

## CONSOLIDATION OF FUNDS.

The consolidation policy continues to be adopted by fresh societies every year, and societies so constituted now represent somewhere near half the total membership. The change is becoming so general that the question of amending the friendly societies legislation in order to meet the constitutional alterations in the status of societies and branches must before long be considered. It is clear that, if the consolidation of the branch Sick Funds throughout the various societies is effected, the old-established branch organization, with its separate legal responsibilities, becomes more or less out of date. Under the present Act a branch means "a number of members of a society under the control of a central body, and having a separate fund administered by themselves or by a committee or officers appointed by themselves, and bound to contribute to a fund under the control of a central body." In most of the consolidations that have taken place the branches have been left with a small Management Fund, although in some instances there may be funds representing surpluses which have been retained by the branches. On the whole, however, the machinery required for the administration of branch Sick Funds when they were self-controlled is now unnecessary, and consolidated societies could probably effect some economies in general expenses if the legal changes were made to conform with the present practice. The number of annual returns to the Registrar, for instance, could be reduced to one from the society as a whole. These consolidated societies are now practically in the condition of what is known as "centralized" societies, and the branch members in the various parts of the country outside the central body have more or less the characteristics of agency groups.

## SPECIAL MEETING IN TERMS OF THE ACT.

In conformity with an application from the requisite number of members of the Wellington Working-men's Club and Literary Institute the Registrar called a special meeting of the members in terms of section 73 of the Friendly Societies Act, 1909. As these powers of the Registrar do not appear to have previously been brought into operation in New Zealand the procedure is of sufficient interest to warrant its record.

The circumstances leading up to the meeting were as follows: An election of officers in this Club had, owing to irregularities in holding it, been declared illegal. The Club was consequently without officers other than the trustees, whose powers of administration were limited. There was no provision in the rules for calling a special meeting unless on application to the President, but no such officer existed. As the ordinary annual meeting at which an election could be held was some time ahead an impasse appeared to have been reached, and there was a clear case for special action in order that the Club's affairs might be brought under responsible management.

With the consent of the Minister, therefore, I called special meetings to adopt and confirm the necessary amendment of rules authorizing an election of officers forthwith. I attended both meetings, explained the position to the members, and required them to appoint a chairman of the meeting, to whom I handed a letter of instructions for his guidance. As I did not consider my official functions extended any further I then decided to withdraw, but at the request of the meeting remained until the business was completed, and gave advice through the Chairman on such matters as I regarded within my official scope.

The same person was elected Chairman at the confirmatory meeting subsequently held. The Chairman's reports are attached in Appendix I. The new rule was thereupon registered, and the necessary election of an Executive followed.

The circumstances in this case rarely occur as they happened under the rules of this Club, but the invocation of the Registrar's powers under this section of the Act was the only means of legally adjusting this difficulty.

## STAFF.

I have to record with regret the loss of two promising young officers, killed at the front—Messrs. R. F. Weenink and A. Whelan.

As in other branches of business the staff is largely maintained by female officers, there being now a larger proportion of women in the Department than of men, a reversal of pre-war conditions.

## ACTUARIAL.

An important change in the staff has to be recorded in the promotion and transfer of Mr. A. T. Traversi, A.I.A., Actuary of the Department, to the position of Assistant Actuary of the Government Life Insurance Office.

Mr. Traversi has been associated with this Department and the work of the societies during a most eventful period. He has taken a considerable part in effecting improvements in the societies' actuarial standards, and his lucid and practicable reports have been the means of inculcating in many societies a closer knowledge of the inner workings of the finances of these institutions. During his time of office a distinct advance has been made in the direction of financial soundness and efficiency.

Mr. C. E. Galway, A.I.A., of the Government Life Office, was appointed to the vacancy, and commenced duties on the 1st August, 1917.