

“ produce more than twenty shillings. Life assurance companies are simply friendly societies on a larger scale. Now, the competition among them is at the least as keen as among the societies. Yet who ever heard of an assurance company attempting to gain business at the expense of its rivals by reducing its premiums below the rates shown by experience to be necessary? And why is this? Life insurance men are not more scrupulous than friendly society officers. But the business men to whom they appeal for support must have a keener sense of the stability which is to them a necessary qualification of the institutions to which they are asked to confide their savings. I venture to assert that, if a life assurance company came into the field offering assurances at (say) half the rates charged by established institutions, instead of doing a large business in consequence of this apparent cheapness, its promoters would do little or none; and after the publication of the first report, in which the premiums were declared insufficient by an expert, its officers would find their occupation gone. The discrepancy between your contributions and your benefits is so considerable that the question as to whether any allowance should be made on account of your members being total abstainers does not arise. Personally I am inclined to think that you may reasonably expect some profit to arise from this source. At the same time I am bound to state that the experience of your society as compared with that of the other New Zealand societies does not at present confirm this opinion. In any case, I submit that it would be far wiser and safer to provide for the amount of sickness which general experience leads you to expect, and, if profits arise from the experience being more favourable than the expectation, your members would reap the full benefit of such profits in the future. If your members are content to look upon the society as a sort of medical club, providing themselves and their families with medical attendance and being able for the next few years to make an allowance, at any rate, during temporary sickness, well and good. But, if they are under the impression that they are providing a fund which will be available during old age and its consequent infirmity, it is my duty to inform them, in the most emphatic manner, that they are leaning on a broken reed. It is quite impossible out of the present contribution to form a sufficient reserve to meet the claims which must arise in the future. The only remedy for the unsatisfactory state of affairs, to which I have been compelled to draw your attention, is a thorough overhaul of the rates of contribution and their being largely increased, in order to bring their values into equilibrium with that of the benefits. . . . This condition of affairs, it is apparent, is the very opposite of equitable, and without justice such expressions as fraternity, &c., sound like a solemn mockery.”

The “pre-eminence” of the society thus appears to be very far from an enviable one, and the Grand Secretary’s idea of its “stability” is not indorsed by the valuer.

VALUATION OF THE NEW ZEALAND DISTRICT, H.A.C.B.S., AS AT THE 31ST DECEMBER, 1887.
(*Mr. Wright.*)

60. Eighteen branches are included in the valuation. In respect of each is shown a deficiency per member varying (inclusive of the deficiency in the central funeral fund) from £8.89 to £21.14. Previous valuations of the Order, both in New Zealand and Victoria, have shown similar results. The valuer points out how utterly inadequate is the rate of contribution, and how manifestly unfair to the younger members is a uniform payment, irrespective of age at entry, and adds:—

“ It therefore cannot surprise the members of your district that the society shows a large deficiency; indeed, so bad is the position of more than one of the branches that, unless immediate steps be taken to improve their position by the charging of a much higher rate of contribution, I fear they will not continue many more years as branches, but will be compelled to break up for want of funds.”

Negligence in regard to the investment of funds is also in many of the branches a further cause of deficiency.

TRADE UNIONS.

Registration.

61. The New Zealand Federated Bootmakers’ Union was registered under “The Trade Union Act, 1878,” during the year 1888.

Amendment of Rules.

62. Complete amendments of rules were registered on the application of the *Federated Seamen’s Union of New Zealand* and of the *Operative Bakers’ Association of Dunedin*; also a partial amendment of the rules of the *Dunedin Operative Bootmakers’ Union*.

63. A list of registered trade unions as at the 31st December, 1888, is given in Appendix VII.

EDMUND MASON,

March, 1889.

Registrar of Friendly Societies and Trade Unions.