

1890.

NEW ZEALAND.

FRIENDLY SOCIETIES

(THIRTEENTH ANNUAL REPORT BY THE REGISTRAR OF).

Presented to both Houses of the General Assembly pursuant to "The Friendly Societies Act, 1882," Section 5, Subsection (8).

IN a forecast of the future, the probability of correct prophecy depends upon a careful attention to the history of the past. That there is no possibility of gauging the future with perfect accuracy by no means lessens the responsibility of the leaders of friendly societies. Among the various arguments put forward impugning the correctness of the assumptions on which is based the method adopted by this office in the actuarial valuation of societies, it has been very confidently affirmed that the influence of climatic and social conditions in this colony would manifest itself in a sickness experience greatly in favour of New Zealand as compared with that of England. Necessarily many years must pass before the total sickness of all the societies here, including many recently established, can be fairly compared with any tabulated result of Home experience; and if a society shall decline to raise its rates of contribution on the ground that it will be soon enough to do so when a table of New Zealand sickness can be compiled from adequate statistics it will probably by that time have drifted into a position beyond hope of recovery. In the absence of data sufficient and complete for the whole of life it becomes a duty to be guided by such general indications as are furnished by facts that have been disclosed. In order, therefore, that a comparison might be instituted at once, the Registrar, in preparing his recently issued address to friendly societies, computed the sickness experience, for 1888, of New Zealand lodges which had been established twenty years and upwards. On comparing the result with the experience of the English M.U.I.O.O.F. for the quinquennium 1866–70, it was found that, notwithstanding the comparatively small percentage of members in the societies of this country above sixty years of age, the sickness rate for the year specified had exceeded the English standard by more than 10 per cent. The rate for 1889 is still higher. In the Otago District M.U.I.O.O.F., the average sickness per member at risk in the eleven oldest lodges during the year 1889 was 1·935 weeks, or an excess of nearly 30 per cent. above the English M.U.I.O.O.F. experience. The valuers of this society also report for the entire district an increase of nearly 40 per cent. in the sickness experience of the quinquennium 1885–89 as compared with that of the quinquennium 1875–79. Apart from this brief reference to fresh facts in support of the advice which has been given to unsound societies, the Registrar deems it unnecessary to repeat the warning which was contained both in last year's report and in the address to which reference has already been made.

2. A remarkable illustration of the variation in the rate of sickness is furnished by a comparison between the experience of the Marlborough Lodge for eleven years (1879–89) and that of the Renwick Lodge for the same period, both lodges being branches of the Marlborough District M.U.I.O.O.F. While the average number of members in these two lodges was as 3 to 1, the average number of members sick was as 7 to 1; the average amount of annual total sickness was as 14 to 1, and the sick-pay as 10 to 1. In the Marlborough Lodge the sick-pay has absorbed almost the whole of the premium income, whereas in the Renwick Lodge only 29 per cent. of the premium income was drawn for this purpose, leaving 71 per cent., together with the interest thereon, to swell the accumulated funds. In the Marlborough Lodge the average sickness per member was 77 per cent. above, and in the Renwick Lodge 62 per cent. below, the average for all New Zealand societies.

3. The percentage of members sick and the average sickness per member at risk in lodges containing one hundred members and upwards at the beginning of the year, given in graphic form in Appendix II., also affords evidence of the wide limits within which the fluctuation of the experience of single lodges ranges.

4. The attention of societies is specially called to section 14 (10) of the Friendly Societies Act, which makes illegal the application of the funds of a friendly society "to purposes other than those expressed or directed in the rules of the society, and authorised by this Act."

LIST OF ABBREVIATIONS MADE USE OF IN THIS REPORT.

A.O.F., Ancient Order of Foresters. A.O.S., Ancient Order of Shepherds. B.U.O.O.F., British United Order of Odd Fellows. H.A.C.B.S., Hibernian Australasian Catholic Benefit Society. I.F.S., Isolated Friendly Society. I.O.G.T., Independent Order of Good Templars. I.O.O.F., Independent Order of Odd Fellows (American Constitution). I.O.R., Independent Order of Rechabites. I.S.S., Isolated Specially-authorized Society. L.U.F.B.S., Loyal United Friends' Benefit Society. M.U.I.O.O.F., Manchester Unity Independent Order of Odd Fellows. N.I.O.O.F., National Independent Order of Odd Fellows. P.A.F.S.A., Protestant Alliance Friendly Society of Australasia. R.E.B.S., Railway Employés' Benefit Society. S.D.T., Sons and Daughters of Temperance. U.A.O.D., United Ancient Order of Druids. W.M.C., Working-men's Club.