

**A TREATISE ON BENEFIT BUILDING SOCIETIES
CONTAINING REMARKS UPON THE
ERRONEOUS TENDENCY OF MANY OF THE
SOCIETIES AT PRESENT IN EXISTENCE; AN
INQUIRY INTO THE TRUE CAUSES OF THEIR
DEFECTIVE OPERATION, WITH A VIEW TO
THEIR AMENDMENT**

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A treatise on benefit building societies containing remarks upon the erroneous tendency of many of the societies at present in existence; an inquiry into the true causes of their defective operation, with a view to their amendment by Arthur Scratchley

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ARTHUR SCRATCHLEY

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REMARKS UPON THE ERRONEOUS TENDENCY OF MANY OF THE SOCIETIES AT PRESENT IN EXISTENCE;

AND AN

INQUIRY INTO THE TRUE CAUSES OF THEIR DEFECTIVE OPERATION, WITH A VIEW TO THEIR AMENDMENT; OR, THE FORMATION OF NEW SOCIETIES UPON CORRECT PRINCIPLES.

BY

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PREFACE.

THE following pages treat of a question of much importance at the present time, when great anxiety relative to the welfare of the industrious classes is so generally expressed. While Benefit Building Societies, whose influence is calculated materially to modify the condition of those classes, are multiplying in all directions, and the valuable results, which might be obtained through their agency, are daily becoming more manifest, it is of urgent necessity that definite principles should be laid down to serve as a guide for their correct formation, and as the basis of some consistency in their subsequent operations.

A minute inquiry into the various systems of these associations has confirmed an opinion, suggested by previous experience, that among other defects one stands prominent as the fatal obstacle in the way of their success, arising from the almost universal condition, by which the existence of a Building Society is limited to a specified number of years. I have consequently been led to consider the manner, in which such an institution may be constructed on a permanent basis, so as to be free, as far as possible, from the imperfections inherent in the terminating system, and with this object I have prepared a set of Rules with directions for the practical management of a permanent Building Society.

The subject of this work has presented difficulties of a complicated character, from the various phases under which the peculiar defects of individual societies appear. The task has, however, been lightened by the reflection, that, although it cannot be expected that this effort, to place them upon a more rational and secure footing, will meet with the success of wholly obviating errors for the future, yet a most important end will at once be obtained, if the attention of the Patrons, Trustees, Directors and other officers of many of these institutions, is awakened to the sense of the grave moral responsibility incurred by them in allowing their names to be connected with schemes, which, while professing to benefit, do but cause injury to those, for whose good they were designed,—to individuals not of equal information and position with themselves, but from a class remarkable for the simple faith with which they believe in any statement sanctioned by the countenance of their superiors.

In pursuing the necessary investigations into the Rules, Prospectuses, Tables, and Annual Reports of many hundreds of the more important societies, I have derived much valuable assistance from Mr. C. J. Spencer (late Scholar of King's College, London,) Actuary.

WESTERN LIFE ASSURANCE OFFICE,
3, Parliament Street, Westminster,
May 1849.

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