REPORT OF THE GOVERNMENT ANNUITIES COMMISSIONER.

Government Annuities Office,
Wellington, 20th July, 1870.

SIR,—

I have the honor to forward to Your Excellency for presentation to both Houses of the Assembly, in pursuance of the twenty-ninth section of "The Government Annuities Act, 1869," an account, made up by the Colonial Treasurer and myself, to the 30th June ultimo, of the gross amount of all sums of money paid, and the gross amount of annuities granted for the same, and contracts for payment at death, and otherwise, which have been made under the provisions of this Act.

As required by the above-named section, I accompany this account with my Report on the general operation of the Act up to the 30th ultimo.

The Act technically came into operation on the 1st of November last, but the preparation of the necessary regulations, tables, and other requisite preliminary work, rendered it impracticable till the 24th of February last, when the regulations and tables were first published in the *New Zealand Gazette*, to commence the practical working of the Act. A longer delay would have occurred had it not been for the able assistance of the Hon. the Colonial Treasurer and the Auditor-General, who availed themselves of their visit, in the capacity of New Zealand Delegates, to Australia, to take the necessary steps for the calculation and preparation of the proper tables and regulations for annuities and assurances.

Mr. M. A. Black, Actuary to the Australian Mutual Provident Society, has been appointed Consulting Actuary; and I am greatly indebted to his knowledge and experience for the care and accuracy shown in the calculation of the different tables, and for valuable suggestions in the working of the Act.

The only tables at present in use are—

- Table No. 1, showing the amount of periodical premiums charged during the whole of life for an assurance of £100.
- Table No. 2, showing the single premium charged for an assurance of £100.
- Table No. 3, showing the amount of the annuity, payable half-yearly, which will be granted for each £100 of purchase-money.

But I expect shortly to receive from the Consulting Actuary tables for endowments, payable at various ages, which I anticipate will generally commend themselves to public approbation, and the operation of which, I think, will be calculated to have a very beneficial effect in encouraging persons to make provision for the education of their children, and in generally promoting habits of frugality and providence.

In order to initiate the working of the Act with the best prospect of success, I caused the widest publicity to be given to its provisions and objects; and I desire to express my thanks to the public Press, and to many private persons for their effective co-operation, and for the able statements made by them in explanation of the objects and the advantages of a Government system of life assurance.

I enclose, for your Excellency's information, a Return showing the satisfactory progress made from the 1st March last, when the Act may be said to have been first put into operation, up to the end of June last. Out of 103 proposals for assurance of lives during that time 78 have been accepted, amounting altogether, in the sum assured, to £38,700, representing an annual premium of £1,050 8s. 3d. The present rate of annual expenditure, exclusive of the cost of bringing the Act into operation, is about £550. This does not include the salary of the Commissioner, which is not drawn while the office is held by the Colonial Secretary, neither does it include payments on account of Postmasters' gratuities and medical fees, as the amount of such payments will depend upon the business transacted. An Order in Council was made by your Excellency, on the 6th instant, allowing a reduction to the amount of five per cent. in the premium payable by officiating ministers when insuring their lives. This practice has been adopted by some private companies, and I think is calculated to have a beneficial effect in giving greater facility for insurance to those who devote their lives to religious ministration, and are therefore not so capable as others of attending to worldly business.

Arrangements have been made by which persons leaving the Colony are enabled to pay their premiums on policies through any Money Order Office in Great Britain or the Australian Colonies.

I cannot conclude my first Report without expressing my hope that this measure may be attended with continued and progressive success, and may satisfactorily fulfil the beneficent object of the Legislature, by giving reliable security to those who wish to invest a part of their savings in making a provision for the future, and thus not only increasing the inducement to economy and prudence, but also materially benefiting, and in many cases actually preserving from destitution the widow and orphan, the aged and infirm.

I have, &c.,
W. GISBORNE,
Commissioner.

His Excellency the Governor.