1914.
NEW ZEALAND.

ANNUAL REPORT

OF THE

GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31ST DECEMBER, 1913.

Presented to both Houses of the General Assembly pursuant to the Provisions of the Government Life Insurance Act, 1908.

Government Insurance Office, Wellington, 19th May, 1914.

I HAVE the honour to submit the following report upon the transactions of the Department for the year ended the 31st December, 1913, and its position at that date. The Revenue Account, Balance-sheet, and Statement of Business are appended.

New Business, and Amount in Force.—During the year 4,517 proposals were dealt with for the assurance of £1,259,050, whereas in 1912 the proposals amounted to £1,258,032, showing considerable regularity in the amount of assurance applied for annually. The number of policies actually completed was 3,749, assuring £1,039,077, with annual premiums amounting to £29,047. Nineteen annuities were also granted, on which the purchase-money was £7,255. On only two previous occasions has the new business of the Department exceeded one million in sums assured—viz., in 1912 and in 1883. While no attempts are made to force the new business in an unhealthy manner there is reason to believe that the Department may look forward to an annual new business of about one million sum assured, a result not attained by more than twenty of sixty-two British companies.

The average sum assured by each new policy issued has shown a decided tendency to increase for some years past, being £248 in 1911, £263 in 1912, and £275 in 1913.

The total business now in force, including 384 immediate and deferred annuities for £21,294 per annum, is 51,343 policies, bearing an annual premium income of £363,721. The sum assured, payable at death or maturity, is £12,211,655, to which have been added reversionary bonuses amounting to £1,327,812. The total business on the books thus amounts to £13,539,467.

Income.—The total income of the Department was £600,068, being an increase of £9,754 upon that of the previous year. It was made up as follows: Premium income, £359,578; interest income, £233,223; annuity purchase-money, £7,255; fees, £12.

The average rate of interest earned by the Department, which was £4 12s. 3d. per cent. in 1910, £4 13s. per cent. in 1911, and £4 14s. 2d. per cent. in 1912, was still further increased to £4 15s. 1d. per cent. in the year just closed.

Outgo.—During the year 455 policies became void by the deaths of policyholders, the claims amounting to £154,632; this amount is considerably under what is provided for in the tables of mortality used by the Department. Five hundred and forty-four policies also matured for £133,756. The total sum which has been paid in respect of claims by death and survival since the foundation of the Department, forty-four years ago, has amounted to £4,993,170.

Land and income-tax absorbed £15,353, as against £15,071 in 1912; and for new and renewal commission there was paid £23,504, as against £23,138 in 1912. There was a reduction in the expenses of management from £44,280 to £42,547.

Accumulated Funds.—The total assurance, annuity, and endowment funds, apart from a special investment reserve of £113,663, now stand at £4,980,131.