

1903.
NEW ZEALAND.

ANNUAL REPORT OF THE GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31st DECEMBER, 1902.

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

Government Insurance Office,
Wellington, 26th May, 1903.

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.

The number of proposals received during the year was 4,199, for assurances of £863,674, and the number of policies issued was 3,352, assuring the sum of £679,403, an increase of £35,357 on the previous year. Twenty-seven annuities were also granted during the year, the purchase-money for which amounted to £9,664. The premiums on the new policies issued amount to £23,739 per annum.

INCOME.

The total income of the Department was £451,348, comprising £147,486 from interest and £303,847 from premiums, or an increase in the total income for the year of £7,348.

CLAIMS, MATURITIES, AND EXPENSES OF MANAGEMENT.

Three hundred and fifty-nine policies, representing with bonus additions the sum of £121,883, became claims during the year through the death of the persons insured. Three hundred and twenty-six policies matured during the year for the sum of £89,291, an increase of £46,902 over the previous year.

The amount paid on account of matured policies is higher than in any previous year, and is, of course, a satisfactory feature, implying as it does the payment of the premiums and the maintenance of the policies until the sums assured become payable by effluxion of the periods agreed upon. The amounts required being known in advance, the payments cause no strain on the resources of the Department, proper provision being made beforehand to meet the payments as they become due.

The total amount paid by the Department since its inception in 1870 in respect of death claims and matured policies has been £2,376,495.

The expenses, which were reduced last year to 13·3 per cent. of the total income, have been kept down to the same low figure, in spite of the special expenses incidental to the triennial valuation.

INVESTMENT FLUCTUATION RESERVE AND ACCUMULATED FUNDS.

In accordance with the Department's practice for many years past, all securities have undergone a rigid scrutiny preliminary to the ascertainment and distribution of the surplus as at 31st December, 1902. The investment fluctuation reserve, which has been increased to £56,595, is believed to be much in excess of all probable requirements, but in making periodical provisions of this character the Department has always sought to amply provide for all possible contingencies. It is believed that this course is approved and appreciated by the policyholders, whose best interests demand that the Department's finances shall be maintained in an impregnable position.

After making provision for the investment reserve as narrated above, the accumulated funds have increased by £97,402, and amounted at 31st December to £3,382,817.