

The following table shows how far the experience of lodges valued in the two years 1907 and 1908 agreed with that expected by the valuation tables:—

Sickness and Mortality Experience for the Five Years preceding Valuation (Societies valued in 1907 and 1908, exclusive of Auckland A.O.F. and Nelson A.O.F.).

Age.	Years of Life at Risk Sickness.	Sickness First Six Months.		Sickness Second Six Months.		Sickness after Twelve Months.		Total Sickness.		Years of Life at Risk Mortality	Actual Deaths.	Expected Deaths.
		Actual.	Expected	Actual.	Expected	Actual.	Expected	Actual.	Expected			
Under 20..	2,552	Weeks. 2,081	Weeks. 1,796	Weeks. 59	Weeks. 94	Weeks. 17	Weeks. 160	Weeks. 2,157	Weeks. 2,050	2,835	14	11.95
20-25 ..	12,577	10,445	8,811	744	627	764	878	11,953	10,316	14,274	54	61.52
25-30 ..	15,499	11,321	10,094	1,079	773	1,768	1,084	14,168	11,951	17,661	76	79.65
30-35 ..	13,245	9,943	8,870	900	664	2,494	1,592	13,337	11,126	15,411	69	73.99
35-40 ..	9,619	6,984	7,028	808	568	2,145	1,350	9,937	8,946	11,317	43	55.58
Total under 40 ..	53,492	40,774	36,599	3,590	2,726	7,188	5,064	51,552	44,389	61,498	256	282.69
40-45 ..	7,198	5,769	6,272	679	719	1,775	2,152	8,223	9,143	8,506	56	46.99
45-50 ..	5,966	5,587	6,674	808	846	2,223	3,459	8,618	10,979	7,047	61	62.79
50-55 ..	4,427	4,544	5,756	669	1,196	2,723	4,249	7,936	11,201	5,201	52	70.71
55-60 ..	3,295	4,489	5,172	1,026	1,124	5,466	5,830	10,981	12,126	4,109	70	75.30
Total 40-60 ..	20,886	20,389	23,874	3,182	3,885	12,187	15,690	35,758	43,449	24,863	239	255.79
60-65 ..	2,835	4,829	5,482	1,367	1,402	10,987	8,729	17,183	15,613	3,446	98	85.94
65-70 ..	1,729	3,412	4,081	1,329	1,040	11,712	12,035	16,453	17,156	1,964	79	77.87
70-75 ..	790	1,876	2,891	890	1,059	8,451	7,721	11,217	11,671	863	58	54.58
75-80 ..	270	690	1,016	360	437	4,693	4,203	5,743	5,656	286	29	28.33
80-85 ..	91	213	283	127	134	2,361	2,203	2,701	2,620	97	13	14.12
85 and upwards ..	11	26	16	26	7	289	411	341	434	13	5	2.68
Total over 60 ..	5,726	11,046	13,769	4,099	4,079	38,493	35,302	53,638	53,150	6,669	282	263.52
Grand total ..	80,104	72,209	74,242	10,871	10,690	57,868	56,056	140,948	140,988	93,030	777	802.00

Upon an examination of the above table it is seen that the actual sickness was somewhat in excess of the tables at ages under forty, and this applies to each of the three subdivisions of sickness. From forty to sixty the reverse was the case. At ages over sixty the experience was very close to the tables on the whole, the acute sickness being a little lower and the protracted a little higher than the tables. The actual cost of sickness (all ages) was £101,404, as against £103,532 expected by the tables, the difference being about 2 per cent. The mortality was, on the whole, lower than the tables at ages under sixty and higher at ages over sixty.

REMARKS ON THE VALUATIONS.

In making the valuations I have been struck by the number of instances in which financial soundness, or, at any rate, a nearer approach thereto, could be assured to individual lodges by a very simple means—namely, by properly investing their funds. Large numbers of lodges attend to this point so well that nothing but praise can be accorded to them; but there are others whose funds are left idle. The attainment of a good interest return is not a mere luxury; it is a necessity, and the more so when contributions are ordinarily inadequate. It behoves district bodies to use all their influence to educate the more backward lodges up to this fact. As a practical instance of the importance of the matter, I may mention that I recently had occasion to contrast the management of two lodges whose funds some twenty years ago were nearly identical, and whose balance of income over expenditure since then (apart from interest) has also been fairly equal. These lodges should now have Sick Funds of similar magnitude, but instead of this we find that one has £2,443 (including a surplus appropriated out of the fund) and the other £488 only. In the twenty years one lodge, by loans on mortgage, earned over £1,500 in interest, whilst the net result of the investments of the other was a direct loss of some £300 through a bad investment in a hall. It may seem incredible that a small fund should increase to the extent of over £1,500 in twenty years by the operation of interest, but it is a fact, and it shows clearly what a great loss is sustained in cases where the funds are left uninvested through neglect.

The constitution of the District Funeral Funds is so often found to be on an inequitable basis that a few remarks in this connection should not be out of place. These funds exist ostensibly for the purpose of spreading the death risk over a group of lodges, but the methods of contribution are usually such that they could be more correctly described as schemes to provide for the payment by young lodges of the extra risks of old lodges. It is safe to say that in the majority of cases the rules are designed so that the Funeral Funds cannot possibly have anything but a bad effect financially.

These Funeral Funds are a curious growth on the friendly society system. They exist for no actuarial reason—the reverse, in fact—and their real value lies in the manner in which they facilitate the government of lodges in groups. When properly constituted they do a great deal of good from the governmental point of view. When badly constituted, in addition to working much harm financially, they render difficult or even impossible the task of correctly stating the financial position of lodges.

Some of the signs by which very bad Funeral Funds may be known are as follows: (1.) Little or no fund is accumulated, the levies on the lodges being only struck as required. (2.) The maximum amount of the fund is fixed at £1,000, or some other figure, without regard to the liabilities. (3.) The levies on lodges are made according to the number of members, without regard to age. Any of these