

“ simply means that the representatives of those members who die comparatively early will receive much more than their share, and that those who live to a considerable age will find that they can only receive very much reduced benefits, or will have to pay much higher contributions, or both. Whether this will be just to those who will have contributed the most to this fund I must leave to yourselves to determine. Since commencing this report I have had placed in my hands a paper containing various notices of motion for your forthcoming district meeting. Judging by these notices, it would appear that the disproportion between the funeral benefits and the contributions has not escaped attention in the society. I observe also that one tent has given notice of a motion bearing on the anomalous position of those of your members who contribute *nothing* to the fund, while they are entitled to full benefits. But in the notice given by Tent No. 17, although it is proposed to reduce the funeral benefit from £30 to £20, this reduction is accompanied by a corresponding reduction in the contribution to the fund. I need hardly inform you that this alteration would be absolutely valueless as far as raising the fund to a solvent position is concerned. . . . A few words on the sick funds of the tents as at present constituted. I must congratulate you on having introduced a scale of contributions graduated according to age in place of the old uniform rate. The pity is that this scale is, I am afraid, not sufficient for its purpose. But there is another danger to which your order is especially exposed, even if your contributions were adequate, to which I desire to draw your attention. I allude to the number of tents among you which are numerically weak. Out of twenty-four tents which are included in the present valuation ten have less than twenty members. Without going into the question of what number is necessary for safety, it will readily be seen that those numbers, at any rate, are far too small; for it must be remembered that *one* case of sickness uses up, on an average, the contributions of fully thirty-five members. And yet yours is eminently a philanthropic and missionary order, and it seems a pity that you should be deterred from opening tents in country places where the numbers available must necessarily be small. The only way out of the difficulty is the adoption of some plan by which the sickness risk would be spread over a wider area, as is the case with the funeral benefit at present. On this subject I see that Tent No. 20 has given notice of some very important resolutions, which are deserving of your most earnest consideration. The first of these resolutions would render unnecessary the establishment of female tents, which must probably, from the nature of the case, always be limited in number of members. I have called attention to this in my reports to your two female tents, in which I have advised amalgamation with some male tent. If this alteration of law is carried there will probably be no difficulty in carrying out this recommendation. . . . But the last of the resolutions proposed by this tent is by far the most important. I am aware of certain objections which may be made to a scheme for centralising the sick fund, chiefly founded on the alleged increased probability of malingering; but, allowing these objections their full weight, I consider them as nothing in comparison with the absolute dangers of the present system of small tents. There are points of detail about such a scheme as to which I do not feel called upon to express an opinion here, but the general principle has my hearty concurrence.”

VALUATION OF THE GRAND DIVISION, S.D.T., AS AT THE 31ST DECEMBER, 1887. (*Mr. Wiggins.*)

59. Eleven branches are included in this valuation, nine of which contribute to a central sick fund as well as to a central funeral fund. Of the remainder, the *Progress* division does not contribute to either central fund, and the *Ray of Hope* division contributes to the funeral fund only. The valuer, while approving of the establishment of a central sick fund, points out the utter inadequacy of the contributions for this purpose. Furthermore, the raising of the rates of benefit and the lowering of the rates of contribution immediately before the completion of the valuation manifests a thorough disregard of consequences, especially as at the previous valuation five out of seven divisions showed a deficiency. The only branch which at the recent valuation is reported as having a surplus is the *Progress* division, which continues to work on the original scale of contributions and benefits. The valuer's forcible comments on the position of the society are as follow:—

“ The causes which have led to the large deficiency disclosed by the valuation are easily ascertainable. The society has been the victim of that passion for cheapness in preference to safety which has proved disastrous to so many kindred institutions. As far as I can judge from the information before me it would seem that several alterations have been made from time to time in the rules relating to contributions and benefits. I have before me the rules of one of the divisions which were registered in 1879. . . . Since that time the following alterations have been made, and they have all been in the same direction—that is, the society has undertaken to *give* more, and has agreed to *receive* less. . . . Since you have been thus ‘burning the candle at both ends,’ and since the valuation necessarily takes cognizance of the present value of contracts to be carried out in the future, you will probably not be surprised at the large deficiency disclosed by the valuation. But even this is not all. Supposing that the rates of contribution had been sufficient for new entrants, even then the Grand Division took over the sickness liabilities of the subordinate divisions on terms that were not safe for the central fund and were unfair to members of new divisions. . . . A plea is sometimes put forward by men occupying leading positions in friendly societies in favour of the retention of rates which are admittedly inadequate, to the effect that other societies are doing the same, and if adequate rates were adopted members would drift off to other societies. That there should be any grounds for such an apprehension augurs ill for the intelligence and discernment of the classes from among whom friendly societies are chiefly recruited. For it must be evident that the contract made when a member joins such an institution is merely between the individual and the group of individuals. There is no outside body to guarantee the fulfilment of the contract if it results in a loss. So that, if the members do not as individuals put enough into the chest, they cannot draw out what is promised, any rules or by-laws to the contrary notwithstanding. No amendment of rules can make a sovereign