

1888.

NEW ZEALAND.

FRIENDLY SOCIETIES

(ELEVENTH ANNUAL REPORT BY THE REGISTRAR OF).

Presented to both Houses of the General Assembly pursuant to "The Friendly Societies Act, 1882," Section 5, Subsection (8).

WITHIN a few days after the presentation of the last annual report the destructive fire which occurred at the Wellington Post-office caused the loss of many valuable books and papers belonging to the Friendly Societies Registry. The greater part of the year 1887 was consequently occupied in the endeavour to collect again statistics which had been destroyed, and in restoring the records of registration. The recovery of all the statistics which had been lost was, of course, out of the question, and the constantly-increasing work of the office is so great that time has not sufficed to complete all that is possible in the way of restoration. The Registrar desires to acknowledge the readiness with which most secretaries repeated the information applied for, many of them having promptly and courteously volunteered every possible assistance.

2. As the Registrar has recently issued a lengthy address to friendly societies, in which many subjects of special interest were fully referred to, it is not necessary here to go over the same ground.

3. In last year's report it was suggested that an authoritative verification should accompany the figures supplied to the actuarial Valuer, which he could then accept as a correct estimate of the actual worth of freehold property, where such forms part of the assets of a society or branch. In some few returns for 1887 amounts have been written off the value of land and buildings, and it is probable that in many others a similar deduction should have been made. New Zealand societies have lost heavily by the "building mania," as it has been rightly named, and yet the bitter experience does not seem to deter others from rashly risking a great portion, and sometimes the whole, of their accumulated funds in this mode of investment, trustees being found even foolish enough to become personally liable for sums advanced on mortgage of the property. The following extract from recent official correspondence is a lamentable exemplification of the ruin which has been wrought thereby among three branches of one district: "As to the funds of the —— Lodge, there are none. They foolishly built a hall, borrowed some money on mortgage, and the trustees now find themselves liable for something like £130. This same mania for hall-building ruined our —— Lodge some years ago, and lately our —— Lodge." The last biennial report of the Grand Secretary of the I.O.O.F. contains a paragraph relating the history of the disaster which has fallen on lodges of that order by this means: "The building mania which overtook the order some nine or ten years ago has done more serious injury than an epidemic breaking out among the lodges which were victims to it could possibly have done. It swept the Wanganui and Ravensbourne Lodges out of existence; the Star of Canterbury nearly succumbed to its influence; while the Victoria, Alexandrovna, and Pioneer Lodges are struggling on under burdens heavier than they can bear, and which, in these times of depression, they cannot, unfortunately, get rid of. Late Executives have strenuously resisted allowing lodges to yield to the fascinations of this delusive mania, or others would have added themselves to the already long list of victims." And the following advice is given by the English Chief Registrar: "It cannot be too strongly impressed upon members of societies that, whilst the society or branch is yet young and struggling, nothing is more dangerous than to lock up its funds in land or in bricks and mortar."

A very few exceptions, chiefly in the large towns, may be instanced where the value of land and buildings has considerably increased, and produced or helped to produce a flourishing state of the finances; but this fact does not afford any relief to those whose savings have been recklessly frittered away.

In a recent valuation report reference is made to this mode of investment: "It may excite some

LIST OF ABBREVIATIONS MADE USE OF IN THIS REPORT.

A.O.F., Ancient Order of Foresters. A.O.S., Ancient Order of Shepherds. B.U.O.O.F., British United Order of Odd Fellows. H.A.C.B.S., Hibernian Australasian Catholic Benefit Society. I.O.G.T., Independent Order of Good Templars. I.O.O.F., Independent Order of Odd Fellows (American Constitution). I.O.R., Independent Order of Rechabites. L.U.F.B.S., Loyal United Friends' Benefit Society. M.U.I.O.O.F., Manchester Unity Independent Order of Odd Fellows. N.I.O.O.F., National Independent Order of Odd Fellows. P.A.F.S.A., Protestant Alliance Friendly Society of Australasia. R.E.B.S., Railway Employés' Benefit Societies. S.D.T., Sons and Daughters of Temperance. U.A.O.D., United Ancient Order of Druids. W.M.C., Working-men's Clubs.