In his Financial Statement just submitted to Parliament the Hon. the Colonial Treasurer referred to the progress of life insurance in this colony and in other portions of the British dominions, and in America. It is considered desirable that the statistics on this subject, as contained in the Statement, should be reproduced in this report for the information of policy-holders and others. Regarding the policies issued by this department the Colonial Treasurer said, "During the past year the new assurances amounted to nearly £800,000, showing an increase on "the average of recent years, and approaching in amount the whole of the new business effected by "the foreign life offices having branches in New Zealand. The average amount of the individual "assurances was larger than in previous years, being close on £270, which is an increase of fully "£50 per policy as compared with the average of the three years immediately preceding. The "average amount of the policies discontinued is smaller than that of any year since the initiation "of the office, while the policies surrendered have been smaller in their total amount than in the "preceding year. The accumulated fund has been augmented by £123,00C during the year. This "fund at the present moment exceeds a million and a half sterling, having doubled in amount "during the last six years."

The subjoined table contains the figures showing the existing condition of ordinary life insurance in New Zealand as compared with the other communities named:—

—	Average Amount of Insurance per Head of Population.	Average Number of Policies per 1,000 of Population.	Average Amount insured per Policy.
	£		£
New Zealand	24	80	295
Australia	19	65	300
Canada	9	24	376
United Kingdom	12	26	487
United States	8	15	554

The Colonial Treasurer said, further, "It is gratifying to note that, while the average sum "assured by each policy is less in New Zealand than elsewhere, the total number of policy-"holders in this colony bears a larger proportion to its total population than is the case in any "other English-speaking community; and that, though the individual policies average a less sum "than elsewhere, the number is so much greater that the total sum assured divided amongst the "whole population gives a larger sum per head here than anywhere else."

Investment of the funds in the direction of mortgages on real property is steadily extending under the supervision of the Board of Investment. It is true, however, that if the Board's power as regards the amount that can be advanced under any one mortgage were increased so as to permit a maximum of £10,000, instead of the present limit of £5,000, more advantageous investments could be secured. It is proposed to ask Parliament to amend the law by granting power to the Board to lend the larger sum. At present the funds are rapidly increasing, and will continue to grow, and it is plainly desirable that facilities should be afforded for more profitably investing the available portions of such increase.

D. M. Luckie,
Government Insurance Commissioner.