the mass of society is likely to be very much stimulated to look after the sick pay; that does not appear to be your view?—The mass of the people would look upon the question in quite a different way; they would look upon it as a charge upon property whether it goes financially right or wrong.

1956. If it were to work in that way you would not be surprised if after 10 years or so the rate had to be raised very largely indeed?—I should not like to anticipate it, but it would not surprise me.

1957. It would not surprise you if it were doubled?—I would not like to state the case so strongly as that. You might set up your system by gradually feeling your way; the measure would not, of course, take full effect at once; I should expect some rectification; it is scarcely to be supposed that sitting here to-day, or even if we took a longer time over it, we could exactly fix a rate of contribution which would adapt itself to such novel conditions.

1958. You consider the question of identification one which might really be a very serious difficulty?—Yes, certainly; 50 years is a long period to elapse. I could show you societies in which men have been contributing to a fund from youth to old age, but they have never claimed a half-penny; it is a matter of pride for those men to keep off the box, but if you had to trace those men up from the age of 20 to 70 there would be great difficulty in doing it. If a man emigrated your difficulties would be increased.

1959. Do you think there would be any difficulty about personation?—Yes, when you come to the lower stratum of the population you lose one great means of identification, that is the handwriting; I do not know whether you notice among the lower classes that they all write very much alike; the signature upon which we rely in ordinary life for identification would fail you there; you would require to have recourse to the *livret* system adopted upon the Continent for registration and identification.

Mr. Walter James.

1960. Are you connected with these societies very much?—I have been retained by them.

Chairman.

1961. I asked you the names of the principal ones and you only gave one; would you name the principal friendly societies with which you have been connected?—I will read you a few; here is an important one called the United Law Clerks Society; that is the very best society of its class; that is a London society. There is also the Manchester Law Clerks' Society, for which I have acted; there is the Union Burial

0.99.

Chairman—continued.

Fund of Portsea, whose affairs I have in my hands; there is the Commercial Travellers' and Warehousemen's Association; the Stoke and Belford Benefit Society, and others.

1962. What is the class of membership there?—Agricultural labourers purely; it was founded by the parson of the parish, and he managed it admirably. Then there was a Sheffield Society called the "Resolution." Then there was the Suffolk Provident Society; that is another large Suffolk society. Then I acted for the Great Eastern Friendly Society; that is a railway society.

Mr. Walter James.

1963. Upon the question of the laxity of the sick-pay, it would be an exaggeration, would it not, to say that it arose from intentional malingering upon the part of members so much as from a variety of circumstances, each one a little different perhaps, which would induce a member to lay up for a week or a fortnight?—The contributing causes are very various no doubt. I should not like to say that it is all dishonesty. At some ages, for instance, there are times when a man gets a little crowded out of employment; when his hand is not so ready to follow a change in trade, you will find he does not recover from his small complaint so rapidly; he loses heart, and is not able to recover from surrounding malefic influences. Then in the dockyard towns, or others, you find persons in Government employment take a rather liberal view of their rights and claims upon this question.

1964. I suppose you might say it is entangled with moral and other considerations?—It is a very complicated problem; the secret of the matter is to cultivate a good healthy public opinion; if you can induce people to see that they are allowing their companions to waste the common fund, and so arouse a public spirit in men, there will be little to complain of in that respect.

1965. You think it would be a matter of almost insuperable difficulty to avoid such claims on the fund?—I think, looking at the immoral way in which people regard Government money, seeing that they do not mind doing anything of that description, when the Government is in question, it would be a long time before you could rely upon adequate sense of public honour.

1966. Assume that we approve of the scheme before us on general grounds, and that it would be an extremely good thing if everybody would put by, and everybody would save; you think the practical difficulties connected with this scheme would render it what you would call an impracticable scheme?—You are so ambitious; you want to start the whole thing at once. Now, that is not the way of life at all. You should commence by a district, and see how it would work. If you commence with an ambitious scheme applying all over the country, you are sure to be landed in a difficulty.

1967. Have you read Mr. Sutton's memorandum?—I have.

1968. Do you concur with it?—Yes, I concur in the whole of it.

1969. At paragraph 14 of the Appendix he says, "At the end of 49 years the National

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Insurance

31 May 1886.]

Mr. HARDY, F.I.A.

[Continued.]

Mr. Walter James—continued.

Insurance Society would have as one only of its numerous duties, the investment of over 300,000,000 *l.* in respect of its annuity fund only"; what would be the effect of this investment of 300,000,000 *l.*?—It would be impossible to invest it in public securities, that is to say, securities under State guarantee. You would have to descend to mortgages upon land, which you know contain a great element of danger, and other securities.

1970. Do you think it would lead to a great disarrangement?—It would be so gradual. I do not think in the year 1886 I should like to predict what would be the effect upon the money market at a future date, but it is an extremely clumsy way to create a fund at all. If everybody has got to pay 10 *l.*, why not charge the benefit upon the taxes at once, and dispense with this cumbrous machinery. I am not speaking of the sickness fund. I think that is a thing that no State should ever touch, but I am speaking of the deferred annuity, the pension. I speak for a large number of persons who would be very glad to see the unhappy agricultural labourer taken care of in his old age without all the humiliating conditions which now surround him. I think many people would not mind a considerable increase of their taxation, if by that could be secured so as to let him draw his pension, not under the pauper badge, but let him come and take it as a right to which he is entitled. I think it is one of the most distressing things in the world as it is now.

1971. If you were to put it upon the general taxation of the country, do not you think that the general indisposition to contribute to it would be even greater than it is to contribute to the present poor rate?—I would like to see the question settled. The sum total of the property of this country must sustain the sum total of the common wants, and whether a man pays it himself, or whether it is put upon the taxes, it comes to the same thing in the end, he has paid for it.

1972. You have not had any practical experience in the administration of the poor law yourself, have you?—I have not, but I have seen a good many distressing individual cases connected with these societies.

Mr. Arthur Acland.

1973. You think that the pension scheme is in its way a much more valuable and practicable one than the sick pay scheme?—If you are to call for the intervention of the State upon any ground it is to protect a man in his old age when he has done work.

Mr. Fenwick.

1974. You would deal with the wage earners in the country upon the same principles as we now deal with the Civil Service?—Yes.

Mr. Hoyle.

1975. With the wage earners only?—I would make no distinctions; we all earn wage in some form or another.

Chairman.

1976. The Hearts of Oak Society, with which you are connected, appears to be a very respectable society, but it excludes a very large pro-

Chairman—continued.

portion of the classes whom we call "working classes"?—That is probably for the convenience of working.

1977. I see it stated in your rules that "If any member enters upon any of the above objectionable trades or occupations, he shall be fined 10 *s.*, and if he continues in such occupation one month after such fine is imposed, he shall be thereupon excluded"; and among the objectionable trades I find "working in red or white lead, gunpowder works, policemen, soldiers, sailors, coast guardsmen, members of the fire brigade, cigar makers," and so on, and in short, enough to constitute a very large proportion of the working classes?—I do not think those would constitute any very large proportion of the working or wage-earning classes; but, practically, although that is the rule, I never heard of it being carried out. Moreover, a man cannot readily change his occupation; if he has been brought up as a carpenter, he cannot readily become a water-gilder, for example.

Mr. Walter James.

1978. Do you not think that those who manage these societies have an admirable means of becoming acquainted with the mode of performing business?—I have been surprised to find the extent to which they afford a sphere for local activity, and utilize much energy that would otherwise run to waste or become obnoxious. They bring men together and foster the social element; afford admirable training in the elementary duties of citizenship; teach men to differ from each other without becoming hostile; they also show that forms are necessary in business, and that difficulties must arise in administration. I have a personal example of that. A friend of mine was a parson in Cornwall; he got up an Odd Fellows' club in his parish, and he stated that the moral improvement in the condition of the people was perfectly marked.

1979. If you had one general scheme undertaken by the State that would be lost?—Certainly; it would dry up. I do not think the world at large understands the extent to which these societies have had politically an important influence. I think you would be very much astonished if you went to a meeting of the Hearts of Oak Friendly Society, and heard the debates in the parliament, or whatever you call it, there. You would not there make a statement which you did not think you could support.

1980. Is that with regard to the management of their own affairs?—Yes, with regard to what checks they shall apply to keep down the sickness claims.

1981. Has that question been much considered there?—Yes, they appear to think they could get rid of it directly if it were not against the English system, and what you would consider harsh, namely, the adoption of anything like the spy system.

Mr. Arthur Acland.

1982. You are aware that some witnesses say that these societies, so far from being weakened by this scheme, would be strengthened by it, because there would be the education in the direction of thrift going on between the ages of

31 May 1886.]

Mr. HARDY, F.L.A.

[Continued.]

Mr. Arthur Acland—continued.

18 and 21?—I do not think that it would abate the numbers of a good friendly society.

1983. Then you do not think that the friendly societies would altogether disappear?—I do not think it would altogether disappear; but, if the scheme is to be successful at all, it would have to be expanded; 8 s. a week is not enough for an ordinary man in time of sickness.

Mr. Walter James.

1984. In the performance of the duties connected with the management of these societies great tact and forbearance have to be exercised?—Yes, certainly; the training is very valuable in that respect requiring great knowledge of human nature. Some of the leaders of these societies are amongst the ablest men in the world; and whenever you sap that independence of action I think you tend to destroy the moral fibre. In my judgment State interference should never go beyond just holding society together; it must prevent the forces of dissolution from operation. I hold that people must work out their own salvation through their own mistakes.

1985. Do I understand that you are in favour of placing the 10 l. upon the general taxation of the country?—For the pensions. Assuming that it were the opinion of the nation that a scheme of that kind were to be encouraged, I should prefer to confine it to the pension and put it upon the taxes.

1986. Would not that be a sort of gigantic system of out-door relief after a certain age?—I do not care what you call it. I only look at the facts. I expect to be taken care of when I am past work.

Mr. Hoyle.

1987. You told the Committee that you wished to divide your evidence into two parts, finance, and administration; can you tell us, of your own knowledge, what proportion of the entire population is chargeable to the Poor Law for either in or out-door relief?—I know nothing of those subjects.

1988. So you are not able to say professionally whether this scheme of Canon Blackley's is sound or otherwise practically?—Speaking from my own point of view, I understand the finance question to be whether the 10 l. is sufficient or not.

1989. I wish to ascertain whether, in order to get at that, you know the proportion of the population who at some time or other of their lives become chargeable to the union?—That does not bear upon the question as it comes before me. I am asked whether so much money will provide certain benefits. I cannot take into consideration the fact that through some circumstances which may happen by and by, and which I am unable to measure to-day, a certain number of persons will not come to claim. I must make provision for everybody coming to claim.

1990. But would not that be reducing the scheme to an absurdity?—It is only keeping it safe.

1991. Can you say, from your own experience, that a very large proportion of the entire population never do come to want?—Yes, that is so, no doubt.

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Mr. Hoyle—continued.

1992. Have you accurate information as to their number in proportion to the whole?—I have no such information.

1993. But of course the financial soundness of the scheme depends upon that?—But I would not admit that the ratio of to-day would necessarily be the ratio of a year hence.

1994. Now, I will ask you another question; do you think that such a scheme as Canon Blackley's would increase providence or improvidence?—A moral effect is brought about upon a man by his recognition of circumstances, and not by any State action outside. If you want to change a man's heart you must bring about actions which are founded upon convictions. Pauperism is a habit of mind, and you will never get rid of it until these people get to see what a distressing and degrading thing it is. You will not get rid of pauperism by any compulsory system of providence; the thriftless man will remain thriftless, and a ne'er-do-well still.

1995. Do you think that a young person beginning to put by a shilling a week at the age of 18, would be benefited or injured by the act?—I think he would be in his pocket benefited.

1996. Would he not be likely to be more thrifty afterwards?—No; it is like children putting money into a money box; there is no change in the person at all.

1997. You do not think "habits" become second nature?—If they are founded upon conviction, no doubt they do.

1998. If you have changed your residence often, perhaps sometimes in going home late you have gone to the old house by mistake?—That is so.

1999. I merely mention that to illustrate the force of habit?—Yes, I quite understand the point.

2000. Now with regard to administration, you thought there would be great difficulty in the administration of a scheme of National insurance, and you mentioned that you would find a difficulty in the cases of persons of the same name being born in the same month; but by a proper system of identification could you not identify a person by his father's name and his mother's maiden name?—Yes, that is the way it is done in Australia; the registration officials in Australia take note of those facts; but, of course, a man would have to produce certain certificates of identity. I am not exactly able to say how it would be, but if you ever had to prove the identity of a person in a court of law, you would be aware of the difficulty of it, and if you multiply that difficulty by 100,000 you may arrive at a conception of what it would be.

2001. But in our system of registration the father's name and the mother's maiden name have all to be entered?—That I am aware of.

2002. Now with regard to administration, if the fund were to be administered from London it would be impossible, but if it were to be administered in parishes or townships do you think that the difficulty would be the same?—The difficulty no doubt would be abated, but the expense would be increased.

2003. But Canon Blackley hopes to a large extent to supersede the Poor Law?—But the scheme will not provide for a man when he is out

31 May 1886.]

Mr. HARDY, F.I.A.

[Continued.]

Mr. Hoyle—continued.

of employment, it will only provide for him when he is on his back; it will not get rid of the man who does not work and cannot work, and never did work.

2004. You thought it would be better if this scheme were applied to districts instead of to the nation; you would not have had the poor law introduced in that way, would you?—It is a long way back to Queen Elizabeth's time, when the poor law took its rise. I think you would have had to invent it under another name; all countries have it in some shape. There is the *Assistance Publique* in France, and there were all the great charities in this country that were destroyed at the Reformation. The only ground upon which you can enforce the criminal law is that you practically tell hungry men, "You need not steal, I will feed you."

2005. Does the poor law prevail in all countries?—I believe so; in some countries it takes the form of charity; in France it is the *Assistance Publique*.

2006. I understand you to say that there would be great difficulty in investing this money?—At the rate of interest that we have been speaking of. If you take the amount of the National Debt, call it 800,000,000*l.*, there is very little free stock in the market, you could not go and buy 30,000,000*l.* of stock to-morrow.

2007. But you would not invest 30,000,000*l.* at once, would you; it could not come in?—No; I meant rather to imply that it is largely absorbed in trusts and will be more absorbed in trusts, and that you would have to seek other channels of investment.

2008. The money would come in slowly?—Yes, certainly.

2009. You do not apprehend a plethora of money for investment?—No, the fund would rise gradually.

2010. You would say that the growth of wealth would be slow?—I would not admit that it was wealth; it is a loaf put aside to be eaten by-and-bye; it is not surplus at all; it adds nothing to the increase of the wealth of the country.

Viscount Folkestone.

2011. You stated that this scheme of Canon Blackley's would not do away with pauperism, because it only provides for sick pay and superannuation; but the principal cause for pauperism is old age, is it not?—No, I should say not; not what I should call pauperism. The former is inability to labour, which may come to you and to me equally, although we may not be under circumstances that would lead us to require assistance; but pauperism is a circumstance and condition which self-respect would induce a man to avoid.

2012. Canon Blackley does not propose to do away with the poor law altogether?—I have great sympathies with Canon Blackley's objects, but I rather think that that is what the public believe it is.

2013. But I think the public hardly apprehend Canon Blackley's scheme correctly. I understand from Canon Blackley's evidence that he does not propose to do away with the machinery of the poor law?—But I gather that he says eventually the poor law will become obsolete.

2014. That is the great thing to aim at, because

Viscount Folkestone—continued.

if the poor law were done away with by this scheme it would have brought about its great object, namely, the promotion of thrift?—But you will always have a large residuum.

2015. Until the millenium, no doubt; but we are advancing, are we not?—Certainly we are.

2016. Then with regard to identification, there would be no very great difficulty, would there, though there might be some, if a man had a certificate?—Even medical diplomas are bought and sold.

2017. But they would not be paid on more than once, so that would not hurt the scheme?—It is a very difficult thing for you to decide whether a man is 65 or 70; supposing I am 65, and I buy the certificate of a man who has died, I should begin to draw my pension five years before the proper time.

2018. But I suppose it would have to be a matter of arrangement?—It would require a very close supervision. I do not say these things are impossible, but they imply an intolerable supervision of your actions.

2019. You speak of a change of habit which is brought about by voluntary means, and not by compulsion; now we have heard before this Committee about a change of habit being brought about by compulsion in isolated cases; I suppose that you would look upon those as exceptional cases that proved the rule?—Certainly.

2020. You think that a man being compelled to lay by would not, save in exceptional cases, retain the habit of thrift?—You see that in a compulsory religious system; whatever is forced upon the people works no benefit at all. If you go into a Catholic country, where form is rigidly enforced, the underlying principle has no effect upon a man's religious character.

2021. Could you draw any analogy between a man's religious principles and the desire to save?—Between the effect of the moral principle and the desire to save; thrift is brought about by a change in the man.

2022. With regard to the actuarial part of the question, which is the part that you are most competent to give evidence about, I think that somebody had an interview with you in 1881 with regard to this question, and I think you stated that the Tables of one of the friendly societies show that "for this class the capital amount required to secure (at age 21) the benefits proposed by national insurance would be at 3½ per cent. investment 16*l.* 10*s.* 7*d.*, and at 4 per cent. investment 14*l.* 4*s.*"?—May I ask if those words are in my certificate?

2023. I cannot say that; but I will ask you whether you still think that that is the case?—Not with the words which you read there. I gave Canon Blackley the estimated value of an allowance according to the Manchester Unity experience at 3½ and 4 per cent., but I was careful not to say that it would be applicable to a scheme of national insurance except under such rules as I should certify. I have signed no certificate; I protest against the use of the words that you employ, suggesting that those figures would do for national insurance; I said nothing of the kind. There is a gloss there which I distinctly repudiate. The paragraph states, "They show that for this class the capital amount required to secure (at age 21) the benefits proposed by national

31 May 1886.]

Mr. HARDY, F.I.A.

[Continued.]

Viscount Folkestone—continued.

national insurance;" now, I have never said anything of that kind; I gave a plain arithmetical result to Canon Blackley, as I would give him anything else of the sort he asked for.

2024. Benefits under what scale would be insured by the 16*l.* 10*s.* 7*d.*?—My impression is that it was 8*s.* a week sick pay and 4*s.* annuity.

2025. That is Canon Blackley's scheme?—Yes.

2026. Then "the benefits proposed by national insurance" may stand, may they not?—Not upon my responsibility.

2027. If you made this investment at 3½ per cent., 16*l.* 10*s.* 7*d.* was necessary, and at 4 per cent. 14*l.* 4*s.*, upon the basis of supplying 8*s.* a week sick pay and 4*s.* a week superannuation; now that 8*s.* a week sick pay and 4*s.* a week superannuation is exactly what Canon Blackley proposes, is it not?—No; there is a very fundamental difference indeed. This is for a lodge or a friendly society, where they exercise supervision under rules; but the National Provident Insurance is for a scheme all over the country which you cannot control.

2028. So that it ought to be put thus: "the benefits proposed by national insurance if applied to a friendly society would result in" so and so?—I am not prepared at the present moment with the exact form of words which would supply what I require. This is stated as if the calculation were made *ad hoc*, but it was not.

2029. You think that under this scheme of Canon Blackley's you would require more than 16*l.* 10*s.* 7*d.* for a 3½ per cent. investment, and more than 14*l.* 4*s.* for a 4 per cent. investment?—I think so, a great deal more.

2030. It is practically impossible, is it not, to arrive at any sum?—You can arrive at it within certain limits, but you cannot state the exact figure; there is a certain financial limit below which you must not go.

2031. I want to know whether you think we could come to any approximate decision as to what sum is likely to be necessary if this scheme were brought into operation; of course people with actuarial knowledge would know more about it than others, but I presume it is almost impossible for actuaries to come to a fair and right decision upon the matter where they have no proper basis of calculation?—That is exactly it.

2032. Then it is possible that this sum which Canon Blackley proposes would be really more than would be actually required?—It is within the limits of possibility.

2033. You think there are no means for really arriving at the amount?—There are no means by which anybody who is responsible for what he

Viscount Folkestone—continued.

says could lay it down. If you were to commence with one convenient centre, then I might say, "Go on and try your 10*l.*," but if you will plunge into this enormous operation it is a very great responsibility to undertake to certify the figure.

2034. But still it would be a very good thing if it could be brought about?—I hold that the financial and the moral questions are distinct, and they must be kept so. I hold the opinion that the mere money improvement in a man's condition is unimportant compared with the moral improvement in the man; you will get rid of a good deal of poor law and a good deal of the taxes if you make the people better. I aim at that first, and leave the money to take care of itself.

2035. Would you go as far as to say that the French system of having no compulsory poor law is better than ours?—I should not quite state it in those terms; I contend that there is practically a poor law in France.

2036. But it is voluntary, is it not?—There is a great deal of alms in France collected, as you know, practically compulsorily; the priests have enormous power.

2037. That is moral compulsion?—No, indeed it is not.

2038. It is not done under the assistance of the law, is it?—There is a great deal of assistance at the Mairies I think. Then they are always making grants upon the Continent; and then there are the subventions from the theatres, and a great many other resources are swept in upon the Continent.

Mr. Coleridge.

2039. Have you studied at all the question of the poor law in France?—No.

2040. Are you aware that the poor law in France is divided into two,—that there is a tax upon the whole country for the maintenance of the poor, which is granted in aid to the local districts, and there is also a similar tax upon the local districts to make up the difference?—No, I have no knowledge of the actual facts.

2041. But you are aware, are you not, when it is said that there is no compulsory tax for the poor in France, that that is a misdescription of the state of the French poor law?—I have no special knowledge upon the subject. I would beg to hand in a history of the Hearts of Oak Friendly Society, and also a very important pamphlet written by one of the members of that society; the latter will show the extent to which you may educate people by the management of their own affairs. (*The same were handed in.*)

Mr. RALPH YOUNG, called in; and Examined.

Chairman.

2042. You are connected with a trade union organisation in the North?—I am.

2043. In what precise capacity?—I am Secretary of the Northumberland Miners' Union.

2044. Is that a large union?—It has 12,000 members.

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Chairman—continued.

2045. Has your attention been directed to the subject of our inquiry?—Yes, just within the last three or four days.

2046. You are here to speak on behalf of your society, I suppose?—I am not delegated by the society to attend here.

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2047. How

31 May 1886.]

Mr. YOUNG.

[Continued.]

Mr. Fenwick.

2047. How long have you acted as secretary to the association?—For 12 years.

2048. During that time of course you have had considerable experience amongst the working classes?—I have.

2049. Could you tell us, as a matter of opinion, of course, what is the average weekly wage that is earned in the district?—It varies very considerably; some years the average of the highest paid class of workmen would be about 22*s.* 6*d.*; in other years, when trade is bad, it will come down to about 15*s.*

2050. Supposing we take the present time, could you give the Committee an approximate average of the existing wage?—I should think at the present time the best paid class of workmen would be earning about 16*s.*, that would be about two-thirds of the total of adult workmen.

2051. What do you suppose the average of the other third would be?—I should think it would be fully 20 per cent. below that.

2052. In your experience do you think that the working classes very largely provide for themselves in voluntary benefit societies?—Nearly the whole of the miners do.

2053. Have you any impression as to the amount of deduction that would be made from the wage you have stated as payment to these voluntary societies?—I should think the average would be about 3*s.* 2*d.* per month.

2054. Are you aware of the approximate number of miners who contribute to the Miners' Permanent Relief Fund?—There are 90,000 members of that fund, out of about 100,000 miners altogether, working in the area over which it extends.

2055. Could you tell the Committee what is the provision that is secured to members by their contributions to this permanent relief fund?—There is 5*s.* a week paid in case of accident for the first six months and 8*s.* a week in case of permanent injury. There is also a legacy of 5*l.* paid, and 5*s.* a week to the widow of a member who is killed, during her widowhood, and 2*s.* a week for each child.

2056. How long does that last?—Until the children are 14 years of age.

2057. She is paid out of the funds of the association as a legacy 5*l.*; and 5*s.* a week so long as she remains a widow; and 2*s.* per head for the children until they arrive at the age stated?—Yes.

2058. Are you aware that an annuity is also provided for in case of a man arriving at a certain age?—Yes, there is 4*s.* a week paid to the superannuated members after they have reached 60 years of age, provided they are unable to work.

2059. They have to be provided with a certificate from the medical attendant to the effect that they are unable further to follow their employment?—Yes.

2060. What is your opinion as to how far these workmen would be able to increase their contributions by paying to any compulsory scheme such as is now under consideration, or say Canon Blackley's scheme?—I am afraid they would not be able to do so to any considerable extent. In ordinary times when trade is fair there is no doubt they would be able to do

Mr. Fenwick—continued.

so, but we have in these cycles of depression, periods during which it would be utterly impossible, in my opinion, for these people to contribute to such a fund.

2061. Then in the event of such a scheme being adopted by Parliament and enforced upon the country, in your opinion, would it be necessary for them to withdraw their contributions to voluntary societies in order to meet the contributions that would be required by the scheme?—I am afraid that that would be so in very many cases.

2062. Have you ever thought as to what might be the probable bearing of such a scheme upon the education of the district?—I think it is very probable that parents would withdraw their children from school at an earlier age in order that they might sooner become skilled workmen, and earn higher wages, to enable them to pay this contribution.

2063. I assume that you have seen Canon Blackley's scheme?—Yes, I have.

2064. Are you aware that such a scheme, if adopted, would make it compulsory for girls under 21, as well as young men under that age, to contribute to the scheme?—Yes.

2065. From your experience of the district that you are most particularly connected with, how far do you think that the working classes would be able to meet that contribution?—I am afraid that in very many instances they would not be able to do so at all. I have heard during the evidence that was given here to-day a reference made to the wages earned by domestic servants. I must confess that my experience does not at all bear out the statements which were made by one witness that they earn sufficient to contribute the amount named by Canon Blackley. From 1*s.* 6*d.* to 2*s.* 6*d.* is the ordinary weekly wage that is paid to girls between the ages of 18 and 21 in colliery villages. There is also a very considerable proportion of young women altogether unable to obtain situations; in those cases the parents would be called upon to pay their subscriptions, and I think that it would not be at all possible for them to do it.

2066. May I ask what are those girls you speak of doing; are they domestic servants?—They are domestic servants in families in the mining villages, where perhaps the lady is out of health; they go to those places, and get very small wages in consequence of the very low wages earned by the persons who engage them.

2067. If you take a large colliery village would there be a good many girls of that kind to be found?—Yes, I should think there would be perhaps 10 per cent.

2068. Of the girls in the village?—Yes.

2069. And you say that the low rate of wage that they receive is in consequence of the low rate which the miners themselves receive?—Yes, and the inability of the miners to give more.

2070. And you think it would be extremely difficult for them, out of, say, 2*s.* 6*d.* a week, to contribute a sum of 1*s.* 3*d.*, such as would be imposed upon them, assuming that Canon Blackley's scheme were adopted as it now stands?—Yes.

2071. In your opinion is such a scheme likely to

31 May 1886.]

Mr. YOUNG.

[Continued.]

Mr. Fenwick—continued.

to suffer very much from malingering or shamming?—Very much more than the ordinary friendly societies I should think. In all friendly societies there are what are termed stewards appointed to visit the sick to see that they are not malingering, or imposing upon the society. But in a large scheme like this I scarcely see how malingering to a much larger extent than now prevails could be prevented.

2072. We understand that in the friendly societies that you have referred to special committees are appointed to visit the sick?—That is so.

2073. So that, as far as possible, they may be able to check malingering?—Yes.

2074. In your opinion, if such a national scheme were established, the tendency to malingering would be very much increased?—I should think so. Moreover, this scheme of Canon Blackley's would bring within its scope all the unthrifty and improvident portion of the community; and as special care is at present taken in connection with all friendly societies to prevent malingering in these societies, where men volunteer to look after it even amongst the most thrifty and energetic portion of the community, I think you will see at once that malingering would, under a national scheme, be practised to a much larger extent than is done in the case of friendly societies.

2075. Are you aware that the medical attendants who grant certificates to men who are sick very largely receive their remuneration from the workmen of the district?—Yes, that is so to a very large extent in colliery villages.

2076. Do you think that any application on the part of workmen to such a practitioner is likely to be rather more favourably regarded than it would be if the medical attendant were appointed by the State?—I think if the doctor or the medical practitioner were appointed by the State he would not be so vigilant as the doctor is at the present time, with members all around him watching to see that he does not permit persons to impose upon them.

2077. I think you possibly misapprehend the question. I will put it in this way: seeing that the practitioner himself is dependent upon the contributions of the workmen, is he more likely to grant a certificate than he would be if his subsistence were secure from any contributions of the workmen?—I have no doubt that that would be so.

2078. In your opinion it will be necessary, in the event of such a scheme as that proposed by Canon Blackley being adopted by the Government, to employ Government medical practitioners?—Yes, I think it would be necessary, in order to make the doctor or medical man do his duty.

2079. Do you find that the medical practitioners in any district with which you are acquainted change very frequently, that is to say, remove from place to place?—Yes, they do.

2080. They do not long continue in a practice?—A portion of them do and a portion do not. There are young men continually coming to villages, and they stay a very short time; but, as a rule, there are medical practitioners

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Mr. Fenwick—continued.

above them who engage these young men, and they, as a rule, remain a considerable time in the villages.

2081. The practitioner who remains almost stationary, or for a considerable time in the district, becomes largely acquainted with the antecedents of the workmen?—Yes; they all know him well, he knows them well, and they all become very familiar with each other.

2082. Do you think that is very necessary, in order to rightly understand the particular ailments to which many of the people are likely to be subject?—That is a question I am scarcely prepared to answer; I suppose a properly qualified practitioner should be able very easily to detect any ailment that any man might be suffering from.

2083. My question refers more particularly to any hereditary ailment?—To a certain extent that must necessarily be so in that case.

2084. And a practitioner appointed by the State would not, therefore, have such a knowledge of the antecedents of a man as to lead him very readily to detect any hereditary ailment which might be affecting a man?—If he were called in every time a person were sick or unwell, he would then be called in just as frequently as an ordinary practitioner, who resided in the village, and in that case I do not see that he should be less able to detect any complaint a person was suffering from than the person who did reside in the village.

2085. You think the officials of the permanent relief fund, to which reference has been already made, require to exercise considerable care and vigilance in order to prevent malingering?—They do that by the appointment of stewards to visit the persons who are sick or lamed.

Viscount Folkestone.

2086. You stated that the average of miners' wages in your district is 16 s. a week?—Yes, at the present time.

2087. And that they all, or the great majority of them, belonged to a friendly society?—That is so; it is called the Miners' Permanent Relief Fund.

2088. Does that apply only to your district?—To Northumberland, Durham, Cleveland, and a part of Cumberland.

2089. Are there a great number of people belonging to it?—There are 90,000 members.

2090. Belonging now to a voluntary friendly society they would not be able, I think I understood you to say, to pay any more to a compulsory scheme; but of the majority of people who belong to your friendly society, are they under the age of 21?—No, they are not.

2091. When do they generally enter your society?—At about 20 years of age.

2092. Suppose this scheme of Canon Blackley's were in operation, and that each of those young men had been compelled by law to provide 10 l. as an insurance fund, between the ages of 18 and 21, he would have that 10 l. already paid up at the age of 21; he would not after that require to contribute any more; he would have paid it in a lump sum, instead of paying it through the rest of his life. Now suppose, on

P 2

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31 May 1886.]

Mr. YOUNG.

[Continued.]

Viscount Folkestone—continued.

the other hand, he has not been so compelled, and that he does not enter your friendly society till he is 20 years of age, he would not have laid by that 10*l.*, or a portion of that 10*l.*, would he; it would have been spent in something or other?—It would.

2093. Therefore he would be no worse off after the age of 20; he could just as well afford to pay the insurance of 3*s.* 2*d.* a month to your friendly society; it would make no difference in his wage-earning; the money would be gone, and he would be in exactly the same position whether he had been compelled to find that 10*l.* or whether he had not; is not that so?—Yes; but they pay as much before they are 20 as after they are 20.

2094. I was only talking about their being compelled. I was upon the point that they would be just as well able after the age of 20 to subscribe to your miners' association in either case; if they are obliged to save 10*l.* they are obliged to save it, and if they are not obliged to save it they do not save it?—That is so; but I am afraid they would not be able to save the 10*l.* before they were 20 years of age from the wages, I have already stated, they get below the age of 20.

2095. What is the average wage-earning of young men between the ages of 18 and 20, or say between the ages of 18 and 21, which is the age that Canon Blackley fixes?—From about 18 to 20; I think the average in ordinary times would be about 13*s.* 6*d.*

2096. Those young fellows would not be married mostly then, would they?—No.

2097. Therefore they would be better off between the ages of 18 and 21 than a man who was married would be on 16*s.* a week?—A young lad between the ages of 18 and 20 is then in a transition state; he is moving from boyhood to manhood; he is beginning to have a little pride in himself; he tries to do his utmost then to clothe himself decently and respectably.

2098. It would be a tax, I admit; but the question is, whether they would not be better off by the payment of this 10*l.* in the future than they would be by having the money to spend upon better clothes, or what they might choose to buy in those three years?—Yes; but there is the moral aspect of the question, which comes in there. If young lads or young men are not able to appear respectably, they are very apt to drift downwards instead of ascending. It is quite possible, therefore, that the loss of the social status and moral standard would be more than the advantages gained by the insurance.

2099. With regard to these young men, do they live in lodgings, or do they generally live with their parents or friends?—A good many of them live with their parents, and, of course, the rest have lodgings.

2100. And they would assist towards the expenses of their parents?—Yes.

2101. One shilling and threepence being the payment that would be required out of that 13*s.* 6*d.*, that would leave them 12*s.* 3*d.*; do you think, therefore, it would be an intolerable tax upon the young man to find that 10*l.* between the age of 18 and 21?—If the wage were constant and never fluctuated it would not be so

Viscount Folkestone—continued.

much a tax upon him; but when they sometimes get considerably more, and sometimes a little less, their standard of living is increased by their getting more.

2102. But would it not be the time for them when they were getting more to set by a little more to make provision for the time when they were not getting so much; do not you think that would be a good influence to bring to bear upon their lives?—They voluntarily do it now as soon as they can.

2103. But the idea is to bring in the unthrifty as well as the thrifty; those people that are thrifty, that you are speaking about, do not want to be touched by the scheme. The only thing would be whether this scheme would not put them in a better position by forcing the unthrifty to come in, so as to aid in the accumulated benefits?—I am afraid it would not be much advantage to the thrifty to compel the unthrifty to come in.

2104. But the more people you have in the scheme, the less amount of contribution each need pay to the scheme to get the benefit?—Provided that none of those you compelled to join take any more out than the men who volunteer to be members of friendly societies. I am afraid that would not be found to be so. I think, if you compel persons to enter a society, you will find that those same persons will take very much more out than they are obliged to contribute to it.

2105. That is to say, if they could; but if you only give them sick-pay when they are really sick, and only give them superannuation after a certain age, they cannot draw out more than they are entitled to?—But there is greater difficulty in distinguishing between sickness and mere bodily weakness of a person who is often half-starved than in the case of a person who is in a fair condition of life; and it would be so difficult to recognise whether it was sickness or bodily weakness in a vast number of cases, in the former class of cases, that they would very often, I am afraid, be able to draw an allowance when they were not really sick.

2106. Then you think that the unthrifty element brought in by this scheme would increase the shamming system?—Very considerably.

2107. Then your opinion is, that the means by which your friendly societies now prevent the possibility of imposition of that kind would not act in the case of a national society?—I am afraid not.

2108. Of course it would not be possible under a great national scheme to get the men to voluntarily form a committee of investigation in this matter; but it would be possible to bring in district visitors, would it not, who would assist the poor; there are a great number of people who could be made use of for supervision purposes?—I do not know that you will be able to secure the services of these people to the same extent that similar services can be secured now.

2109. Do you agree with a witness whom we have had before us, that compulsory idleness is a great factor in the prevention of shamming?—I think that is so in the case of the thrifty and provident,

31 May 1886.]

Mr. YOUNG.

[Continued.]

Viscount Folkestone—continued.

vident, but I do not think it would be so in the case of the thriftless and improvident.

2110. The members pay 3s. 2d. a month to your Miners' Association and other friendly societies; that is 2l. 2s. a year?—Yes.

2111. They always have to pay that whether they are receiving sick pay or not?—Yes.

2112. They have to keep up their contribution?—Yes.

2113. Between the ages of 18 and 60 a man under that rate would pay an aggregate of 88l. 4s.?—Yes.

2114. And between 18 and 60 they would pay an aggregate of 65l. 5s.?—Yes.

2115. If the scheme could be worked, it would be much cheaper for a man to pay a small lump sum before he was 21 than to keep on paying up to the age of 60?—The difficulty in my mind is the initial difficulty of getting the lump sum.

2116. Have you thought whether societies might not arise by which a man could procure that sum by borrowing it and mortgaging his insurance? At all events means could be found and developed by which that could be done, and, assuming that to be so, should you yourself think that it would be a good thing?—I am afraid it would not be a very good thing.

2117. Why do you think so?—Because of the advantage that the improvident would take of such a fund. I cannot help thinking that that portion of the community who make no provision whatever for themselves would be very ready indeed to take the utmost advantage of any fund of this sort if it were established. As a rule, that portion of the community lives badly; their standard of comfort is at zero, and therefore the 8s. would be sufficient almost to keep them.

2118. It would be a greater temptation to them to mangle than it would be to a thrifty man, or a man in good work?—Certainly it would.

Mr. Hoyle.

2119. I understood you to say that the present earnings of miners are about 16s. a week?—Yes.

2120. And the average earnings in good times are about 22s. 6d.?—Yes.

2121. How does the deficiency arise; is it in shorter employment, or in reduction of wages?—It is in shorter employment.

2122. There is no actual reduction in the rate of the pay?—No, not to account for the difference I have given.

2123. With reference to the wages of domestic servants, I think you said that certain girls earn from 1s. 6d. to 2s. 6d. a week in the colliery villages, but would the squire's servants get no more?—Yes; but the number of squires in proportion to the number of those who require domestic assistance in villages is comparatively small.

2124. Would the clergyman's servants have this 1s. 6d. a week?—I think not.

2125. Then the 1s. 6d. is principally paid by the wives of working men?—Yes.

2126. So that the domestic servants would be of a lower quality, and not competent to take situations in the squire's family?—That would be so.

2127. You do not know what domestic servants in the better families get, do you?—They

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Mr. Hoyle—continued.

get from about 8l. to 14l. a year; but I should think there would be a larger proportion of domestic servants in the service of struggling tradesmen than there would be in the higher classes of life; and in those cases I should think their weekly wages would not exceed from 2s. 3d. to 3s.

2128. That is to say, in the families of grocers and bakers, and so on?—Yes.

2129. May I ask you what is the principal employment for young women in your part of the country?—Some of them go out into the fields to work for the farmers; a considerable number are unable to obtain any employment at all, and are therefore in the receipt of nothing.

2130. That tells of course upon the amount of remuneration, their not being able to obtain employment?—Yes.

2131. Are you aware that under Canon Blackley's scheme when in operation, no young person under the age of 18 would pay anything towards the national fund?—Yes.

2132. But at the age of 18 the payments would begin?—Yes.

2133. Then in a workman's family, how many would be paying at one time?—I should think the average time between the first and second child of a workman's family would be about two years, and therefore there would be two of the family for one year paying in.

2134. You think that the average would come to 2s. 6d. a week?—Yes.

2135. At that time, between the ages of 18 and 21 you have mentioned what I have no doubt is the fact, that there is a great desire to appear well and to dress well?—Yes.

2136. You think that if that desire were restrained the young men would lose caste; now supposing that a young man of that age were to make an offer of marriage, how would the father and mother regard it if he stinted himself in order that he might save money; would they think better of him if he ran into debt with his tailor in order that he might appear well; would he commend himself to the father and mother of the young woman by the prudence of his conduct?—They would certainly prefer that he should not run into debt.

2137. You do not think he would suffer in the estimation of the father and mother of the girl by this self-denial?—I do not think he would suffer in the estimation of the father and mother, but he would suffer in the estimation of his companions; and there would be a constant struggle to get clothes and to appear respectable; and if he was unable to do that, he might, and I am afraid he would fall away in despair.

Mr. Walter James.

2137*. Did you succeed Mr. Burt as secretary of the Northumberland miners?—Yes.

2138. You stated, I think, that there were 90,000 members in the Durham, Cleveland, and Northumberland organisation?—Yes.

2139. Are any of the members of this body at the present time in the receipt of parochial relief?—I should think there is not the half of one per cent. in receipt of relief.

2140. The evils of pauperism have not brought themselves

31 May 1886.]

Mr. YOUNG.

[Continued.]

Mr. Walter James—continued.

themselves into such contact; at least they are not so prominent in the northern counties as they are in the southern and agricultural parts of the country?—They are almost unknown in the case of miners.

2141. So that questions connected with pauperism have not been so largely discussed in the north of England amongst the labour organisations as they have in many other parts of the country, where pauperism is brought more directly in contact with society?—No, they have not.

2142. Public questions, as we know, are to a very large extent discussed in the Mechanics' Institutes and Lodges of different organisations of the north?—They are.

2143. But you are not aware that this question has been discussed, are you?—I am not aware that it has.

2144. If it were discussed, do you think that the compulsion by the State would find much favour with the bodies of men that you represent?—I think it would not. I think the very fact of every man making provision for himself is sufficient in the minds of those who make provision to enable them to see that every one who has any self-reliance or independence about him can do it; and, that, therefore, to extend it to those who have not that spirit of self-help and independence in them, would simply be a means of permitting persons who will not make provision to take advantage of those who do make provision.

2145. Questions of personal liberty, and questions of State interference, have been a good deal discussed in your organisation at various times?—They have.

2146. And you consider that the result of those discussions is not favourable to State interference?—There is a considerable difference of opinion upon that question.

Mr. Arthur Acland.

2147. I understand you to say that there is very little pauperism in your district, and therefore we may assume that the people who are in your great friendly society are ordinarily very thrifty persons?—That is so.

2148. Yet I understand that you consider stewards to be absolutely necessary in order to supervise the amount of sick pay which is granted?—Yes.

2149. Supposing you abolished the stewards altogether, do you think the sick pay would run up at once?—I think it would run up at once.

2150-1. I understand your view to be that with regard to the unthrifty people who would be caught up by Canon Blackley's scheme, you would want still more supervision?—Very much more, I think.

2152. You think it is necessary even in the best friendly societies to have some supervision?—Yes, I do.

2153. And in a national scheme it would require a very great deal more?—Yes.

2154. Do you think that could be done by voluntary agency if we had a great State system?—I do not see how it could be; I am afraid not.

Mr. Arthur Acland—continued.

2155. You do not think that the mass of the public being already insured themselves, and having no reason to trouble about how much was paid in the future, would have any interest in supervising the calls upon the fund?—I think they would have very little interest in the question, whereas in the case of ordinary friendly societies with not more than 300 to 500 members, every one has a strong personal interest in keeping down the sick pay, and preventing malingering.

2156. They being actual subscribers?—Yes; whereas, in the case of a large national association with several millions in it, it appears nothing at all to the individual; they would care nothing about it in my opinion.

2157. And also those over 21 would no longer subscribe, and therefore they would have still less interest?—Still less interest.

2158. Do you think that if this scheme were in working order, it would affect your great friendly society; that is to say, that when men had made their payment at the age of 21, they would be less willing to join the great society of which you have spoken?—Yes, I think it would have that tendency, because many of the members of this large society enter between the ages of 18 and 21; but if they entered some other association before that time they would not be able to contribute to both societies at the same time. The very fact of their having made provision in the larger scheme would prevent them so readily, at all events, entering other friendly societies.

Mr. Hoyle.

2159. Would they be at a disadvantage if they commenced subscribing to the friendly society after the age of 21?—They would be at no practical disadvantage.

Mr. Fenwick.

2160. If they entered after the age of 21, do I understand you to say that they would be under no disadvantage?—Practically, none.

2161. They would of course come under the graduated scale, such as is in operation in the Foresters?—Yes.

2162. But the amount, I understand you, that would be extra beyond the normal sum would make very little difference?—I thought the honourable Member was referring to the Miners' Permanent Relief Fund; it would make no difference in their case.

Mr. Arthur Acland.

2163. You are aware that under Canon Blackley's scheme the employer would deduct the payment from the wages, and would make it himself?—Yes.

2164. Do you think that if that were the system you could call it an education in thrift that was going on in the minds of the miners from 18 to 21?—Not so much as you can call the advocacy of thrift that is now going on in the different districts an education in thrift.

2165. You think that when they join voluntarily

31 May 1886.]

Mr. YOUNG.

[Continued.]

Mr. Arthur Acland—continued.

tarily there is more education going on in that direction?—Certainly.

2166. Then so far you think this scheme might lessen the amount of desire for self-help?—I am afraid it would.

2167. Do you set great store upon the training of character which results from the management of friendly societies?—Yes, I think I may say that.

Mr. Arthur Acland—continued.

2168. And you would say the same, I suppose, about the great co-operative societies?—Yes.

2169. The management of large funds is very valuable training?—I think it is.

2170. And you think that anything that would lessen their interest in self-help would be so far disastrous?—I think it would.

Thursday, 3rd June 1886.

MEMBERS PRESENT:

Mr. Arthur Acland.
Mr. Coleridge.
Viscount Grimston.
Mr. Hoyle.

Mr. Walter James.
Mr. William Lowther.
Sir Herbert Maxwell.
Mr. Stuart-Wortley.

SIR HERBERT MAXWELL, IN THE CHAIR.

Mr. HENRY WALTER BLAKE, called in; and Examined.

Chairman.

2171. You are Parliamentary Agent for the Ancient Order of Foresters?—Yes.

2172. Have you been long connected with that Order?—I have been connected with the Order for about 27 years altogether. I first joined the court—we join a branch first—and afterwards became connected with a district, and after that, some eight years ago, I was elected Parliamentary Agent to the Order. I have been chairman of the London United District, comprising about 92,000 members.

2173. We have had evidence from some of your officials?—The High Chief Ranger and the Permanent Secretary. The High Chief Ranger is the chairman of the whole Order for the year.

2174. I understand that your Order wish to appear again before the Committee in consequence of some statements made by some of the witnesses?—The statement made by one of the Odd Fellows the other day was that he thought the societies were very much in favour of this scheme. My own Order through its council and through a meeting of the London United District the other day considered the scheme very weak, and as only taking up part of the work which the great friendly societies of to-day take up. We also think that it will be very unpopular with the thrifty class of this country on account of the compulsion which is proposed.

2175. Do you allude to any definite scheme in particular?—Yes, Canon Blackley's scheme.

2176. Is that a matter of opinion, or have you considered the matter before your council or committees of the Order?—After I made application to be heard I attended a council meeting at Leicester. I may say in the first place that the opinion of the council was that the thing is nearly dead. However, they thought it advisable that more evidence should be given, but they thought that after the opinion expressed in the House of Lords in the year 1880, and the evidence that was adduced last year, the scheme was almost dead.

2177. That is not a very practicable conclusion, because after all that is a matter of opinion, and we want to know in what aspect the scheme presented itself to your society?—As far as the

Chairman—continued.

scheme itself is concerned we consider that any scheme of compulsion would, to the working classes of this country, more especially to those who are thrifty, be most objectionable; it would take away the education which people receive through friendly societies; many men have occasion to be very thankful for the education they have received through those societies; they owe the first knowledge of business which they have acquired to the Order or Court with which they are connected. Besides that, a scheme which would make it compulsory for every man to pay and only a part to receive, they look upon as very little better than the poor law, because if everyone is to pay and a line is to be drawn that only part are to receive, we see very little difference between it and the present system, because the provident man of the humbler class would observe the man in a position a little above himself who would not receive, and he also would turn round and say, I shall not receive this money; as it is little better than charity if everyone pays and all are not to receive; the question would be where could the line be drawn. If a nobleman refuses to receive for what he pays and a tradesman also refuses to receive for what he pays the respectable mechanic would also refuse to receive for what he pays, therefore the only people who would receive this money would be the very people who are to-day found at the union, those people who will never work and who do nothing for a living; we look at it as being very much like equalising taxation; for the mechanic or the poor man would be paying just as much as the gentleman.

2178. You say that the men who are now in the union are men who never will work?—Very many of them are men who never will work; I speak from experience as a poor law guardian upon that point.

2179. But you must be aware that many men who have worked all their lives find themselves in the union at last?—Yes, I know that very well; I refer rather to those who come now for their daily relief. There is also another thing which I should like to point out; we are told as members of friendly societies that in all our societies we should pay sufficient for every man to

3 June 1886.]

Mr. BLAKE.

[Continued.]

Chairman—continued.

to receive the benefits for which he pays; we are valued upon that basis, and the amount of money that is paid is calculated on the basis that everyone shall receive that which he pays for.

2180. That is the amount of the liability?—Yes, that is the amount of the liability; therefore if you start an institution in which only half are to receive, it is like starting an unsound society.

2181. I do not see that?—We are told so by the actuaries. Mr. Watson and Mr. Sutton told us the same thing, that it would cost about 19*l.* to work this scheme. Mr. Sutton said 19*l.*, and Mr. Watson said about 18*l.* 10*s.*, and Mr. Hardy, I think, agreed with them upon that point.

2182. What does the last valuation of the Foresters' Society show?—A deficiency, but not insolvency as is stated by many; it is a deficiency that is spread over a number of years. The valuations being laid before them, the courts are now altering their rules and making themselves solvent.

2183. What is the amount of the deficiency?—I cannot give you that exactly; I have not the valuation with me. Each branch is separately valued, and while some branches have a surplus, others have a deficiency.

2184. I understood from you that the witness whose evidence you most wished to meet on behalf of your Order was Mr. Sinclair, of Glasgow, who spoke of a large and increasing deficiency in the valuation of the Courts of the Foresters in Glasgow?—Mr. Sinclair stated that there was an increasing deficiency, and that is not the fact.

2185. Would you state what is the fact?—Each court now is improving its position by altering its rules, and making only those payments which will insure what the actuaries state.

2186. Did you take a note of Mr. Sinclair's evidence at the time?—There was another gentleman, Mr. Higgs, who spoke on behalf of the Odd Fellows, stating that the society was very much in favour of the scheme. Since then there has been a meeting of the London United District of Foresters.

2187. But before you leave the point of Mr. Sinclair's evidence, I would draw your attention to Question 996, where he was asked, "Now, with reference to the financial status of these societies, which do you consider the soundest?" to which he replied, "The Manchester Unity, as far as I have been able to learn, is by a long way the soundest;" and then the next question was, "And their tables have been adopted as the soundest, have they not?" and his answer was, "Yes, until the tables of Mr. Nieson were published; those are the Forester's tables; but even the Manchester Unity at its last valuation shows an over-all deficiency of 627,820*l.*; that of course is prospective. Then again, in answer to Question 1000, he stated, "The Foresters (in Glasgow) with a membership of 6,818, are deficient 40,550*l.*; the Shepherd's (Ashton Unity), with a membership of 1,793, are deficient 13,431*l.*, and the Gardeners (St. Andrew Order), with a membership of 3,332, are deficient 23,234*l.*" Then in answer to Question 1005, he further says, "I might mention that there has been a second valuation of the Glasgow District Branch of the Foresters, with the result that on a membership of 9,304 the deficiency is now 0.99.

Chairman—continued.

48,536*l.*, or an increase upon the deficiency of 7,986*l.* during the quinquennial period. Now I understood that that was the point you wished to be examined upon?—No, not exactly on that point; that would be for the Scotch Foresters to answer. Mr. Higgs stated that he believed the members of friendly societies were very much more in favour of Canon Blackley's scheme than they were some time ago. Since the date of his speaking a very large meeting has been held at the Foresters' Hall of the London United District of Foresters, numbering 92,000 members, when a resolution was passed to this effect: "That this meeting of 267 delegates, representing 92,000 members of the London United District of the Ancient Order of Foresters, strongly opposes the scheme of the Reverend Canon Blackley on National Compulsory Insurance, and considers it would be detrimental to the future welfare of the provident classes." That was carried upon the 28th of May this year.

2188. It would be interesting if you would point out to the Committee any circumstances in regard to the friendly societies in general which your experience leads you to suppose might be dealt with by legislation?—The unfortunate part of it is in this way—if I may speak of the scheme first—that it does not cover half of the work. The work of friendly societies is very broad, whereas this scheme only takes up the part relating to sickness and superannuation after the age of 70. For instance, in the London United District, which I have just cited, the funeral fund alone pays away 20,000*l.* a year, or rather over that, in funerals; the whole Order paid in 1885 close upon 100,000*l.* in funerals; for many of our people think very much of how they are to be buried. There is again the benevolent part of the work. We might just as well try to do the work of Freemasonry by Act of Parliament as to try to do the work of Forestry. For instance, in the way of benevolence alone last year the London United District paid away over 1,600*l.*; that is done out of the pence of the members. It is a penny per member per quarter that they pay; and then they have their annual fête, which most of the Committee will have seen at the Crystal Palace, which produces 200*l.* or 300*l.* to the benevolent fund. It has frequently started people in business again, and given a helping hand to great numbers. I could point to many instances which I know myself, where a man has been disabled, and the court has placed the wife in a business which she has been enabled to go on with for the whole of her life. There are many people in business to day who have been started with 20*l.* or 30*l.* from the Foresters.

2189. Now I will ask you another question upon the subject of annuities; the friendly societies find it impossible to undertake them; what is the reason of that?—We have made an attempt at superannuation; we have drafted rules for it; but up to the present time it has not been well taken up either by the Odd Fellows or by the Foresters.

2190. What is the reason of that?—The people do not seem to care to subscribe for the old age pension; the amount which they have to pay is rather heavy for them, and they prefer investing or working their money themselves. In these societies,

3 June 1886.]

Mr. BLAKE.

[Continued.]

Chairman—continued.

societies, as I said before, there are many men who have learned in them all the business habits they have.

2191. Do you think that the State might intervene to carry out some scheme of superannuation?—I do not think there would be any objection to that; there is the Post Office Annuity already as an instance.

Viscount Grimston.

2192. You say that Canon Blackley's scheme would act in a similar way to the system of poor law relief, and that it would have a demoralising effect; would you object to a voluntary scheme of the nature of Canon Blackley's?—No, I have no objection to voluntary work. I am quite assured that the friendly societies would be able to hold their own against voluntary work.

2193. You think the friendly societies could hold their own with a Government scheme?—Yes, if the funds of the country were not used for it.

Mr. William Lowther.

2194. We have had it in evidence that friendly societies, after they have been in existence 40 years, begin to fall; is that your experience?—It is not the case with us. In my own Order we made an increase last year of 13,789 members, and our capital increased 115,939 *l*.

2195. Perhaps you made some great exertions?—Not at all; the year before we made a very much larger increase. The increase to the friendly societies depends very much upon the trade of the country; if trade is pretty good, we have an increased number of members.

2196. You speak generally of all societies, do you not?—Yes, of all societies; but more especially of our own Order, the Foresters; if trade is good, the members join better; last year we only had an increase of 13,789 members, but we have been increasing annually; the year before there was an increase of 24,069 members; the year before that it was 25,420. A bad year's trade will always make friendly societies rather weak in new members, but we think 13,000 a very good increase. And besides that we had an increase to our juvenile branches of 3,000 members.

2197. What is the juvenile branch?—In the juvenile branch of the Foresters, we commence as early as four years; and one of our objections to this scheme is on account of the way in which it would interfere with the juvenile members. A father brings his son into the Foresters at five, six, seven or eight years of age; so that he may have a small amount, if necessity should arise, to bury his son with. At 14 years of age the boy has a claim on the sick pay; and after he comes to the age of 16 he is transferred from the juvenile branch to the parent society; and we feel that if all had to join this compulsory Order at 18 years of age, it would compel them in many of the poorer districts to leave our Order, in which they have taken an interest, for three years, until they were 21; the interest that they have taken in the society would be lost, and we are afraid that in many cases they would not come back again. There is no doubt about it that societies like the Manchester Unity and the Foresters have become very popular from the

Mr. William Lowther—continued.

members doing the work themselves. Even in the small societies they work into the minor offices, and take a pride in them; people will have a badge of some sort, and as they get a small ribbon of office, or something of that kind, system becomes very popular in all societies. There is no doubt that the badge of office has made the Orders very popular.

Mr. Stuart-Wortley.

2198. You say that although the societies have invited their members to go in for superannuation, the invitation has not been largely responded to?—It has not.

2199. Do you attribute that to any sense of doubt in the members' minds as to the security?—No, it is not that, I think.

2200. Or do you think it is rather due to the fact that to their minds the prospects of future benefit are not commensurate with the present sacrifice?—I think many people believe that by working away, and using their money, they can do very much better. For instance, I myself consider that by employing my money in my business I could employ it better than by using it in that way.

2201. And the Post Office have also failed in inducing any very large number of people to take up superannuation; does not that rather point to the fact that, in the matter of superannuation, it is probable that nothing short of compulsion will produce any very wide result?—As far as compulsion is concerned, it would be very difficult to collect the money; I happen to know that in the district in which I live there are 4,000 people employed in one branch of business; the majority of them work four or five days a week, and half of those would be between the ages of 18 and 21; some of them take their money every day; and if the employer attempted to stop the money from them in any way they would leave his employ; I am speaking now of the district in which I live, at Acton, which is a very large district for laundry work.

2202. As far as pensions or superannuations go, do you agree that there is no great probability that anything short of compulsion would go very far?—I do not know whether or not education may do it.

2203. You say that to the extent of superannuation, you would not be averse to the intervention of the State; possibly in a compulsory form?—No, I should not like compulsion in any form; it is so thoroughly un-English; I do not think that compulsion in the army did any good; I think voluntarism is a great deal better.

2204. Still you are aware that although the State has invited volunteer adhesion to the system, it has not been altogether much of a success?—No; under a compulsory scheme I think that any respectable man would look twice before he took the amount upon which he had a claim.

2205. You think he would not draw it?—I think that any respectable man would look upon it very much as a charity, in the event of his being compelled to subscribe. A man who is compelled to pay his poor rate to-day looks upon it in a very disagreeable light.

2206. You think that it would be so long between the time that he paid it and the time he received

3 June 1886.]

Mr. BLAKE.

[Continued.]

Mr. Stuart-Wortley—continued.

received it, that he would have forgotten it?—Yes, it would be such a long time between the age of 18 and 70.

Mr. Arthur Acland.

2207. You say that a man would look upon it as a charity, but he would have paid his contribution to it, though he might not have paid his poor rate?—That is why I object to it, it is a charity; everybody should receive that which he paid for.

2208. You know that the non-wage-earning class are not to receive any benefit; it is partly from that circumstance that a low rate of contribution is able to be fixed?—It is upon that ground that I consider the scheme very weak.

2209. Is it upon that ground that people would consider that what they would receive would be partly charity?—It is.

2210. Because it would be partly contributed by the wealthy classes?—Yes.

2211. You have spoken of the charitable donations from the benevolent funds of the friendly societies; do you know at all what they are; I think you support some life-boats?—We have two life-boats of our own supported out of the money given in the courts, which has nothing at all to do with the regular funds.

2212. You think that Canon Blackley's scheme would have a tendency to weaken the friendly societies?—I think that the juvenile Forester would in many cases have to leave his society; he would not be able to afford to pay the amount of money from the age of 18 to 21, with the 1 s. 3 d. a week, under Canon Blackley's scheme, and the 6 d. to 8 d. a week which he would have to pay to his own society.

2213. Supposing we left out of sight the juvenile members, do you think that apart from that the scheme would weaken the friendly societies?—I believe it would; I believe it would weaken the working man also in this way; he would have made a certain provision of 8 s. a week, which in many places would not be more than half sufficient for himself and his family; and he would rest very much upon that; and then again it would affect him in another way, namely, that he would have to pay to a friendly society, if he joined at the age of 21, about 1 d. a month more than he would if he commenced paying at the age of 18, which would cause great dissatisfaction, because if he had had the opportunity of joining at 18 he would have had to pay so much less, and he would feel a certain sense of dissatisfaction in having to pay more at the age of 21.

2214. So you think he would not be so likely to join at the age of 21 as he would have been to join at the age of 18?—I think not. The person it would most injure is the man who is now trying to make provision for himself.

2215. It is suggested on behalf of Canon Blackley's scheme that this compulsory provision would make a man so fond of thrift that he would continue to put by after he had made his first provision; do you agree with that?—But it is not thrift at all; he gets no training in thrift under this compulsory system, whereas under the friendly societies, if he began to audit the accounts of his court, he gets a little education in the value of money and its power to accumulate. Speaking for myself, I had no knowledge of

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Mr. Arthur Acland—continued.

business or of the value of money until I first audited the Foresters' accounts.

2216. Are the members compelled to attend the meeting?—No; in the court to which I belong a member may walk in, or his wife may pay the money instead of him, but if members choose to come in and take a part in the debate on the affairs of the court they may do so; we generally find that there are visitors in addition to those who are merely paying members of that court.

2217. And you consider it a very valuable training in habits of thrift?—I consider it is one of the best systems of training men that we have in this country.

2218. You think that the educational influence might be weakened by the introduction of the scheme?—I feel confident of it.

2219. The fact that under Canon Blackley's scheme the employer would have to pay this sum would add to the strength of your remark that it would be no training in thrift?—Certainly it would; and again it would have, I think, a very bad effect upon young people under the age of 21; masters would not be bothered by having these young people to work for them for whom they would have to pay, and it would weaken the chance of those people getting work at all. For instance, the very people whom you are trying to strengthen by this scheme are those who are weak and those who are less able to battle with the world than others; those are the people who would be shut out, because they would not be getting a very large wage which would enable them to pay this amount in the time suggested. Then it has been pointed out to me that as far as females are concerned it would amount to a tax very much upon the middle class; those who engage these young servants who have not learned their duties, between the ages of 18 and 21, would have to be paying an extra amount, while such a girl was receiving her wages between the ages of 18 and 21, so that she might be able to make up her contribution. I have considered the question as to who would have to pay it, and I say the employer would have it to pay. But a trained servant does not stop in the service of a tradesman, but goes into better classes of houses where she will get better wages, while the middle classes would have trained the girl while she was paying her contribution.

2220. You look upon it as a tax upon the employer?—Yes, as a tax upon the employer.

2221. Is anything being done for women in the friendly societies?—Yes, there is a movement going on in that direction.

2222. Do you think that that movement has a future before it?—Yes, very much so; a great future.

2223. Hitherto there has been very little done for the female part of the population?—Much too little.

Mr. Walter James.

2224. You spoke to a resolution which was passed at a meeting which you attended?—Yes, of 267 delegates from the different courts in the London United District.

2225. Was that assembled from over the whole of England?—Although it is called the London United District, we have branches in

Q 2

many

3 June 1886.]

Mr. BLAKE.

[Continued.]

Mr. Walter James—continued.

many different parts; we have altogether 546 branches in the district.

2226. Was the meeting called specially for the purpose of considering this scheme?—No, the meeting was afterwards made special for this purpose.

2227. How many attended?—Two hundred and sixty-seven delegates.

2228. Do you think that many of the delegates had ever heard of Canon Blackley's scheme?—Yes, frequently. Last year I had a paragraph in my report, and the executive council also had a paragraph to the High Court respecting it; for the last four or five years they have been calling attention to.

2229. Do you think the members understand it?—Yes, and I think the more they understand it, the less they like it; I think we shall be educating the middle classes on it as well in the course of a short time.

2230. What is the rate of pay that an ordinary member makes?—In different districts they make different payments; in the agricultural districts they would pay a smaller amount than they would pay in the London district, or in large towns.

2231. What is the amount they pay for?—The general amount they pay for is about 10 s. to 14 s. a week; the amount they would actually pay in contribution would vary according to the age at which they join. A young man joining at the age of 18 would pay for a benefit of 14 s. a week, 12 l. at death, and the doctor and the other little things; to the sick fund about 5 d. per week; to the funeral fund, 1 d.; to the benevolent fund and management fund, spread over the quarter, it would be about one farthing a week; it comes altogether to about 7 s. 9 d. a quarter. We have many members in the agricultural districts.

2232. Have you many what I might call day labourers?—In Bedfordshire we have 7,800 members; in Berkshire we have 5,000 members, and in Cheshire we have 20,000 members.

2233. Do not you think as a rule that the members of your society belong rather to the superior classes of mechanics and working people than to the labouring class?—Not when you get to the agricultural districts; there are numbers who belong to the agricultural class.

2234. Do not you think that the rate of contribution is rather more than a man earning 13 s. or 14 s. a week can afford to pay?—It all depends upon what a man is willing to pay, and whether he is willing to save for it. A case came before me the other day where a man had been earning only 13 s. a week, and had a wife and six children, and he belonged to the Foresters.

2235. I suppose there is no doubt amongst the members of your society as to the benevolent intention of this compulsory system?—Certainly not; I think myself the idea is a very good one, but to have it over the whole of England and make it compulsory would be a very awkward thing, and attended with many difficulties.

2236. What effect do you think its promotion has had upon the societies?—I do not think it has had any effect at all.

2237. Supposing public opinion were to grow in its favour it would have an injurious effect,

Mr. Walter James—continued.

would it not, upon the society?—If a young man thought that before he came to the age of 21 he would have to join something of the sort, he would no doubt abstain from joining the Foresters or the Odd Fellows before that age.

2238. But seeing the great amount of pauperism in the agricultural districts, what other steps could we take, do you think?—I think that education will do a great deal; directly a man comes to be a little educated he becomes very much ashamed of pauperism; he reads and learns more.

2239. Do not you think it should be the duty of the State to promote habits of thrift and providence?—I think compulsion would do more injury than good.

2240. I believe members of friendly societies feel a great jealousy of anything in the nature of State interference?—No doubt they do. There are certain things which they are quite willing that the State should do. As regards the measure that Lord Greville brought forward the other day that all new societies should be formed upon a sound basis, we have little objection to that at all. We think ourselves that all societies should be upon a sound basis.

2241. You would go that length, would you?—Certainly I would.

Mr. Hoyle.

2242. I did not catch how many years you had been Parliamentary agent to the London United District?—Eight years for the whole Order; I have been a member for 27 years.

2243. You have had large experience during that time in the work of friendly societies?—I have seen a good deal of it.

2244. And you have mixed a good deal with the members?—I have been to England, Scotland, Ireland, and Wales to each of the high court meetings. I have attended every meeting during the last 16 or 17 years.

2245. You think that one great benefit of these friendly societies is that everybody receives what he pays for?—Yes.

2246. You think that is the leading principle?—Yes, it is the leading principle; it is there for a man to receive, and it is his right to receive it. He can go at any time and say, I can receive that, as it is my right, and nobody will think anything about it.

2247. You think that helps very much in getting new members?—There is no doubt about it.

2248. As a matter of fact, does everybody receive what he pays for?—If a man comes into a decent position of life he does not declare on to the funds every time he is ill for a week or a fortnight, because he is in a position to do without it.

2249. But speaking upon the average?—As an average members declare upon the funds when they are ill.

2250. And in that way they get what they pay for?—Yes.

2251. Supposing that a man's health should break down rather early so that he should come to receive a good deal from the funds, somebody else would have to find the money?—Yes, that is where the mutual benefit comes in.

2252. Therefore

3 June 1886.]

Mr. BLAKE.

[Continued.]

Mr. Hoyle—continued.

2252. Therefore the word "friendly" is appropriate?—Yes.

2253. It is not every man receiving exactly what he pays?—No, because every man does not require to declare on the benefits; one man is fortunately in good health and receives nothing; a second man may be very unfortunate and declare on 12 months after he has joined, while another man may never take a farthing from the funds.

2254. Does the man who receives so much more from the funds than he actually pays in feel pauperised?—Not at all.

2255. You think that is a principle of universal application?—Certainly; because it is there for everyone to receive when he requires it.

2256. Does not that rather break down the principle for which you were contending, namely, that one man receiving what another pays, tends to pauperism?—I do not think that it does; because every man may claim to receive it; we draw no line between who shall receive it and who shall not.

2257. Does not that apply equally to Canon Blackley's scheme?—No; because every person there has to pay, and only the wage-earning classes are to receive.

2258. Every one under Canon Blackley's scheme, at the age of 18, has to pay, and he has the assurance that for the 1 s. 3 d. per week which he pays in, if he should at some future time fail in health and be unable to earn anything in the shape of wages, he shall receive his 8 s. a week?—If he belongs to the wage-earning class, it only goes as far as that. Suppose there are two boys who join, both being compelled to pay, one the son of a mechanic, and the other the son of a gentleman, the son of the gentleman does not belong to the wage-earning class, therefore if he is sick he does not receive his 8 s. a week.

2259. Do you think these positions can be fixed for a lifetime that the youth from his eighteenth year would remain in the position he is in then, that is to say, if he is the son of a gentleman that he will always have means to do without the benefit?—I do not say always; but very often he is so provided for that he will not require it.

2260. Still that does not do away with the possibility of his becoming a wage-earner?—Not the possibility, certainly; but it is scarcely probable in most cases that he will reach that position.

2261. Have you not known inmates of workhouses to represent every class in society, from the Peer of the Realm down to mechanics?—Yes, there is a very unfortunate class of people whom we frequently meet in workhouses. I could mention as coming within my knowledge the case of a gentleman who has left his wife and six children, having deserted them; he was a man who once had his yacht.

2262. My purpose is to ascertain if there is any difference between the payment to a friendly society and the payment to the proposed National Provident Insurance Fund?—There is this difference; a gentleman very rarely joins a friendly society, as a financial member; he generally joins as an honorary member; he does not join to get anything out of it; but if he did, and he was sick, he could claim and have it.

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Mr. Hoyle—continued.

2263. Excuse my pressing you upon the point; when members join in early life, they may rise to become persons of great affluence, and in that case they would not claim their money?—They could do so if they chose.

2264. What would be thought of them if they did?—Not anything at all; it would be thought just the same of them as of the other members; I could give you cases of members who have arrived at the position of well-established London tradesmen to-day, who, if they were sick, would draw their money. They might give it back to some benevolent object afterwards, but not necessarily to the society; but they could and would draw it.

2265. But supposing they did draw their money, would their fellow members think it quite fair of them?—Quite fair.

2266. You mentioned a meeting of 267 delegates representing how many members?—Ninety-two thousand.

2267. Did the delegates upon this particular question represent the 92,000 members?—Those are men who are selected from the courts to meet and discuss any point which may come before them. When a point of importance is before the society, they select from the different branches the best men they can to represent them.

2268. What I mean is this; was this question before the members when these delegates were elected?—I cannot tell you whether in each court the question was before them; I should think not.

2269. Therefore in that sense the term "representative" would not be quite applicable?—They are there to represent and vote upon any point which is brought before the meeting; they are elected and sent to represent the societies.

2270. But would there be in the minds of the members, when they chose these delegates, any idea that this question would come before the meeting?—I cannot say that there would.

2271. You mentioned 4,000 people being employed in one particular industry. I did not quite catch your answer as to the indisposition of these people or their employers to come under this scheme of Canon Blackley's?—I stated that it would be very awkward to collect this money from this class of people, because quite 3,000 out of the 4,000 would be paid daily.

2272. You think they would not go to work if the contribution were deducted?—They would refuse, and the employers would be in that position of pressure that they would not dare to stop the money at certain times of the year; they would have to pay it out of their own money.

2273. Are those people mostly between the ages of 18 and 21?—A good half of them would be.

2274. Would the industry be paralysed in that case by the adoption of this scheme, making the payment compulsory upon the employer?—I think it would be quite paralysed.

2275. I understand you to say that this insurance of 8 s. per week in case of sickness would weaken the recipients morally?—I believe it would.

2276. How would it have that effect?—What I mean by weakening them is this, the friendly societies of to-day strengthen them; whereas

Q 3

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3 June 1886.]

Mr. BLAKE.

[Continued.]

Mr. Hoyle—continued.

this would be no training in thrift at all; for instance, if a man is joining a society, and he finds the society by putting aside its money gains a certain amount of interest, he becomes alive to the point, and he finds that by investing it at 3½ or 4 per cent. it is so much better for him, and he takes a very active part in the work, looking after the accounts, and so forth.

2277. You think that this amount of money being stopped out of a young man's wages by the employer would have no beneficial effect upon the mind at all?—Not at all; they would be so very few in proportion who would have anything to do with the management of it. In a society of 80 or 90 members you would have perhaps a dozen officers engaged in some part of the work; the majority of them do it as a labour of love, just to hold office.

2278. In answer to a question by an honourable Member, you stated that young girls would be unfortunately placed under this proposal?—I think they would.

2279. And that they would require training before they could earn any adequate wage?—Yes, they are generally trained in the homes of small tradesmen.

2280. Have you had much experience in the working of our elementary schools?—No, I have not; but I know something about the training in workhouse schools.

2281. You are perhaps not aware that in some elementary schools young girls are instructed in practical cookery?—I am aware of that.

2282. And they are trained to household work in comparatively early years?—Yes.

2283. If that were to become anything like general, your objection would very much fall to the ground, would it not?—I think very much of the training is theoretical rather than practical; we find that the training which the girls have received when they leave is worth very little.

Chairman.

2284. You have spoken of the possibility of the State imposing some financial conditions as necessary to be complied with?—I think it was in answer to a question respecting the soundness of new societies, whether we would oppose Lord Grevil's proposal.

2285. Would there be any objection on the part of your Order to such a requirement by the State?—Do you mean in the formation of new branches or with the present established branches.

2286. The established branches?—But the branches now established are setting themselves right. I do not think it would be fair to say to them, say to-morrow or next year, you shall set yourselves right; we had no actuaries when the societies were first formed; it has only been by our own experience that the actuaries have been able to work.

2287. Would you approve of the State fixing a minimum table?—I scarcely think you could do such a thing, as in the case of different trades it would be difficult.

2288. I will ask you the question more generally; do you think that there would be any objection on the part of your Order to State interference with the tables of friendly societies?—I

Chairman—continued.

imagine it would be done, so that the present branches would be able to say, our experience is so much; we are able to show you what our experience has been. The payment, I assume, would not be framed upon a fancy table.

2289. The "registration" of a society is rather a misleading term, is it not?—No, I think not, because you must submit everything to the Chief Registrar.

2290. But if the conditions imposed by the State were such as to secure the sound management of the society, would it not tend to restore public confidence in the societies?—I do not think we have lost it; I am afraid the societies which have done the harm, and which have failed, are the old-fashioned village clubs which were supported years ago by the squire of the village and the clergyman, and which used to divide the funds very often; those are the unfortunate people who being too old to join other societies are now in the union. It is very few members of the affiliated societies you find there. It is the old style of society which has now, I am happy to say, very nearly died out altogether.

Mr. Arthur Acland.

2291. You were speaking about the opinion in the Foresters not being against wealthy members claiming their benefit if they liked; do you think that applies to other affiliated orders?—Quite so.

2292. I know a clergyman who is a paying member of one of these societies; and he says he claims the benefit when he requires it, that is to say when he is ill; you do not think that public opinion would be against that?—Not at all. I happen to be an employer of labour to the number of 50 hands, and I should claim mine if I were requiring it.

2293. You think that under Canon Blackley's scheme, if voluntary, a man who was well off would never think of insuring against the possibility of becoming a wage-earner?—Certainly not.

2294. You think there would be an element of practically compulsory charity about Canon Blackley's scheme?—That is what I think it is.

Mr. Walter James.

2295. Did you take much part in the business of your meetings?—Yes.

2296. Do you go much into the question whether a certain person, say John Smith, is rightly receiving sick-pay or not?—Yes; there are two visitors who visit the men and take money to them, besides the doctor, and they see what is going on.

2297. Do not those visits very often raise very difficult matters?—Not frequently.

2298. And give rise to burning discussions?—Yes; if they thought a man was imposing upon the fund; but we do not often find men doing that. In the event of such a case they bring it before the court and discuss it.

2299. That very rarely happens?—Yes, it very rarely happens.

2300. But it happens occasionally?—Yes.

2301. If it were a State scheme, do you think that would be very largely the case?—I am afraid

3 June 1886.]

MR. BLAKE.

[Continued.]

Mr. Walter James—continued.

afraid that the lower orders who never work would tell exactly the same tale as they do to the poor law guardians of to-day; they would always be sick and always hanging upon the fund.

2302. If they knew that when they were ill

Mr. Walter James—continued.

they would receive a certain contribution they would make the same statement as the man who considers that if he is sick or poor, the State is now bound to allow him a certain degree of support?—It would be exactly in the same way.

MR. CHARLES JOHN GOODWIN, called in; and Examined.

Chairman.

2303. WHERE do you reside?—At Brixton Hill.

2304. What is your occupation?—I am a compositor.

2305. I understand that you have written upon the subject of provident insurance?—I have.

2306. How long ago is that?—It was a paper written to be read upon the 17th of last April at the British Workman's Club held at Upper Tulse Hill.

2307. What was the drift of the paper; will you give the Committee a general idea of it?—I had suggested a national insurance to guard against poverty and pauperism in advanced age.

2308. Had you read Canon Blackley's scheme?—I was not aware of the existence of the scheme when I wrote the paper. It occurred to my mind some time since, and an opportunity was afforded to me to bring the matter before this club which holds its meetings every alternate Saturday, and having suggested it I was pressed to bring the matter forward; the members thought it was a good thing. I accordingly did so, and it was unanimously accepted.

2309. I should like to understand whether it was in consequence of having read Canon Blackley's scheme that you brought the matter before your club, or whether it originated in your own mind?—It originated in my own mind. I was not aware of the existence of Canon Blackley's scheme until afterwards.

2310. But what drew your attention to the subject first?—I had met with several cases of aged persons having been industrious all their lives, but being unable to make any adequate provision for advanced age, being compelled to go to the poor law guardians for relief; and in several instances they have been told they must go into the house, which is very objectionable; they would prefer doing almost anything in preference to that; one case in particular was that of a friend of mine, who remained unmarried in order to help to keep his mother from entering the poor house. In another instance a distant relative of my own, who was left a widow when young, worked until she arrived at the age of 80, and her son for a number of years had contributed a sum of 2s. a week in order to keep her outside, and free from entering the house, but he has recently died, and the lady has been compelled to go to the City of London Infirmary.

2311. Are you a member of any friendly society?—I am a member of the Foresters.

2312. Do not you think the Foresters and similar societies afford sufficient means for providence?—I do not.

2313. For what reasons?—In case of sickness the benefits are not large enough, and we feel that in times of sickness men require more than

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Chairman—continued.

even when they are in health; for instance, in almost every neighbourhood I believe mutual clubs are established, termed slate-clubs, some of them connected with churches, and others with institutions such as the British Workman's Club to which I have referred, with a view to augment the sum they would receive from the Foresters and such like clubs.

2314. The British Workman's Club is a benefit society, is it not?—No; the British Workman's Club is not a benefit society, but there is a slate club in connection with it, a club in which they share the surplus at the end of the year.

2315. What is called a dividing club sometimes?—That means the same thing.

2316. Under your own scheme how would your aged relative, the old lady of whom you have spoken, have been provided for by the State?—I have suggested a small weekly contribution to be received from them, the benefit to be increased according to the number of years of their membership; I suggested that after 10 years' membership they should receive some such sum as 4s. a week with the addition of 6d. per week for every five years' membership afterwards.

2317. There is the Post Office fund, you are probably aware?—I have heard of the Post Office fund, but I find that very few people avail themselves of it.

2318. Are the people generally aware of its existence?—I think not.

2319. What is to prevent people availing themselves of it?—I have not thought that matter out much.

2320. Is it ignorance of its existence, or is it unwillingness to make the effort?—I do not think it is owing to any unwillingness to make the effort; I think it is mainly due to ignorance of its existence.

2321. Do you imagine that any scheme set on foot by Government to this end should be compulsory?—For my own part I think it should be, because I find there are a number of people who will never avail themselves of any of the methods open now to provide against these emergencies, but so soon as they become ill they readily fall upon their fellow-workmen for help in the shape of subscriptions.

2322. Since you wrote your paper upon the subject have you become acquainted with the proposals of Canon Blackley's scheme?—Yes; I have read Canon Blackley's proposals since I wrote my paper.

2323. How do they strike you?—Generally I like the scheme very well, but I feel that the time allotted for payment is too short; 1s. 3d. a week would be too much for apprentices and

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people

3 June 1886.]

Mr. GOODWIN.

[Continued.]

Chairman—continued.

people receiving low wages for the lower classes of labour to pay.

2324. The apprentices' wages of course are very much lower than ordinary workmen's wages?—They are less than one-half as a rule.

2325. Do you think that an ordinary wage-earner would find it possible to pay, say 10*l.*, between the ages of 18 and 21?—Mechanics very seldom close their apprenticeship until they are 21 or upwards; that would be one difficulty; and with regard to labourers I think, as a rule, 1*s.* 3*d.* would be too great a sum for them to pay weekly.

2326. You would propose to extend the time?—I would propose to extend the time, and in talking over this matter with some fellow-workmen, who all agreed that some such scheme should be established, they felt that it should be open at, say 14 years of age, giving seven years to pay.

2327. Have you heard much conversation upon the subject among your fellow-workmen?—I have not heard a great deal, because the matter almost dropped until the last fortnight. The people whom I have spoken to generally have been the members of this British Workman's Club, and they are men of all trades.

2328. Is that a debating club as well?—They hold debates upon alternate Saturdays.

2329. Did a discussion follow upon your paper?—Yes; of course my suggestions were left out; they were simply put forward as a basis for discussion; they were taken as such; but the discussion drifted in this direction, that some such scheme was necessary. Having worked for a number of years and brought up large families, in some cases with sickness which had taken away almost every spare shilling a man could get to meet and defray the expenses of such sickness, they thought it a very hard case to end their days in the poorhouse.

2330. Did you hear the evidence of the last witness, Mr. Blake?—Yes, I did.

2331. I daresay you observed that he said that he believed that the working men would feel it as much a charity to receive from a fund to which they had themselves contributed, as to receive from the present administrators of the poor law; would that be so, in your opinion?—Not in my opinion. I do not think they would feel it any more a charity than members of friendly societies feel it a charity to receive money from what we term honorary members; honorary members pay whatever sum they feel disposed to do towards the existing orders and societies, and their contributions are thrown into the general fund as far as I understand it.

2332. How long have you been a member of the Foresters?—Fourteen years.

2333. It would be a great misfortune, would it not, if anything were to interfere to the detriment of friendly societies?—I think it would be a misfortune if anything interfered with the friendly societies, but I do not think this scheme would interfere with the friendly societies at all.

2334. You do not think that the fact of a man being insured against the most pressing wants would prevent him making further provision?—I do not think it would; those who have already made provision would make still further provi-

Chairman—continued.

sion, and they would be guarded against this subscription system which occurs in every large establishment every few weeks.

2335. Have you considered this point which has been before us in evidence, that a great proportion of the members of friendly societies join at the very age when Canon Blackley's scheme would press most hardly upon them, namely, between the ages of 18 and 21?—They do join about that age.

2336. Do you think that the fact of their having to contribute to a compulsory fund would prevent them joining friendly societies?—It might be so at that age, but I think they would avail themselves of the opportunity of joining as soon as they became free from the compulsory insurance.

2337. They would have to pay an increased premium, would they not, at the more advanced age?—I do not think they would until they were 24.

Mr. Walter James.

2338. I understand you are in favour of some compulsory scheme?—I am in favour of a compulsory scheme.

2339. Do you think compulsion would be very popular amongst the classes you wish to benefit?—It would meet with opposition undoubtedly, but it is only about, I should think, one in five who is opposed to it, as far as my experience has gone, which is not, I must admit, very great.

2340. Over what area does it extend?—I have not gone far into the matter, only amongst the neighbourhood in which I live, and I find that amongst those members (probably something less than 100 there might be there), they are all agreed that some national system of insurance should be set on foot, and only about one in five is opposed to a compulsory system.

2341. You must recollect that this affects the whole community; do not you think that one in five would be rather a large minority objecting to the compulsory scheme?—I think that by educating them up to it they would ultimately see the use of it, whereas now men do not see the use of it.

2342. Have you had any personal experience with regard to the administration of the affairs of a friendly society?—Nothing beyond attending at the meetings occasionally.

2343. Do you attend the meetings?—Yes, occasionally; perhaps once or twice a quarter.

2344. Have questions relating to the sick pay often been discussed at your meetings?—Only so far as the society itself was concerned.

2345. How would that operate, do you think, in a national scheme; does it strike you as a point which would be difficult and embarrassing?—I think there would be nothing very difficult in the matter myself.

2346. Have not many difficulties arisen in connection with ascertaining whether a man was actually ill or not?—You would get at that through the medical officers.

2347. Do you think those duties could be entrusted to medical officers; is it not necessary even in local societies to have some personal supervision?—They have stewards and woodwards who visit the sick twice a week.

2348. How would you manage that in connection

3 June 1886.]

Mr. GOODWIN.

[Continued.]

Mr. Walter James—continued.

tion with the national scheme?—I think there should be visitors.

2349. Who would appoint those visitors?—Some societies appoint those living nearest to the sick persons.

2350. This would be a national society and under the patronage of the State; do you think you could get people to serve the State without being paid for it?—I have not thought that matter out; I quite believe it would be a difficult matter to get people to serve the State without being paid for it.

2351. Without some such assistance you do not think that identification in sickness and illness would be satisfactorily established?—I do not think so.

Mr. Coleridge.

2352. To what chief causes do you attribute the extent of pauperism in this country?—Wastefulness in early life would be one cause.

2353. Do you think that the impossibility of saving is one of them?—Not so much the impossibility, perhaps, as the want of thought in people availing themselves of the opportunities of saving.

2354. You consider that there is the power of saving?—There is the power of saving in many cases.

2355. Do you think there is the power of saving generally in persons who marry young?—There is not much opportunity afforded to those who marry young; but mechanics, as a rule, are floating about a very great deal in search of employment; and much time and money is lost while they are out of employment in search of other situations; for instance, in my own business I suppose we have about 300, on the average, out of employment out of 6,000 members in the London Society of Compositors.

2356. I observe you say that people are not aware of the Post Office Fund; do you think that if more facilities were given for investment people would avail themselves of them?—I have not gone far enough into the matter to be able to say.

2357. What is the chief expenditure that falls heavily upon the working classes now, because their food is cheap?—In London rent is the greatest expenditure.

2358. Is it not generally the case all over the country that rent is the greatest obstacle to their saving?—I have not much experience with regard to the provinces or outside London.

2359. In cities generally it is so, is it not?—I believe it is so, but I have spent most of my time in London, and I have found that that is the great burden.

2360. Would you not put down drink as another great cause operating against saving?—Undoubtedly.

2361. Do you think that if you could minimise those two great modes of expenditure, pauperism would be very greatly decreased?—I think it would be.

2362. I understand you to say that you do not think the establishment of this system of compulsory insurance would operate against the friendly societies; what would operate to induce young people who were compelled to subscribe to the National Provident Insurance Fund to join

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Mr. Coleridge—continued.

friendly societies?—They would feel that they had already something to look forward to in case of misfortune, but that it would not be sufficient to meet the demands of sickness. In the establishment in which I am employed we have a sick fund; and we find that the young men are anxious to join some society as soon as they become eligible.

2363. Have you studied Canon Blackley's scheme in its detail at all?—I have not had an opportunity; the time has been too short to study it in detail, but I have read it through.

2364. Do you think that people generally, women as well as men, could contribute 10*l.* within the period that he suggests?—I am afraid not; the wages of many are something under 1*l.* per week, and 1*s.* 3*d.* a week would be a large sum to deduct from so small a wage; and further, many of them are out of employment a part of their time.

2365. In fact, you would see great difficulties in the details of the scheme?—There are difficulties, undoubtedly; but I think they are to be overcome.

Mr. Stuart-Wortley.

2366. You stated, I think, that you knew cases in which men who were unwilling to join a friendly society were nevertheless not unwilling to send round the hat when they were laid up; should you say such cases were to be found amongst men who when well were earning good wages?—Yes; only a fortnight ago we had the case of a young man who had served his apprenticeship at the place where I am employed, and has been in the receipt of an average of 2*l.* per week; he at one time belonged to a sick society, but had allowed his subscription to run out. Since that time he became ill, and they would not accept him afterwards in consequence of that illness. A few weeks ago, six weeks or two months, he again became ill, and was obliged to leave his work; a month later he sent round a subscription list. He is married, but he has no family whatever, and that young man refused at the outset to rejoin the Foresters (I think it was), to which he had belonged before his first illness.

2367. It was not the society which refused him?—In the first instance he was asked to rejoin, and refused; then he became ill for a short time; I suppose chest disease had set in, and the society refused to admit him. Although he had been in the receipt for a number of years of 2*l.* per week, upon the average, he nevertheless considered that he had a right to send round the subscription list, and to get whatever he could to meet his case.

2368. Do you think that if that man had been compelled to contribute 10*l.* in his earlier years he would have had any scruple in drawing it out afterwards?—None whatever.

Viscount Grimston.

2369. Do not you think if there were a voluntary scheme of national insurance, guaranteed by the State, that if its existence were well known, public opinion would soon practically force all who possibly could join it to do so?—I think it would soon become popular among the working classes for this reason, that there would

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3 June 1886.]

Mr. GOODWIN.

[Continued.]

Viscount Grimston—continued.

be that security that they cannot find in any other society. Some men raise an objection to investing their money in friendly societies now from the embarrassments and ultimate insolvency which frequently characterise them.

2370. In fact, they think the present societies are not secure, and they would like a national guarantee better than a private guarantee?—That is so.

2371. But would the great proportion of the people join this national club in that case?—I think they would.

2372. Would it be necessary therefore to have compulsion at all?—There are cases in which men would not avail themselves of it under any circumstances otherwise.

2373. You do not think that public opinion would force them all in?—Not all, but a large proportion.

Chairman.

2374. What I gather from your evidence is this, that you think there is a great public want?—There is a great public want; that is what I feel. As it stands now, honest and industrious people have nothing whatever to fall back upon except the poorhouse; I could give you the case of my own parents. When young they saved a little money and invested it in a business

Chairman—continued.

and lost it; the business went to the bad, and since that time they have never had an opportunity of saving anything like a sum that would meet their requirements in advanced age. I am the only surviving son, and have a large family, and if anything should take place with them, there is no alternative for them but to go to the poorhouse, which would be a very great grievance to myself and to them, and I feel that to meet such cases some action should be taken by the State.

Mr. Stuart-Wortley.

2375. Should you say that such a case as that which you mentioned of a man sending round a subscription list among his friends is common among the class of men who are earning decent wages?—It is.

2376. And refusing to join a friendly society?—Yes; and when you ask them to join a friendly society in many cases they tell you they will not trouble themselves; they will wait till a difficulty comes, and then they will do the best they can; they will take what they can from their friends, and fall back upon the only chance which is left them at last.

Chairman.

2377. I would like to ask you what your wages are?—They are 2 l. 5 s. a week.

SERVANTS OF INDIA SOCIETY'S
BRANCH LIBRARY
BOMBAY

Monday, 7th June 1886.

MEMBERS PRESENT:

Mr. Arthur Acland.
Mr. Coleridge.
Mr. Fenwick.
Viscount Folkestone.
Viscount Grimston.
Mr. Healy.
Mr. Hoyle.

Mr. Walter James.
Mr. William Lowther.
Sir Herbert Maxwell.
Mr. Norton.
Mr. Wason.
Mr. Stuart-Wortley.

SIR HERBERT MAXWELL, BART., IN THE CHAIR.

Mr. TIMOTHY HOLMES, F.R.C.S., called in; and Examined.

Chairman.

2378. You are a Fellow of the Royal College of Surgeons, are you not?—Yes, I am.

2379. And you are the Senior Surgeon to the St. George's Hospital?—Yes.

2380. You were Surgeon in Chief to the Metropolitan Police Force for a number of years?—I was for 20 years.

2381. The point upon which the Committee would be glad to hear your opinion is, the possibility of detecting imposition, either in the shape of malingering or of exaggeration of ailments, on the part of persons claiming sick pay under such a Government scheme as perhaps you are aware has been proposed; would you kindly give the Committee the advantage of your experience in the Metropolitan Police Force?—I think that in the Metropolitan Police Force very little of what is, technically called by military surgeons "malingering" prevails; that is to say, very little feigning of diseases which have no real existence, such as the tricks one has heard of being practised by soldiers occasionally; but I think there is a considerable amount of exaggeration of diseases which, perhaps, have a real existence for the purpose of obtaining sick leave, that is to say, leave from duty temporarily, or for the purpose of obtaining a permanent discharge from the service on pension. It seems to me an exceedingly difficult thing to stop such a practice altogether; and I believe that in a scheme such as is proposed that practice would very probably prevail to an extent that might seriously disturb the calculations with regard to the rates of insurance.

2382. Do you think you have often been imposed upon?—I think it is in this way: a man in the Metropolitan Police, for instance, suffers a deduction of 1 s. a day from his pay during sickness, but that deduction only applies to cases in which his sickness is not the direct result of injury on duty. I believe that in many cases diseases are attributed wrongly to injury received on duty in order to avoid that sick deduction. Then, again, many men are members of sick clubs, and they get more in the way of allowance

Q.99.

Chairman—continued.

from the sick club than balances the police deduction for sickness, so that they really are better paid when they are sick than when they are well. That gives them again a strong motive for not returning to duty at a time when an ordinary labourer whose bread was dependent upon his work would return to duty. It is extremely difficult, in fact impossible, for any medical man to say when the moment has arrived that the man's sickness has ceased or become so trivial that he is able to resume his work. The same thing of course applies to pension; a man's pension is much less than his police pay, but at the same time he knows that if he is discharged with a good character and a pension he will in all probability get employment, which will more than balance the difference; therefore he there again has an interest in procuring his discharge from the service as being permanently incompetent, when really he is not permanently unfit. I think everybody who has had practical experience must agree with me that it is difficult, if not impossible, for anybody to state at what time a man is actually unfit, and at what time he could go on with his employment if he tried.

2383. I suppose the difficulty would be increased if the inquiry had to be conducted beyond the limits of a force like the police force, where the individuals are well known?—Of course all the members of the police force are under the personal charge of medical men, who are personally acquainted with them, and have opportunities of observing them day by day constantly. Whether the same could be said of the men who would be insured under this plan I do not know; but, of course, the intercourse of the divisional surgeons of police with the men gives them opportunities of detecting such exaggeration as I have mentioned, such as probably would not exist in the hands of the public.

2384. Admitting the possibility, or even the probability, of imposition in certain cases, do you think that there is any large proportion of any other

7 June 1886.]

Mr. HOLMES, F.R.C.S.

[Continued.]

Chairman—continued.

other class in the community who would be inclined to impose upon the public in this way? I understand that in the police force imposition is not uncommon, but would you say that you find it prevail as a rule amongst members of the police force?—Not more than would prevail amongst any class of persons who are under constant temptation; the weaker a man's character is the worse man he is, and the more likely he would be to avail himself of opportunities for imposition.

2385. In regard to the question of the deduction of 1s. a day in case of sickness, how long may a man remain upon the sick-list, and draw his diminished pay?—Any length of time; but if his sickness becomes very protracted, it then becomes a question whether he is fit for his occupation, and he would in most cases be discharged.

Viscount Folkestone.

2386. Have you had any experience at all of friendly societies?—No, I have had no personal experience of friendly societies.

2387. You have no personal experience then as to the different degrees of malingering amongst the working classes as compared with the police force?—No, I have not. We must remember that all these things are general; I do not speak of detected malingering, but merely as to my general impression as to what goes on in the police force, and what goes on in every other public body.

2388. The police force are, as a general rule, a superior body of men to the general run?—Yes, certainly their characters are carefully inquired into before they enter the force, and the men have every motive for good behaviour while they are in it.

2389. So that if malingering exists to any extent in the police force, it would be likely to exist to a much larger extent among the general population of the country?—I should think so, certainly.

2390. The Committee have been told by one witness that one great prevention to malingering would be enforced idleness; does that operate at all amongst the police when they are on sick-day; do you have any rule that they shall be confined to their houses, and must not do anything at all?—We have no rule that they shall be confined to their houses; but in the City Police if a man is sick beyond a few days he has to go into the hospital, and that no doubt is a very great preventive to malingering. The fact is that their sick rate is not much more than half the sick rate in the Metropolitan Police.

2391. Do those men subscribe of themselves, or do you deduct anything from their pay for the purpose of the superannuation fund, if you have one?—I am not sure. I think there is; but it is a very trifling matter.

2392. In the Metropolitan Police the men are not obliged to go into the hospital?—It is impossible in the case of the Metropolitan Police to make such a regulation, because they are scattered over so vast an extent of country.

2393. The pension they get comes out of the rates; the men do not subscribe to it at all, do

Viscount Folkestone—continued.

they?—I do not know that; there is a pension fund; but I do not know how it is formed. I think the bulk of the pension comes out of the rates.

Mr. Hoyle.

2394. In reply to the noble Lord, you stated that you thought the disposition to malingering would be greater amongst the working population than amongst the police force. I understood you to mean that the agricultural population were less educated?—I did not exactly say so. I said that I thought the lower you go in the scale of character, and so on, the more likely a man is to yield to the temptations that surround him, but I have no personal experience of the agricultural population as contrasted with the police force.

2395. Perhaps you have not given much time to thinking that question over; the conditions would hardly be the same, would they? I understood you to say that the police when sick had 1s. a day deducted from their pay, and that they also claimed from their friendly society if they belonged to one, so that their pay when sick was really more than when they were in work?—In the case of those men who belonged to friendly societies and clubs that would be so.

2396. That would hardly apply to the general working population; they could not receive when sick more than they would when in full work?—No, they would not.

2397. So that the temptation to malingering would not be so great?—Not unless they were members of friendly societies.

2398. May I ask you whether, in your opinion, the temptation to malingering would arise from the fact that they were in receipt of larger incomes weekly when they were sick than when they were in work?—It would be partly to that and partly to a natural disinclination to work on the part of the working classes if an opportunity to abstain were afforded.

Mr. Walter James.

2399. How would you define malingering?—I would define it by describing it as a temptation to feign disease that did not exist.

2400. But do not you think that the tendency, to a certain extent, to malingering is inherent in all human nature?—Certainly.

Mr. Arthur Acland.

2401. Is there any difference in type between the City Police and the Metropolitan Police, or are they the same kind of men?—They are quite the same kind of men, and members of one force often go into the other.

2402. And one might suppose, roughly speaking, that the number of men who are members of one force, who are members also of friendly societies, would be the same also in the other?—Certainly. I do not think there is any check upon their belonging to those societies.

2403. I understand you to say that the members of the City Police Force, who have a hospital to go to when they are sick and are compelled to go to it, are much less upon the sick list than are the Metropolitan Police?—What I stated was with

7 June 1886.]

Mr. HOLMES, F.R.C.S.

[Continued.]

Mr. Arthur Acland—continued.

with regard to the sick rate. The average daily number of men on the sick list in the Metropolitan Police is about three, and in the City Police it is about one-and-a-half. There are many causes for that difference, but I think the hospital test is one great cause.

2404. You think that the fact of their having to go into the hospital, which they would look upon as rather dull, would tend to make them go back to their work more readily than when they are not compelled to have hospital treatment?—I have no doubt about it.

2405. Is the amount of salary which the medical officer receives dependent upon the number of men sick, and the duration of sick pay?—Not at all; the medical officers are paid as in a sick club; they are paid upon a capitation of the men they have to attend.

2406. The payment of the medical officer does not depend upon the length of time he is attending a sick man?—Not at all; it is just the reverse; his interest is to have to do as little as may be necessary.

2407. Evidence has been given to the Committee that the tendency might be, under Canon Blackley's scheme, to press a doctor to keep a man on the sick pay as long as he could?—There is nothing of that kind in the police arrangements.

2408. If the public felt very strongly upon the hardship of a man being compelled to go on his own earnings at a time when he had no work to do, the doctor might be tempted to add to the length of time a man was allowed to be on sick pay?—I think that would be very possible.

2409. And that would add to the total amount of sick pay that was paid out?—Certainly it would.

2410. The amount of sick pay that was likely to arise is, I understand, in Canon Blackley's scheme based upon the estimate of friendly societies, who have stewards and other persons to look after their sick?—It is, as I understand.

2411. Do you think that would be a fair test to apply to all classes in case of sickness?—Friendly societies have an opportunity of watching which I do not think the officers of this scheme would have. I should think that it would be prudent to put the average higher in this scheme than in friendly societies.

2412. As you know, friendly societies are very particular about a man keeping to his house and not being seen outside; they watch them very carefully?—I have heard that they watch them. I have no experience upon the subject, but I have heard so.

2413. One might suppose that if it were left to the general public to keep a check upon this development of the sick pay there would not be this kind of watchfulness going on?—I do not think it would be easy at any rate; still I am no authority upon the subject.

2414. You stated that the doctors knew the police, whom they attended, pretty intimately individually?—Yes, generally speaking, they do; they are resident practitioners of the neighbourhood; they are taken from the ordinary medical men of the district and, usually speaking, they know every man perfectly well. It is only in

Mr. Arthur Acland—continued.

the rare cases of men never having been sick that the doctor does not know them.

2415. You think that that personal knowledge is a distinct advantage in enabling him to check any temptation to malingering?—Certainly.

Mr. William Lowther.

2416. Have you ever been consulted with regard to people who have been supposed to have had serious damage done to them on railways?—Yes.

2417. There is one particular malady that they generally complain of, is there not?—Yes; what is called railway spine.

2418. Which is difficult to detect, is it not?—It is difficult to be exactly certain about it.

2419. They suffer from imaginary pains?—The result of imaginary injuries to the back.

2420. Do you think that you have been often deceived upon the subject?—One can only exercise ordinary caution. I could not say whether I have been often deceived, but I have very little doubt that I have been deceived.

2421. And such injuries are paid for, are they not?—Yes, they are often paid for.

Mr. Stuart-Wortley.

2422. There have been some well-known instances of rather successful railway claims?—Yes, there have been.

2423. The police service is trying, is it not?—Their length of hours is very trying, and the exposure to the weather is trying.

2424. Which seems an additional reason for wishing for a condition of greater repose?—Yes, and then a man is in constant danger of complaints being made against him; it is a very anxious service.

Chairman.

2425. What punishment is involved if malingering in the police force is detected?—Dismissal.

2426. Is there no other punishment?—Yes; for example, reprimand, fine, degradation from one rank to an inferior one; anything up to dismissal.

Mr. Stuart-Wortley.

2427. But, of course, in the meantime the most important cases of discovery might be made after the pension had been sanctioned, might they not?—I never heard of any such case.

2428. Supposing that there were such a case, then the Secretary of State might revoke the pension?—Undoubtedly he would.

Chairman.

2429. Malingering in the army is classed as a disgraceful offence?—I believe it is.

2430. There are no special penalties attached to it in the police force, are there?—No; all those matters are in the discretion of the Chief Commissioner.

2431. If the difficulty of detecting malingering were insuperable, it would be a fatal obstacle to

7 June 1886.]

Mr. HOLMES, F.R.C.S.

[Continued.]

Chairman—continued.

the success of all friendly societies, would it not?—It is, after all, a question of averages. You can allow for it in the rates you charge.

2432. But I gather from your evidence that it is rather difficult to arrive at any statistics about it?—It is very difficult to arrive at statistics, no doubt; some part of the sick pay or pension that is given would not be really earned, but after all you can average it.

2433. You expressed the opinion that the friendly societies meet the difficulty, to a certain extent, by watching one another?—I am told so.

2434. Are the members of the police force of no use in that respect?—Yes, we try to do it also by watching; the man's officers watch him; and his medical attendant watches him.

2435. But in the case of a man malingering or shamming, and drawing his pay, does that involve any loss or extra work upon his comrades; have they an interest in detecting malingering?—No, I do not think it involves under ordinary circumstances any extra work; there are plenty of men to do everything.

2436. There is no pecuniary loss?—No.

Mr. Stuart-Wortley.

2437. It is only the ratepayers who would feel it?—It is the ratepayers who would suffer. At the same time men often are detected in this way by their officers and comrades.

Chairman.

2438. Do not you think that, supposing every one to have contributed to this State fund, every one would have more or less interest in the detection of fraud?—Yes; but in a very imperceptible degree.

2439. You are aware, perhaps, that the difficulty of sick pay has been met, or at all events dealt with, in Germany; all the industrial classes are compulsorily insured there?—Yes; I do not think there would be any difficulty which could not be surmounted. I regard it more as a question of averages than anything else.

2440. Perhaps you have in your mind the scheme of Canon Blackley, which supposes the prepayment of 10*l.*?—Yes, I am aware of that scheme.

2441. Then you think that difficulty might be met if a sufficient margin were allowed for loss by fraudulent sickness?—Yes, I believe so; I think it is a question of average.

2442. It is a question of contribution?—It is so, in my opinion.

Mr. J. BROUGHTON EDGE, called in; and Examined.

Chairman.

2443. YOU are a Barrister, are you not?—Yes, I am; practising in Manchester and London.

2444. And you have devoted great attention to the subject of thrift and providence on the part of the working classes?—Yes. I have for 16 or 17 years had the honour of being one of Her Majesty's Coroners for the County of Lancaster, and this subject has forced itself upon me from the great amount of distress I have seen caused by accidents and sudden deaths in cases where I have been obliged to hold inquests. I may say I have now for some years past considered whether something could not be done to induce people to make provision, at any rate, for the bringing up of young children until such an age as they could earn money for themselves.

2445. Have you put your ideas into any definite shape?—I have. Some time ago I wrote a letter to the "Times" upon the subject of a national orphanage association. It was, I may say, at the time when the attention of the country was stirred by the death of General Gordon. I thought that a favourable opportunity for putting forward my views, with the idea that they might be taken up by somebody who had more leisure than myself to develop them. I may say that the great mass of the working population of Lancashire, and I suppose the same observation applies in other places, have nothing beforehand; they mainly depend upon their good health and having constant work, and so long as they have good health and full work they do well enough; but it is against want of work, sickness, and as far as their families are concerned, death, that they wish to insure, and would insure if the means were

Chairman—continued.

provided for them. I may say that, so far as making provision for these eventualities is concerned, the working population of Lancashire has a very strong desire to make that provision, and they do it as far as they can, and as far as their limited knowledge goes.

2446. There are plenty of means for providence, are there not?—There are plenty of means for providing against sickness, and against want of work, but there is nothing to provide either against old age or for the bringing up of children in the event of the sudden death of the breadwinner of the family. The latter I consider a most important thing, and one which exercises the minds of the working population. To show that the working classes are not slow to make provision for themselves and their families, I may refer to the position of the Oddfellows Society, of which I have no doubt the Committee have had some statistics before them, the Manchester Unity of which has something over 600,000 members, and invested funds of over 5,000,000*l.* The Foresters Society has even a greater number of members, though not so large an amount of invested funds, and the Prudential Society has over 5,000,000 policy-holders, and collects over 2,000,000*l.* a year in weekly payments. These facts show that the operative classes are very desirous of availing themselves of any means there are for the purpose of providing against sickness and death. They are desirous of protecting themselves in some way or other, but there is no substantial provision made for their children. As illustrative of what I have been saying now, I may give two cases which have occurred within a very

7 June 1886.]

Mr. EDGE.

[Continued.]

Chairman—continued.

very recent period in my own experience, and which show the results arising where provision has been and where it has not been made. The first was the case of a collier; a man who was killed last year; he was 37 years of age, and he left six children between the ages of 10 years and seven months. Following a custom which I have adopted for several years, I asked the widow what provision she had for the children, and I found she had none; that the only course she could take would be to go with them into the workhouse. The man himself bore a very good character; a steady, sober, hardworking man, and it did seem a great pity that the children of such a man should have to go into the workhouse.

2447. There is an accident fund in connection with some of the trades unions, is there not?—There is, and I am going to refer a little to that. I was really surprised, considering the position of the proprietor of the colliery where the man had been killed, both from his social position and his well-known benevolence, that he had no accident fund in connection with the colliery. I called the attention of the manager to this, and he said, "Well, we called the men together some two years ago, but they would not contract themselves out of the Employers' Liability Act, and there was therefore no fund provided." I said, "Call the men together, and give them this message from me. I think they ought to join some fund of this sort; because my experience has led me to observe that there is not one case in a hundred in which men can recover from the employer under the Employers' Liability Act." A meeting of the men was again called, and a fund was started, and shortly after I had held that first inquest I held an inquest upon another man, 53 years of age, who had left three children, whose ages were 14, 10, and five. The fund had been started; they had adopted my suggestion; and the result was, that by the payment of 2*d.* a week for a few weeks the two youngest children became entitled to receive 2*s.* 6*d.* a week until they attain the age of 14. The man was a widower, but if he had been a married man the widow would have received 5*s.* a week for two years. I think those are cases illustrative of my statement of the need of such societies, and that men are anxious to make provision if they have it pointed out to them in a tangible and reliable form how it can be done.

2448. What means should be taken in bringing the matter to their notice?—Of course, in founding a society such as I have indicated, the first thing to be done is to show the members they are thoroughly safe, and may rely upon the provision promised being made for them. To do that I cannot conceive any plan, except that a society should have before it commences operations a large guarantee or secured fund, or should be guaranteed in some way by the State. I may say that prior to my letter to the "Times" I had obtained certain data by which it is shown that a subscription of a penny per week per child, and a penny added by the father, would form two-thirds of a fund which would enable every child under the age of six years, who had lost its father or other breadwinner of the family, to receive 2*s.* 6*d.* a week until the age of six,

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Chairman—continued.

and 3*s.* 6*d.* a week until the age of 14; or, at the option of the surviving parent, that the child should be admitted into a local cottage orphanage, and maintained and educated up to the age of 14. Now, that is a subscription which I think is perfectly within the paying power of the steady-going, sober population, which after all is the great bulk of our population both in Lancashire and, I believe, elsewhere. The great mass of the population in Lancashire are sober, industrious, and thrifty, and disposed to do everything they can to protect their young children, and I say, without hesitation, that that subscription is within the power of the parents. If a man had three children in the society under the age of 14 he would pay one penny each, and a penny for himself, that is to say, fourpence a week. Of course, if he had some children who would soon become wage-earners, he need not have the whole of them in the society. I look upon it in this light also, that the subscribing in that way for the protection of their children, for whom the poorer classes have very great affection indeed, would, no doubt, induce habits of thrift in regard to other things; and I do not doubt that, if they got into the habit of subscribing for the protection of their children, they would be easily induced to continue those subscriptions for the protection, say, of the wife, or of the husband, and against old age. I have brought copies of my letter to the "Times," which I would beg to hand in (*handing in the same*). I may just give the Committee the figures worked out by Mr. Walton, a well-known actuary in Manchester, and who is, as the letter states, a fellow of the Faculty of Actuaries; that, taking 100,000 children entering the society in equal numbers over four years of age, the present value of the benefits which would become chargeable would be 307,520*l.*, and the present value of the contributions would be 212,774*l.*

2449. The 307,520*l.* would be the liabilities?—Yes, they would be the liabilities, leaving a sum of 94,746*l.* to be raised outside to guarantee the absolute bringing up of 100,000 children. Now, out of that number between 7,000 and 8,000 children would absolutely come upon the fund; they must do so of necessity; therefore, supposing that sum of 94,746*l.* was raised, from 7,000 to 8,000 children would be benefited. I believe that is more than all the children in all the orphanages in the United Kingdom at the present time; and I may make this remark, that for the support of the orphanages in London alone there is raised every year upwards of 250,000*l.*; so if that sum of 94,746*l.* can be provided, either by donations or by the rates, or, as I propose it to be done, by asking everybody to allow their children to become members of this society, although they would never expect to become recipients of these benefits, 100,000 children would be protected up to the age of 14 years. I may say that my scheme is an amplification of the scheme of the Lancashire and Cheshire Miners' Permanent Relief Society, which exists, as I daresay the Committee have heard, in that part of the country. That society has over 37,000 members, and they pay a certain sum weekly into an accident fund.

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2450. What

7 June 1886.]

Mr. EDGE.

[Continued.]

Mr. Stuart-Wortley.

2450. What sum do they pay?—I think they pay from about 2 *d.* to 3 *d.* a week, according to their standing; not per child; it is only an assurance against injury or death from accident in the course of their employment, but not against death from sickness arising or caused otherwise than by accident. That society, with its 37,000 members, is at the present time paying 5 *s.* a week to 337 widows and 2 *s.* 6 *d.* each to 739 orphans, and it is doing most excellent work in Lancashire.

Chairman.

2451. Do the employers contribute?—Yes, the employers contribute to the fund.

2452. In what proportion?—They contribute from 15 to 25 per cent.; 15 per cent. if the miners do not contract out of the Employers' Liability Act, and 25 per cent. if they do.

Mr. Stuart-Wortley.

2453. What is the per centage on?—It is a percentage on the men's contributions.

Chairman.

2454. For their particular employment, of course?—Yes, for their particular employment; many of the older colliers with whom I have conversed say it is a most excellent thing; but they say they would like to have it extended, because they say they may be put to work at a wet place in a mine, and take cold and die, and then their children are utterly unprovided for, because that is death from natural causes.

2455. Your scheme would not take effect upon a man until he was a parent?—That would be so; naturally a man could not insure his children until he had them.

2456. Have you considered the advantage of bringing in unmarried men?—I have not, because I do not think you could get any unmarried men to subscribe to any fund unless it were to assure them against want of work, or by a sickness fund to assure them against sickness. As a rule, men do not want to provide a fund for their wives, or even their children when their children are of an age to work for themselves. A boy in Lancashire becomes valuable when he attains the age of 14. With regard to want of work, I do not see how any system of national assurance could provide against want of work. I am quite sure that if there was any national system of the kind, knowing that the public purse would be available, the shiftless and the idle would be continually on the funds. At the present time most men are insured in a trade society, and if they are out of work they get a certain allowance; but then they are under the eyes of their comrades, and especially under the eye of the secretary, who knows where hands are wanted in a particular work; he sends them there, and they are bound to go and to do the work. And even in cases of trade societies many men who are known as idle men are subject to the moral pressure of all the people in the same society, which compels them to go to work if they can find work; but I am quite sure that if the nation were to step in and assure those men

Chairman—continued

against want of work, there would be no end of shamming and idleness.

2457. It would take, relatively, a very small increase in the contributions to make this Miners' Relief Fund absolutely self-supporting and to do away with the deficiency?—Quite so; but I believe, from what I have heard from employers of labour, some of them would provide the deficiency, or a great part of it; I mean for my orphanage fund. I may say a friend of my own, who is a Member of this House, has taken this scheme strongly to heart, and has said that if such a fund were started, "I would ensure every labourer's child on my estates; I would pay it myself," and there is some reason in it. A gentleman, who is a large employer of labour in the machinists' trade, said, "I am not under any obligation to pay anything when one of my hands dies, leaving a widow and children, but they always come for assistance, and I always have to make some subscription to them, 5*l.* or 10*l.*, or something of that kind." And he said, "If there were a society similar to yours I should be most happy to find the other third."

2458. You do not think that there would be any objection upon the part of the working classes to come upon a fund to which voluntary subscriptions had been made?—No, not at all. I should, as much as possible, try to enlist their own employers in finding the remaining third of the fund; and, in addition to that, I should try to enlist the sympathies of all classes in the scheme. I would ask even that the children of the Royal Family should become members of the society, paying their contribution like anybody else; of course never coming upon the fund at all; and I think there would exist a very strong bond of sympathy between all classes if they became members of the same order. I am quite sure that the Oddfellows Society sets a good example in that respect. The fact of noblemen, gentlemen, and others joining it has caused a very great deal of good feeling between the various classes composing it, and, *à fortiori*, I think this would be the case if the Royal children and the children of the better classes became associated members of this society.

Mr. Stuart-Wortley.

2459. Have you attempted to define the nature of the accidents against which you could provide by your proposed contribution?—The proposal is simply death from any cause whatever. That is what I consider the weakness of the present scheme of the Miners' Permanent Relief Society; the members insure against accidents occurring in the course of employment, but I would make it against death from any cause whatever.

2460. At any age?—At any age. It would be perfectly immaterial. Of course, in making his calculations, Mr. Walton took what we might call the child-rearing age, that is to say, between 25 and 45 is the child-rearing age, because, as a rule, men do not have children after they are 45 years of age in the manufacturing districts; they marry early, and their families cease about that age.

2461. You have not attempted to calculate the rates, and so on, at which you could give payments

7 June 1886.]

Mr. EDGE.

[Continued.]

Mr. Stuart-Wortley—continued.

ments in case of disablement by accident?—No; I have not done that at all; there are tables of that kind, and very reliable ones I believe. The Manchester Unity of Odd Fellows have tables going back for a great number of years, and of the most valuable description both as to sickness, old age, and disablement cases.

Mr. William Loocher.

2462. If I understand you rightly, according to your view, under this payment of a penny a week per child the children do not receive any benefit while the father is alive?—Not while the father is alive; that is so.

2463. You talked of insurance, I think you said, connected with mines where the children receive a certain sum at the death of the father from an accident; is that so?—Yes.

2464. Does that not lead to a good deal of dispute and litigation?—It does. I have found very frequently, in my experience as coroner, that the most trivial accident in a mine has been said to be the cause of death, and I have had to order *post mortem* examinations to ascertain the causes of death. I will give you an illustration. A man died suddenly; his friends said he had died from injury received in the mine; he had tumbled over a waggon, and injured his knee. I was compelled to order a *post mortem* examination, upon which it was found that he had died from no accident whatever, but from congestion of the lungs, the result of a cold.

2465. It might have resulted from a cold caught in the mine?—No doubt, but not from the accident.

2466. You find great difficulty in meeting the expenses arising out of the dispute, do you not?—The friends of the deceased do. In cases in which I have felt morally certain that death had not resulted from any accident whatever, although it was claimed that it had, I have given the parties the right of having the *post mortem* examination at their own expense. I have not thought it right to put the county to the expense of a *post mortem* examination, but I have said, If you choose to pay the expense of the *post mortem* examination, I will order one to be made.

2467. What would be the expense of the *post mortem* examination?—Two guineas.

Mr. Wason.

2468. Would not the penny a week be a very troublesome sum to collect?—No, I think not. I think means could be devised for collecting it in connection with different societies, such as the sick societies in connection with Sunday schools and trade societies; and I have also a scheme by which they might pay it by affixing penny stamps to a form to be obtained at the Post Office.

2469. Have you considered whether it would not be possible instead of paying a week to pay down a sum at once?—If I were making the rules, I should make provision for that being done, but in the great bulk of cases it would not be done. Three pence a week looks a very small sum indeed, but if a man has to put down 3s., he thinks a good deal about it.

2470. Under your scheme I understand that

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Mr. Wason—continued.

nothing is to be paid after the age of 14?—Nothing whatever; when a child is brought to the working age, then he, very probably, can keep himself.

2471. Say that after the age of 14 he became sick, what would happen?—He would go upon the ordinary friendly societies.

Mr. Healy.

2472. I think your scheme corresponds with Canon Blackley's, in that every person would have to pay it; it would be a national scheme?—It would be a national scheme, but I would not apply the smallest compulsion to anybody; it should be entirely optional. The principles of my scheme would apply to 100,000 children as well as they would to 1,000,000.

2473. But if you were providing machinery for the working of the staff; would you not take some steps that you should not be overweighted at one place and undermanned at another?—Quite so, but I propose it to be administered by a voluntary staff: in these societies the business is all administered by a voluntary staff. At the centre, of course, I should have a paid staff.

2474. But suppose some of the members of the voluntary staff chose to throw it up, what would happen?—There would be plenty to supply their places.

2475. You would be always at the risk of an unpaid staff who would not have much inducement to carry it on, in comparison to that which a paid staff would have; would the treasurer be voluntary?—No, he would be paid.

2476. You contemplate a certain staff?—Yes, I contemplate a certain paid staff; there must be for the superintending organization; but I have no hesitation in saying that you would have plenty of volunteers throughout the whole country to carry out the local work.

2477. But you admit the necessity of a central staff?—Yes, I do.

2478. Where would you have that staff located?—In London.

2479. Where would you bank your money?—In the Bank of England. All Mr. Walton's calculations, I should like to say, have been made upon a 3 per cent. investment.

2480. Have you at all computed what amount of the funds you would raise?—I have not computed what amount of funds we should raise beyond this: that to try the scheme as a tentative one, I should limit the number of members, in the first place, to 100,000, and I should endeavour to raise 100,000 £. as a guarantee fund. I am quite sure that there are plenty of people who would be very willing indeed to subscribe to such a scheme as this; in fact, I have had a great number of letters from people upon the subject, saying what they had read in some of the Lancashire papers upon the scheme, and hoping that it would be put into effect.

2481. Why do you reject the principle of compulsion?—I think the moment you begin to compel a working man to do anything he sets his back up and will not be compelled. In 1880 the societies formed to avoid the effects of the Employer's Liability Bill were resisted by the men simply because the masters, or rather, I should say, some of the underlookers and fore-

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8 June 1886.]

Mr. EDGE.

[Continued.]

Mr. Healy—continued.

men went about insisting that if the men did not join the society, they would have to leave their employ, and the men resisted joining the society at once.

2482. But if you would not have it compulsory you would not have any State guarantee?—I should be very glad to have a State guarantee, but I do not think it would be necessary. I think the guarantee fund could be raised by voluntary subscribers.

2483. If you do not have compulsion you cannot ask the State to step in, can you?—I think the State ought to assist people to help themselves. If there are a number of men who say, "In order to prevent our children going into the workhouse and becoming a burden upon the rate-payers, we will subscribe something towards that end;" surely those people are entitled to some little consideration on the part of the nation.

2484. But minus compulsion, is there any reason why people should join your society any more than that they should join any other society?—I do not know there is, except that in the case of the society I suggest, there could be no fraud practised upon the State. In regard to the other societies, in the event of want of work, or sickness, or even old age, frauds would be practised upon the Government.

2485. I was just coming to that; if you had not the principle of compulsion, and could offer no inducement to the State on that account to help you; if, in fact, as regards universality, you could exercise no more claim than any other ordinary society, what advantage would your society present over the existing friendly societies which are stated to be unsound?—The present societies simply grant a small sum of money upon the death of a member, say, 10*l.*; that is drawn immediately upon the death of the member, and is expended in funeral expenses. Now, under my scheme, it would not be 10*l.* upon the death of a member, but it would be absolutely an assistance towards bringing up the children till they were of wage-earning age.

Chairman.

2486. What class of society are you talking about?—I am speaking of an ordinary sick and burial society as contrasted with that which I am suggesting.

2487. But you said that the only liability was that on death?—That is so. Under a sick and burial society a certain sum of money is paid to the widow upon the death of the member. Take, for instance, the Odd Fellows or the Foresters' Society. Upon the death of a member 10*l.* or 15*l.* is paid; the member is dead, and has ceased to be a member, and all claims upon the society are satisfied upon that 10*l.* being paid. Now, in my society when the breadwinner of the family dies the children receive not 10*l.*, which is exhausted probably in funeral expenses in the ordinary way, but they receive 2*s.* 6*d.* a week up to a certain age, and 3*s.* 6*d.* a week up to another age, or if the surviving relative pleases, the children can be taken into a cottage orphanage and brought up there until they reach the age of 14. The benefit to them would not be 10*l.* only, but probably 100*l.* to 150*l.*

2488. But you do not treat that death payment

Chairman—continued.

as the only liability of a friendly society?—It is not the only liability; during the life of a member there is sickness, of course, but I am referring to the time when the member dies.

Mr. Healy.

2489. I cannot exactly gather whether you reject or invite State assistance; have you considered the question in that light?—I have not considered it in the light either of rejecting it or accepting it.

2490. Or founding your scheme upon it?—Or founding my scheme upon it. I have endeavoured to found my scheme as a voluntary scheme entirely.

2491. The great objection taken to benefit societies now is their radical unsoundness; what guarantee would you have that the same mischief would not crop up out of your scheme?—By an absolute guarantee fund being raised that would cover all risk.

2492. But, humanly speaking, I cannot see the distinction between the societies we are now investigating into, and the society that you promote; upon what principle is yours superior to those?—My scheme covers a ground which at present is not covered at all. That is one ground; and the second ground is, that it affords security, because it would be a national society controlled by one authority.

2493. What would make it national?—Simply that it would be a society that would extend throughout the nation; it would not be a national society in the sense of being State-aided.

2494. How would it be national?—That is a mere term for the purpose of description, assuming that it would spread throughout the nation.

2495. Would you reject compulsion?—Yes.

2496. Then why should it spread?—I think the fact that it covers some ground upon which the working classes require assistance would cause it to spread.

2497. You do not think the existing societies would compete with it?—I do not think they would.

2498. You think that it would "hold the field"?—I think it would hold the field; I do not think it would for a moment cause them to compete with us. I am not speaking now from mere impression; I have had communications from some of the leading friendly societies in the kingdom, and they undoubtedly say that they think this is a want, and that it would not compete with any of their societies.

Mr. Culeridge.

2499. In most of the friendly societies the persons who subscribe look forward in some event to personally benefiting, do they not?—Yes.

2500. In sickness and other difficulties?—Yes, and I may add that the personal motive is a strong one.

2501. As I understand, in your society, the persons contributing will never be the persons directly to benefit; that is to say, a person has to die before any benefits arises?—Yes, that is true.

2502. Do not you think, considering the natural selfishness of mankind, and the difficulties in the way of subscribing, that that would prevent

7 June 1886.]

Mr. EDGE.

[Continued.]

Mr. Coleridge—continued.

prevent people very much from subscribing so generally as they would do?—Do you mean the people who should become members of the society?

2503. Yes?—Certainly not; I think the desire people have to protect their young children is the strongest desire they have.

2504. Stronger even than the desire to protect themselves?—Certainly. My impression is this, and it is a very strong one, gathered from the working classes of Lancashire amongst whom I have lived all my life, that the affection of the Lancashire people for their young children is as great or greater than that of the higher classes for their children; for this reason, in my opinion, more especially, that the children are more dependent upon them personally; they see more of them and of their helplessness from the very beginning, and they are most anxious to protect them. I am, speaking for myself, most anxious to protect my children. From the very commencement of my professional life, I have been protecting my children by insuring my life. I shall derive no personal benefit from that, and I would ask why should not the same motive operate upon the working classes. I say it does operate, and we can little conceive how strong the feeling of affection by working people is towards their young children. I have often seen expression given strongly to the feeling. I have known of many men who have been badly injured, whose whole and sole thought when dying was, "What will become of my children." An instance occurred of this strong feeling this year; a poor woman who had been left with five or six children sobbed out all the time she was giving her evidence, "What will become of my children?" and I say if a man cannot be induced to be thrifty for the sake of doing something for his own children in the event of his death leaving them helpless, I do not know what will have any effect upon him. The feeling of the workman in Lancashire is generally this: "As long as I have health and strength I can work for my children, but if I die, I should like them brought up respectably;" he does not much care to make provision for himself.

2505. So that the motive would be less strong when a man is in health, and stronger when he arrives at his death-bed. When he arrives at his death-bed, then he considers what will become of his wife and family?—If there were means by which he could make provision for them beforehand, within the compass of his income, he would do so just as much as we do.

2506. Such persons would be persons of provident and careful minds?—Such are the great bulk of the Lancashire people.

2507. Such persons would naturally also to belong to friendly societies, would they not?—Yes.

2508. Do not you think they would have a difficulty in keeping up their subscription to both the friendly society and your proposed fund?—I do not think they would.

2509. Are you aware that the Committee have had evidence before them that the Odd Fellows lose 25,000 members a year, and the Foresters 29,000, through their inability to keep up their subscriptions?
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Mr. Coleridge—continued.

tions?—I was not aware that the Committee had had that evidence before them; but I daresay that is true.

2510. Would not the burden be still greater if their provision not only involved subscriptions to friendly societies, but a subscription to this society in addition?—I do not think so.

2511. Is it not necessarily so?—Provision has been made in my scheme for the suspension of contributions during sickness.

2512. I was rather speaking about persons being out of employment?—I can quite conceive that there is a difficulty about that; but when a person is out of employment his whole income has gone. It would not be felt as a burden when in full work. I was talking upon this subject to a number of people one day, and a woman made the remark, "I can only tell you this, that if there was such a society established, the women would see that the children were kept in it;" that is for their own protection in case they became widows, and I believe they would do so.

2513. As I understand your scheme does not really go further than this, that you suggest that it would be well that persons of their own mere motion should establish another large friendly society?—That is so.

2514. You do not contemplate State aid?—I do not. I have left that to some extent open, as you may see by my letter. There might be a small rate-in-aid.

2515. Do you think that the invocation of State aid would tend to stop the voluntary working of the scheme?—I do not think it would; not for this express purpose.

Mr. Arthur Acland.

2516. You stated just now that you insure your life with a view to the money for which you insure your life coming in whole, or in part, to your children at your death; now that money if it went to them, would go to them however old they were?—Yes, no doubt.

2517. But according to your scheme, if your children had passed the age of 14, they would not be entitled to any money at all arising from it?—Quite so; but the great object I had in insuring my life was to protect my children in case of my death at a time when they were too young to work, and before I, as a professional man, had had time to make other provision for them.

2518. As a matter of fact, the insurance money would go to the children, however old they were?—Yes.

2519. Whereas, under your scheme, if they arrived at the age of 14 without having drawn upon the fund, a neighbour might say, "Well, all that money is wasted, after all"!—No doubt that is so, but that must be done to bring it within the range of their ability to contribute. If the money were to be payable at any time, the contribution would have to be, instead of 2 *d.* or 3 *d.* a week, 2 *s.* or 3 *s.* a week, and that is the function of the present insurance societies; but that would be out of the range of a working man altogether.

2520. The neighbour of a working man under the present friendly societies system could never say to him, "You will never be able to get the money for sickness," because the man might be

7 June 1886.]

Mr. EDGE.

[Continued.]

Mr. Arthur Acland—continued.

sick up to the last day of his life, and could draw upon the fund at any time, whereas, under your scheme, a man might say, "I joined the scheme, but it was not the slightest use to me, and my children are now all over the age of 14, therefore they can never derive any benefit." That might be said to working people as an argument against your scheme?—Undoubtedly, but the answer would be, "You have helped others not so fortunate as yourself."

2521. I understand you to say that your scheme could not, or would not, be adopted by the present friendly societies?—I did not say it could not be adopted by them, but I say that it does not trench upon their ground at all.

2522. In answer to a question put by Mr. Healy, you stated that you did not think that the societies would obstruct the plan if they saw it being adopted by a society like yours?—I do not think they would; they would say, "Our ground is pretty well covered, as far as sickness is concerned, and as far as money upon death is concerned"; and so it is, but my scheme applies to the children. I ought to say that the Odd Fellows have a juvenile branch, but that is really the same thing as the parent society, except that it is to cover juvenile sickness and death.

2523. Then your method of propaganda would be the same as those adopted by the Prudential, the Hearts of Oak, and other large societies?—Yes. When I termed it a national scheme, I meant common to the whole nation; I should endeavour to enlist the sympathies of leading men in every town and district; I should like to have meetings presided over by the mayors of the towns, and to get the leading people to promote the scheme.

2524. You stated that with regard to Canon Blackley's scheme, the shiftless would very largely come upon the funds if it were a scheme to provide against people out of work?—But I do not assume that Canon Blackley's scheme is a scheme to provide for people when out of work, but I stated that if there were a scheme to provide for people when out of work, it would certainly be burdened by the shiftless and idle.

2525. Do you think that a national scheme like Canon Blackley's, would be likely to be heavily burdened if you had a large amount of sick pay claimed by the shiftless and idle coming upon it?—I consider there would be a very great deal of malingering; I have had experience of that.

2526. You think there would be a far larger amount of malingering than is prevailing under the system of the present friendly societies?—Yes, for this reason, that in a manufacturing district everybody is known to everybody else. If a man is idle, his neighbours would know of it; they would be in the same society, and they would report him if they thought he was shamming; and not only that, but there is a medical officer who has to visit the sick every week, and he has to certify that a man is unable to follow his employment. In addition to that, there are some private members of the society who visit sick members every week, and certify as to their apparent condition.

2527. In friendly societies there would be a

Mr. Arthur Acland—continued.

direct pecuniary interest in keeping down the claims upon the fund?—Certainly there would.

2528. But under Canon Blackley's scheme you think there would not be that interest?—Certainly not; I think that will be a weakness of the scheme.

2529. You do not think that the action of the people at large in attempting to keep down the sick claims of other people would be enough to protect the fund?—I do not think it would.

2530. You spoke of fraud; that may arise in claims for sickness, want of work, and I think old age?—Under State management, I think, there would be fraud.

2531. There could not be much fraud in connection with the old age payment, which, under Canon Blackley's scheme, would definitely begin at the age of 70?—I am afraid there would be many cases of personation.

2532. Do you think a man would make himself out to be over 70 when he was not?—Not only that, but there would be this, that there would be a certain man, say John Smith, entitled to a pension, and people would continue to draw for John Smith after John Smith was really dead. There is a good deal of personation in military pensions, although they are guarded by a great many precautions which this scheme of Canon Blackley's could not be guarded by.

2533. I am aware, as a matter of fact, that the vouching of payment of pension to a soldier is a matter which requires great care; and you think that, on the whole, if it be difficult to do it for a small and definite class, it would be still more difficult, if not impossible, to do the same for the great mass of wage-earning people?—Certainly, the members of this limited class being well known to each other.

2534. Do you think that a compulsory scheme like Canon Blackley's would be likely to injure the friendly societies?—I could not give you a reliable opinion upon that point; nothing beyond an impression.

Mr. Walter James.

2535. What first called your attention to the proceedings of this Committee?—In the first instance I wrote my letter to the "Times," and shortly afterwards the Chairman of the Committee of last Session, who is a personal friend of mine, and who took an interest in the matter, wrote to me.

2536. What steps have you ever taken beyond writing to the newspapers?—Practically none, beyond answering a mass of correspondence from people asking me to launch the scheme, which, as a professional man, I could not do, because to devote the necessary time to it would simply ruin my professional prospects.

2537. Have any steps been taken to put it forward in the shape of actual organisation?—I believe not.

2538. Your scheme was to promote it upon the basis of local orphanages?—I proposed to have a local orphanage in each district, and that any child who had lost both parents should be taken into those orphanages at once.

2539. You say very little provision is made by the state for our orphans?—Very little indeed, and

7 June 1886.]

Mr. EDGE.

[Continued.]

Mr. Walter James—continued.

and what is done in the voluntary way is done in a very wasteful and extravagant manner. I have been a subscriber to the Railway Servants' Orphanage at Derby ever since it was opened. We there manage to bring up the orphans of railway servants and people of that class for about 15*l.* a year, while I am almost afraid to say what is the figure in orphanages supported by voluntary efforts.

2540. Do you think the position of an orphan who has lost one or both parents is so special that the State should afford them some assistance?—Yes, I think there is not the assistance afforded them under most circumstances as there advantageously might be.

2541. But in your system you have proposed voluntary assistance?—Yes; but still it would give much greater confidence to the working classes if it were State-aided even to a very small extent, or even State-guaranteed.

2542. Like everything else the success of such a thing depends very much upon the money?—Yes.

2543. You do not anticipate any difficulty?—No; when a late neighbour of mine can give 35,000*l.* to found an orphanage, I think the money would be forthcoming for a similar purpose on a large scale, from the people of the country.

2544. You think there would be ample funds found to carry out your object?—I do.

2545. You object to compulsion?—I do; I think compulsion would cause resistance.

2546. Then why do you call your scheme a national scheme?—I call it a national scheme as a name, as meaning a universal scheme throughout the nation. I do not regard it as national in the sense of making it a Parliamentary scheme.

2547. It was only just to give it a little *clat*?—It was not that so much as to show that it was applicable to all parts of the country, and to all classes of the people of the country. For instance, it might be said that a soldier's life or a sailor's life was a dangerous one, or a fisherman's life or a miner's life was a dangerous one, but yet this scheme would cover the risks of all classes; that is all.

2548. Do not you think that it is rather the interest of this class whom you wish to benefit, that such scheme should emanate from themselves, than that it should be put forward by people who are rather above them in the social scale?—That is so, undoubtedly, but still they look for leaders. I may say with regard to one gentleman, who is well known in this country and throughout the country as a miners' agent, Mr. William Pickard, of Wigan, that he is strongly in favour of this proposal.

2549. Do not the working classes resent anything like patronage?—Yes, they do resent patronage, but they are not apt to mistake sympathy for patronage. People may be over fussy with them, and assume to take too great care of them, and patronise them, but that is a very different thing from sympathy with them and an honest desire to assist them.

2550. Have you read the evidence given before this Committee?—I have read it very partially; I have only seen it in the public prints.

2551. How do you regard Canon Blackley's 0.99.

Mr. Walter James—continued.

particular scheme?—I have read Canon Blackley's pamphlet; in the first place, I have a very strong objection to compulsion; secondly, I do not think that many people would care to make provision which is not to be paid them until after they got to the age of 70; I think that is too long a period for them to look forward to.

2552. What age would you say?—I would say 60 years if they are incapacitated, but it is very difficult to deal with that. I would rather have it upon a graduated scale. I do not think that the working classes care very much about making provision for old age. A working man generally considers that he is worth his salt, and when he is beyond work a daughter or a son generally finds him a corner in the house, and he does some little thing which covers his personal expenditure. That is my experience. Numbers of people who crowd our workhouses in Lancashire are not the people of Lancashire; they are from elsewhere, or part of the nomadic population.

2553. What is the population of the workhouses in Lancashire?—I cannot speak to that at this moment.

Mr. Hoyle.

2554. How long did you say you have been coroner?—Between 16 and 17 years.

2555. In what district do you officiate as coroner?—The Bolton district.

2556. There are a great many collieries there?—Yes, there are many collieries there, and cotton spinning and iron industries. I should think that my district is about as representative a one of the industries of Lancashire as any there is.

2557. I believe you said that you thought the great mass of the working people in the county do not save anything?—I think they do not save beyond insuring in the friendly societies, and the trade societies, and then there are a few of them who put something into the co-operative societies.

2558. You have not had much experience of the Oldham and Rochdale side of the county, have you?—No; I know it generally, of course.

2559. You are aware that co-operation had its rise there?—It had.

2560. Have you any idea what proportion of the staple industry is carried on by means of capital supplied by workpeople?—I have no means of ascertaining that, but I have often heard the thing discussed in Lancashire, and I am told that the great bulk of the capital subscribed in carrying on these co-operative societies has been raised, not by the working classes, but by the class above them, that is to say, by small shopkeepers, and so on.

2561. Do you know the New Bacup and Wardle Co-operative Company?—I do not know it, but I know the district.

2562. Do you know the Rossendale Industrial Company?—No, I only know them generally; the Bacup and Rawtenstall Co-operative Society, I know generally.

2563. Would you be surprised to learn that one-half of the industry of cotton spinning in one district of Lancashire is carried on by the working people?—I should be surprised to learn that half the cotton industry is carried on by the mill classes; I should be very much surprised to hear it.

7 June 1886.]

Mr. EDGE.

[Continued.]

Mr. Hoyle—continued.

2564. Would you be surprised if you attended the half-yearly meeting, and saw that nine-tenths of the shareholders were working people?—That would depend upon whether it was the shareholders of some particular mill, or whether it was the shareholders of all the societies throughout the district.

2565. But the companies meet separately, do they not?—I should not be surprised if that were true of a particular mill, or of a particular company, but I should be certainly surprised if it were true of the whole of the companies in Rosendale.

2566. Would you be surprised to learn that there was a candidate for this House who had made his money in that way?—No, I should hardly be surprised to hear that there was a candidate who made his money in that way, because some of these companies have done good strokes of speculation, and it has been said that when a very good bargain was made it was made for the individual, and when a very bad bargain was made it was made for the company. I may say I know an instance of a gentleman who became a buyer for one of these companies, and a director of the company, who was altogether out of the cotton-spinning business; he was a small man when he began, and he made a very handsome fortune, and bought a very beautiful estate, but I do not think he did that out of profits on the shares he had in the company.

2567. I thought your assertion was rather sweeping, that the Lancashire men made no provision for themselves?—I do not think the great mass of the people of Lancashire make any provision for their wives and children after their death; that is what I mean.

2568. Then you said just now that the people who fill the workhouses in Lancashire were nomadic?—Many of them.

2569. That hardly agrees, does it, with your previously expressed opinion that they make no provision for themselves?—Yes, I think it does, because, as I say, as a rule, the working man, when he gets too old to follow his ordinary employment, generally finds sufficient to keep him, being supplied probably with lodging by some son or daughter; I think that is almost the universal rule in Lancashire.

2570. In your scheme you rely upon these contributions of one penny per child, and a penny for the father, do you think you would have to resort to compulsion for the deficiency by levying a rate?—That is a suggested remedy; that the deficiency might be met by levying a small rate; but I do not think you would need to resort to compelling the ratepayers to support orphans in that way; I think it could be done by voluntary effort.

2571. You would not recommend that a rate should be laid upon all property?—I am not prepared to say at present. Supposing it were a voluntary rate which could be adopted and raised like the money for the Free Libraries Act is raised, I think that most towns would adopt it.

2572. That is a compulsory rate when once laid, is it not; it is not like the church rate?—That is so.

2573. You think that your society might be managed by voluntary help mostly, and that it

Mr. Hoyle—continued.

would give scope to the efforts of kind ladies?—Yes.

2574. Have you formed any idea as to how that might be worked?—We will assume a clergyman or a minister of some Dissenting congregation was anxious that the parents in his congregation should make this provision; he would in all probability form a small organisation in connection with the particular place of worship of which he would possibly be chairman; I daresay the honourable Member knows that almost every school in Lancashire has a sick club in connection with it; they would appoint their own officers, and collect contributions, and send them to the district officers. I should found my society on the lines of the Freemasons'; there would be the lodges which would answer to the school or to the factory, or to the particular works or estate.

2575. Do you think it is desirable to accentuate denominational differences?—By no means; neither would it; I cannot conceive that it would accentuate denominational differences in the smallest degree.

2576. Would it not be better, in carrying out your scheme if there were committees composed of all denominations perfectly familiar with the district they were connected with?—That would be so with regard to the district committees, but each school or trade society would have its own officers, and its own lodge or guild, as I have called it; they would receive their subscriptions, and simply transmit them to the district officers.

2577. Have you never considered whether there might be boards like boards of guardians, giving voluntary service, composed of men and women?—Yes, that is part of my scheme; I have the whole of the rules drafted ready to put into the hands of anybody who could undertake it. I conceive that each mayor of a borough should be asked to become the chairman of a committee composed of clergy, ministers of various denominations, and private individuals who are well known for their public efforts; that they should meet and form a district committee to which the guilds formed in connection with a trade union, or school, should be affiliated. I daresay you are aware that in Lancashire alone in the last few years three gentlemen have bequeathed enormous sums of money for the establishment of orphanages.

2578. What orphanages do you refer to?—I refer first to the Eden orphanage; then there is Dr. Chadwick's and Mr. Harris'. I think Mr. Harris has left 60,000 *l.* for the establishment of an orphanage.

Viscount Folkestone.

2579. Your scheme does not clash with Canon Blackley's in any way whatever, does it?—No, not at all.

2580. It is a separate scheme altogether, is it not?—It is a separate scheme altogether.

2581. You do not see that if Canon Blackley's scheme were adopted, it would be likely to interfere with the adoption of your scheme?—Not at all. If the 10 *l.* is subscribed, it would be subscribed before the man is married as a rule. Mine is a general provident scheme, to meet a want which has forced itself upon my attention.

2582. Your

7 June 1886.]

Mr. EDGE.

[Continued.]

Viscount Folkestone—continued.

2582. Your scheme meets a want which Canon Blackley's scheme does not touch?—That is so.

2583. You wish to provide for circumstances which Canon Blackley's scheme does not provide for, and Canon Blackley's scheme provides for circumstances which your scheme does provide for?—Undoubtedly.

Mr. Coleridge.

2584. As I understand, looking at your letter again, your scheme is not founded upon a sound financial basis, unless subscriptions and donations from persons who would never become recipients to the fund are solicited and obtained?—Undoubtedly; to that extent it is defective, because we should be dependent for one-third of our funds upon voluntary effort or upon a small rate in aid.

Chairman.

2585. Are you acquainted with the working of the compulsory assurance law upon the Continent?—No, I have only a general knowledge of it.

2586. You do not know that it corresponds in some of its provisions with what you have just indicated as desirable; that is to say, separate funds for separate factories?—I know that is so, and that subscriptions are collected at the works. I have only a general knowledge of it, derived from a friend of mine who has been an Assistant Inspector of Mines there.

2587. You speak of the working classes as being indifferent to the necessity of making provision against old age?—I think that they are indifferent to the necessity of making provision against old age.

2588. But the bulk of the persons who go into workhouses are persons who are driven in there by old age, are they not?—Not that alone. I may say from my knowledge of the workhouses of Lancashire that you will find a great many of the people who are there, are not Lancashire people at all to begin with, and it is not merely old age they are there from, but it is diseased constitutions caused by rambling about and taking no care of themselves, and from other causes.

2589. Do you remember the evidence of a cab-driver given before this Committee last year as to the causes which send men to the workhouse?—I do not, but I daresay he knew more than I do about it.

Mr. William Lowther.

2590. I think you stated that the population of Lancashire did not, as a rule, go into the workhouse?—What I said was, that the bulk of the people in the Lancashire workhouses were not Lancashire people.

Mr. WILLIAM SMITH, called in; and Examined.

Chairman.

2600. You are a labouring man, I believe?—I am a painter by trade.

2601. What part of the country do you come from?—Ross, in Herefordshire.

2602. Has your attention been directed to the proposals which have been put forward for the setting up of a national scheme of insurance against pauperism?—It has.

0.99.

Mr. William Lowther—continued.

2591. Do not you believe that the bulk of the people of Lancashire go into workhouses elsewhere?—No.

2592. Then what do they do; do they all become rich or get well provided for in some way?—No.

2593. What do they do?—They go, as a rule, into the home of either a married daughter or son, and are thus provided for; they can do a little work which would provide them with clothing and food and the necessaries of life.

2594. But in Lancashire, I suppose, the working men have large families of their own; do you think they always can find lodgings for their parents?—They do in the main. I think, speaking from my experience, in going about the country, that you often find an old father or mother in the house, because the mother comes in useful for nursing the children while the parents are out at work, and the father shares the bed with some member of the family, and there is some little domestic labour he can follow about the house. I think that is not peculiar to Lancashire.

Mr. Hoyle.

2595. Does your district cover the principal coal fields of Lancashire?—Part of the principal coalfields, not all of them. The principal coalfields are in the neighbourhood of Abram and Haigh, to the north-west of Wigan. I take a portion of the Wigan coalfield, that is Aspull, and from there to Clifton.

2596. Do you go to Pendleton?—No, I come to Clifton.

2597. From your experience of the workhouses of Lancashire, do you believe there is much hereditary pauperism in the county?—There is a good deal of it, and I know that not only from my own observation, but I have it from the governor of the Bolton Union, one of our largest workhouses in Lancashire.

2598. Did you happen to see in the Manchester newspapers a letter upon the subject by Mr. M'Dougall, one of the guardians of the poor?—I did not see that letter, but I saw a statement at a meeting of the Salford guardians, which gave the proportion of people who were buried from the workhouse. I thought that was enormous; it was nothing like that in my district.

2599. Mr. M'Dougall's statistics show that the proportion of hereditary pauperism in Manchester is very small?—I can quite understand that, because there is a large floating population in Manchester and Salford; but that does not apply to the other districts, or what I may term the older towns of Lancashire; Bolton and Rochdale, and that district.

Chairman—continued.

2603. What first brought it under your notice?—When I first heard of national insurance it came on me so suddenly that we had not any time to think anything about it, and we were cautioned by our society, the Foresters, to guard against this scheme of insurance, as they believed it would injure the societies. For that reason, being persuaded by some of my fellow clubmen,

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I stepped

7 June 1886.]

Mr. SMITH.

[Continued.]

Chairman—continued.

I stepped forward and opposed the Rev. Mr. M'Knight in all his remarks where I thought I had got a chance, but he met me with such big guns, that I had ne'er a leg to stand upon; I felt that I was wrong, and that he was right.

2604. Did you attend any meetings upon the subject?—Yes, I attended one. I heard there was going to be a meeting in the town, and seeing a report in some of our quarterly reports belonging to our society, I, out of curiosity, went there.

2605. Who were the speakers at that meeting?—I think the principal speaker was a gentleman of the name of the Rev. Mr. M'Knight; and several of the local gentry around spoke.

2606. Was it a large meeting?—A great many were there.

2607. Did they come to any conclusion?—Yes; there was no one there besides myself that objected to the scheme; they were all in favour of a scheme of national insurance.

2608. You are a member of the Foresters' Society?—I am.

2609. And they, as a body, are opposed to these proposals?—They were at one time, but I do not know how they are in the other large towns. In our place, being a small country town, the majority of us consist of farm labourers, and I never found one, when I have been talking to farm labourers, raise any objection at all. I think it would be one of the finest things that could happen if you could get it passed.

2610. Do not the working classes object to the compulsory provisions of the scheme?—Not when you come to explain the scheme, and get them to understand it; they are in favour of it then.

2611. Do you think there would be any difficulty in the way of a working man paying 10*l.* in three years' time?—No, I do not think there would be any difficulty at all; they would rather, from what my own personal experience of them is, strive to pay the 10*l.* than join a friendly society.

2612. What is their reason for that?—Simply this reason, that when they get old, and have families around them, they are not in a position, with their low rate of wages, to pay their contributions; and after they have paid some few years, with their families rising, they have not the means to continue their contributions, and they fall out from non-payment.

2613. What is the average wage of an agricultural labourer in your district?—From 10*s.* to 12*s.* a week.

2614. And a free house?—Very seldom, I think. The farm labourers in our part have not been so well provided for as before Mr. Arch raised the agitation about the wages, because they lose many of the privileges which they used to get before; they get nothing now but their wages.

2615. I suppose it would involve a great amount of hardship upon a man getting from 10*s.* to 12*s.* a week to lay by 10*l.* in three years?—I do not think it would, because they would overcome that difficulty, I think, before they get overborne with a family, and get other difficulties upon their shoulders; that is what we find in our societies, that they cannot keep up their contributions. I do not want to say anything against the societies. I am an old

Chairman—continued.

officer of our society, and I am very proud of being so; but at the same time, I do not think that this insurance scheme would do any injury to our society at all.

2616. Do you think that the man would be as much inclined to join friendly societies after the payment of this 10*l.* as before?—Yes; those who have the means of paying the contributions, and earn wages sufficient, I do not think would refuse to join the societies; in fact, I think they would rather pay to them than not.

2617. I will ask you a question as an official of a friendly society; do you not find it very difficult to detect imposture in claims for sick-pay?—We do.

2618. How do you meet that difficulty?—There are many cases of imposture that we cannot well get hold of. The great difficulty is with the medical officers. I have known such cases as this since I have been an officer: a mechanic, say, who is a lazy, sore-shouldered man, would manage to join about four societies, and I have known him get a certificate to declare off two, and to declare on two at the same time, so you see that he is drawing sick-pay from two societies continually. Then we are bound to rely upon the certificate of the medical officer where we get it; that is according to the rules, and we are bound to take it for granted. This is done in many cases before it comes to our knowledge; when it comes to our knowledge, we stop it, if it is going on.

2619. Is there any penalty according to the rules of your society for doing that?—Yes, there are fines, and during that time of illness they get no pay.

2620. Do the members of the society not keep a sort of watch upon each other?—I am steward of the club at the present time, but we do not like to be always watching the men; we like to trust to them a little, because if we were too hard upon them we should injure the society in respect of getting new members in, so that we are bound to give them a little scope.

2621. Have you considered how that difficulty could be met in a State or universal club?—I have not.

2622. Still the difficulty is dealt with by friendly societies?—Yes, we deal with it as far as we can.

Viscount Folkestone.

2623. You first of all heard of this scheme, as I understand, and then you attended a meeting in Herefordshire, where it was going to be discussed?—Yes.

2624. Did you go there of your own accord, or were you sent there by your society?—I was not at the first meeting; I only got the quarterly report from the High Court of Foresters; it was in print; I handed it to the chairman, and asked him if it was true.

2625. Did you attend a meeting on behalf of the society in which the matter was discussed?—Yes, at Ross.

2626. Was that the meeting at which the Rev. Mr. M'Knight's proposition was discussed?—Yes, that was the first time I heard anything about the matter.

2627. Did you go there on behalf of your society

7 June 1886.]

MR. SMITH.

[Continued.]

Viscount Folkestone—continued.

society or on your own behalf?—I went on behalf of the society, because we were cautioned in their reports to guard against national insurance, and I felt it my duty as an officer to put in an appearance.

2628. And what you heard at the meeting induced you to change your opinion?—Yes, because a few days afterwards in my regular employ I went to a cottage where two old people lived who were going out. I asked them where they were going, and they said “to the union,” and that convinced me that nothing but a national society would be the means of meeting cases like that of those poor old people.

2629. Had they belonged to a society?—No, they had not, but they had had a large family, who had married and had families of their own, so that they were not in a position to support their parents.

2630. Whereas if they had belonged to a national scheme such as is proposed, that would not have happened to them; they could have lived upon the allowance that would have been made to them?—Yes, in the country districts they could have lived reasonably well upon 8s. a week, and they would have been tolerably comfortable. Very often you see men summoned to support their parents when they have hardly the means to support their families; they have to put 1s. a week towards their support, which I consider very hard. Now a national scheme of insurance would do away with that; that is my opinion of it.

2631. When you were at the meeting at Ross, at which Mr. McKnight was speaking, were you thoroughly convinced at that meeting, or was it in consequence of some conversation which you had with him afterwards?—No, certainly not. I went to him and told him honestly in the room that I felt I had not a leg to stand upon.

2632. You have not seen him since?—No, I have not.

2633. And you had not seen him before?—No, I had only seen him in Ross, but had not spoken to him.

2634. Have any of the labourers or people you had talked to about the matter raised any objections which you have not been able to controvert or to meet?—Certainly not; they all feel that when they come to the union it would have been well if they had had something to prevent that.

2635. Then you think that in the part of the country that you are acquainted with, men would have no difficulty in finding the required sum before they attained the age of 21?—Not at all; but they have a difficulty when joining societies after that age in keeping up their subscriptions, because the wages are low, and they have not the means of meeting the contributions.

2636. I have no doubt that if the scheme were in operation, and if there were some classes who found a difficulty in raising the money before that age, some means would be found of prolonging the time of payment. Now, with regard to the women, would they have any difficulty in making their payments?—I do not think they would; they are most of them girls who marry from service in farmhouses, and most of them

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Viscount Folkestone—continued.

earn pretty good wages, so that I do not think there would be any difficulty even with the women in raising the money.

2637. You said that you had known cases of men belonging to three or four societies?—I have known cases of imposition which have come before us where the man belonged to more than one society.

2638. Do you know any men who belong to more than one society?—Yes; there are a good many in our little town belonging to the Manchester Order and the Foresters.

2639. So the fact of belonging to one society does not prevent people from belonging to another?—Certainly not.

2640. Witnesses have told the Committee that if people were forced to belong to the national insurance, they would not think of belonging to another society; do you think that would be the case?—Not at all.

2641. Do you agree with Canon Blackley that if a man has been once forced to provide for himself, it is most likely that that would give him an idea that thrift was a good thing, and that he would be glad to go on with it?—Certainly; that is my opinion.

2642. You think also, do you not, that if this scheme were thoroughly understood by all the working men and all people throughout the country, there would be a general wish to adopt it?—I do not think that if you were to take 100 people out of our part of the country (I have not heard the opinion of others), you would find 1 out of the 100 who objected.

2643. If there is any objection, it arises, you think, from their not understanding the scheme?—Yes; from their ignorance of the benefits that insurance would give them.

2644. Have you found any difference between the older and younger men; of course, after a man is 20, it would not have any operation; it would not affect you or me?—No; I wish it would.

2645. But it would affect their sons, where they have a son between those ages; do you find any difference of opinion on the part of the young men; do you find that they object?—Not at all if you explain it to them, because we always find that a young man if he has the means to join one society, strives to join more.

2646. And also you would imagine, I presume, that the influence and the persuasion of the elder men would have a certain amount of effect upon the younger men?—Certainly.

2647. Do you think a knowledge of the difficulties that the older men are put to, through not having made this provision, would very largely prevail upon the younger men to belong to it?—I should think so.

2648. With regard to shamming, do you think that there is a very great deal of it in the existing societies?—There is; but unfortunately we have to depend entirely upon the certificates. If I have a man sick in London from a lodge here, I have nothing to go by except that he hands in his certificate, and we hand him his sick pay, unless we selected officers from the court to watch him and visit him. If we were to do that in all cases it would consume the whole bulk of our money.

T

7 June 1886.]

Mr. SMITH.

[Continued.]

Viscount Folkestone—continued.

money. Where it would affect our society might be in this way, and this is a thing which I do not think any honest man in any society can uphold; that after a man has paid into a society for 20 or 30 years, if he has become old and is not earning sufficient to pay his contributions, and runs out through non-payment, he ceases to have any claim upon this money which he has paid, which would amount to from 25 *l.* to 30 *l.* Although it belongs to a society, and ought not to tread upon my own glass roof, I do not think it is sufficient security for a poor man's money.

2649. Whereas if this payment is made between the ages of 18 and 21, it is made once and for all; there is no further claim?—That is so; in the agricultural districts we lose a great many members from age; when they get old they make default in payment. Members of the lodge I have belonged to have been in the society for many years, and at last they fall out and come upon the parish.

2650. Do you find that a shamming or malingering is more prevalent amongst the older than the younger men?—No; I believe it is more amongst the younger men than the older.

2651. You think that the supervision of the older men is not sufficient to stop them?—No, I think not.

2652. A witness stated before the Committee the other day that the only great preventive to malingering would be enforced idleness, that though a man would not mind being idle when he is really ill, yet as soon as he got better, the enforced idleness would force him almost to go off the box again, because you have very strict rules, have you not, that a man must not do a stroke of work while he is on the box?—It depends a great deal upon what sort of officers you have in the society. If the officers of the society saw a man in a garden digging potatoes or picking a few peas for his own use, they would not say anything about it, but if they saw a man working for money they would interfere with him at once. We are a little more lenient in a little country town than we are in large towns, I believe, but I do not know much about the large towns.

2653. You do not regard the enforced idleness as any preventive to malingering?—No, I do not think it would be.

2654. But you think that shamming is one of the great dangers?—Yes, I think it would be lessened if we could have more faith in our medical men, because I am sorry to say I have known cases where a man could declare off the funds of one society to go on to the funds of another, he would get the medical officer to cross him on to the second society, and then when he was beginning to run out of his time, he would get the other to cross him back again. I have known men who really made a living out of their sick pay. When we find out such cases we cross them off altogether, but we do not generally find them out I am afraid.

Mr. Hoyle.

2655. What do the labourers get in your neighbourhood?—They get wages varying from 10*s.* to 12*s.* a week.

Mr. Hoyle—continued.

2656. Is that the wage for an able-bodied man?—Yes, for an able-bodied man.

2657. He would not get more than 12*s.* a week?—The waggoner upon a farm generally takes the lead by about 1*s.* a week; they have to get up about four o'clock in the morning for their day's work, so that they would get 1*s.* more.

2658. That would make it 13*s.*; what would an able-bodied man from 18 to 21 years get?—He would get from about 9*s.* to 10*s.* a week, and some 6*s.*, being lodged and boarded in the house.

2659. Do not you think that 1*s.* 3*d.* a week would be a large sum to pay out of that?—No; because it is not like living in a large town, they have nothing to draw their attention, and they do not need to spend their money; they have nothing to take their money away from them. It is not like living in London where you find something to take all your money away every minute.

2660. Do you think they save their money now?—Yes; they do.

2661. They do not spend it?—No; they cannot spend it.

2662. And the girls?—Yes, the girls hire from the "mop" for the 12 months, and then when the 12 months is up, they have to go to be rehired again directly, so that they have no means of spending their money.

2663. What could a young woman earn between the ages of 18 and 21?—I could not give it to you directly, but I believe in a dairy from about 7*l.* to 8*l.* a year.

2664. They are hired in the market, are they not?—Yes, as a rule, they are; but the system appears to be dying out now.

2665. You are aware that out of that 7*l.* or 8*l.* a year, this scheme would take 3*l.* 5*s.*?—Yes.

2666. Do you think that girls would like to pay that amount of money?—Yes, I do, because I believe the girls are more provident and more thoughtful in the country than they are in the large towns, as a rule; they study the future.

Mr. Walter James.

2667. Do you live in the town of Ross?—Yes, I do.

2668. It is an agricultural town, is it not?—Yes, I have lived in the town for 30 years. I have been in London once before, but not for 30 years. I have worked for my present employer for 26 years in the town of Ross.

2669. Is there a Ross Union?—Yes, it is rather too large; it is large enough for half London, I might almost say. It is one of the largest and finest buildings in the place, and I consider it a disgrace to have it.

2670. How long has it been built?—About 25 or 26 years.

2671. Is it empty?—I wish it was.

2672. Is it very full?—It is not very full, but there are a good many in there.

2673. Do you know what proportion of paupers you have to the population?—I think the last I noticed was about 40 or 50 males, and about the same number of females in the union; but I think

7 June 1886.]

Mr. SMITH.

[Continued.]

Mr. Walter James—continued.

I think the union accommodates about 26 parishes.

2674. You do not represent your society here; your society did not desire you to appear here?—No, I represent no society.

2675. You have had a great deal of difficulty with regard to malingering and the detection of shamming?—Yes, we have.

2676. If you have a large society extending all over the country, have you reflected that the doctors or the agents who would have to look after these cases would have to be State paid?—I do not know how that would be.

2677. Do you make any payments to your medical men, or to your stewards?—The medical men are paid, and the stewards are paid from the society during their term of office.

2678. Supposing such a society were spread over the country, who would pay them?—We are connected one with another; if I had a member in London, I should send to the nearest lodge in London, and ask the secretary to instruct his stewards to pay and look after the man during his illness, and we should refund the money quarterly, or as they liked to ask for it.

Mr. Arthur Acland.

2679. You have talked to a great many working men about this scheme?—Yes.

2680. And whenever they urge any difficulty, you always think there is a good answer to it?—They always seem to be satisfied.

2681. And you see no difficulty in the scheme?—None at all.

Mr. Coleridge.

2682. You say that a woman would earn about from 7*l.* to 8*l.* a year between the ages of 18 and 21?—Yes.

2683. Does that apply to all the women?—They vary.

2684. The wages may be a little less in some cases?—They may be a little less, but I do not think you would find many servants getting much less.

2685. What is about the lowest wage they get below the age of 21?—I think 7*l.* would be about the lowest.

2686. Do you think that no women earn less than 7*l.* a year before the age of 21?—Yes, I think so.

2687. You would admit, that if they earned less, there would be a difficulty in paying the 1*s.* 3*d.* a week?—I do not think there would be if their wages were 6*l.* a year.

2688. If they were earning 6*l.* a year, how much would they have to set aside after they had paid their 1*s.* 3*d.* a week?—I could not say.

2689. Do you think they would be able to pay half their earnings away before they were 21?—No.

2690. Have you calculated that at 1*s.* 3*d.* a week, if they were earning 7*l.*, they would have to pay half their wages away?—I do not think there would be any difficulty about it.

2691. But you said just now that you thought they could not do it?—I did not mean to say that they could not do it; some girls would not 0.99.

Mr. Coleridge—continued.

do it so readily as others, but I think the majority could do it.

2692. Do you think that the majority of the women who were earning 7*l.* a year would be willing and able to pay half that amount away?—Yes, until the amount was paid up; I have talked to many servant girls during the whole of my time, and at farm-houses; I have done so for years upon this matter, and I have found no difficulty at all from them as to their paying.

2693. But you have never put it to the test of practical experience?—I have told them what they would have to pay.

2694. Have you ever told them that they would have to pay half their earnings away?—I have not put it so high as that; I have told them the amount they would have to pay until they had put aside a certain sum.

Mr. Wason.

2695. You state that the wages of labouring men were 12*s.* a week?—Yes, from 10*s.* to 12*s.* a week.

2696. Does that include a cottage?—Sometimes it does; waggoners, as a rule, and cowmen, are generally provided with a cottage, but the ordinary labourers are not.

2697. What do they have to pay for a cottage in your part of the country?—One shilling and sixpence, and 1*s.* 9*d.* to 2*s.* a week.

2698. That would have to come off their wages also?—Yes, that would come off their wages; still they have a garden, and that would produce vegetables enough upon the average to keep a family, and almost to feed a pig from the garden.

2699. That would not leave much, if you took 2*s.* from the 10*s.*?—When you come to take the garden into consideration, the produce from the garden would be equal to the rent of the house.

2700. You think so?—I do.

Mr. Norton.

2701. Did I understand you to say that you are the Chief Ranger of the Foresters?—I am Past District Chief Ranger and Woodward of the Lodge.

2702. Have you held that office before?—Yes, I have several times.

2703. Have you come in contact with several lodges?—We only form two courts in our district at the present time.

2704. But I understand you to say that young men and young women have no means of spending their money?—They are not tempted there; in the country places they have some distance to go to the towns, and they do not go there to spend their money.

2705. In my part of the world I do not think the young women have much difficulty in spending their surplus money?—But they do not go in for fashions in the country as they do in the large towns.

2706. You admit that at certain times the working classes are out of work for six weeks, or two months, when the custom is usually to pay their belongings for their maintenance?—Yes.

2707. If they paid 4*s.* a week, that would be, say, 25*s.* out of the year's wages; that being so, do you apprehend that they would always be

7 June 1886.]

Mr. SMITH.

[Continued.]

Mr. Norton—continued.

able to keep these payments up regularly?—But I understand if they were not earning the insurance money, you would give them a little scope under Canon Blackley's plan.

2708. Still they would have to make up the arrears?—I do not see any difficulty about that. I have talked it over on most points, but I have not found any difficulty.

2709. I should say that most of the domestic servants would be out of service one or two months in the course of two years?—We do not find it so in our district unless they are in ill health; servants are not too plentiful for the farmers in the general way; they like to get higher.

2710. It is not with the better class of working men that we should apprehend a difficulty, but with those at the very bottom of the social scale?—I have seen much of them in the last two years, and I have acquired of them, and I do not anticipate any difficulty at all.

2711. Do you not find, amongst servant girls, that they are more liable to be overgrown and fall ill between the ages of 18 and 21, so that that would all act in preventing their paying their amount?—Perhaps ours is rather an extraordinarily healthy place.

Mr. Stuart-Wortley.

2712. Some of these young women would be earning something, if not the 7*l.* a year, at all events before the age of 18, would they not?—I should think, in many cases, the servant girls' wages are pretty good in our part of the country; the servant girls' wages are generally better than the young men's.

2713. At what age do they begin to earn money?—I have seen children in service almost when they ought to be at school; they go to service very young.

2714. Even before they are 14 years of age?—Yes, before they are 14 years of age.

2715. I suppose a certain proportion of them marry before the age of 21, do they not?—No; I should say, as a rule, they marry at about the age of 22 or 23 in our district.

Viscount Grimston.

2716. In the society in which you are an officer, the Foresters, do they make any provision for funeral expenses?—Yes, at the death of a member we pay 12*l.*

2717. Would it be necessary, do you think, in a national scheme, to have some provision for these funeral expenses?—I should think so.

2718. You think it would be necessary?—I should; we pay 12*l.* for the death of a member, and 6*l.* for the wife.

2719. What subscription do you make in order to secure that benefit?—We throw it all into the contribution, which would amount, on an average, to 10*s.* 6*d.* a quarter.

2720. You said that a man could get on well on 8*s.* a week sick pay in the country; what would a man in a town require; would 8*s.* a week be sufficient to maintain him when he was sick in a town?—Yes.

Viscount Grimston—continued.

2721. How many members are there in your society?—There are about 300 in the Court to which I belong.

2722. What is the average of members drawing sick pay at any one time?—It averages about eight, I think, somewhere there about. I could not say to one or two; my cheques, which I draw for paying the sick, generally run to 5*l.*, 6*l.*, and 7*l.*; they may occasionally run a little over.

2723. How many out of the eight, upon the average, do you think there are shamming?—I do not think I have any shamming in the men on my list.

2724. You have no experience of that at all?—I have no experience of finding them out as a matter of fact, but I think the place where we get a little difficulty is when they get a distance off, so that we cannot visit them. We have to visit a sick member within 48 hours after he declares sick. As officers we are charged to visit them at certain times, at least once a week during their illness.

2725. So that you have no personal experience of any shamming?—No, not of any shamming, except it is the out-distance members.

2726. What does it cost an ordinary labouring man to live in a town, and also in the country?—When you take me to the town I am at a disadvantage.

2727. Supposing you were in the country, what could a labourer live on at the lowest?—Five shillings is the lowest. The rent is low and provision is cheap.

Mr. Walter James.

2728. Do you say that includes the rent?—No, that would not include the rent.

Viscount Grimston.

2729. My question only related to food?—Five shillings a week.

2730. What would it cost them for food living in a town?—I do not know; I have not had the chance of getting at what it would cost in London.

2731. But I am talking of a town?—I do not think it would make any difference, with the exception of a little rise in rent.

Chairman.

2732. You went to the meeting at Ross in the interests of your order?—I did.

2733. Did any of the other officials attend it?—There were several there, but they took no part in the meeting whatever.

2734. Do you know what their opinion now is upon the subject?—The same as mine.

2735. They have come round to the same views?—They have come round to the same views; there may be one that I could not answer for, but with that exception they all came round.

2736. Then there will be no opposition on the part of your lodge?—Not that I am aware of.

Thursday, 10th June 1886.

MEMBERS PRESENT:

Mr. Arthur Acland.
Mr. Fenwick.
Viscount Folkestone.
Viscount Grimston.
Mr. Hoyle.

Mr. Walter James.
Mr. Llewellyn.
Mr. William Lowther.
Sir Herbert Maxwell.
Mr. Norton.

SIR HERBERT MAXWELL, BART., IN THE CHAIR.

Mr. JOHN LLOYD, re-called; and further Examined.

Chairman.

2737. UPON the former occasion you handed in a certain number of replies which had been obtained to a circular sent out by the National Provident League to the various boards of guardians and parochial boards in England and Scotland?—I did.

2738. Have you received any more answers to that circular?—We have received seven more replies since I gave evidence before the Committee. There are four from different parts of England and three from Scotch parochial boards. Those in England are from the Halstead Union in Essex, the Newton Abbott Union in Devonshire, the Hursley Union in Hampshire, and the Bishops Stortford Union in Hertfordshire; the only one I would like to read to the Committee will be that from Newton Abbott in Devonshire.

2739. What is the general tenor of all those replies?—They are all to the effect that it is desirable and practicable to carry out a system of national insurance.

The Reverend Canon BLACKLEY, re-called; and further Examined.

Chairman.

2742. YOU have followed I believe pretty closely the evidence which has been given before this Committee, and also before the Committee of the last Parliament?—I have been present at every sitting of the Committee.

2743. Are there any points upon which you wish to make a statement to the Committee?—There are a very great many points, if I may be allowed to touch them, which struck me both with regard to the evidence and the answers to the questions which have been asked of the various witnesses.

2744. We should be glad to hear what you have to say?—I have put together a summary of all the witnesses who have given evidence; I find they are 38, of whom, roughly, I may say

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Chairman—continued.

2740. Which is the one to which you wish to call special attention?—It is the one from Newton Abbott in Devonshire. This resolution was moved and carried at a meeting of the board of guardians on 12th May this year: "That bearing in mind the demoralising effects of the present system of poor relief; that it is wrong in principle, encourages improvidence, is injurious to the industrious and thrifty; some such measure as that advocated by the National Providence League, for preventing pauperism by National compulsory insurance against destitution in sickness and old age, is desirable and reasonable."

Mr. William Lowther.

2741. When it says that it is "desirable and reasonable" to have a certain system, does that say this system of Canon Blackley?—It says, "Some such measure as that advocated by the National Providence League for preventing pauperism."

Chairman—continued.

the adverse witnesses were 10, and the favourable witnesses were 19, and there were two whom I should class distinctly as actuarial witnesses; I do not put them as either favourable or unfavourable at the moment. I thought it was right to divide those witnesses not at all as considering that the evidence should be taken as by tale and not by weight; but as it is very important in the first instance that we should consider what the qualifications and the positions are of the people who have given evidence on both sides; I have ventured, in order to make the matter as clear as I can, to divide the evidence into three parts; with regard to the people who gave the evidence, in the first place, taking those who object, I trust I shall not be misunderstood

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Chairman—continued.

in saying that those who are found to object are avowedly, from their own statements, either interested parties or else official persons. It is the most natural thing that the leaders of friendly societies should regard with apprehension a thing which they say will be injurious to their interests. I do not believe myself for a moment that it will be injurious to the interests of any friendly society. At the same time we must consider these men's own opinions, and I think it is perfectly natural that they should represent what are their own feelings in the matter; still, without a word against the animus with which they have spoken, I have to point out distinctly that as far as those who have given evidence against us representing the friendly societies are concerned, they are obviously interested witnesses.

On the other hand, we have another class of witnesses; those are the projectors of other movements and proposals. I do not think we need spend a great deal of time in considering their evidence because, as has been hinted two or three times in the course of this inquiry, it seems to have narrowed itself to a discussion of what they have called my plan. Some of the gentlemen who have proposed other plans are not necessarily either adverse or favourable to my plans; they have been asked some questions which might just as well have been asked of anybody else as far as their unskilled opinion went; those I may call the unskilled. Then the third class of witnesses I call the disinterested and more or less skilled supporters, because those people, where they have spoken in favour of the scheme, have really no individual interest in the matter except the desire of improving matters as they are at present. I think I may also say that the discussion seems for the most part to have resolved itself into a discussion between my proposal and the friendly societies; and not, as I really think it should have been, a battle between the English people and the curse of pauperism as it seems to be at the present moment. It is really very much more than a question between the existing friendly societies and the proposal which I made. In a word, I would say this is a proposal which is very far-reaching; it is not a question of the good that may be done to friendly societies or the harm that may be done to friendly societies, but of the good of the whole nation.

Then we must remember that the number of members of reasonably good friendly societies in the nation does not amount at the outside to more than 2,000,000 of people out of a population of 36,000,000 or thereabouts. That was stated in the course of this inquiry by Mr. Ludlow, I think; I may say in passing, that some like 7,000,000 or 8,000,000 of people are supposed to be in friendly societies, apart from the question of their being good or not, but that arises from a remarkable confusion as to what really constitutes a friendly society. Some people speak of friendly societies as being all societies which come under the cognisance of the Friendly Societies Acts; but a great many large collecting burial societies come under the Friendly Societies Acts, and they do not necessarily include people who are making provision in any sense whatever in the direction of the objects which

Chairman—continued.

are desired either by the friendly societies which provide against sickness, or such objects as the National Providence League proposes to provide for. That great number, 6,000,000 or 7,000,000, roughly speaking, consists a vast deal of it of infants whose parents have insured burial money by little weekly payments in case those infants should die during infancy; but they could not be called really members of a friendly society in the sense of the whole inquiry which we are carrying on in this Committee.

Therefore, to go back to what I have said, that we have the evidence of persons who ought to know best about the matter, like Mr. Sutton, or Mr. Ludlow, the Registrar, who at page 108, Question 1501, says, that up to 1881 there were 877,000 members returned of the affiliated orders. There are several affiliated orders, the Odd Fellows and Foresters and several more; and that practically includes every society which has thought it wise enough to send any representative to come before this Committee, because there are really tens of thousands of people in unsound benefit societies which know perfectly well that if they sent their officials to be questioned as to the soundness of their societies they would find themselves out of court directly; I would refer more particularly to Question 1465, where Mr. Ludlow was asked, "Can you tell me the number of individuals who belong to registered friendly societies," and his answer was, "It is about 4,000,000 I think, something like that, as far as the returns are concerned. But these are not all insured for sick pay, I am bound to say. (Q.) For what are they insured then when they are not insured for sick pay?—(A.) For burial only; I should say fully 2,000,000 are insured for sick pay." Now that is the very utmost of the people whose interests have brought them here, that is to say, of people insured for sick pay; while the population of the country I believe is something like between 35,000,000 and 36,000,000.

Mr. Hoyle.

2745. That includes Ireland, does it not?—Quite so, and so do Mr. Ludlow's tabulations of the number of people in friendly societies, because they have been quoted as including Ireland and Scotland.

Now, I have further to say, before I go on, that the evidence given by the representatives of the friendly societies upon this subject shows great division of opinion; we shall come to that by and bye. I say first of all there is a division of opinion among the members of good friendly societies who have studied this matter and those who have not; and secondly, there is a remarkable difference of opinion upon some single points between the opponents of this scheme themselves, one set of them against another. I will call attention to them presently.

Proceeding with the analysis of these witnesses, I will leave out of view for a moment a number of witnesses who appeared from the Poor Law side. It is a very remarkable thing that every person connected with the Poor Law who has been examined with regard to this question has given favourable evidence as to the National Insurance Scheme; and besides that, we have the results of inquiries of boards

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Mr. Hoyle—continued.

boards of guardians which are increased in number every day, and the favourable resolutions which have been passed with regard to this measure; I come now to compare the testimony of friendly society men.

We have heard what the Odd Fellows think with regard to the scheme from Messrs. Holmes and Watson, and from Messrs. Stead, Shawcross and Blake for the Foresters. Mr. Ralph Young represents a trades union of miners; those together form six representative opponents of the scheme.

On the other side of the Foresters we have Messrs. Sinclair, Pinckard, Higgs, Goodwin, and Smith; also Sir Edward Walter, whom I think we may call a friendly society man, inasmuch as he has established a very important society, and kept it going ever since the establishment of the Corps of Commissionaires. Those are six upon the other side, and if the Committee would kindly bear with me, I would like to point out the respective qualifications of those respective batches of witnesses.

Messrs. Holmes and Watson are the leading men, I may say, of the Odd Fellows; they gave I think as fair testimony as they could; I have the same thing to say of all my opponents in this matter, I believe they gave perfectly honest and candid testimony; but a reference to Mr. Holmes' evidence at Questions 754 and 758 in the first Report will show that those gentlemen when they came here had not made any proper examination of the scheme which in general terms they condemn.

Mr. Holmes, at No. 754, in answer to the question, "Has your society taken Canon Blackley's scheme into consideration," said, "It has not had it before the annual meeting, but of course it has been considered generally by the members of the association." The board to which Mr. Holmes belonged did not seem to have had any meeting or any discussion upon the subject at all. The next question was, "Has that scheme ever been considered at any of the meetings of the committee of the Manchester Unity," and his answer was, "No, it has not been before them in the shape of a proposition, but it has been generally commented upon at their annual meetings." The matter has not been discussed, but one or another has made his remarks upon it. At Question 756 he was asked, "Have any resolutions been passed upon it by the different branches;" and he said, "No, except at meetings, probably in London or other places, where there have been resolutions passed," but we were not presented with those resolutions; they may have been expressions of opinion, as I maintain they probably were, by people who had not studied the subject. Then at Questions 757 and 758 he was asked, "How have you arrived at your opinion as to the general opinion of your branches with regard to Canon Blackley's scheme. (A.) Simply by the expressions of opinion at our annual meetings, what may be called our annual parliaments, and also by the expressions of opinion of the leading men. We have sometimes taken the matter into consideration at the various meetings we have at our lodges and so on. (Q.) You have never had any resolution on the sub-

0.99.

Mr. Hoyle—continued.

ject passed at your annual parliament. (A.) No." Those are Mr. Holmes's qualifications.

I come next to Mr. Reuben Watson: I prefer to treat Mr. Watson as really an actuarial witness, for in all that he said generally about the matter his evidence was very much in favour of some such scheme, for the reason that he seemed to feel and to understand that it was a necessity for the nation. I quite agree that what he said in an actuarial sense was exceedingly fair. He would not condemn the scheme because it would depend entirely upon how it worked out. On the other hand, he would not say a word against the soundness of the scheme, that being a matter of explanation and detail. On the whole, several points in Mr. Watson's statement, instead of being against the scheme, make very much in the other direction. One of the most important things he said was this: that he had no objection to make from the pauperism side of the question, but what he did say was only from the friendly societies, side of the question; and I look upon Mr. Watson, from correspondence I have had with him personally, as a man of extremely fair mind, who feels it his duty to say what he thinks with regard to his own society, but does not necessarily suppose that a thing which may be beneficial for the nation must be kept back from the nation for the supposed interests of any one society. I come next to Mr. Stead; he represents the Foresters.

Chairman.

2746. Before you leave Mr. Watson's evidence have you considered his reply to Question 909 in regard to what you have just said as to his recognition of the want of some such scheme as yours?—That is true, but that is from a friendly society point of view. May I read the question before, "What does that objection consist in; the welfare of the existing societies is not of paramount interest, is it?—(A.) No, it is of great interest but not of paramount interest. (Q.) The welfare of all classes in this country is of paramount interest?—(A.) It is. (Q.) Therefore, if you could devise some scheme which would be for the welfare of all classes in this country, but which would be to the detriment of the friendly societies, you would not object to it on that ground?—(A.) Well, I think I should object to it. I consider that friendly societies have voluntarily done a great deal of good in the country, and I think that they ought not to be interfered with by the establishment of any system which would be injurious to them."

2747. You look upon that as an *ex parte* opinion?—Entirely so; but his view is very fair, I think, considering his position. At Question 916 he is asked, "Will you tell me whether you see any objection to the scheme by which membership of some society, either voluntary or under State control, should be compulsory;" and his answer was, "No, I do not see that there could be any very general great objection to that, but I do not think it is for members of friendly societies to advocate compulsion; I do not think that we need to become the advocates of compulsion, although we might not object to some compulsion. It almost seems to be necessary, one would think, but I would like to be very guarded

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Chairman—continued.

guarded in giving an opinion upon that matter." It is from that, I take it, that Mr. Watson is strongest (he says so himself in one of his answers) against this, not on the national side but upon the friendly societies' side.

I will take now Mr. Stead's evidence; his answer to Question 1023, "May I ask you generally whether you have had any meeting of your council or board of management to consider the subject of the inquiry before this Committee," was, "We have. Our council meet weekly, and, therefore, we had the opportunity last week of discussing this matter, when we received a letter from the Committee." I think honourable Members of the Committee will see how many of these men know nothing about the scheme until they are invited to come here and give evidence, and naturally they found their opposition upon the thing that strikes them first. Here is the High Chief Ranger of the Foresters, who never had any meeting upon the subject, and knew nothing about it, until he or someone representing the Order was summoned here a week before the council met together, as they meet from time to time, when they, no doubt, said, "Here is an inquiry; shall we go up and oppose it or not," and they agreed to oppose it, but that does not show that there was ever the slightest study of the scheme upon the part of those gentlemen.

Then I will read the next question, which is very pregnant: "Will you state the conclusion at which your council arrived"; and his answer was, "The conclusion at which they arrived was very short; they thought the scheme of Canon Blackley impracticable and objectionable, impracticable on account of the details, and also objectionable, as far as we were concerned, for similar reasons to those which have been advanced, such as the drawing away from our order of young men, not through depriving us of financial support, but taking away the young men, who take an active personal interest in the work of the Order."

Now you will observe these gentlemen do not venture to say that in a financial sense any good friendly society could be injured by the establishment of national insurance; but what Mr. Stead in his very short study of the subject had to say upon it was this, that it would take away the young men whose active personal interest was advantageous to his Order. I think that is a very small argument against a thing that might do national good, to say that it might prevent a number of people who never joined a friendly society from going into one. But I will not detain the Committee by details beyond showing what the line taken by those gentlemen was who came to give evidence. It is perfectly plain that the main objection, the leading away of younger men through the loss of their personal interest in the work of the society, is an objection rather of an interested nature.

2748. You look upon it as a selfish objection?—I do not like to use the word "selfish," but it is on account of their own interests and on account of the baseless fear that a scheme of national insurance might injure their society.

2749. Shall we say "taking rather a narrow view"?—I do not wish to use a word that may be reported and used against me all over Eng-

Chairman—continued.

land, as though I assailed these witnesses, because I have a very great respect for them and wish for the good of the societies they represent, but I would merely say that it is from a friendly society point of view that they assail my scheme rather than from a national point of view.

Then Mr. Shawcross, at Question 1187, gives us the same amount of qualification; at Question 1185 he is asked, "You have been deputed for the same purpose as the gentleman who has just left the chair," and his answer was, "I have been appointed by my council to attend here to give any evidence you may desire, with our chairman, Mr. Stead." Well, practically, he has just exactly the same qualification; he has probably never studied the scheme, even as put forward in one of our leaflets, but has simply attended an ordinary meeting of the society, received a summons to that society to give evidence upon this question, and without any reference whatever to the good of society at large, has come here, as he was bound to do, to give his evidence. At Question 1188 he is asked, "The point on which we want information from you is, the aspect in which any system of compulsory insurance presents itself to your society." The Committee will note that the meaning of that is, how it presents itself for the moment to Mr. Stead and Mr. Shawcross, because the society itself is not consulted upon the subject, and Mr. Shawcross answers, "I think, speaking for my friends, that we should feel it a very unfortunate interference with the independence of the people and our rights as a society in conducting our business;" and a little lower down he says, "Our members would feel that we should have our societies very much prejudiced by these young men being taken from us and compelled to join this Government scheme."

Incidentally I may say he points out that 25,000 men left the order upon their last year's calculations by non payment; and I wish to mention here, lest it should be omitted hereafter, in considering the question whether this is a compulsory charity that we propose or not, that the Order of Foresters had in 1884, 13,177 honorary members who receive no benefit from the society.

I have now done with these representatives who came before the Committee last year. I think I had better next take Mr. Blake's evidence which he has given us in this year's inquiry. Mr. Blake is the Parliamentary Agent of the Ancient Order of Foresters, and he was examined by this Committee because he brought a unanimous resolution agreed to by a great number of delegates of his society. At Question 2173 he is asked, "We have had evidence from some of your officials?—(A.) The High Chief Ranger and the permanent secretary. The High Chief Ranger is the Chairman of the whole society for the year. (Q.) I understand that your Order wish to appear again before the Committee in consequence of some statements made by some of the witnesses?—(A.) The statement made by one of the Odd Fellows the other day was that he thought the societies were very much in favour of this scheme. My own society, through its council and through a meeting of the London United District the other day, considered the scheme very weak, and as only taking up part of

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Chairman—continued.

of the work which the great friendly societies of to-day take up. We also think it would be very unpopular with the thrifty class of this country on account of the compulsion which is proposed? (Q.) Do you allude to any definite scheme in particular?—(A.) Yes, Canon Blackley's scheme. (Q.) Is that a matter of opinion or have you considered the matter before your council or committees of the order?—(A.) After I made application to be heard, I attended a council meeting at Leicester. I may say, in the first place, that the opinion of the council was that the thing was nearly dead. However, they thought it advisable that more evidence should be given, but they thought that after the opinion expressed in the House of Lords in the year 1880, and the evidence that was adduced last year, the thing was nearly dead." I may say in passing, that the discussion in the House of Lords was only a passing conversation upon the subject, and that quite as many Peers spoke strongly in favour of the scheme as those who opposed it merely upon conjecture. But that is passing away from the main point.

Now Mr. Blake does not profess for a moment that the meeting of delegates whom he got together to pass this resolution had studied a single point of the scheme. He thought it necessary because of the remarkable evidence which had been given by Mr. Sinclair, Mr. Higgs, and others of the Odd Fellows, that he should come and state what the opinions of the Foresters were. Now we know that there does not appear to have been the slightest consultation together upon the subject upon the part of the delegates. They were told "Here is a resolution against the scheme, let us pass it;" but there is no evidence that they had ever studied a single point of the scheme in detail.

Next, having taken these representative men, I have a representative man of another class, though probably he does belong to some of these friendly societies; I mean a representative of the trade union interest, that is Mr. Ralph Young, whose evidence is given on page 113. It will be noted that Mr. Ralph Young is the secretary of the Northumberland Miners Union, a very large union, which has 12,000 members. He was asked, "Has your attention been directed to the subject of our inquiry?" and he said, "Yes, just within the last three or four days;" in fact he was summoned to give evidence here, and until then he knew nothing about it. Then he was asked, "You are here to speak on behalf of your society, I suppose?" and he replied, "I am not delegated by the society to attend here. (Q.) How long have you acted as secretary to the association?—(A.) For 12 years." He had no authority, but, naturally, his opinion was asked as an officer of a very important trade union.

That is the only special trade union evidence which I have seen brought forward. I am aware that some people in Scotland wrote asking to be examined upon the subject from the trade union side; I do not know how it was that they were not examined. I suppose their application was too late; but I have a remarkable fact with regard to a trade union to bring before the Committee. I felt myself it was a most important thing that we should go before the trade union

0.99.

Chairman—continued.

people and find out what their views were upon the subject.

In the year 1883, in the month of February, I arranged a meeting of trade union delegates at Birmingham. The report is in the first number of our "National Providence Reporter," and it says: "The meeting referred to further on, as held by Mr. Blackley at Birmingham, was of a peculiarly interesting sort. A letter having appeared in a Birmingham paper on the subject of National Insurance, written by the Secretary of the Birmingham Trades Council, Mr. Blackley requested the writer to convene a meeting of representative members of that body to confer upon the subject. This meeting was held at their office on 10th February last; I should think here were 50 present, all leading members of lodges, and the views expounded by Mr. Blackley were received with remarkable favour. They were opposed by no speaker, though several addressed the meeting in cordial approval, and at the conclusion the members present expressed their earnest purpose of bringing the matter before their lodge-meetings, and making arrangements for inviting Mr. Blackley to address a larger gathering of members at a later date."

I felt very much encouraged, where I had expected to find from the trade union representatives very vehement opposition, to find that when they examined the scheme they were very much in favour of it, and some of the important men, who seemed to carry the meeting with them when speaking, said that they, at least, could have no objection whatever to the compulsion in the scheme, because whatever they might call it, compulsion was the very life of a trade union. I wrote to the secretary of the Birmingham Council, who wrote in the paper an article stating that if certain objections were removed it would be a very good thing. I asked him to get a meeting when he could, and I would come to Birmingham to address the meetings of trade unions. They fixed the meeting on a Saturday, and you will see the earnestness of those men when I say that Saturday is their holiday. I met them there, and we sat till half-past 6, talking the matter over, and so far from there being any opposition, they were all in favour of the scheme.

I may mention one question which they specially asked; whether the fact of their being provided with this national insurance money would reduce the amount which they could claim from their employers in the case of accidents, and I said for myself, that I had never apprehended such a thing as that, and I did not think that it should; that an injury done should be paid for by the employer. I could not enter into the subject generally, but that the thing should be administered upon the basis of the strictest justice, that people should receive what they paid for, and that the one was quite distinct from the other.

Now having got that favourable opinion from those men in Birmingham, the next thing that occurred to me was to get the thing discussed (because we have never feared discussion upon this subject at all) at the annual congress of the trade unions. I believe Mr. Broadhurst, who is a Member of this House, was the secretary

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10 June 1886.]

Rev. Canon BLAKELEY.

[Continued.]

Chairman—continued.

tary to the Parliamentary Committee of the Trades Congress; therefore I wrote to Mr. Broadhurst, whom I had met in the House, and I spoke to him; he was so much interested in the Employers' Liability Bill at the time that he could not name a day for us to have a quiet conversation upon the subject, but I wrote to him, and asked him whether he would get the matter discussed at the Trades Unions Congress, which was held some months afterwards, and I got a reply to say that there was no likelihood of the subject being taken up by the Trades Union Congress. I then wrote to the secretary at Birmingham, as I had failed in that way, to ask him whether as secretary to the Trades Union Council in Birmingham, he would write to the leading men in London to get the thing brought forward at the Congress, and he wrote back in reply almost in the same terms as Mr. Broadhurst had used, saying also that there was not the slightest probability of the Trades Union Congress taking up the subject.

2750. Was there any reason given for that decision?—There was no reason whatever; I only mention that lest people should suppose for a moment that the trade union interest had not been consulted, and that their objections had not been considered. So far we know of no objections on their part.

As to the representative of the Miners' Union, if you will read over his evidence, you will find there was nothing in his evidence given against the principle of the scheme. I am not sure whether it was not he who was asked the question whether if there was much malingering, or something of that kind, it would not be disastrous; I really do not think that he appreciated the meaning of the word "disastrous" at the moment. I think that any other word that might have been put into the question would have got an affirmative answer in the same way. Not having been deputed by his society to come, and coming at short notice as he did, I class him amongst the others who are not at all false or prevaricating, but simply unskilled in the question.

I pass then from the evidence of those more interested witnesses to refer to the evidence of the more skilled ones, and the favourable ones on the friendly society side.

I will begin with Mr. Sinclair. Mr. Sinclair is a Past Provincial Master of the Oddfellows; a professional man, a solicitor, and a man of much higher qualifications and education (I say it without disrespect to others) than some the Committee have had before them. Mr. Pinckard is an Oddfellow, a forester of 20 years standing, and an actuary of 40 years' experience to a great assurance office; and he spoke entirely in favour of the scheme. Mr. Higgs gave a singular testimony as to the manufacture of educated opinion amongst the Oddfellows in Southampton upon the subject, that when they had examined it and looked into it, and had some difficulties in their mind removed by the answers to their questions, those who at first, some months before, when they began to discuss the matter in their lodges, had been, all but one individual, opposed to the scheme were now all found in favour of it; and they passed a very strong resolution hoping that

Chairman—continued.

the Legislature would very soon enact such a measure as we propose. That was a meeting of 70 past masters of the Oddfellows. I may say that within a week or two of that I was asked to address a meeting of the Southampton Parliamentary Society, which was very largely attended; I did address them upon the subject, and they passed a practically unanimous resolution on the matter; there was only one hand held up against it. It was stated that that was the only resolution which had ever been passed in the Southampton Parliament with practical unanimity.

Mr. Goodwin came before this Committee; he had thought the thing out for himself; he wrote a paper upon the subject, and stated that four-fifths of his working friends were in favour of compulsory insurance. When he heard of this scheme, he got the papers and examined it and read it, and he came here to express his honest opinion that the establishment of such a scheme as is before the Committee would meet a great public want. Mr. Smith was another of those. The Rev. Mr. M'Knight told the Committee that he was opposed by Mr. Smith in Gloucester or Ross; that Mr. Smith felt it his duty as the representative officer of the society, and a District Chief Ranger, to oppose Mr. M'Knight's proposals; he did so, and he has told you himself that he found when he had done so that the answers of Mr. M'Knight left him not a leg to stand upon; and meeting Mr. M'Knight a few days afterwards in the street he apologised, which he need not have done, for his opposition, and admitted that Mr. M'Knight was entirely right in advocating national insurance, as he has himself done ever since.

Now, those are all men of important official position in their societies; every one of those men has studied the question carefully, and come to a different conclusion altogether from those who not having studied suppose their interests imperilled, and give evidence in opposition.

Passing now to another subject, honourable Members of the Committee will no doubt have read the reply I made to Mr. Sutton's paper, which is printed in the former report. I will not say that that reply is in every point perfectly sound, because it is a matter of conjecture and calculation, but Mr. Sutton has in giving his evidence ignored a very important part of my proposals. He has only calculated this subject on an investment of 3 per cent., whereas I claim that more than that can be got for it, and I will give a few reasons why: At the present moment I have before me the return for last year of all the investments of all the insurance societies in England up to the end of last December. I have taken the returns of every life assurance society which has a million of capital, and I have averaged the rate of interest at the present time being received for all the money entrusted to the principal life assurance offices in England.

Mr. Hoyle.

2751. May I ask if you have ascertained when the investments were made?—No, I have not done that; but at the same time it was not all invested last year, and some of it not within 20 years;

10 June 1886.]

Rev. Canon BLAKELEY.

[Continued.]

Mr. Hoyle—continued.

years; but it is rather important to see what they are doing at the present time.

2752. Could you get at what they are doing at the present moment, unless you have the investments made in the last 12 months?—That is again a question, but I propose a certain rate of interest, and my object is not to show that there will always be a particular exact amount of interest, or that 10*l.* will always do all that is required. This thing must necessarily fluctuate, but for the purpose of rational argument, in the actual working of the thing, it is not impossible that my figures may be right. At the present moment all the life insurance societies in England who have above a million of money have their money invested at an average of 4*l.* 7*s.* 10*d.* per cent.; a few years ago it was 4*l.* 10*s.*, but last year it was 4*l.* 7*s.* 10*d.* per cent.

Then I daresay the honourable Members of the Committee know that investments for a long period obtain a better rate of interest than investments for short periods. Now, vast numbers of people think friendly societies must invest in Government securities, where they cannot get more than 3 per cent. for their money, whereas they are not aware of this fact: that there is hardly 4*d.* in the *£.* of the friendly societies' funds invested in Government securities at all; it is contributed from month to month; it is precariously paid in small sums; whereas we propose to allow the money to lie, as far as the annuities go, for nearly 50 years, and that class of deposit is that which in the market commands the highest interest, and I have suggested that nearly, if not quite, 4 per cent. might be realised for it.

2753. May I ask whether, if the State were responsible for this money when it was once paid in, it would not be very much the same as trust money, which the Court of Chancery insists upon being invested in national securities?—Yes; but I do not propose that the State should be responsible for a penny of the money. That is one of the points of the question that people, curiously enough, cannot distinguish. Mr. Blake told us that the London United District of the Order of Foresters was getting nearly 5½ per cent. at the present time, and nobody has told us that the societies which are investing their money at that price are necessarily destroying themselves financially.

Another point is this. The Foresters have told us they have established a superannuation fund, in which any member can pay a lump sum, and that they will make a contract 50 years forward to pay that man a pension, and they tell us themselves that they have contracted to invest that pension fund at 4 per cent. What they are doing, without any one of their actuaries objecting, under a 4 per cent. investment, could surely be done under the national scheme. Now I have not quoted myself as a man specially skilled in insurance, but I may mention that I have been for years a director of the Clergy Mutual Insurance Society, a very large society, having laid by several millions of money. Now, last year our rate of investment, and we are supposed to be most singularly prudent and careful

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Mr. Hoyle—continued.

in our investments, was 4*l.* 3*s.* 10*d.*, and we think that this year it will be 4*d.* in the *£.* better, that is to say, 4*l.* 4*s.* 2*d.*; and though it may be that the rate of investment is likely to fall, especially during this period of great agricultural and national depression, I do not think we are bound to say it can never rise again, inasmuch as we have the single instance of this year, when we have a few pence more than last year. That answers the point which the honourable Member asked me with regard to the investments.

Now we come to the guarantee of the nation for the money. We do not propose in the National Insurance that that could happen which has happened to the Post Office fund. After a number of years they find a very large deficiency, for they invested their money in national securities, and when that money was taken out it was at a great sacrifice, and the nation had to pay several millions to remedy the deficiency. The guarantee proposed by us for the State to make is not a guarantee of so many pounds and shillings, but only a guarantee that every person on reaching a certain age shall pay in the ascertained value of his insurance, and any fluctuations such as might occur would only raise or lower the price at which this was effected.

Chairman.

2754. Have you considered the effect upon the supply of securities of the annual investment of such a very large sum as would be raised?—Yes. Mr. Sutton puts down the proposed commencement of the thing at about 3,000,000*l.* Now there is a great deal more than 3,000,000*l.* invested every day in one way or another. Now I must point out a remarkable thing to show what singularly rash statements may be made by gentlemen who make statements without going very closely into the matter. Mr. Sutton states in his paper, that supposing this scheme were started upon the rates of the friendly societies at the present time, the sum that would be locked up for the payment of annuities before the annuities came to be paid would amount to 300,000,000*l.* Now if that be true it is the most extraordinary testimony to the over extravagant cost of my proposal that could be, because I have also here summary tables of the population, and I find upon calculation that, proposing as we do, a pension, to commence at 70*l.*, if the entire sum, if it were paid down when the first of those people came to 70 years of age, the entire amount you would require to pay their pensions, if they all lived to be 100, would not be as much as Mr. Sutton's figure, and that, in point of fact, instead of 300,000,000*l.* being necessary, about 34,000,000*l.* only would be necessary to pay the pensions. I can only think that Mr. Sutton has supposed that every one born in the nation lives to 70 years of age, and pays in his money. I do not know how else he arrives at his conclusion, because he says that, for the annuities alone, about 300,000,000*l.* would be accumulated before the pensions were paid. Now, I have made the calculation, and I find that the total number of persons reaching the

10 June 1886.]

Rev. Canon BLAKELEY.

[Continued.]

Chairman—continued.

age of 70, is only a little more than half a million, 686,000 *l.* Now, 10 *l.* is to come to each of these people annually. I have calculated it out, and I find that 34,000,000 *l.* would be enough to pay the whole of the annuities for the people existing at any one time, according to the mortality tables. Mr. Sutton may say that, that what is collected, going back through all these number of years, may be rolled up also in his figures; but that is partly the fund which would be going on in the form of sick pay. But it must be recollected that, as a person reaches his pension age, the sick fund will have paid itself out as far as he is concerned, and that then there will be nothing but the pension fund to go upon for those people.

Viscount Grimston.

2755. Upon that point let me ask you this: assuming the 686,000, that means that every year there is that number to pay pensions to, so that you must calculate, not for the sum that would extinguish that number, but for the sum that would accumulate to pay their demands annually?—I am assuming that every person of every rank claims the pension.

2756. That would be considerably over 5,000,000 *l.* a year?—Yes, we take from these returns all the different years, showing the numbers of people alive at them respectively. We take the line at 70 years of age, and deal with all who are alive then. Now, next year, there comes in another set, but then there will have died out an exactly equivalent set. The largest number, of course, will be between the ages of 70 and 75; therefore, of that 686,000, more than half would have died; what I would calculate upon as a standing sum to have the money in hand for all the pensions would be about 34,000,000 *l.*

2757. That would be for one lot. Supposing they all died off, but as a fresh lot will come on next year, you must take those in too?—Supposing, at the next 1st of January we had to have the annuities for all those people, the sum required to pay all the annuities for that year would be 10 *l.* for each of those people; that would be over 6,000,000 *l.*, say 7,000,000 *l.* for that one year; whatever it be you multiply the number of people alive at that age by 10, and then you have to reckon upon five years for their receipt of that annuity; but then you find you must take half of those to have died out in two and a-half years; therefore, you take the mean of that and the next number, and you say, Those are the people who must be assumed to have five years' payment.

2758. That is as regards that particular lot who are alive at that date?—Yes; then you take the next five years' payment, and you get it in that way.

2759. If calculated in that way you would abolish the whole population of England before they reached the age of 100, but the next year you have to calculate for another 7,000,000 *l.* worth, who will be 70 years of age that year?—And the money they are drawing is ceasing to accumulate at interest, but the money that is not yet being paid them is accumulating at interest.

2760. Therefore you must provide for an annual charge of 7,000,000 *l.*, is that right?—I

Viscount Grimston—continued.

think you would have to pay at least 7,000,000 *l.* every year, but then that is money that is created as it comes in, and disappears as it goes out. Then with regard to that whole argument, I do not think there is the least rational cause to object to any insurance society in the world doing a large business. To tell us that the sum will be very large, is not prohibitory to our doing a very good thing. If anyone were going to establish an insurance society at the present time there is no one who would think of saying, "You must not undertake this, because it will be so enormously profitable."

Chairman.

2761. But is not the difficulty raised by Mr. Sutton, the difficulty of getting a profitable investment for this enormous sum of money?—That is perfectly true; and now I have an answer to that. In the lifetime of some of us a new fund of between 800,000,000 *l.* and 900,000,000 *l.* of money has been created in England; that is the railway property; and the investment of that is at 4 per cent. That was a new fund. If there had been an attempt to invest that 900,000,000 *l.* of money in any one year, it could not have been done, of course; but it came by degrees, just as this will come by degrees. Suppose the whole sum to amount to 4,000,000 *l.* in the year to invest and lock up, the fear which is expressed that the amount will be too large arises from this: that Mr. Sutton and others assume you will have to be always investing this 300,000,000 *l.*; but you would only want to invest at the most, say 3,000,000 *l.* or 4,000,000 *l.* a year; and when we think of what is invested year by year in England, that need not dismay us. When we remember what are the profits of single firms, such as some of the brewers, and that they can invest their money, and do it perfectly well at a safe interest of more than 4 per cent., we cannot say that there would be any particular difficulty in the nation finding every year an investment of 4,000,000 *l.* I did not assume, as a certainty, that we should get 4 per cent. in perpetuity; but if a great society like the Foresters can make contracts now for investment at 4 per cent. for 50 years, I do not know why we should not do so, at all events, for the present, and let future circumstances, to a certain extent, take care of themselves. The Post Office has reduced its calculation upon annuities to an absurdly low degree, and the consequence is that it makes no contracts. Most other societies can make contracts because they can accumulate at a more rapid rate, consequently the Post Office scheme is a failure. What is proposed in this scheme is that it should be so far elastic that as circumstances differ from time to time, so the amount to be contributed should differ from time to time; therefore the national guarantee will be not that the people shall pay 10 *l.*, but that they shall pay what at the time of their payment shall be ascertained to be the correct price of what they have to pay for. Most people who examine the scheme or hear of the scheme, never think of anything like a fluctuation;

10 June 1886.]

Rev. Canon BLAKELEY.

[Continued.]

Chairman—continued.

tion: they think it should be a hard and fast rule for ever.

Now, I will say another word about the fall of interest. We are in exceptional times; the American rate of interest referred to as falling, must fall; it follows from the nature of things; the more America is occupied the less they require to offer speculative interest for speculative work. With this remark I pass from that branch of the subject. If, having in view this society which we propose, the rate of national interest goes down, as a general thing it means that money is more plentiful, and therefore it means also that the people who are called upon to pay their insurance will have more money to pay it with.

On the other hand, if the rate of interest went up, a very large difference would arise in the cheapness of the payment, because at a high rate of interest the accumulation to make the necessary fund would be so much more rapid, so that I do not think we ought to be afraid at all of hypothetical alterations of the rate of interest. We can only take the circumstances of the present time, and make calculations upon them suitable to the present time. I should be glad to answer any other question upon the actuarial point while we are upon it.

Viscount Grimston.

2762. I am anxious to find out something about the number of sick people who would receive this payment of 8s. a week; what do you think would be the number of sick people at any one time, upon the average?—That is impossible to ascertain; because there never has been any tabulation of universal sickness made. I have based my calculations more or less upon the ascertained rate of sickness amongst the Oddfellows.

2763. Have you arrived at the percentage?—No, I have not done so, but I have made my calculations upon the tables framed by actuaries for the societies, upon their experienced facts.

2764. Do you know what the actuaries calculate to be the rate per cent.?—I have not the least idea, but it is assumed that the tables which have been framed by the Oddfellows and the Foresters, as giving their largest experience, are the safest to go upon. We have no tabulation whatever for the general population. My contention is, that the health of the general population is not worse than that of the hard working population; that is all we can get so far. If once we had national insurance there would be a very definite tabulation, and that is what I should look to from year to year as warranting any alterations in the scale. The other societies which have been founded and carried on had really no tabulations of sickness to start with, their work was absolutely guess work. We have at all events a sounder basis, deriving it from their experience, and using it for our calculations.

2765. With regard to the amount of 7,000,000 £, that amount only pays for the pension; but supposing the sick pay were to equal that, you would then be in face of the large problem of how to produce the 14,000,000 £ a year, would you not?—No, I rather think not, because when you come to the annuities you have done with the sick pay

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Viscount Grimston—continued.

for those people. No man who is receiving an annuity is receiving sick pay.

2766. But they would be both going on at the same time?—Quite so, but I should allow for that. If it came to a thousand millions, I can see no reasonable objection to it, except frightening people with the mention of very large sums.

Mr. Norton.

2767. You have stated that brewers and others have no difficulty in obtaining investments at over 4 per cent.; do you think that is the case? I know that many trustees find difficulty in getting investments at 3½ per cent.?—But brewers do not; brewers buy more public-houses, and they do not buy a public-house to return 4 per cent.

2768. I am afraid that would not strengthen your argument for your investments?—I merely give it as an argument that people can invest large sums at more than 4 per cent., and they do it, and I do not see why the nation should not be able to do the same; 4,000,000 £ a year is a mere pinch of snuff to the amount invested by some of the large undertakings.

2769. Then you do not think that there would be any difficulty now in getting investments to return something over 4 per cent. in the present state of the money market?—It would be rash to say at the present moment that you could always get over 4 per cent., but if the money were looked up for the best part of 50 years, I think it would be pretty safe to estimate that you could get that amount of return.

2770. Would it not be safer to take it at 3½ per cent.?—It would cost more money; I like very much the symmetrical 10 £; but I am sure the Committee will understand that the principle involved in national insurance is not affected by the question whether it is 10 £ or 15 £. Every proposal in the scheme has been put forward, subject to the better knowledge and the wider experience of the people themselves.

Mr. Llewellyn.

2771. You say that a very large amount of money is now invested by the Foresters and the Odd Fellows, and you say that they can get rather more than 4 per cent. for their money?—Mr. Holmes at Question 782, gave very striking evidence upon the point when he stated that the rate was 5 £ 2 s. 9 d. for the whole of the London district of Foresters.

2772. But are you not aware that a large part of the money invested by those friendly societies is invested in small sums, split up amongst the various lodges, and invested in mortgages upon land for the most part, which are looked after by the lodges. I suppose that perhaps taking the average of the lodges, they would not invest more than 1,000 £ a year?—For that reason I think they can only command a less interest as compared with that which large sums invested for a long time can command.

2773. In what do you propose the Government should invest this large sum that they would have to invest at 4 per cent.?—I do not propose that the Government should do it, but that the people

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Mr. Llewellyn—continued.

people who pay down the money should elect their own people to manage the fund; I like to keep the idea of representation always present, and I would naturally only get the assistance of skilled men; the skilled men would have to account every year as the Governors of Queen Anne's Bounty and the Charity Commissioners do for every halfpenny of those funds; they would not dare to invest them at any time in speculative things; they would have to get the safest investments they could for them.

2774. Do you suppose that they could get at much as 4 per cent. now in sound securities?—I do; but if they could only get 3½ per cent. it would not matter much; it would only mean a little larger initial payment.

2775. Do you know what the large insurance companies invest in?—I do not.

2776. I have a sum of 800*l.* to invest for a friendly society to-day, and I cannot invest it to any advantage?—And I will tell you why; because that friendly society wants to be able to put its finger upon the money at any time it likes, whereas we should invest for a fixed period of nearly 50 years. Money is often only to be lodged at 1 per cent., because it has to be at call, but if you look up the rate of discount for the last 10 years in the Stock Exchange returns, I have averaged it over and over again, I am afraid to say with certainty, but I think it comes to 3½ per cent. or a little over. Sometimes it is only at 1 per cent.; that is money at call; but money lying for a long time would command a much higher rate.

2777. You have not considered in what securities such investments could be placed so as to command more than 4 per cent.?—I cannot say at the moment. In the Clergy Mutual Society at any rate, we do not hear of things under 4 per cent. It is possible we might take some things at 3½ per cent., but as a general rule it is 4 per cent. If you ask mortgage authorities at the present time, even in these depressed times, they will tell you that 4 per cent. is the normal rate for mortgage on land. Of course a large market, Ireland, is shut up for the present; no one will invest there under present circumstances; but still it is plain to me that if multitudes of men can invest money to advantage for these long periods the nation can do it. May I say generally with regard to this, that I do not consider it necessary that for ever 4 per cent. should be got for the fund, but that there is reasonable ground for saying that at the present time 4 per cent. might be got for the fund.

Mr. Walter James.

2778. Upon this question of the rate of interest you base your estimate mainly upon the table of the rate of investments in the public insurance offices, do you not?—No; I give that merely as an illustration; and I claim that the sort of fund that we propose commands in the investment market the very highest interest of all.

2779. What does?—Money that is paid in and not drawn out for 40 or 50 years.

2780. Would it astonish you if I were to observe that your experience in this matter

Mr. Walter James—continued.

seems at direct variance with the general experience of those who have had dealings in large investments in the last few years, and that the difficulty of obtaining a rate of interest even of 4 per cent. almost upon any kind of investment of a satisfactory character is very great?—If you are speaking of persons who wish to lend, who will bind themselves not to draw out within 50 years, I can only say that trustees who do not know who their representatives will be in 50 years time, cannot lock up their money to that extent, whereas our money could be locked up, and would be in an entirely different position from a mortgage which could be foreclosed in two or three years time.

2781. Did you hear what Mr. Hardy said about Mr. Sutton's proposals?—He agreed generally; I have a great respect for Mr. Hardy; he says he cannot commit himself to my figures, and, indeed, no actuary can. Mr. Hardy was exceedingly fair, and kind about it. No actuary in England could commit himself to a permanent rate of interest of 4 per cent. No actuary could say, "I have data sufficient to secure it." If they had data enough they could judge from that, and say, "If we have the conditions remaining unchanged we could guarantee it, but we have not." There is nothing that actuaries are more careful about than giving any sort of sanction to a scheme of any kind of which they have not the proof of working. No actuaries ever recommended the establishment of the great friendly societies when they were established first; in fact the establishment of such societies has more or less made the great profession of actuaries.

Viscount Folkestone.

2782. We have had a great deal of talk about 10*l.* not being sufficient; it is possible, is it not, that the variation might be in the other direction, and that it might be more than sufficient, considering the number of people who would not come on the box?—That is exactly one of the unknown conditions of the calculation.

2783. So that if this scheme of yours is adopted, it might possibly happen in the future that people would have to pay a larger sum of money for their insurance, but it also might happen that future generations might have to pay a less sum?—It might happen; as Mr. Hardy himself says, it is within the range of possibility.

2784. As far as your calculation as to the 10*l.* goes, it is entirely conjecture?—Only that there is this to be borne in mind. If the thing were to work as it might work; and I am not one of those who might be ready to suppose that the vast mass of the population would want to defraud the fund; I believe wilful malingerers would be the exception; if the fund were properly safeguarded by the people insured, I believe there would be a vast deal more supervision of sickness than people imagine. But in order to ensure that end, I think you should give every person insured a personal interest in supervising the sickness claims. If you can imagine such a thing as this, that everybody knowing that everybody else was insured in the national society,

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Viscount Folkestone—continued.

society, and knowing also that the success of the society would secure to each person insured a pension at an earlier age than the contract age, every person in the nation who would be likely to take his annuity would then have an interest in detecting and exposing fraud; that is an intelligible interest which could only be found in a universal society. We have heard a great deal about the members of friendly societies supervising the sickness of their members, but in a national insurance society every individual would naturally supervise the sickness of his fellow members as far as might reasonably be. They would say in proportion to their need of it, "We want to rest from work; we want, instead of struggling and striving for sick pay, to get our pension and have done with it; therefore we will take very good care when we see a regular malingerer and deceiver going time after time on the fund, that we will go and complain to the stewards of the fund, and have a proper examination by the medical man." In that way the fund would be increased, instead of depreciated, and in that regular way people will be able to rest at an earlier age from their work.

Chairman.

2785. There is a point to which you alluded, I forget whether it was in your evidence or elsewhere, namely, the proportion of pauper deaths in the workhouse?—That is a newly-ascertained fact.

2786. Would you state it as you stated on a former occasion?—In investigating this subject, as I am doing nearly every day of my life, it occurred to me to try and find out what proportion of the people in our country who reached old age die as paupers. I therefore took first the burial register of my own parish. I got the relieving officer, who has been 14 or 15 years in his office, to come with me and examine. We marked off every person in the parish who had died over the age of 60 in our burial register; then I asked him, with his knowledge and the authority of his books, to point out how many of those had died either in the workhouse or as recipients of outdoor relief, and I found, to my horror, that there were 37 per cent. of such. That differs from the ordinary proportion of the number of paupers. What people commonly call paupers are about 3 per cent. of the population; that is what is ordinarily supposed to be the average of pauperism. That figure, however, is taken from a misreading of the Local Government Board Returns. That figure is only the mean between the number of paupers on the 1st of January and the 1st of July in each year; that is not a tabulation of the number of paupers in England. That tabulation was last made, as to the number of paupers, in the year 1857. Mr. Purdy, who made the Return, gave the number of actual paupers as three-and-a-half times the mean number returned in that year. If we apply that tabulation, and there is no reason for our applying any other, to the mean number at the present time, we shall find that the number of paupers in England is 10 per cent. of the whole population. Examination of the pauperism on my parish register amongst old persons over 60 years

Q.99.

Chairman—continued.

of age, proved 37 per cent. of persons of that age dying as paupers. I wrote to the "Guardian" newspaper stating this fact, and asking other clergymen to be good enough to make the same examination of their burial registers. I added up and averaged all the returns, and I found that instead of 37 per cent., which was the case in my parish, 42·7 out of every 100 of the population that reached 60 years of age die as paupers; that is nearly one out of every two people in the country attaining that age.

Mr. Norton.

2787. Do you mean that they actually die in the union workhouse?—No, as paupers, either in the workhouses or in the receipt of relief.

2788. Would you call a person a pauper who got a very small relief, say a gallon of flour?—We do not give anything like a gallon of flour to anybody; we give money; and when we give relief it is at the rate of 2 s. 6 d. a week.

2789. What you call a pauper is any person who is a recipient of relief?—Certainly, any person who is a recipient of relief; because they cannot receive any relief by law unless they are destitute people.

Mr. Fenwick.

2790. Could you tell the Committee what proportion of the population reach the age of 60?—I can; it is, roughly, 2,000,000 of the population; it is not quite 2,000,000, but very nearly; the total is 1,916,266.

2791. And it is 36 per cent. of those who die as paupers?—The number of people existing over the age of 60 is 1,916,266; and more than 42½ per cent. of those die as paupers. I think that closes what I have to say with reference to the amount of pauperism in England. It is so appalling in itself that it is not necessary to say anything more upon it.

Mr. Hoyle.

2792. How did you arrive at that 42·7?—By tabulating all the returns got from the clergy; finding how many died, and how many of those were paupers, and that was the result.

2793. Do you mean that of the persons who arrive at the age of 60 in all classes, 42·7 die as paupers?—42·7 of all persons who arrive at the age of 60, die as paupers, as far as my returns go.

2794. That is a very startling statement?—It is a very startling statement.

Mr. Walter James.

2795. What have you taken as the basis of your statistics?—Simply the burial statistics as they were sent in to me; we find from them how many die and are buried; how many of those are in receipt of relief, and then we tabulate the results.

Mr. Hoyle.

2796. It is not 42·7 of the whole population? it is only 42·7 of those who reach the age of 60?—Certainly; the entire population above 60 of every class.

2797. But the words "entire population" may

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Mr. Hoyle—continued.

may possibly mislead one; and what I wish to know is this, whether this proportion is of those who attain the age of 60?—Certainly, that is my object; to show that, whatever our friendly societies may do for the people who are in work, and are able to pay their contributions, nothing is done to meet the awful amount of pauperism under which nearly every one of us may say for ourselves, that he has a corpse chained to his right hand.

2798. These conclusions may not be absolutely to be relied on?—No, only as far as I have tabulations; but, as far as I can judge, they are a very fair tabulation.

2799. Out of what proportion of the population would you have these tabulations?—Out of about 12,000 persons altogether; but I asked the clergy to do it very fairly for me, looking very carefully to see that I had not got hold of any place where there was a union workhouse, which would have increased the rate.

2800. Would it have been a twentieth part of the whole kingdom?—No; certainly not. I put my letter in the "Guardian" newspaper, which goes to most of the clergy in the country; but it would cover very large numbers of people, because we have only taken the returns of the deaths of persons above that age.

Viscount Folkestone.

2801. Did you get returns from all kinds of districts, towns, manufacturing and agricultural, and seaports, as well as from agricultural and mining districts?—No; my difficulty is this: not that my statistics would not be the same, but that we cannot expect the clergy in our large manufacturing districts to tabulate the registers; they have not the time to do it. My statistics have been chiefly drawn from parishes with 1,000, down to 300 of population.

Mr. Arthur Acland.

2802. Would it be fair to say that the amount of out-door relief is larger in a country parish than in, say, the East End of London?—I cannot distinctly say; but we have very dreadful tabulations of the amount of deaths in workhouses throughout London.

2803. The death-rate in workhouses is about 9 per cent., is it not?—In London nine per cent. of the whole population at all ages die actually in workhouses, apart from those receiving out-door relief.

2804. I suppose it would be impossible to get statistics of the kind you spoke of from the East End of London, because no clergyman or anybody else would know the facts?—Certainly; but one cannot say that people in the East End of London are generally better off in their old age than people in the country are.

2805. In this case you could not say anything at all?—No; only that as far as one has obtained the tabulations a certain result is shown.

Mr. Llewellyn.

2806. I was so much struck with the statement when I heard it the other day that I should like to know a little more about it; how many

Mr. Llewellyn—continued.

clergymen did you apply to?—I applied generally to all the clergy by my letter in the "Guardian" newspaper.

2807. What returns did you receive?—I received returns from something like 26 parishes.

2808. Would most of those be country villages?—Yes.

2809. Then the average would not apply to towns?—The returns, at all events, were not taken from towns for the reason I have mentioned.

Mr. Walter James.

2810. Did your letter go out to those individual clergy?—No; I put the letter in the "Guardian" newspaper, asking anybody who would be good enough to make the tabulation, and to let me have it. I am quite sure that anybody who has sent me tabulations has made exact returns.

Mr. Norton.

2811. Would the 26 clergy go over an area of 20,000 population?—Yes.

2812. Did you ask them to say whether those dying were actually in receipt of relief at the time of death, or had been in receipt of relief?—My information is that they were actually in receipt of relief, in-door or out-door, in some form or other, at the time of their deaths.

2813. Then it amounts to this, that you got the evidence of 25 or 26 country parishes in one particular part of England?—No, the parishes were spread all over the kingdom; the tabulations were voluntary in answer to public advertisement.

2814. Could you tell me what part of the country the returns were chiefly from?—There were some from the north of England, and some from the south of England, Devonshire, Sussex, Berkshire, Wiltshire, Essex, Bucks, Northamptonshire, Lincolnshire, Kent, Hampshire, Gloucestershire, Suffolk, Leicestershire, and Pembroke. That was the only way I could ascertain it; of course I should be glad to ascertain the tabulation of 10,000 parishes if there are 12,000 parishes in England. I should be glad to get all I could; but some of the returns sent to me amounted to positively 50 per cent. of the people over 60 years of age who were actually paupers at the time of their death, including, of course, those who were in the workhouse. I think it may be very advantageously known throughout the country that such a tabulation was made.

Mr. William Louther.

2815. Could you put in, as a paper, the names of the places that were given to you?—I will do that. They were as follows: Stackpoole, Elidor, Pembroke; Bury, near Pulborough, Sussex; Rewe, near Exeter; North Moreton, Berks; Shenley, Bucks; Biddesdon, near Chippenham; Thaxted, near Dunmow; Burghclere, near Newbury; Thornhaugh, Northamptonshire; Nettlesham, Lincoln; East Knoyle, Wiltshire; Goudhurst, Kent; Stockbridge, Hampshire; Cheriton, Hampshire; Steeple Langford, near Bath; Earsham, near Bungay, Suffolk; and South Kilworth, Leicestershire.

2816. I suppose

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Chairman.

2816. I suppose if you had had a sufficient staff and funds at your disposal, you would have made your inquiry more systematic and universal?—I do not see how I could possibly have made it more universal, because if people were unwilling to make it you would have to pay for every entry you looked at, because there is a fee for each entry, and a fee for search. I think most of the clergy, if they had not too large a district, would be very glad to give you a similar return.

Mr. Arthur Acland.

2817. Do not you think that any statement based upon country parishes, where perhaps 90 per cent. of the people earn under 14*s.* a week, might be very misleading as applied in any sense of the word to the whole country?—I think it is entirely impossible to say so, because one takes the most public view at one's disposal. You get the largest tabulation you can, but it involves considerable labour, and that is the reason you cannot get material for making a tabulation of large populations. But unless you can say that there is in large populations less distress in old age than in smaller ones, then I say that, as far as I have been able to ascertain, and I have been earnest in endeavouring to ascertain it from every quarter, that tabulation may be regarded as fairly representative.

2818. But is it not the case that there is a very much larger proportion of people earning very small wages in the country parishes than of the people who earning wages, rich and poor together, in the town districts?—I am not speaking of the people earn wages, but I am speaking of rich and poor together in all districts where our inquiries have reached.

2819. But I am speaking of people earning wages, because in the country districts the wages are so low?—Whatever the cause may be, the fact is there.

Viscount Folkestone.

2820. Is it the fact that the proportion receiving relief in the towns is larger than it is in the country?—I cannot say, but I think one witness hit the mark when he said that the difference between the country and the town was in the question of rent; the cost of living is necessarily cheaper in large towns on account of the number of shops.

Mr. Hoyle.

2821. I suppose the chief difficulty in respect to your scheme is the getting hold of the money from everybody in the country, is it not?—That is one of the common difficulties that are urged.

2822. As I understand it, there are two principal difficulties; one is, how to get the money, and another is, what is the proper administration of it when obtained?—Quite so.

2823. You have attended a great many meetings upon the subject, have you not?—I have.

2824. Have your meetings been attended by all classes?—They have been continually attended by every class. I might describe the sort of meetings we have held. Our desire has always been to get people of every class we could; sometimes we get hold in the drawing-room of the provided classes, and sometimes we get hold

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Mr. Hoyle—continued.

of the agricultural labourers as the preponderating element at any particular meeting. Sometimes we get special workpeople, as we have had at Swindon, where we had railway men and railway mechanics; and at Peterborough, where we had a meeting of about 2,000 men, the great bulk of whom were employed upon the Great Northern Railway, which passes through that place. I addressed the working men in Derby at the time of the Church Congress there, and at Sheffield we had a meeting at the great ironclad works of 3,000 or 4,000 men; they were let off half an hour longer at dinner time, and the lecture was received with acclamation.

2825. So, as a matter of fact, you have laid your scheme before all classes of the community?—Yes, as far as I possibly could.

Chairman.

2826. Will you go on with the next point which you wish to bring before the Committee?—I began by showing how professedly small a qualification for giving a sound opinion upon this subject was possessed by the representatives of the friendly societies who oppose the scheme. On the other hand, I showed that those who upheld the scheme were in many instances men who had vehemently opposed it, but who, when they had opportunities of studying it, had entirely changed their minds and supported it. Then I have next to come to the official evidence, by which I mean chiefly that of Mr. Ludlow and Sir George Young. It is important to say a few words about the evidence of those two gentlemen, and I shall be as short as I can upon the subject, because it is plain to me that they also had not studied this scheme before giving their evidence in the way that I flatter myself this scheme deserves to be studied. Mr. Ludlow, amongst the first questions put to him, was asked whether he had considered this subject; and in answer to question 1411, he said he had not paid very much attention to my scheme before this Committee was instituted, because he did not think previously to that that it was a matter which concerned his office. I am exactly of the same opinion; I do not see that this matter at all concerns the office of the Registrar of Friendly Societies. If we established a national insurance it would not require to go near the office of the Registrar of Friendly Societies. The nation would take very good care that it was formed upon a proper basis, and kept its accounts in a proper way. Nor does the fact that Mr. Ludlow has had a great deal of experience in the investigation of friendly society matters for 14 or 15 years make him in the least degree an authority upon this particular subject, which is a specific proposal for a new thing. But I ought to show something of what Mr. Ludlow has to say as the basis for his objections. At Question 1470 he is asked, "Do you find that these registered societies frequently break up? (A.) Yes, pretty often; nearly as often, because they have too much money as because they have too little." Any gentleman who knows anything about the history of friendly societies, knows perfectly well that there need be no such agitation as ours at all if the general cause of the breaking up of a friendly society was that

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10 June 1886.]

Rev. Canon BLACKLEY.

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Chairman—continued.

it had too much money. The Registrar's own Returns tell us that five out of six of the friendly societies are insolvent, and yet we are told that as many of them break up because they have too much money, as because they are insolvent. Then he is asked, "And when they have too much money, what do they do?—(A.) Divide it. (Q.) But what is their object in breaking up?—(A.) To handle the money. (Q.) Is it within your knowledge whether these persons who have belonged to such friendly societies start a new one, or join some other one?—(A.) I cannot say. Very often they do. From our records very nearly as many societies break up with a surplus as break up without." Most persons from reading these sentences would suppose, that as many registered friendly societies were sound as unsound, but a more utterly misleading statement was never made. So very far is the true state of things from bearing the rose-coloured light by which Mr. Ludlow's sentences irradiate it, or from countenancing any idea whatever of the number of solvent societies equalling insolvent ones, that I wonder Mr. Ludlow, if he had really done me the honour to read my evidence submitted to him before his examination, should have failed to guard his reply against all misapprehension in this respect; for in that evidence, on the strength of the last Returns on the subject, published by his own office, and under his own supervision, I had made a statement, so startlingly contradictory to the sense of the words which he uses, as should have made him pause before uttering them. I said that the official actuary in Mr. Ludlow's own office reports nearly five out of every six registered societies that come under his cognizance to be financially unsound. I also showed the Committee in my evidence, that from the detailed Return by the official actuary of the affairs of every society returned by him in the first three counties alphabetically taken in his Report, there appeared to be good reason for considering that a vast number of registered societies were unsound, leaving out of view altogether the numerous unregistered societies in the country which are too bad to attempt to get registration. I say Mr. Ludlow either did or did not know of this arraignment, which I made in my evidence, of the registered friendly societies. If he knew it he should have met it in a very different way than by his answers which I have just read; if he did not know it, instead of being the greatest authority on this vital matter, he is simply and obviously no authority whatever. Then I would like to refer to what he says at Question 1477. Being pressed as to whether the hardship to a poor man of his society becoming insolvent would not be removed by a State guarantee, his answer is this: "In many of these cases these men who lose their money have been bad members of the society, men who have not paid up," as if his questioner was referring for a moment to any such men who, by Mr. Ludlow's own singularly loose hypothesis, firstly, have voluntarily ceased to be members of the societies, and, therefore, are unconcerned in their collapse; and, secondly, cannot be losers of money which he assumes they have never paid in at all. Then he said, in answer to Questions 1478 to 1485, that most of the persons

Chairman—continued.

whose provision for times of sickness is lost by the collapse of their unsound societies, have joined such societies with their eyes open to their unsoundness, and that *volenti non fit injuria*. But when pushed with the direct enquiry in Question 1485, "Do you think that the country labourers really join a society knowing it to be unsound," instead of a direct answer, "Yes" or "No," to such a simple question, he replies, "I think what they look to most is the amount of the contribution." The Chief Registrar admits that he had not paid much attention to this subject of national insurance, but when he proceeds to give an opinion on my scheme, at Question 1423 he says, "I think that, as far as Canon Blackley's scheme is concerned, it is the most extraordinary scheme ever put forward in history. He seeks to lay a burden upon a class of persons who are totally devoid of civic rights. The poll-tax is to be paid by minors who have no voice in the State. If ever there was a taxation without representation, this is a case. These men, on entering life, are to be saddled with a burden which they have no voice in speaking against." Mr. Ludlow seems to forget that the income tax, the highway rate, the poor rate, and, in short, every tax which he can justly call by that name, is also paid by minors at the present time on their property. One further answer that Mr. Ludlow gives to a question put to him by a member of the Committee settles, in my opinion, his authority on this matter. At Question 1487, he was asked, "Is there any advantage whatever in setting up or carrying on a friendly society which is not able to pay its claims?—"Yes," he says, "I think very great," that is to say, in the establishment of a rotten friendly society. "The political knowledge, the habits of business acquired by the members, even of the worst friendly societies, are an incalculable advantage." I allow that they are an incalculable advantage in the sense that what is non-existent cannot possibly be calculated, in no other sense. Now I turn to Sir George Young's evidence. He stated to the Committee that he addressed a meeting of the Charity Organization Society on this subject in 1879; and the evidence he gave before this Committee consisted of an echo of the statements he made at that time. He stated that he had not watched the course of friendly societies since the legislation of 1875, and the information which he possessed with regard to friendly societies he obtained 14 years ago; and as you will find, if you look to his Report to the Friendly Societies Commission, of which he was one of the Assistant Commissioners, he obtained that information entirely from the officials of friendly societies. His opinions, which were given against compulsory insurance, were formed entirely on a scheme of voluntary insurance, to be carried on by the Government; but the condition of compulsion, as may be easily shown, makes the scheme much more practical, and more capable of being carried out easily; it would be impossible for the Government to take it up if it were left voluntary. In speaking of Sir George Young's qualifications to give an opinion upon this matter, I may refer to another thing; he did not appear to have the slightest knowledge of one of the most important factors in the discussion at the present time, viz., that

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Chairman—continued.

that in Germany they have established a system of compulsory national insurance; and I may take this opportunity of mentioning that I have received within the last two days a letter from Dr. Aschrott, who was examined before the Committee as to the scheme of compulsory insurance in Germany, in which he says that they have extended their compulsory insurance so as to include, for the present, all the agricultural class, which were formerly excluded, for accidents, the first step, as it was in the other case, to including them for sickness proper. I will not read the letter unless the Committee wish me to do so; but it gives interesting particulars, showing how enormously the system has developed itself practically in Germany.

2827. Perhaps you had better read the letter?—It is dated the 4th of June: "On your request, I have much pleasure in stating that the Act concerning the compulsory insurance of agricultural labourers against sickness and accident bears the date of the 5th May 1886, and has been published in the official journal, "Reichsgesetzblatt" of the 12th May. The Act introduces in the whole of Germany compulsory insurance against accident for all agricultural and forest labourers (Land-und Forst-wirtschaftliche Arbeiter), and gives to the federal states of Germany the power of introducing within their districts compulsory insurance against sickness for this class. "Schmoller's Jahrbuch" (that is an economic book published in Germany) "will probably publish in the October number a detailed account of the new Act." To proceed with my criticism of Sir George Young's evidence, at Question 741, and following questions; he begins by saying that at the period of age of from 18 to 21, when the workmen would have to pay this contribution, his services would be of more value to his employer than at the other period of his service. He modified that afterwards in a certain sense. At Question 741 he is asked: "You said, I think, in answer to the honourable Chairman, that at the period of age, namely, from 18 to 21, when the workman would have to pay this contribution, his services are the most valuable to his employer, and therefore that the payment or contribution (which we assume at 1 s. 3 d., and not at 2 s., as you said) would fall upon the employer, that is how I understood you; is that so?" and he answers, "No; I must have failed to express myself clearly. I did not mean to say that the services of the workman of that age, are the most valuable to his employer, but at that time, owing to the state of the labour market, the workman had an advantage; that is to say, at the time when his services were most wanted, he would have a greater power to throw this particular tax upon the employer." I think that economic statement is capable of the most easy overturn possible. If a young man's labour at that age is of such value to his employer, he ought to pay higher wages for it, but the young man is receiving lower wages than an older man. Then he stated that between 18 and 21 young women were, as a rule, earning nothing at all.

Mr. Arthur Acland.

2828. It is fair to say that he modified that afterwards!—Of course; he had to do so; but he excluded from his calculation two or

Mr. Arthur Acland—continued.

three classes, and then repeated his statement that (excluding those classes) the majority of young women between the ages of 18 and 21 would not be earning their living. With regard to these objections raised by officials. I do not blame them for raising those objections; officials like things to remain as they are. *Quia non movere.* And we find in every great reform in our country the official mind has been naturally, I think, opposed to it. At the time the penny postage was proposed, there was not a Post Office official in the country that did not protest vehemently and vigorously against it. I need say no more about the witnesses on the other side, except that I may just make a passing reference to the evidence of one more official, viz., Mr. Cardin, of the Post Office. He came forward to state that it would be difficult to work the system through the Post Office. He seemed to have an idea that there would require to be two documents to prove receipt and payment of the national insurance money, that the employer would have one document and the labourer would have the other; and he said the Post Office could not undertake to receive subscriptions, or to make payments except under some simple plan like the Savings Bank. The moment he said that, a very simple plan occurred to me by which the difficulty might be got over; the moment a person who had not completed his payment entered the service of an employer, the employer would receive the insurance book from the worker and give him a receipt for it; that receipt would prove the day when the employment began. When the worker left the employer's service, he would take back his book and find that the money had been paid in to his account, and give the employer a receipt for the book, which receipt would prove the determination of the employment and the payment of the deducted wage to the Post Office. So, as a matter of fact, the practical difficulty which Mr. Cardin very properly called attention to, could be done away with in the simplest possible way. Mr. Cardin said he thought there might be a good deal of malingering, but otherwise he was not by any means opposed to the establishment of a system national insurance. He says: "I think that the proposal that the wage-earning classes should subscribe to a fund out of which they could receive an allowance in case of illness and a pension in old age, must meet with general approval; but I do not find that the proposal is accompanied by any practicable scheme for giving effect to it." I will come now to some of the general objections that have been raised to the scheme which I propose. It has been suggested in the course of the inquiry that we should not enter upon such an inquiry, because at the time of the Friendly Societies Act passing finality was desired. I think the simple answer to that is this: the question of friendly societies proper may have been finally settled, but that is no reason why we are always to leave the question of pauperism alone, the question of pauperism being a great deal more important than the other, and national insurance touching no clause of the Friendly Societies Act. Then, with regard to the commonest objection of all, the objection that under the scheme there

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Mr. Arthur Acland—continued.

would be a good deal of malingering, there was no medical evidence given upon that point except the evidence of Mr. Holmes the other day. Mr. Holmes has had to do with the police; he has never had anything to do with any friendly society. I could bring plenty of evidence from surgeons of benefit clubs, who have voluntarily written me letters in which they say that there would be practically very little difficulty in detecting a regular malingerer. The suggestion is that there would necessarily be a greater amount of malingering in the national insurance than there is in the case of friendly societies and clubs. I hold that it would not be greater. In the first place, the small sum of money which is insured by the national insurance, 8 s. a week, being a great deal less than the average of all friendly societies, would offer a very small temptation to people to keep out of work when they could earn considerably more than 8 s. a week by working. Then the restrictions on all sorts of enjoyments by people in receipt of the fund would act still more strongly in the case of the national insurance than in the case of a friendly society, because every individual would be insured in this fund, and, as I have pointed out, would have a tangible interest in safeguarding it and exposing any fraud, so that breaches of the rule of seclusion and abstinence while sick from all sorts of enjoyments, which might happen very easily under the present system, where a sick man is visited, perhaps, by a man representing a friendly society only once a week, would be absolutely impossible in the case of people whose neighbours would have their eyes on their conduct from morning to night, and from week's end to week's end. Then, again, on this subject of malingering, I will deal with the difficulty that was started by some of the witnesses who represented the friendly societies, and I think Sir George Young took up the same idea; that under the scheme I proposed, any one who was sick and who produced a medical certificate, could simply go and claim the money as a matter of right. From the very first start of this subject, I said what I hold still, that there must be inspectors of sickness. All the arguments of Mr. Sutton, for instance, are based on the assumption that there would be no supervision.

2829. I put it to some of the witnesses that local supervision was a part of your scheme, and when that was pointed out to them they dealt with it as an element of expense?—Some of them may have dealt with the matter as a question of expense or otherwise, when enlightened on the point, but certainly nobody came to make that objection about malingering who did not seem to suppose that there would be no supervision at all. I hold that under my scheme of national insurance it would not only be quite possible to supervise sickness quite as well as in the case of a friendly society, but the temptation to malingering would be less. It would be more easy to punish cases of fraud, and expose them, and so to prevent people from malingering. I pass from that question to a few other general objections. It has been said that we should have a difficulty with regard to the identification of the persons insured; the same difficulty, if it be a difficulty, arises in the case of the Post Office

Mr. Arthur Acland—continued.

Savings Bank, and yet the Post Office will take anybody's account and keep it any number of years, and be quite ready to take the chance of personation. All that they rely on as a means of identification is the person's signature. Then another objection is raised, that everybody cannot write his name. Before national insurance is spread over the country, I hope that education will have spread to such an extent that everybody will be able to write his name, and therefore a man would have no difficulty in going to the local post office, and identifying himself by his name and number, and then the local post office could communicate with the central office in London, to make sure that the number, the name, and the signature were right, and therefore the money would be as safe from fraud by personation as any person's money deposited in an ordinary bank would be. As a matter of fact, personators would have to commit a deliberate forgery to draw out money, and would be subject to a severe penalty for a very small sum; also, with regard to identification, the difficulty of identification disappears when everybody is a member of the society, because if everybody was entitled to sick-pay, everybody would have his own card, by producing which, when he was sick, he would receive his sick-pay. He could not produce two cards; having produced one, a second card would be no use to him; it would be impossible for him to draw from the same post office two sick pays.

Mr. Walter James.

2830. How would you compel payment of the insurance in case of resistance to the payment of it?—There would be on each person who had reached the age of 18 a continuing liability to complete a certain payment. If he succeeded by not working in evading that payment for five or six years, he would, after all, have to work to live unless he had property of his own, which the tax-gatherer could get at; therefore his earnings, from whatever work he did, at whatever period, would be subject to deduction, so that the collection of the money at last would be simply automatic.

2831. Who from?—The employer.

2832. Suppose the employer would not pay, how would you compel him to pay?—Suppose an employer makes a bargain with the man that he will not pay the insurance out of his wages, but will pay him the full wages, and suppose the man works a year with the employer, and quarrels with him, and he brings his insurance card, which shows that on a certain date he entered that man's employment, and that on a certain date he left his employment, and there are no Post Office stamps to show that the employer has paid in the money, the employer would be liable to pay the money with accumulated interest; no employer would run that risk; an employer would say, The law requires me to make this deduction, and I will do it, otherwise the law will call upon me to pay it afterwards with interest; the payment would be simply automatic, there would be no force required. I do not see that any employer could evade payment in respect of any person that he employed.

2833. Do

10 June 1886.]

Rev. Canon BLACKLEY.

[*Continued.**Mr. Norton.*

2833. Do not you think that probably employers generally would object to having to make these deductions in respect of the wages of their workmen, especially in the case of those who were employed for short periods?—Employers would see that in doing this they would be relieving themselves from poor rates; the advantage of it to them is so obvious that they would do what thousands of employers at present do of their own accord, make deductions from the wages of the men. The State does it already with regard to the Army.

Mr. Fenwick.

2834. You say that if in the case of a particular workman the employer had not made the deduction, you would make him pay it afterwards, with interest?—Yes; if the employer had neglected to do his duty, which the law would define to be the deducting of a certain amount for insurance from the man's wages, if he had neglected that, and made any sort of bargain with the person that he had employed, that person would have an interest in having his insurance fund made up, and he would be entitled to say, I worked a certain time with so-and-so, who has not paid the money, now call upon him to pay the money, and he would have to do it as a matter of law.

Mr. Llewellyn.

2835. How would you enforce payment of the insurance in the case of a man who does not work for any employer?—This scheme proposes to catch hold of young people at 18; I do not think there are many at 18 who are not employed by somebody else.

2836. I am supposing the case of young men engaged by the week or by the day?—I contend that if we had a national insurance which involved the liability on the employer to pay in a contribution on a day's work, say 2 *d.* for a boy of 18, it would be a very good thing, because it would be so much trouble to the employer, that he would say to a boy of 18, I will not give you casual work, I will give you regular employment; or he would say: You had better go to some one else, where you will get steady work till you have completed your contribution.

2837. Take the case of a young workman who works with one employer for one week and then with another employer for another week, then he is out of work for two weeks, and then he is in gaol for a month, and then he comes out again; how are you going to deduct compulsorily the insurance from that man's earnings?—Such a man will find that he will have to go to steady work or go to the workhouse; he must live somehow, he cannot always live in gaol or by thieving. If he were in gaol for some offence and had not done his duty in the way of paying his insurance it would only be a reasonable thing to make him work for his living and lay money by for the insurance fund.

2838. In a month you might have several different accounts open, one at the gaol, one with one employer and another with another; would not there be a great difficulty in collecting the small amounts that would be deductible from

0.99.

Mr. Llewellyn—continued.

that man's earnings?—Though there might be a difficulty in such cases by carrying out the scheme that I propose, you get over greater difficulties, and in other respects you benefit the whole nation; and I would say, do not reject a scheme that would do this good because a difficulty would arise in the case of a few gaol birds of 18.

2839. I only suggest a practical difficulty; there would be a difficulty in those cases?—No doubt there would be a difficulty with regard to those cases, but in all cases where you carry out schemes for the general benefit of the community you must necessarily meet with difficulties of that kind in particular cases.

2840. With regard to malingering how would you propose to punish shamming?—I should treat it as obtaining money under false pretences and punish it accordingly.

2841. You spoke just now of inspectors of sickness, from what class would you take those inspectors?—In each district they might be elected by the people who were members of the society.

2842. Everybody would be a member of the society?—Yes, everybody might have a vote.

Mr. Walter James.

2843. You would have popular election?—Yes, some one of standing in the neighbourhood would be elected I should suppose generally without a contest, we have very few contests for Poor Law guardians.

2844. They are not paid?—I do not propose to pay the inspectors.

2845. Do you think that people would like to undertake gratuitously the disagreeable and invidious task of ascertaining whether people were ill or not?—I am quite certain that there would be plenty who would do so, it would be a great distinction to them to hold the office; we find similar work done without payment in friendly societies, and this would practically be a friendly society. If it were necessary to pay a clerk or two that might be done.

Mr. Fenwick.

2846. Is similar work done by the stewards of friendly societies without payment?—Their time is paid for, but a very small sum would cover that. They do a great deal of work for very little money.

2847. But they are paid?—Just for the time that they are occupied; they are working men and they are paid at the rate of working men's wages.

2848. You would not propose to pay the inspectors for the time they were occupied?—I should think you would always find people ready to take the office as Poor Law guardians do, without payment.

2849. But in voluntary societies you do not find men who will do the work gratis?—When I said you would find people to do the work gratis I was speaking of the inspectors of sickness. As regards those who would visit the sick personally they might be paid a small sum. The inspectors of sickness who would receive reports from those men who visited the sick personally

10 June 1886.]

Rev. Canon BLACKLEY.

[Continued.]

Mr. Fenwick—continued.

would do their work without charge, I should think, but in any case the charge would not be much.

Mr. Norton.

2850. As I gather, your scheme is based on the assumption that it would be the working classes only who would be allowed to claim the sick pay?—Every person who was prevented by sickness from earning wages, would be allowed to claim sick pay; when the working man improved his condition so that he would not be working for wages he would lose his claim when sick.

2851. Suppose a person who was not earning wages chose to claim the 8 s. a week, say for instance, a person keeping a shop, or a professional man, would you propose to refuse it?—If he was not earning wages he would not be entitled to receive it; in the case of a shopkeeper though he was sick his shop earnings would be going on all the time.

2852. You would not allow a small tradesman, for instance, to claim the 8 s. a week if he was sick?—No, the contract would be that the sick pay would only be paid in case the man was earning wages; but as a matter of fact we have not met with any opposition from the classes of tradesman; they look upon the scheme as a means of relieving them from the poor rates.

Mr. Hoyle.

2853. I understood you to say that you had received a good deal of support to this scheme from different classes?—Yes, from every class.

2854. Do persons in affluent circumstances as readily approve of your scheme as those who earn wages?—I think they approve of it universally. I may say this: I have remarked very often that people who urge objections do not urge the objection for themselves; they say somebody else would object on this ground or that ground.

2855. When one parts with money it is to obtain something that one values more, what would the rich obtain from your scheme for the payment that they would have to make?—The first thing would be a sentimental thing; they would feel that a small proportion of their wealth was going in alleviation of the mass of poverty in the kingdom; they would feel also that eventually they would have less poor rate to pay, though that perhaps might be a small thing to a rich man.

2856. You think they would save more in money than they would have to pay for the insurance of their children?—I do not expect them to pay for their children at all.

2857. You know that the sons and daughters of persons in the wealthy classes do not earn any money between the ages of 18 and 21?—No, but they have money. Take a boy at Eton, for instance, he would have enough pocket-money wherewith to pay the 10 l.

2858. Would it not, as a matter of fact, come out of the parent's pocket?—I do not care whether it does or not.

2859. Still it would really be paid by the youth's father?—I think in many cases it would.

2860. Do you think that he would be induced

Mr. Hoyle—continued.

to pay it readily and cheerfully?—I think he would have this sort of feeling: I cannot make any difficulty about my son paying 10 l. when a poor labouring boy has to do it.

2861. What do you think induces the wage-earning people to approve of your proposal?—The feeling that they will not have to go to the workhouse when they are old; I believe nine-tenths of our poor labouring people are haunted all their lives long with the fear that no matter what they do they must come to the workhouse; and they have every reason for the belief, because they see all their neighbours go there.

2862. Would not those considerations be sufficient to enable you to eliminate compulsion from the scheme?—I should be rejoiced if we could have a voluntary State Society, only there would be this difficulty: a voluntary State Society cannot possibly guarantee anything, because unless you have compulsory membership you cannot rely upon getting the funds wherewith to make the payments, and people who went into it would never be certain that money would be in hand to pay their claims; if you have compulsion, and you bring everybody in within certain limits those who pay in feel that the fund is established on a secure basis.

2163. You regard it as absolutely essential that there should be legal authority to enforce payment?—I think so.

2864. You are of course aware that compulsion would press unequally on different classes of society; there are men whose annual income requires five figures to express it; to such men the payment of 10 l. for a child that was not earning anything would be a trivial matter?—Yes.

2865. On the other hand, we have been told by one witness that in his part of the country able-bodied labourers of 18 to 21 earn only 9 s. to 10 s. a-week?—There are times of the year at which possibly they only earn 10 s. a-week, but there are other times of the year when they earn a great deal more. I do not think we can accept those statements of the earnings of agricultural labourers from persons unskilled in the subject; we have plenty of statistical returns by skilled men, which will tell you what the real wages of agricultural labourers are taking the whole year round; I do not believe that you will find cases where young men of 18 or 19 are working for the whole year at 10 s. a week.

2866. I was only referring to what had been given in evidence; a witness stated that those were the the earnings in his part of the country, and he said young women of the same age earned 7 l. to 8 l. a year; do not you think, without accepting those figures as absolutely accurate, that there would be a degree of pressure in those cases that would amount to hardship?—Probably there would; but supposing that evidence to be true, and I am perfectly satisfied that that witness believed distinctly what he was saying, though I think he was in error, but supposing it to be true, and there were hard cases of that sort, I am perfectly certain that there would be plenty of people who would be exceedingly willing to help deserving people to make their payments.

A P P E N D I X.

LIST OF APPENDIX.

Appendix, No. 1.

Paper handed in by Mr. Farnie:	PAGE
Barony Parochial Board.—Table showing the various Trades or Callings of Applicants for Relief from the 15th May 1885 till the 14th April 1886 (inclusive) - - -	169
Barony Parochial Board.—Number of Applications for Quarter ending 14th August 1885 - - - - -	170

Appendix, No. 2.

Paper handed in by Mr. J. Broughton Edge, 7 June 1886:	
A Suggested National Assurance Society. (Re-printed from the "Bolton Daily Chronicle," 10th April 1886) - - - - -	170

Appendix, No. 3.

Paper handed in by Mr. Motion:	
Return of Other Parish and Suspense Poor chargeable to the three Parishes of Glasgow, viz., Barony, City, and Govan, on Roll, and in Poorhouse, during the Year from 15th May 1885 till 14th May 1886 - - - - -	172

A P P E N D I X.

Appendix, No. 1.

PAPER handed in by Mr. Farnie.

BARONY PAROCHIAL BOARD.

TABLE showing the various TRADES or CALLINGS of APPLICANTS for RELIEF from the 15th May 1885 till the 14th April 1886 (inclusive).

M A L E S.

TRADE, &c.	Number of Case.	TRADE, &c.	Number of Case.	TRADE, &c.	Number of Case.
Baker - - - -	9	Engineer - - - -	14	Plasterer - - - -	4
Barber - - - -	63	Engine keeper - - - -	7	Potter - - - -	39
Blacksmith - - - -	32	Engraver - - - -	1	Quarryman - - - -	6
Brass finisher - - - -	17	Edge-tool maker - - - -	6	Rivetter - - - -	24
Boilermaker - - - -	28	Fireman - - - -	11	Shoemaker - - - -	23
Bill poster - - - -	12	French polisher - - - -	21	Sprigger - - - -	21
Bookbinder - - - -	4	Flax dresser - - - -	11	Salesman - - - -	25
Butcher - - - -	4	Glassblower - - - -	23	Strapper - - - -	17
Block printer - - - -	12	Gardener - - - -	11	Seaman - - - -	17
Block cutter - - - -	11	Horseshoer - - - -	10	Sweep - - - -	4
Borer - - - -	12	Hammerman - - - -	12	Sawyer - - - -	13
Beamer - - - -	24	Hawker - - - -	63	Street singer - - - -	1
Boatman - - - -	16	Iron-dresser - - - -	39	Slater - - - -	10
Brushmaker - - - -	16	Joiner - - - -	14	Tailor - - - -	20
Cloth lapper - - - -	10	Japanner - - - -	4	Twister - - - -	18
Cork cutter - - - -	6	Labourer - - - -	358	Tinsmith - - - -	12
Carter - - - -	67	Laster - - - -	65	Tramway guard - - - -	4
Currier - - - -	3	Lamp-maker - - - -	4	Tobacco spinner - - - -	31
Cooper - - - -	16	Lithographer - - - -	4	Tobacco-pipe maker - - - -	26
Caulker - - - -	22	Moulder - - - -	22	Tenter - - - -	11
Cutler - - - -	6	Mason - - - -	6	Venetian blind maker - - - -	11
Causewayer - - - -	14	Machine maker - - - -	2	Weaver - - - -	161
Coppersmith - - - -	12	Miner - - - -	38	Watchmaker - - - -	4
Cabinetmaker - - - -	7	Marble polisher - - - -	1	Watchman - - - -	6
Colporteur - - - -	1	Miller - - - -	1	Not mentioned - - - -	79
Clerk - - - -	5	Nailer - - - -	14		
Dyer - - - -	14	Pattern maker - - - -	4		
Draper - - - -	6	Plumber - - - -	—		
Drover - - - -	22	Porter - - - -	12		
				TOTAL MALE - - - -	2,168

F E M A L E S.

Bookfolder - - - -	14	Gummer - - - -	1	Saleswoman - - - -	12
Bleachfield worker - - - -	65	Hawker - - - -	32	Tobacco work - - - -	42
Clipper (luppet) - - - -	26	Laundress - - - -	21	Tobacco-pipe work - - - -	11
Cleaver - - - -	96	Millworker - - - -	134	Weaver - - - -	81
Carder - - - -	18	Match work - - - -	32	Wire worker - - - -	2
Callanderer - - - -	34	Marine store - - - -	45	Washer - - - -	92
Confectioner - - - -	14	Machinist - - - -	28	Winder - - - -	82
Domestic servant - - - -	534	Out-door worker - - - -	40	Not mentioned - - - -	180
Dyer - - - -	21	Piecer - - - -	38	Children - - - -	282
Flyer - - - -	23	Pottery worker - - - -	31		
French polisher - - - -	16	Paper work - - - -	23		
Fancy box-maker - - - -	1	Sewer - - - -	61		
				TOTAL FEMALE - - - -	2,117

There have been 4,275 cases who applied for relief for the first time from the 15th May 1885 till the 14th April 1886. Of these 9,776 was offered the poorhouse, and 1,847 entered same, with 416 dependents; thus 929 cases did not accept the relief offered.

BARONY PAROCHIAL BOARD.

NUMBER of Applications for Quarter ending 14th August 1885 - 1,280.

A G E S.

0 to 15.		16 to 30.		31 to 40.		41 to 50.		51 to 60.		60 and upwards.		Condition.		Condition.		Dependants.	
M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	Single.	Married.	Widow.	Widower.	M.	F.
49	44	101	149	92	117	93	111	103	92	120	148	392	435	13	100	498	719

Appendix, No. 2.

PAPER handed in by Mr. J. Broughton Edge, 7 June 1886.

A SUGGESTED NATIONAL ASSURANCE SOCIETY.

(Re-printed from "The Bolton Daily Chronicle," 10th April 1885.)

THE following letter from the pen of J. Broughton Edge, Esq., coroner for this division of the county, appeared in "The Times" of Thursday:—

The desire so generally expressed that some thoroughly National memorial of the late General Gordon should be erected in this country induces me to ask your aid in bringing before my fellow-countrymen the outlines of a scheme which has engaged my thoughts for some years, and for the working of which I have obtained *data* from the most reliable sources, and the promise of assistance from well-known and representative men.

A suggestion has been made in various quarters that the memorial should take the form of an institution for the reclamation and support of the waifs and strays of our large towns, and beyond saying that such a scheme must necessarily be very limited in its scope, unless an enormous sum of money is collected, I should be sorry to say one word in disparagement of so praiseworthy an undertaking.

But my appeal ought, in my judgment, to command even a greater amount of sympathy, for it is on behalf of the children of the sober, industrious, and frugal classes throughout the country whose parents are ready and willing, nay, anxious, to contribute to any scheme which shall, in the event of the death of the breadwinner of the family, save their young orphans from the dreaded workhouse. In short, my suggestion is to extend the principles of the Miners' Permanent Society, which has done such effective service in supporting the widows and orphans of miners dying from injuries received in coal mines, to all classes of the community, and to deaths arising from any cause.

The scheme, in fact, would be that of a National assurance society for the bringing up and educating of every child, who is a member, and is bereft of its natural protector, to the age of 14 years, the condition of membership being the payment of 1 *d.* weekly for each child, and 1 *d.* for the parent during the life of the latter; thus, a man with one child in the society would pay 2 *d.*, with two children 3 *d.*, and so on.

Of course, this contribution would not provide the benefits assured, which, it is proposed, should be 2 *s.* 6 *d.* per week for every child under the age of six years until it attains that age, and then 3 *s.* 6 *d.* per week until it attains the age of 14 years, or, at the option of the parent, that the child should be admitted into one of the local cottage orphanages from six to 12 years old, and there maintained and educated to the age of 14; but such is the "power of the penny" that it has been calculated for me by

Mr.

Mr. W. G. Walton, of Manchester, a well-known Fellow of the Faculty of Actuaries, that it will provide, according to the above rate, more than two-thirds of the amount required for the benefits proposed, the other one-third to be obtained by the membership of children, who would never become recipients of the fund, and who would be specially solicited to join the society, and by subscriptions and donations from others. If there was any deficiency, which I do not think there would be, a small rate might be laid in-aid, as a great saving would undoubtedly be effected in the poor-rate.

The leading idea of the scheme is to help those who are, as I have said, desirous of helping themselves, and to induce habits of thrift and forethought in others by appealing to the strongest of all feelings, viz., the feelings of affection common to all, rich and poor, for their helpless little ones. Another feature is that the society would not be in any sense a charity, or its benefits depend in any manner on votes or elections. Each orphan member would have an absolute right to the provision promised, and, moreover, would be sure of being watched over by kind and sympathising eyes until man or womanhood.

The example of the unselfishness and high views of duty of the late General Gordon would be invaluable in the promotion and working of such an institution as that I have, as briefly as possible, sketched out. It would be an incentive to parents and children alike, and its influence would be perpetuated to all future time. I would, therefore, most respectfully venture to submit that a portion of the fund now being raised should be devoted to the building, in or near London, of the central home and offices of such an institution, and that the remainder be devoted to founding the society. The central home might be called the "Gordon Home," and a statue of the late General might adorn its principal front. The home would thus become a place of pilgrimage to thousands, and it might be that boys specially preparing for the Army and Navy, or the children of soldiers and sailors, might only be received there, as there would be local orphanages in every county for the orphans of the district.

The affairs of the society would be managed, as far as possible, by voluntary aid, and would give peculiar scope to the efforts of kind and devoted ladies. The local agencies would be conducted in connection with guilds attached to churches, chapels, schools, trade and friendly societies, &c.

It would, of course, take up too much of your valuable space to give all the details of the organisation and working of such an institution; but such have been prepared, and if my suggestion should meet with adequate support, I will gladly publish the full scheme, and, moreover, call to my assistance friends in whom the public will, I am sure, have entire confidence.

I may add that I am one of Her Majesty's coroners for the county of Lancaster, exercising jurisdiction in one of the most populous districts in it, and the pitiful stories of suffering and destitution with which I have become acquainted while engaged in my official duties, stories as sad as any of those which move our hearts on behalf of the outcasts of the streets because many are of happy households suddenly plunged into both grief and poverty at the same moment, these stories repeated again and again have led me to think out this scheme as a means of mitigating in some measure the weight of such great misfortunes.

(signed) *J. Broughton Edge.*

Broad Oak Park, Worsley, Manchester.

Appendix, No. 3.

PAPER handed in by Mr. Motion.

RETURN of Other Parish and Suspense Poor chargeable to the three Parishes of *Glasgow*, viz., Barony, City, and Govan, on Roll, and in Poorhouse, during the Year from 15th May 1885 till 14th May 1886.

CLASS.	BARONY.					CITY.					GOVAN.				
	Male.	Female.	De- pendents.	TOTAL.	Cost.	Male.	Female.	De- pendents.	TOTAL.	Cost.	Male.	Female.	De- pendents.	TOTAL.	Cost.
I.—OTHER PARISH POOR :															
1. Out-door Roll - -	59	259	456	774	£. s. d. 2,097 5 8	34	130	258	422	£. s. d. 1,808 - -	62	240	437	739	} 2,289 - -
2. Poorhouse - - -	3	4	3	10	340 16 -	186	168	57	411	902 - -	- - No Numbers for this Class - -				
II.—SUSPENSE POOR :															
1. Out-door Roll - -	109	220	555	878	587 18 -	47	134	332	513	141 - -	84	178	512	774	188 1 0
2. Poorhouse - - -	248	214	173	635	1,044 19 11	420	540	336	1,296	620 - -	158	166	95	414	260 18 6

Note.—“Other Parish” are those admittedly belonging to parishes other than Barony. “Suspense” are those not belonging to Barony, and for whom claim has been made upon other parishes.

(signed) *Jas. R. Motion,*
Acting Inspector, Barony Parish.