

THIRD ANNUAL REPORT OF THE GOVERNMENT ANNUITIES COMMISSIONER.

SIR,—

Government Annuities Office, 17th July, 1872.

I have the honor to transmit to your Excellency my Annual Report, as required by the 29th section of "The Government Annuities Act, 1869."

The annexed returns show the satisfactory progress which has been made in the operation of that Act, and of the amending Act of 1870.

The number of proposals received during the year ended 30th June last is shown in the following statement:—

CLASS.	RECEIVED.		DECLINED.		NOT TAKEN UP.	
	No.	Amount.	No.	Amount.	No.	Amount.
		£ s. d.		£ s. d.		£ s. d.
Insurance ...	1,769	708,500 0 0	131	47,350 0 0	400	123,900 0 0
Endowment ...	51	5,400 0 0	...	...	24	2,400 0 0
Annuities ...	6	345 10 8 per annum	...	...	...	...
Total ...	1,826	713,900 0 0	131	47,350 0 0	424	126,300 0 0

One-third of the number not taken up are still under consideration, the prescribed time for taking them up not having elapsed. The amount of claims paid during the same period on Assurance Policies was £1,200. The amount of receipts for the year was £18,100 19s. 2d., of which £543 was received as interest from the Colonial Treasury—interest for the last quarter, amounting to £221, being still due; and the expenditure was £8,089 13s. 2d. This expenditure includes £1,526 2s. 6d. for claims under policies, and £2,847 paid as medical fees and commission on account of new policies for that year;—the commission paid during that period was on new policies only, and not on policies previously granted.

With respect to the investment of accruing funds, I would observe, that the balance of moneys received under "The Government Annuities Act, 1869," has hitherto formed part of the Trust Funds of the Colony, and has been invested with the rest of those funds; but an arrangement is made by which interest has been added to the balances at credit of the Annuities Account at the end of each quarter, so as to give that account the full benefit of its accumulations. It is now intended to set apart such portions of the securities held by the Trust Fund as shall be equal to the present balance of the Annuities Account; and in future the balances that may accrue at the end of each quarter, with the interest on the securities held, will be invested from time to time in securities of similar character, bearing the highest rate of interest that can be obtained.

In anticipation of a stream of immigration into New Zealand, it appears to me of great importance that provision should be made by law to enable intending emigrants in the United Kingdom to avail themselves of the Government Insurance Acts. Such an arrangement would tend to provide, to a considerable extent, a security for the permanent settlement of the insured immigrant in the Colony, and a guarantee against his family becoming, in the event of his death, a charge on public or private charity.

Adverting to the Comparative Return numbered 3, showing the business transacted during twelve months by fifteen private Insurance Offices of very long standing (36 years being the average), as shown in their last published reports, I think that it is a subject of congratulation to the Colony that the New Zealand Government Insurance Department, which practically came into existence only about two years ago, holds so high a place in that list.

I have the honor to be,

Your Excellency's most obedient servant,

W. GISBORNE,
Commissioner.

His Excellency Sir George Bowen, G.C.M.G.