

1910.
NEW ZEALAND.

FRIENDLY SOCIETIES, TRADE-UNIONS, AND
INCORPORATED SOCIETIES.

(THIRTY-THIRD ANNUAL REPORT BY THE REGISTRAR OF FRIENDLY SOCIETIES, FOR THE
YEAR ENDING 31st DECEMBER, 1909.)

*Presented to both Houses of the General Assembly pursuant to the Friendly Societies Act, 1909,
Section 9, and the Trade-unions Act, 1908, Section 16.*

The REGISTRAR OF FRIENDLY SOCIETIES to the Right Hon. the MINISTER OF FINANCE.

SIR,—

I have the honour to submit herewith, in accordance with the Act, the annual report of this office for the year ended 31st December, 1909.

I have, &c.,

ROBT. E. HAYES,

Registrar Friendly Societies, Trade-unions, and Incorporated Societies.

Wellington, 31st May, 1910.

LEGISLATION.

The year 1909 marks the passing of an amending Friendly Societies Act that came into operation on the 1st January, 1910. The friendly societies legislation in New Zealand had remained practically unaltered from the year 1882, although since then the Imperial Act and those of most of the Australian States had been remodelled and brought up to date. As the 1909 Act contains several new and important features, a short *résumé* of the measure as far as it relates to a divergence from the old Act is subjoined.

The classes of societies entitled to registration have been extended to include those established for medical or surgical attendance, relief, or requisites, and for guaranteeing the performance of their duties by officers and servants of any society or branch. The machinery for registering what are known as "specially authorised" societies—that is, societies formed for any purpose which the Governor may by Order in Council authorise—has been re-enacted, and replaces in the Act a very useful provision.

In applying for the registration of a branch of a society, whether with or without rules, it is now necessary to forward the application and rules signed by the secretary and three members of the branch (section 19, subsection (1)), as well as by the District or Grand Secretary, instead of, as formerly, by the District Secretary alone. This new method binds the founders of a branch to the application, and places upon them the responsibilities of registration. The failure to register a branch of a society within three months of its establishment renders every officer of the branch or society liable to a penalty for an offence under the Act. This, of course, relates to Juvenile branches established after the 1st January, 1910, and the attention of the officials of registered societies is specially directed to the section.

Sections 25-27 set out the means by which a registered branch may secede from a society, and also the conditions enjoined in such cases upon the society and branch.

An important check against ill-considered amendments of rules is imposed by section 30. It has come under notice that serious financial difficulties have been created through the alteration of rules to reduce members' contributions or increase their benefits without any provision being made to meet the extra demands on the funds, and in some cases the alteration has been made by delegates in utter ignorance of the effects of their action. This new section is the more important as it will insure the societies more frequently obtaining the advice of the Actuary in carrying out their financial reforms.

Section 35 (3) is a new provision designed as a first step towards an improved system of audit, which is well known to be so urgently required. One of the principal obstacles to an expert audit for all lodges is the question of expense, as the employment of Public Auditors in the case of many small societies and lodges is quite beyond their means. Under section 35 (3) the Registrar now has power to compel a society or lodge to submit its accounts to a Public Auditor in certain cases—*i.e.*, where either a society has failed to furnish returns to the Registrar, or if, when received, those returns disclose an unsatisfactory state of affairs. It is observed that lodges so conducted are as a rule those that urge they are least able to pay heavy audit fees, and to compel them to call in a Public Auditor from a