

FRIENDLY SOCIETIES.

At the end of the year it was possible to review the measures adopted to assist the societies in their financial difficulties due to the war, and to express in more definite terms the result of the obligation undertaken by Government to maintain the stability of the members' benefit funds.

The Government's concession of paying one-half the cost of the mortality benefits of soldier members since the outbreak of war, and which was in 1916 merged in the Departmental Reinsurance Fund, was terminated on the 31st March last, although renewed risks up to that date will have twelve months to run. The cost of the subsidy from 1914 to 1916 by way of votes in aid of the outside reinsurances of the societies was £11,990. In the Departmental Reinsurance Fund, operating since 1916 under mutual agreement between the Government and the societies, there were 11,638 members insured, and, up to date, 1,161 deaths have been recorded. The Government's contribution towards this fund amounts to £24,271.

The Government recognized the claims of the societies to consideration on account of the losses to their benefit funds occasioned by the non-payment of contributions by soldiers while absent on service. A grant was authorized which will have the effect of reinstating the funds. Up to the 31st March the amount of £10,117 had been paid to societies' funds on this account. A further payment of £25,000 will be necessary to meet the liability, and a vote for that amount will be submitted in the current year's estimates.

The difficult problem of dealing with the future sickness of discharged soldiers, which is anticipated to be in excess of normal, has also been taken up, and the Government has authorized the establishment of special soldiers' sick funds for the purpose of isolating these risks.

Under the social-insurance system enacted in 1916 for the benefit of friendly societies, maternity claims numbering 6,554, amounting to £26,216, have been paid out by the Government since the 1st January, 1917. It is intended to increase this allowance to members of friendly societies from £4 to £6, and raise the income qualification above the rate fixed in the main Act.

It will be seen, therefore, that the Government has met the various difficulties of the societies as they have arisen. The value of subsidy and benefits granted during the war period for assistance has reached a total of £97,594, exclusive of the State's liability for soldier excess sickness. The Government's activities have thus covered every war contingency affecting the finance of these societies, and in this connection I may mention that the Government fully appreciates the valuable work carried out by these beneficent institutions, and desires to show that appreciation by granting the help that will assist in the conservation of the benefit funds.

DEPARTMENT OF TOURIST AND HEALTH RESORTS.

Adverse conditions due to the influenza epidemic and other causes have prevented this Department showing as good a return as was anticipated. However, in face of many adverse influences, the revenue shows a net increase of £450 over that of the previous year. The actual revenue was £33,689, against £32,935 for the previous year.

MARINE DEPARTMENT.

LIGHTHOUSES.

The erection of the tower for a new light on Flat Rock, in the Hauraki Gulf, has been completed and the light installed.

An Aga automatic light has been ordered for erection on the Ninepins, off Chetwode Islands, and the necessary steps are being taken to procure the required tower. This light will be valuable to vessels engaged in the Wellington to Picton and Nelson trade, and also to other vessels which may have to come in for shelter. It is proposed to make provision on the estimates for the erection of a light of the same kind on an islet inside Mercury Island, for the benefit of vessels trading between Auckland and places in the Bay of Plenty.

The erection of a new tower for Dog Island Lighthouse has been completed, and two new houses for the keepers at Tiritiri Lighthouse have been erected to replace the old ones, which had become decayed.