

The bonus investigation for the past year has been carried out by the Actuary, and his report discloses a net cash surplus of £214,477, excluding interim bonuses paid during the year. The surplus is sufficient to enable bonuses to be allotted at the same rates as for the past four years. Owing to shortage of staff, however, bonus notices will not be distributed to participating policyholders.

Expense Ratios.—The ratio of expenses to (a) total income and (b) premium income for 1943, 1944, and 1945 is as follows:—

Ratio of Expenses to		1943.	1944.	1945.
(a) Total income		8·15	8·90	10·66
(b) Premium income		13·15	14·06	16·37

The increase in 1945 is principally due to the substantial increase in the volume of new business.

General.—The results for the past year have been very satisfactory.

The record new business obtained in 1944 has been eclipsed during the past year, the total written being £1,081,113 in excess of the 1944 figures. The result achieved reflects great credit on our field staff and justifies the efforts being made to more extensively advertise the work of the Department.

A substantial portion of the increased business is due to group and staff superannuation schemes, and it is very gratifying that the Department's progressive methods enable it to compete successfully in this sphere of life insurance.

It is appropriate this year that we should honour and extend our grateful thanks to all the members of the Department's staff who served in the cause of freedom. The majority of those who were in the Armed Forces have now resumed duty, and it is pleasing to find that they are settling down very well. We deeply regret to record that six of our young men lost their lives whilst on service overseas.

In conclusion, I wish to pay a tribute to the excellent work of the staff, many of whom are still carrying out extra duties. Without their loyal co-operation it would have been impossible to maintain the Department's reputation for prompt and efficient service.

J. W. MACDONALD, Commissioner.