

1900.
NEW ZEALAND.

ANNUAL REPORT

OF THE

GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31ST DECEMBER, 1899.

Presented to both Houses of the General Assembly pursuant to the provisions of the Acts relating to Government Life Insurance.

Government Insurance Office,
Wellington, 4th July, 1900.

I HAVE the honour to submit my report upon the transactions of the Department for the past year. The accounts and usual detailed statement of progress are appended.

NEW BUSINESS.

During the year 4,704 proposals were dealt with, for the assurance of £987,534; of which 3,565 proposals for life insurance, assuring the sum of £740,828, were completed, and policies issued accordingly. The annual premiums on these new policies amounted to £24,093, in addition to single premiums for £1,702. Sixty-four children's endowments were granted for £7,600, and also 20 immediate annuities, for which the purchase-money was £10,746.

The total number of new policies was 263 in excess of the previous year, and the new sum assured £34,939. The new business was, in fact, larger than at any time during the past ten years.

There are now in existence on the books of the Department 39,366 policies, for the assurance at death or maturity of £10,341,702 (including bonus additions), and annuities—immediate or deferred—for £23,810 per annum; the total premiums on these policies amounting to £284,517 per annum.

INCOME.

The income of the Department for the year has been £288,101 for premiums, and £133,466 for interest; making, with other receipts, a total of £421,569, which represents an increase of £11,421 upon the total income of the previous year.

CLAIMS AND EXPENSES.

Two hundred and eighty-two policyholders died during the year, the claims upon their policies amounting to £95,322, which was £13,768 less than was paid on this account in 1898, and considerably less than the amount expected according to the standard table of mortality upon which the operations of the Department are based. The average age of the lives assured under policies becoming claims by death was fifty-one and a quarter, and the average duration of the policies fifteen years.

Two hundred and twenty policies matured during the year, the total claims in this respect amounting to £66,747. This item of outgo is naturally constantly increasing, and, being practically known in advance, it is possible to make the necessary provision for it without any strain whatever on the resources of the Department. Endowment Assurances have become the most popular of all the varieties of life insurance, and a large and increasing amount payable yearly to these policies at maturity is a satisfactory testimony to the permanent nature of a class of business which is growing in favour with the public.

The total amount paid by the Department, since its foundation thirty years ago, in respect of death claims and matured endowments has been £1,849,125.

The disbursements on account of commission and management expenses show a reduced percentage on the income of the Department, the ratio of expenses (including the land- and income-tax) to total income now standing at 14·15 per cent., as against 14·34 per cent. in 1898, and 14·86 in 1897.

ACCUMULATED FUNDS.

The total increase in the funds during the year amounted to £150,547, of which £14,400 was carried to reserve, and the balance of £136,147 added to the Insurance Fund, which now stands at £2,997,681. The Department having now been in existence thirty years, it will be of interest to trace its progress in the accumulation of funds, and in other respects, for each period of ten years, as shown in the following statement:—