

It is for the purpose of averting disasters of this nature that the accompanying table has been prepared, and is now recommended for adoption.

The actuarial calculations on which it is based have been made by Messrs. G. Leslie and P. Black, of Dunedin, members of the Manchester Unity of Odd Fellows, and Public Valuers under "The Friendly Societies Act, 1877," and have been checked by Mr. F. W. Frankland, the actuary attached to the office of the Registrar of Friendly Societies. The data as to sickness and mortality, &c., and the mode of dealing with them, have been decided on only after consultation with eminent actuaries both in Great Britain and in Australia.

The method of using the table is illustrated in the following examples:—

Example 1.—A society grants an allowance of £1 per week during sickness not continuing over more than six months; if a member remain on the sick-list for more than six months the allowance is reduced to 10s. per week; and if for more than twelve months, to 5s. per week. At the death of a member, his representatives are entitled to a funeral benefit of £20; and at the death of a member's first wife, if the member be still living, he is entitled to a funeral benefit of £10. Required, the annual contribution to the sick and funeral fund which should be paid by a member entering at age 20.

The contribution for an allowance of £1 per week during the first six months of sickness is seen from the table to be £1 0s. 8d. That for an allowance of 10s. per week during the second six months of sickness, being, of course, one-half of the amount required for an allowance of £1 per week during the same period, is one-half of 3s. 4d., or 1s. 8d. Similarly, the contribution required for an allowance of 5s. per week during the remaining period of sickness is one-quarter of 9s., or 2s. 3d. Again, the contribution required for a funeral benefit of £20 at the death of a member is double of 2s. 8d., or 5s. 4d., while that for a benefit of £10 at the death of a member's first wife is obtained directly from the table as 1s. 10d. Hence the total annual contribution to the sick and funeral fund will have to be £1 11s. 9d., as may be shown thus:—

	£	s.	d.
Annual contribution for allowance of £1 per week during first six months of sickness	1	0	8
Annual contribution for allowance of 10s. per week during second six months of sickness—one half of 3s. 4d.	0	1	8
Annual contribution for allowance of 5s. per week during remainder of sickness—one quarter of 9s.	0	2	3
Annual contribution for allowance of £20 at death of member—double 2s. 8d.	0	5	4
Annual contribution for allowance of £10 at death of member's first wife	0	1	10
Total annual contribution to sick and funeral fund...	£1	11	9

From this it follows that the weekly subscriptions for the above scale of benefits should be about 7½d. for members entering at age 20.

Example 2.—A society grants an allowance of 15s. per week during the first twelve months of sickness, after which the allowance is reduced to 7s. 6d. per week. The funeral benefit at the death of a member is £12, and at the death of a member's first wife, £7 10s. Required, the weekly subscription to the sick and funeral fund which should be paid by a member entering at age 40:—

	£	s.	d.
For allowance of 15s. per week in first twelve months of sickness—three-quarters of £2 1s. 4d.	1	11	0
For allowance of 7s. 6d. per week in remainder of sickness—three-eighths of £1 6s. 3d.	0	9	10
For allowance of £12 at death of member—twelve-tenths of 5s. 2d.	0	6	2½
For allowance of £7 10s. at death of member's first wife—three-quarters of 3s. 4d.	0	2	6
Total annual contribution to sick and funeral fund...	£2	9	6½
Total weekly contribution to sick and funeral fund...	£0	0	11½

Example 3.—A society grants an allowance of £1 per week during the whole period of sickness, a funeral benefit of £20 at the death of a member, and one of £15 at the death of a member's wife. Required, the weekly subscription to the sick and funeral fund which should be paid by a member entering at age 46:—

	£	s.	d.
For allowance of £1 per week during sickness	4	8	5
For allowance of £20 at death of member—double of 6s. 6d.	0	13	0
For allowance of £15 at death of member's first wife—three-halves of 4s. 1d.	0	6	1½
Total annual contribution to sick and funeral fund	£5	7	6½
Total weekly contribution to sick and funeral fund	£0	2	1

From the above examples it is abundantly evident that the subscriptions usually paid by members of friendly societies in this country are utterly inadequate to provide the benefits promised. In a large proportion of cases the subscription to the sick and funeral fund is a uniform one for all ages, and actually smaller in amount than what should be paid by members entering at the youngest ages. An attempt is sometimes made to remedy the insufficiency of the contributions, and also, and more especially, the injustice of a uniform contribution, by a scale of initiation fees graduated