

In the case above quoted the society's rule required the Actuary to make an award based on the "last actuarial valuation." This document included in the valuation balance-sheet a property quoted at a given sum, but with a footnote by the Actuary to the effect that the result of the actuarial valuation was subject to the correctness of the values given in respect of the properties. The Appeal Court, however, directed that the results of the valuation as deduced from these unverified figures must be adhered to as they stood—that is to say, the Actuary's proviso is to be ignored.

A long-standing and important practice in friendly-societies finance is vitally affected by this ruling. The societies in New Zealand own a considerable number of properties, the values of which may vary from time to time. In order to leave the societies the right to depreciate their properties, the Registrar has accepted the values as quoted in their yearly balance-sheets, relying upon the fact that the qualification inserted by the Actuary in his report constituted a safeguard against any incorrect appropriation of the funds in case of distribution. If, however, the Actuary's proviso can no longer stand, then the question of demanding an independent valuer's certificate in respect of all the properties of societies at each actuarial valuation must be considered. There are lodges now in a prosperous condition which owe their position to the practice of persistently writing down the value of properties in order to create what is common to all sound business—a hidden reserve—a procedure that has probably more to commend it in friendly-societies administration than in ordinary commercial undertakings. It would be a distinct loss to the societies if it were found necessary to deprive them of their freedom of action in this respect.

#### *What the Funds of a Friendly Society are for.*

I append hereto some interesting figures illustrative of the large amounts paid by societies in New Zealand to individual members, as they furnish one of the fundamental reasons for the existence of friendly societies.

One often hears the remark that there is no need for the accumulation of friendly-society funds—that the claims could easily be met by current payments, and so on. Here is an answer to such a statement.

In one instance a lodge has paid £829, £625, and £365—that is, a total of £1,819—in sick-pay to three members. Another lodge has paid to a member £802, and to ten members £4,833. Another lodge has paid £3,212 to eight members. In all there were 70 members who between them had received £30,152, or an average of £430. The contributions of these members (excepting medical attendance fee) amounted at the most to £5,200, or an average of about £74. It is clear that if there had been no accumulation of funds or help from the interest earned by those accumulations, the above large sum of benefits simply could not have been paid, and the aged members would have been without that aid in sickness and old age which is assured to the members of sound societies.

#### TRADE-UNIONS.

One trade-union was registered during the year—viz., the Whangamomona Railway and Road Construction Workers' Trade-union.

The following registrations were cancelled: By request—The Foxton Waterside and General Workers' Union, the Glenhope Trade-union of Workers, the Puhonga Trade-union of Workers, the Wakamarina Miners and Workers' Trade-union. By dissolution—The Buller Deputies' Trade-union, the Nelson Waterside and General Workers' Union.

There were 34 unions on the register at the end of the year.

Complete amendment of rules: New Zealand Locomotive Engine-drivers, Firemen, and Cleaners' Association.

Partial amendments of rules: New Zealand Federation of Labour; the Waihi Trade-union of Workers.

#### INCORPORATED SOCIETIES ACT.

During 1914 there were 82 societies, clubs, or associations incorporated under this Act, and amendments of rules of 39 societies were accepted. Three societies were wound up and 3 dissolved. On the 31st December, 1914, there were 959 incorporated bodies on the register.

#### EXPLANATORY NOTE OF TERMS USED IN 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.
E.T.B.F.S.	..	..	..	..	Eden Temperance Benefit Friendly Society.
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.
I.O.R.	..	..	..	..	Independent Order of Rechabites.
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.
S.A.S.	..	..	..	..	Specially authorized 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.