as yet no sufficient body of data has been procured to enable us to make such an assumption, and, as far as the collection of statistics has gone, such an hypothesis cannot be sustained. In the case of your own district, the sickness experienced during the past five years had been in excess of that to be expected according to the experience of the English societies. The question raised, however, shows the great importance of the collection of universal and reliable statistics of the experience of friendly societies in the colony. It is entirely in the interest of the societies that these statistics should be collected, and it is to be regretted that in some instances the department charged with the duty of collecting and compiling them meets with anything but cordial co-operation on the part of those who really are chiefly interested in their completeness and accuracy.

The tables used in this valuation are those compiled by the late Mr. Ratcliffe, comprising the experience of your own order during the years 1866–70. This experience is the largest ever collected by any person or society, and includes the observation of persons passing through 1,321,006 years of life, and experiencing 1,975,032 weeks of sickness. It has been assumed that all funds will be invested, as fast as they accrue, at 4 per cent. I regret to find that this last assumption is not altogether warranted by the experience of the past. In Table C will be found the rates of interest which have been credited to the Benefit Fund of the lodges during the past quinquennium, and in six out of the eleven lodges composing your district less than this rate has been earned, while in three instances no interest at all appears among the receipts. The necessity of prompt investment of every shilling of capital as fast as it accrues cannot be too strongly impressed upon all officers of friendly societies. That this necessity is only too generally ignored is quite evident, and in many instances the neglect of the practice of prompt investment is sufficient of itself to account for the bad financial position of a society. In your district I find that, out of total funds amounting to £18,360, no less than £672 14s. 6d. was deposited on current account in banks or in the hands of officers, and thus earning no interest, while £13,711 4s. 1d. was invested in "land and buildings." Of this sum, £11,780 belonged to the two Wellington lodges, and was yielding some interest; but the remainder, nearly £2,000, the value of the halls belonging to country lodges, is yielding, I fear, only a nominal return.

It is urged by some officers having control over lodge funds that it is necessary to have a considerable sum on hand in order to meet with promptitude any claims that may arise. No doubt these claims ought to be met without delay; but I would venture to suggest that, for such funds as it is deemed necessary to have ready access to, the Post-Office Savings-Bank offers a mode of investment which, while allowing the account to be operated on almost, if not quite, as easily as an ordinary bank account, yet yields interest on all that portion which it may not be necessary to draw out.

I append the valuation balance-sheet of the district as a whole. The first two items on the debit side show the amount of capital which it would be necessary to have in hand to enable the lodges to provide the benefits promised to their members, supposing no further contributions were receivable from them. On the other side appears the capitalized value of those future contributions. The difference between these two sums ought to be in hand to enable the society to be in a position to meet its liabilities. I regret to say that in your district, as a whole, this is not the case, there being a net deficiency of £1,284 12s. 4d. Following is the balance-sheet:—

VALUATION BALANCE-SHEET as at the 31st December, 1882.

Dr.	£	s.	d.	*Cr.*	£	s.	d.
Present value of benefits assured by the district, as per summary—				Total funds as per Secretaries' returns	18,360	5	2
Sickness	26,216	7	6	Present value of future contributions applicable to benefits, as per summary	14,540	4	0
Funeral	6,837	19	1				
Value of Management Funds ...	1,084	12	2				
Value of Benevolent Funds ...	46	2	9	Deficiency	1,284	12	4
	£34,185	1	6		£34,185	1	6

While I regret that I cannot congratulate your district on showing a surplus, as a whole, I nevertheless submit that you will find it advantageous to be made aware of your real position, in order that means may be taken to remedy any evils which have brought about this state of affairs. It is also an encouraging fact that the deficiency is not so great but that it may probably be remedied if the matter be taken in hand at once. With regard to the causes of the deficiency, I am going into this matter in detail in my reports to the various lodges. The principal cause, however, is one that rests probably with the district to remove, viz., utter inadequacy of contributions. In the lodge in which the largest deficiency is found, the Rose of the Valley, the contributions range from 13s. to 20s. 6d. per annum for a sick benefit of 15s., 10s., and 7s. 6d. per week for the usual periods, £15 on death of a member, and £10 on death of a member's wife. And out of the whole number of 167 members, 114 pay the minimum contribution of 13s. In the Antipodean, where similar rates prevail, even larger benefits are payable. As a natural result, this lodge would have come out with even a greater deficiency than the former but for its having reaped the benefit of a large increase in the value of its landed property during the quinquennium.

Now, I find in the District Rules (page 13) an excellent graduated scale of contributions for benefits, varying from 2s. 7d. to 5s. 1d. per lunar month for new members, and it is further provided that all members admitted previous to these laws coming into operation shall "*continue* to pay 6d. per week and an additional annual contribution, &c." I venture to state that, if this rule had been carried out, you would not have found your district exhibiting a deficiency on valuation. It appears