Societies Act, 1882." I sat to hear the dispute on the 27th August, Mr. C. Tucker representing the lodge and Mr. J. Kershaw the board of directors.

The lodge contended that, in the absence of a registered rule specifically dealing with dissolution, they had the right of dissolution as laid down by the Act.

The society held that the central body, in giving its consent to dissolution as authorised by the Act, had the power to impose reasonable conditions, and that those conditions were contained in General Rule 27 (secessions), which they contended covered dissolution. The clause in this rule which they applied required the lodge to pay "its proportionate part (if any) of the net deficiency in the liability for sickness and funerals in respect of the whole of the lodges in the district, as shown in the last preceding valuation of such lodges and District Funeral Fund."

The South Rakaia Lodge also contended that, even if Rule 27 did apply to dissolution, then, as there was no net deficiency at the last valuation, but instead a surplus of £25, they should not be required to pay anything.

The absence of any rule specifically dealing with the conditions which the central body may impose on a branch dissolution appears to have been relied upon to a great extent by the lodge in its case. In the first place, such a rule is most unusual in any society; and, in the second place, there is no call upon the society to register a rule restricting its own power of consent in the matter of the dissolution of its own branches. This consent cannot be arbitrarily withheld; but there is, in my opinion, an implied power to withhold or modify that consent under justifiable conditions. Otherwise it would become a mere formality, for which there would be no necessity to legislate. It was not proved by the central body that Rule 27 (secessions) directly applied to dissolution, but it was contended that, as the authorities agree that dissolution should not be made easier than secession, the application of the secession conditions was just and fair as representing the minimum conditions which might be imposed on dissolution by virtue of their statutory right of consent; and this contention is not to be lightly dismissed. When, however, we look into Rule 27 great difficulties are met with. The English High Courts had the rule under examination in the case Hannell *v.* Westrope, where the Appeal Court ultimately decided it had no jurisdiction, and allowed the decision of the domestic tribunal established by the rules of the order to stand. Without attempting, therefore, to interpret a rule which has puzzled some of the learned Judges of England, it is not unreasonable, I think, to attach considerable weight to the fact that the order has interpreted it for so many years in a certain way—namely, that the seceding lodge is not to leave the district in a worse financial position than before the lodge left. And there would appear to be no other construction of the rule that could be argued as reasonable and consistent in all circumstances. But the clause is very badly expressed indeed, and, in view of the difficulty in interpreting its meaning, and of the fact that it does not explicitly include dissolution, I propose to review the position, disregarding Rule 27 altogether for the moment.

What, then, are the conditions the central body is empowered to impose solely on its right of consent? Now, under the constitutions of these great orders the members of a lodge are under certain obligations to their society or order, and, as this important principle in friendly society polity is not, I think, widely understood, I cannot do better than quote the views of Lord J. Cotton (Scholefield *v.* Vause, England) in dealing with a dissolution rule, views concurred in by Lords JJ. Bowen and Fry.

"How the Odd Fellows Union originally arose we do not quite know; that is not very plain. But, at any rate, when the defendant's lodge was formed there were Odd Fellows, and there were undoubtedly other lodges and other districts; and, as far as I understand, the Odd Fellows thus admitted to the Order may originally have been admitted. At this time every one who joined the lodge was admitted as a member of the Union of Odd Fellows, and at the different lodges formed in this way dispensations were granted by the Central Body, and then some of the persons (already members) were allowed to form what is called a lodge, with power to initiate into the order new members, and then those would become members of the lodge, but at the same time they would be initiated into and become members of the Order. That is most important for consideration, because every member of this lodge is not a member of the lodge by itself, but being admitted as a member of the order he becomes a member of the lodge; that is to say, a certain portion of the members of the union to whom the regulations of the Union had given a 'quasi' separate action—a 'quasi' separate existence. That is to say, that the lodges had a power to a certain extent of regulating their affairs, and the lodges are separated one from another and have power to a certain extent to regulate their affairs. All the lodges formed part of the districts, and all the districts formed divisions of the Union; and what I understand this society is, is this: that funds are provided by contributions of the members of the different lodges for certain purposes; then a portion of these contributions for funeral expenses are handed over to the district. The district provided in the first instance for the funerals, and then there are contributions and payments to each lodge when necessary, in order to make up what ought to have been, having regard to the number of funerals in the year, their quota. There are now no original members, or for many years there have been none of the centre, the Unity; but if any lodge fails, any members of that lodge being also members of the Order, as they must necessarily be, having duly performed their duties, fall into and become members of the district. When districts fail, in like manner the members who have become members of the district fall into and become members of the Unity. Therefore, in fact, we have these different societies regarded as friendly societies, and providing for their members in this position: that there are funds of each lodge; if those fail there is the security of the district; if the district fails there is the security of the central body, the Unity. That is a most important consideration, because it is not only the funds of the separate lodge on which the members have to depend, but there is a guarantee, as it were, to provide for the event of those funds failing by the district and finally by the central body."

It is not unworthy of note that the system of mutual responsibility as laid down here appears to have been applied to secession by His Honour the Chief Justice of South Australia (I.O.O.F. *v.* Bon