

1889.

NEW ZEALAND.

FRIENDLY SOCIETIES

(TWELFTH 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).

Mr. CHARLES HARDWICK, in the preface to his able work on friendly societies published in 1859, expressed his "belief that the spirit of investigation now aroused will continue to grapple with the "question till these valuable institutions shall become purged of all financial error, and their "capabilities for the common good, consequently, more completely and effectually developed."

2. Nearly thirty years have passed since the above was written and, although the financial position of many societies in this colony is very unsatisfactory, New Zealand has shared in the progress predicted by the author of the "Manual." A few societies were established here on a sound financial basis. A considerable number have recognised the necessity of raising their rates of contribution, although they have hesitated to make the remedy applicable, or fully applicable, to existing members. For these there is a possibility of eventual success if good management and a favourable sickness experience are combined whereby they may tide over the critical period of their existence. But for the others whose members ignore past experience there can only be one result—absolute loss and disappointment. The bankruptcy of a friendly society is so long deferred that warning of the impending disaster is unheeded by those whose ignorance of their own ignorance on the subject disposes them to indifference and sometimes even to an assertive denial of the correctness of the data and deductions on which such warning is based. The following extract from a recent report of the Executive Council of the A.O.F. is calculated to convince all thoughtful members of the reality of the danger.

"For some years past all who have watched the working of our order have foreseen that, "sooner or later, the finances of some of the courts would become inadequate to meet their "liabilities. In some instances this unfortunate state of things was entirely the result of the "members paying inadequate contributions for benefits which they expected to receive but which "their contributions did not warrant. Some of these courts were established at a period when "little was known about vital statistics or the importance of a graduated scale of payments being "adopted for all the members. Pioneer courts which owe their distress mainly to this cause are "generally admitted to be deserving of the greatest amount of sympathy from the order at large ; "but, unfortunately, there are many other courts which, when their members found their existing "scale of contributions sadly deficient, made no effort whatever to remedy this defect, although "repeatedly called on to do so by successive Executive Councils. What a few years ago was only "looming in the distance has now become a reality. The cloud which at one time was com- "paratively small has now assumed large dimensions, and courts which by timely effort on their "own part might have kept themselves right, in common with courts which have struggled hard "and long against their fate, are now seeking aid from the High Court funds or shelter as High "Court members."

3. In England it has hitherto been the practice to refuse to register an amendment of rules providing for the reduction of sick pay unless members then in receipt of benefit were exempted from its operation but, at the urgent representation of some of the leading societies, the English Registrar has recently conceded the point. That there are two sides to the question cannot be denied, and the *Unity Magazine* contains a very temperate article on the subject, from which the following extract is taken.

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.F.S., Isolated Friendly 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. I.S.S., Isolated Specially-authorized Society. 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 Society. S.D.T., Sons and Daughters of Temperance. U.A.O.D., United Ancient Order of Druids. W.M.C., Working-men's Club.