

Two of the courts earned more than 4 per cent. on their funds, the remaining two earning less than 3 per cent. The District Funeral Fund yielded a little over 3 per cent.

The valuation shows each court to be in a deficiency, the gross deficiency being £6,050, and the ratio of solvency 16s. 6d. in the pound. The deficiency is considerably less than at 1903, due largely to the gain from favourable sickness. The Funeral Fund is constituted on the unfair equal-levy basis, and, moreover, has not been well invested. I gather that the society is endeavouring to remedy these defects, and also to introduce uniformity into the scales of contributions charged to members in the different courts. The society has been very fortunate in the past in its sickness experience, and if this good fortune continues it will be of assistance in helping to improve the financial position. The scales of contributions, however, require increasing.

*New Zealand Central District, I.O.R. (Wellington): Valued as at 31st December, 1907.*

At the valuation-date there were 35 tents, with a membership of 1,746.

The sickness experience of the quinquennium was, in the case of males, favourable to the extent of £615, or 8 per cent., but in the case of females it was unfavourable to the extent of £106, or 41 per cent. On the whole a profit of £509 was made owing to favourable sickness. The mortality experience for the past twenty years has been exceptionally low, there being only 118 deaths against an expectation of 151 according to the average of New Zealand friendly societies.

As regards interest-earnings, though quite a number of tents failed to secure the necessary yield of 4 per cent. on their funds, these were principally cases where the funds were only small. Where the funds were large they were invested at productive rates, so that a mean rate of 5 per cent. was earned on the benefit funds of the society taken as a whole.

The society has a Central Sick Fund designed to consolidate the sickness liabilities of all new tents, leaving it optional for existing tents to continue on a separate basis or not as they choose.

The valuation shows that 6 tents have surpluses and the remainder deficiencies, the net deficiency in the district as a whole being £7,920, and the ratio of solvency 17s. 11d. in the pound. The deficiency shows an increase as compared with 1902, due largely to the influx of new entrants at inadequate contributions.

The principal wants of the district are a better scale of contributions, and an extension of the principle of combination where branches are really too small to stand alone.

The very low rate of mortality has already been referred to, and there is little doubt that this is connected with the society's well-known temperance principles. A low death-rate does not assist a friendly society financially—rather the reverse; but nevertheless it must be a matter of considerable satisfaction to the members.

*Auckland Provincial District, N.I.O.O.F.: Valued as at 31st December, 1908.*

At the valuation-date there were 2 branches, with a membership of 458.

The sickness experience of the quinquennium was unfavourable to the extent of £82, or about 3 per cent., whilst the mortality for the same period was considerably in excess of the standard, and operated favourably from a financial point of view in relieving the society of some heavy sickness liabilities.

The interest-rate earned by the District Funeral Fund and lodges was over 4 per cent.

The valuation was made at 4 per cent., and shows both lodges to be in a deficiency, the gross amount being £6,984, and the ratio of solvency 12s. 11d. in the pound. The society is not at all in a good position, and this is due mainly to the contribution system, which not only charges all members alike whatever their ages may be, but fails to charge any of them adequately.

The funds of one of the lodges are beginning to show signs of decreasing at a time when they should still be increasing to keep pace with the liabilities.

The society has in existence a scheme whereby a levy of 6d. is made on each death to provide a funeral donation. These schemes operate in favour of the few who die early, but the majority lose money through them, and young men subscribing to them are not wise.

*Hawke's Bay District, A.O.F.: Valued as at the 31st December, 1908.*

At the valuation-date there were 13 branches, with a membership of 1,081.

The sickness experience of the quinquennium was favourable to the extent of £255, or 4 per cent., whilst the mortality for an extended period has on the whole been below the standard table.

The investments are well looked after, and all the courts but one succeeded in earning more than 4 per cent. Taking the society as a whole, the satisfactory rate of 5½ per cent. was earned. To these excellent investment results a well-administered Central Investment Fund contributed in no small degree.

The valuation shows deficiencies totalling £7,435 in 12 courts, and a surplus amounting to £3,562 in 1 court, the net deficiency being £3,873, which is less than at 1903.

The scale of contributions is not adequate on a 4-per-cent. basis, but something is being done towards making up for this inadequacy by investing the funds so as to earn about 5 per cent. The favourable sickness experience also contributes. A continuance of these favourable results should cause a gradual improvement, but this is to a certain extent relying on speculative factors. If new entrants were required to pay a higher contribution, there would be more certainty.