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1894.

PARLIAMENT OF TASMANIA.

FRIENDLY SOCIETIES:

REPORTS OF THE REGISTRAR AND THE STATISTICIAN
FOR THE YEAR 1893.

Presented to both Houses of Parliament by His Excellency's Command.

Cost of printing—£1 5s.



Public Buildings, Hobart, 29th May, 1894.

SIR,

I HAVE the honor to inform you that during the year 1893 the following transactions were registered :—

Friendly Societies.

New Branches	3
Amended Rules.....	2
Appointment of Trustees.....	13
Change of Office	12
Amalgamation of Societies	1
Appointment of Inspectors	1
	—
	32
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Trades Unions—Nil.

I have the honor to be,
Sir,

Your very obedient Servant,

PHILIP S. SEAGER, *Registrar of Friendly Societies
and Trades Unions.*

The Hon. the Attorney-General.

REPORT OF THE STATISTICIAN FOR THE YEAR 1893.

*General Register Office, Hobart,
5th June, 1894.*

FRIENDLY SOCIETIES.

SIR,

IN accordance with the provisions of "The Friendly Societies Act, 1888," I have the honor to furnish the following Report with respect to the year 1893.

Model Forms of Accounts and Circulation of Information.

The usual Tables disclosing the operations and state of the finances of each District and branch Society which furnished Returns to this Office for the year 1892, together with a copy of my previous Report regarding them, were duly despatched to the various Societies throughout the Colony. (Copy of tables enclosed.)

The usual difficulties with some Societies still continue as regards the lack of promptitude in forwarding Returns for the current year. At present I am glad to state that 94 out of a total of 113 Societies have already furnished complete statements, all of which have been carefully examined and corrected where necessary. Returns for three Societies just received are now under examination, while replies to the last of several reminders to the remaining 16 Societies give me some hope that I shall be able to complete the Returns for the year 1893 within the next three

weeks. Although it is impossible to compare the results of 1893 with former periods, owing to the absence of particulars relating to the 19 Societies referred to, it may be of some use to give the results of the 94 Societies whose operations have been examined; thus:—

Progress between the Years 1880 and 1884.

	Absolute.				
	1880.	1885.	1891.	1892.	1893.*
Societies, Branches, and Districts..... No.	47	83	103	109	94*
Members..... No.	3937	7451	10,096	10,358	9132*
Net Receipts..... £	13,289	20,893	30,925	32,573	29,969*
Net Expenditure..... £	10,415	18,728	27,410	28,753	26,921*
Capital..... £	30,026	49,723	69,565	73,889	71,528*
Per Member..					
Net Receipts.....	3 7 6	2 15 6	3 1 3	3 2 11	3 5 8*
Net Expenditure.....	2 12 11	2 9 10	2 14 4	2 15 6	2 19 0*
Capital.....	7 12 6	6 12 2	6 17 10	7 2 9	7 16 8*

* Exclusive of 19 Societies whose returns are not complete. Total number estimated to be 113, and members 10,311.

It would appear that rapid progress has been made within the 12 years ending in year 1892. Branches and Societies have increased 128 per cent.; members, 159 per cent.; net receipts, 145 per cent.; net expenditure, 176 per cent.; and capital, 144 per cent.

Analysis of Net Expenditure, 1893.

The net expenditure of the 94 Societies whose accounts have been examined afford a clearer insight of the noble and important work carried out by the 10,311 breadwinners, who, with their wives and families, represent fully one-fifth of the entire population; and at the same time it shows to what extent the thoughtful provision for the future, and the spirit of "self-help" or independence animate the great bulk of the wage-earners of this Colony.

Thus, in the year 1893 the benefits distributed by the 94 Societies alone amount to £22,266, or £2 8s. 9d. per member, exclusive of charges for management, thus:—

(Members, 9132; cases of sickness, 1483; aggregate sickness, 10,118 weeks; deaths, 65.)

Particulars.	Amount.	Per cent.	Per Member.	Per case per year.
	£	£	£ s. d.	£ s. d.
Sick Pay (1483 cases)	8229	30·57	0 18 0	5 11 0
Medical Expenses	6416	23·84	0 14 0	—
Funeral Donations.....	3142	11·67	0 6 11	—
Other Benefits.....	4479	16·64	0 9 10	—
Management	4655	17·28	0 10 3	—
Total net Expenditure	26,921	100	2 19 0	—

The average duration of sickness of the 1483 cases recorded for 1893, viz., 41·13 days per case, was above the average, being 4·83 days above the average of 1890, 10·07 days above the average of 1891, and 5·50 days per case above the average of 1892.

Provision for the Unemployed Sick Members.

Those who were disabled for work during 1893 absorbed £8229, or 30·57 per cent. of total expenditure in respect of sick maintenance allowance alone; £6146, or 23·84 per cent., was absorbed in medical expenses; £9134, or 33·92 per cent., was absorbed in distress allowances, widows' and orphans' support, and other provisions, together with the expenses of management; while only £3142, or 11·67 per cent., was absorbed as the annual disbursement in connection with funeral allowances in respect of deceased members or their wives.

* The provision for this year was abnormal and much above the average.

These disbursements clearly distinguish the nature of the provisions of Friendly Societies from those of Life Assurance Societies. In the latter the provisional benefit is almost wholly composed of an accumulated sum of money for the benefit of the insurer's family at his or her death. In the former the bulk of the benefits, such as sick pay, medical attendance, medicines, and distress allowances, are received during the life of the member, while, on an average, only £2911, or about 10·5 per cent. of total expenditure, is absorbed by death payments (funeral expenses, &c.) corresponding to the main objects of ordinary Life Assurance Societies.

If we assumed 30 years as the average time-contribution of one shilling per week for each member of a Friendly Society towards current and future benefits, the deferred capital value would represent a sum of about £150·72 per member. This shows the practical importance of Friendly Societies' provisional benefits in life and at death. When we consider that the average amount assured by the middle and upper class policy-holders in Life Assurance Societies for the year 1892 (number of policy-holders 17,863) only amounted to £178·48 each, or 18·4 per cent. more than the estimated value of the average current and future benefits provided for each member of Friendly Societies, the importance of the latter provision is made more manifest.

The present capital of the various societies invested (average of three years, £71,601) gives an inadequate conception of their financial importance, as this capital sum only relates to benefits accruing at death, while the bulk of benefits in relation to annual contributions are discharged annually, and, therefore, do not enter into capital invested for the discharge of obligations consequent upon death.

The total annual benefits coming to members during life, if added to benefits provided at death, would, if calculated as an annuity at 5 per cent. at the present time, represent a present capital value of about £575,786, exclusive of expenses discharged in connection with cost of management. Their average annual provision for allowance to unemployed sick members alone represent a present capital value of £162,260; and, when we consider that during the last three years a sum equal to £56 10s. per year per sick member was continuously paid to unemployed sick members as an income allowance alone, which, on the average of the three years, represented 143·3 continuously unemployed members, and involved the support of, say, 573 persons, we can perceive, in this period of unemployed distress, what a noble share of the important economic function of social relief is self-imposed by the splendid organization of our various Friendly Societies. This relief or provision, too, only represents about 30 per cent. of the benefits annually distributed among its members.

Enough has been stated to show the scope of the social and economic functions discharged by these Friendly Society organizations, for they are, undoubtedly, of the highest national importance, and deserve the highest honour and encouragement.

Audit and Preparation of Accounts.

In conclusion, I regret to state that the audit and preparation of accounts of many of the smaller branch societies show many defects due to lack of skill, and I still adhere to the recommendation contained in my previous yearly reports.

I have the honor to be,

Sir,

Your obedient Servant,

ROBT. M. JOHNSTON, *Registrar-General*
and *Government Statistician.*

The Hon. the Attorney-General.