

1902.
NEW ZEALAND.

ANNUAL REPORT

OF THE

GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31ST DECEMBER, 1901.

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

Government Insurance Office,
Wellington, 17th June, 1902.

I HAVE the honour to submit my report upon the transactions of the Department for the past year, together with the accounts and usual statement in detail of the progress of business.

NEW BUSINESS.

During the year 4,414 proposals were dealt with, for the assurance of £878,897, of which 3,196 proposals for life insurance, assuring the sum of £630,346, were completed. One hundred and four pure endowments were granted for £13,700, and also twenty-six immediate annuities for £1,014 per annum, for which the purchase-money was £11,615. The annual premiums on these new policies amount to £22,246, in addition to £2,815 of single premiums, representing considerable increases on the annual and single premiums for the previous year.

INCOME.

The total income of the Department (excluding £16,753 transferred from the Tontine No. 1 Fund) was £444,000, comprising £142,449 from interest and £301,542 from premiums, which is £14,811 in excess of the premium income of the previous year.

CLAIMS, ETC.

Three hundred and thirty-five policies, representing with bonus additions the sum of £122,471, became claims during the year through the death of the persons insured. The payments on this account are naturally increasing with the growth of the Department, but the amount is considerably less than is provided for in the tables on which the premiums are calculated.

One hundred and fifty-seven endowment policies also matured during the year, securing to their holders the sum of £42,389.

The total amount paid by the Department since its inception in 1870, in respect of death claims and matured endowments, has been £2,165,305.

The ordinary surrenders and loans released by surrender amounted to £37,948, which represents a total decrease of £8,845 on the previous year. In addition to the above there was a sum of £25,375 paid to tontine-policy holders who selected the option of closing their contracts on the termination of the tontine period. This, however, will not be a recurring item.

The disbursements on account of commission and management expenses show not only an absolute decrease during the year in the total amount so disbursed, but the ratio of the total expenses and commission to the premium income declined from 21·4 per cent. to 19·6 per cent., and is now lower than for many years past.

ACCUMULATED FUNDS.

The assurance and annuity funds on the 31st December last amounted to £3,285,416, being an increase during the year of £145,459, of which the sum of £16,753 represents the Tontine No. 1 Fund reserve, which was transferred to the ordinary funds as the equivalent of the special reversionary bonuses allotted to tontine policies at 31st December, 1900.