

SUPPLEMENTARY ORDER PAPER.

HOUSE OF REPRESENTATIVES.

Thursday, the 3rd Day of September, 1908.

INCORPORATED SOCIETIES BILL.

Reasons of Legislative Council for insisting on its Amendments in Clauses 4 and 7 disagreed with by the House of Representatives.

As the Bill left the House of Representatives the incorporation of a society required the written consent of all its members.

The Council considers that the requirement is unnecessary in the case of societies of the kind to which the Bill is applicable, and that grave practical difficulty and inconvenience would be caused by it. The Bill as amended by the Council requires merely that the Registrar shall before incorporating a society be satisfied in some manner that a majority of the existing members of that society have consented to the application. Such a requirement cannot in practice lead to any difficulty, and it is considered that no society should be incorporated and be brought under the penal and other provisions of the Act without the consent of at least a majority of its members.

The existing Act provides that a society can be incorporated in pursuance of a resolution passed at a meeting of its members.

The objections to this plan are the following :—

1. It is wholly inapplicable to those classes of societies which are incorporated federations of other incorporated branch societies. The only members of the central society are in this case the incorporated branches, and a general meeting of members is impossible.

2. It offers no guarantee that the incorporation is agreed to by more than a small fraction of the total membership.

3. It assumes that in all cases the society is in existence as a going concern *before* the incorporation. This is by no means always the case. It is often advisable that the society should *begin* its existence by becoming incorporated, just as a company does.
