1904.
NEW ZEALAND.

ACCIDENT INSURANCE BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT

(ANNUAL REPORT ON THE), FOR THE YEAR ENDED 31ST DECEMBER, 1903.

Laid before Parliament pursuant to Section 26 of "The Government Accident Insurance Act, 1899."

Government Insurance Office, Wellington, 31st May, 1904.

I HAVE the honour to submit my report on the business of the Accident Insurance Branch of the Department for the year ending the 31st December, 1903, with the Revenue Account and balance-sheet.

The premium income amounted to £24,381, being an increase of £10,281 over the premiums received in the previous year.

The total claims, including provision for those not actually settled at the close of the year, amounted to £13,230, as against £7,364 in 1902, the rate, in proportion to the premiums earned, showing a considerable increase. A sum of £5,450 is held as a reserve on account of claims accrued but unsettled as at the 31st December. The expenses show a large decrease in relation to the premium income as compared with 1902.

The sum of £4,510 has been carried to unearned premium reserve, which now stands at £8,530. The funds show an increase of £248, and now stand at £1,255.

The experience of the Department tending in the direction of showing that the premiums charged for workers' compensation insurance were too low, a revised scale of rates was approved by the Governor in Council, and came into operation on the 1st February, 1903, and provision was at the same time made for a further increase, to date from April, 1903, to provide the further benefits conferred upon workers by "The Workers' Compensation for Accidents Act Amendment Act, 1902," which became operative on the 1st April, 1903.

A reference to the Revenue Account for the last year will show that there is even now a very small margin of profit, and that the premiums have, on the whole, only just been sufficient to meet the risks and expenses. Workers' compensation insurance has, however, been in existence in the colony for so short a period that it is impossible to say what are the true rates for the various occupations until further experience has been accumulated.

J. H. RICHARDSON,
Government Insurance Commissioner.