

The District Funeral Fund, which is credited with 15 per cent. of the sick and funeral contributions received by lodges, is in a deficiency of £6,016, which is a charge against the lodges. After carrying this deficiency down to their debit it is found that 4 lodges have surpluses aggregating £3,477, and 6 have deficiencies aggregating £2,954, the surpluses exceeding the deficiencies by £523; so that the district as a whole may be said to have a surplus of £523. The fact that any deficiencies exist in individual lodges is due largely to the loss of capital and interest in hall speculations. The district, however, shows a general improvement as compared with five years ago, and it is likely this improvement will continue.

The method of contributing to the District Funeral Fund is not quite equitable.

*P.A.F.S.A. Grand Council of New Zealand: Valued as at 31st December, 1906.*

At the valuation date there were 12 branches, with a membership of 853.

The sickness experience of the quinquennium was favourable to the extent of £577, or nearly 13 per cent., whilst the death-rate for the past fifteen years has been identical with the standard table.

Only 4 of the lodges earned more than 4 per cent. in their Sick and Funeral Funds, whilst the rate earned by the Grand Council Funeral Fund was over 5 per cent.

The Funeral Fund is maintained by the inequitable method of equal levies, the levy in this instance being 6s. per member per annum. On this basis the fund mentioned has the comparatively small deficiency of £527 only. On this being carried to the debit of the branches it is found that one lodge has a surplus of £9, and the remaining 11 have deficiencies totalling £10,435.

The unfavourable position of the society is due principally to the inadequacy of the contributions of the earlier members, coupled in some cases with the failure to properly invest the funds.

The society is far too small to have 12 separate Sick Funds, and in my opinion some measure of consolidation is not only advisable but necessary.

*Wellington District, A.O.F.: Valued as at 31st December, 1906.*

At the valuation date there were 30 courts, with a total membership of 3,960.

The sickness experience of the quinquennium was favourable to the extent of £1,762, or about 10 per cent., whilst the death-rate of the past fifteen years has also been below the present standard tables, the deaths being 276 as against an expectation of 306. Usually a low death-rate is unfavourable to a friendly society's finances, but in this instance, owing to the high funeral benefit (£50), the loss in one direction is counterbalanced by the gain in another.

Of the 30 courts, only 11 succeeded in earning more than 4 per cent. on their funds. The District Funeral Fund produced over 5 per cent.

The District Funeral Fund is supported by the inequitable system of equal levies,—viz., 8s. per male member and 2s. per female member. On the basis of a continuance of the levies at these particular rates the fund mentioned is found to have a deficiency of £33,218, which will sooner or later have to be made good by further levies on the branches. Transferring this deficiency, then, to the branches as a liability, it is found that two courts possess surpluses aggregating £51, and 28 courts have deficiencies aggregating £55,449, the net deficiency over the whole society being £55,398.

The financial position of the society shows a considerable retrogression as compared with five years previously, and this is due mainly to the increase of £30 per member made in the funeral benefit without a sufficient increase in the contribution. Owing partly to the same cause, the scale of contributions is now considerably below an adequate basis, so that new entrants add to the deficiency. A slight improvement has been made in the scale since the valuation.

*Grand Lodge of the North Island, U.A.O.D.: Valued as at 31st December, 1906.*

At the valuation date there were 61 branches, with a membership of 6,980, the membership having increased largely since the adoption of the special funeral benefit of £100 referred to below.

The sickness experience of the quinquennium was favourable to the extent of £1,397, or about 10 per cent., whilst the mortality was also less than the expectation, the number of actual deaths being 80, against 90 expected. A large proportion of the members are new entrants, who have not long since passed the doctor.

Only 15 of the 61 lodges succeeded in earning more than 4 per cent. on their funds, and of the remainder the majority failed to earn even 3 per cent. The District Funeral Fund yielded nearly 4½ per cent.

The Funeral Fund is supported by the inequitable system of equal levies, the rate at present being 6s. per member per annum. On this basis the Funeral Fund is found to have a deficiency of £6,262. This deficiency is a charge on the lodges, and after debiting them with their share thereof it is found that all the lodges have deficiencies, the aggregate being £58,413, due principally to inadequate contributions and insufficient interest-earnings. The contribution-scale is now better than formerly, but it is still in need of a slight revision. A good deal can be done towards improving the position by increasing the interest-earnings of several lodges.

In addition to the ordinary benefits payable out of the above funds, the society has a special death benefit of £100, which is worked upon the same equal levy or assessment principle that has been responsible for the failure of so many societies in America. As in America, the scheme is attracting numbers of new members, and it will undoubtedly flourish for a while, but later on will be the cause of loss and disappointment to the majority of members and damage to the society.