## 1949 NEW ZEALAND

## REPORT OF THE

## EARTHQUAKE AND WAR DAMAGE COMMISSION

ESTABLISHED UNDER THE EARTHQUAKE AND WAR DAMAGE ACT, 1944, FOR THE YEAR ENDED 31st MARCH, 1949

Presented to Both Houses of the General Assembly Pursuant to the Provisions of the Earthquake and War Damage Act, 1944

Wellington, 10th June, 1949.

In accordance with the provisions of section 23 of the Earthquake and War Damage Act, 1944, the following report, with a statement of accounts, is presented for the year ended 31st March, 1949:—

- (1) There was no change in the personnel of the Commission during the year. Twelve meetings of the Commission were held.
- (2) The following is a comparative statement from 19th December, 1941, when the War Damage Act came into operation. As from the 1st March, 1944, earthquake insurance was included in the scheme:

					Period 19th December, 1941, to 31st March, 1946.	Twelve Months Ended 31st March, 1947.	Twelve Months Ended 31st March, 1948.	Twelve Months Ended 31st March, 1949.
Income—					£	£	£	£
Premiums					4,598,027	410,065	494,938	540,704
Interest					278,333	94,860	129,957	129,591
Outgo					<i>'</i>	,		, , , , , ,
Claims					1,600	1,779	7,917	12,876
Salaries					12,861	2,162	2,493	2,643
Other working-	expenses			5,104	2,166	1,410	1,665	
Discount to ins	urance off	ices			17,567	9,965	11,843	13,573
Cost of exchang	ge adjustn	nent			Nil	Nil	Nil	339,525
Surplus					4,839,228	488,853	601,232	300,013
Total of fund					4,839,228	5,328,081	5,929,313	6,229,326
Ratio per cent.	Ratio per cent. of working-expenses to premium						0.789	0.797
income exclu	isive of	discoun	$\mathbf{t}$ to $\hat{\mathbf{insu}}$	ırance				
offices								

(3) Three hundred and forty-three claims on the Fund were lodged during the year, as compared with four hundred and one in the previous year and one hundred and thirty-four in the year before that.

Earthquake damage was claimed for in localities from Coromandel to Invercargill. Again the most damaging shock occurred in a rural area, where buildings are mainly of wood.

Earthquake shocks which resulted in numerous claims are listed as follows:

Date.	Le	ocation.		Modified Mercalli Scale Rating.	Number of Claims.	
23rd May, 1948 28th December, 1948 10th February, 1949	North Canterbury Wellington area Southern North South Island	 Island	and N	orthern	Force VII Force IV Force VI	239 18 40

- (4) The total of the Fund amounts to £6,229,326, including overseas investments of £(N.Z.)1,805,600, after deducting the cost of exchange adjustment between New Zealand and Great Britain.
- (5) In pursuance of the policy of the Commission to obtain reinsurance against severe loss, negotiations in London have been completed for an excess loss contract of £4,656,000 at a rate of 5s. per cent., covering loss in any part of the Dominion. Practically all companies operating in New Zealand participated. The total is less than was aimed at, but it is hoped that continued negotiations will eventually provide a satisfactory extension.
- (6) The Commission again expresses its appreciation of the work carried out by the Secretary and staff during the year.

J. H. Jerram, Deputy Chairman.

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4	300,013 4 3	:	:	:	Fund				
•		Damage	War	ake and	Balance transferred to Earthquake and War Damage				
= =	339,525 0 0	:	•	:	rate)				
;	1 6	exchange	on in	(alteratio	Amount written off investments (alteration in exchange				
9	13,572 6	:	:	:	Discount allowed insurance offices				
6	1,313 17 9	:	:	:	129,590 17 1 Expenses of management	,590 17 1	- 129		4
ž C	307 15 0	:	:	:	Fees of Members of Commission			21,402  0.11	purchase of Imperial stock
ල ල	<del>1</del> 3	:	:	:	Superannuation subsidy				un and costs incu
رن در	2,643	:	:	:	Salaries and overtime		_	,	rest
8 11	12,876 8 11	:	:	:	540,704 6 9 (Taims paid and outstanding	704 6 9	540		minus, less refurns and reinsurances
	£. S.					9	_	2	
			6761	ARCH, 1	INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1949	CCOUNT FO	CRE A	D Expenditu	INCOME AN
					(Under Earthquake and War Damage Act, 1944)	uake and	Jarthq	(Under F	

## EARTHQUAKE AND WAR DAMAGE FUND-continued

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	Assets		:	:		t of	:	:	:	:			
Balance-shert as at 31st March, 1949	٦,		New Zealand Government stock 4,270,000 0 0	Imperial stock		Cash in Public Account to credit of Earthquake and	War Damage Fund	Interest accrued but not due	Premiums accrued but not due	Sundry debtors			
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LANCE-SH		i						6,229,326 10 4	1,192 0	2,388 13 11	8,377 3 4		£6,241,284 9 7
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	×	-)		5,929,31		300,013 + 3			:	;	:		
	Liabilities		e and War	t March, 1948	131st March,	:	amage Fund	:	:	premiums	sits ::		
			Balance of Earthquake and War	Damage Fund as at 31st March, 1948 5, 929, 313 6 1	Not income for year ended 31st March,	6#61	Earthquake and War Damage Fund	as at 31st March, 1949	Claims outstanding	Discount due on acerued premiums	Premium and other depo		

Norm.—In the balance-sheet, New Zealand Government stock and Imperial stock have been included at par value.

3rd June, 1949.

T. L. SEATOR, Secretary.

I hereby certify that the Income and Expenditure Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby. J. P. Rutherford, Controller and Auditor-General,

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