

I cannot state here what the new standard of adequacy will be, because, like the present standard, it varies according to the scale of benefits and other circumstances of individual societies. I can only say that it will be lower than the present one by the above amounts, and that societies will accordingly be able to reduce their scales for future entrants to the new level, provided they are not so inadequate at present as to be already below that level, in which case the subsidies will simply render them more adequate by bringing the standard down nearer to them.

An examination of the individual societies shows that in point of fact most of them would be able to reduce their scales of contributions to new entrants, though not necessarily by the above amounts in every case. The extent of the reductions must depend upon the present degree of adequacy.

(b.) *Existing Members.*

For existing members the standard of measurement is the valuation. Even the most backward would have their deficiencies reduced to manageable quantities, whilst the majority of the societies would have funds released, by way of surplus, with which to increase the benefits or reduce the contributions of existing members.

In this connection I should mention that in the non-consolidated societies, where every branch is practically a separate entity, it will frequently be the case that some branches in a given society will exhibit surpluses, whilst others, even after every possible allowance is made for the subsidies, will still show a deficiency. The Bill should provide that in such cases there must be paid to the central body, in aid of deficiency branches, one-half of that part of the surpluses which is directly due to the subsidies. The effect of this clause will be to ensure that in the stronger branches the subsidies shall not wholly go to increase the benefits of members until some provision is made to specially help weaker branches in the same societies.

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EXHIBIT C.

AMENDMENTS TO RULES OF THE UNITED ANCIENT ORDER OF DRUIDS GRAND LODGE OF THE NORTH ISLAND OF NEW ZEALAND AND ITS BRANCHES.

Rule 39. After the word "Initiation," in the twenty-seventh line on page 21, add: "Provided that no member of any branch lodge opened after the 1st day of May, 1912, shall be entitled to any special death allowance, nor shall the members of any such branch lodge be liable for payment of any special death levy."

Rule 88. Strike out first part of the rule appearing on page 48, and insert in lieu thereof: "Every benefit member joining a lodge by initiation after 1st day of May, 1912, shall contribute as follows to the funds thereof, the first quarter's contribution in each case being paid in advance:—

Ages.		Sick and Funeral Fund.		Management Fund.
16 years and under	20 years.	10d. per week, being	7d.	3d.
20	25	11d.	8d.	3d.
25	30	12d.	9d.	3d.
30	35	13d.	10d.	3d.
35	40	15d.	12d.	3d.

Members who joined prior to the 1st day of May, 1912, in lieu of their present weekly payments, shall pay as follows:—

Those formerly paying		Sick and Funeral Fund.		Management Fund.
1s. 2d. per week shall now pay	9d., being	6d.	8d.	3d.
1s. 4d.	11d.	8d.	9d.	3d.
1s. 5d.	12d.	9d.	10d.	3d.
1s. 6d.	13d.	10d.	12d.	3d.
1s. 8d.	15d.	12d.		3d.

Members shall pay in advance an additional fee for the medical officer and chemist, such fee to be from time to time fixed by the lodge. In cases where the amount exceeds 5s. per quarter, any lodge may assist its members from the management fund for the extra amount at any time when the management fund shows a surplus. All moneys so received shall be credited in the contribution ledger under the account to be known as the "Medical Officer's Pence Account."

Rule 92. Page 51, under Sick and Funeral Fund, delete clause 1, and insert: "All moneys received as weekly contributions from members in terms of Rule 88, except 3d. per week for each member."

Under Management Fund, delete clause 2, and insert:—

"The sum of 3d. per week from each member out of the weekly payments contributed in terms of Rule 88."

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J. N. GRANT, G. Sec.