

1917.
NEW ZEALAND.

ACCIDENT INSURANCE BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT

(ANNUAL REPORT ON THE) FOR THE YEAR ENDED 31st DECEMBER, 1916.

Laid before Parliament pursuant to Section 22 of the Government Accident Insurance Act, 1908.

Government Insurance Office, Wellington, 27th April, 1917.

I HAVE the honour to submit my report on the business of the Accident Insurance Branch of the Department for the year ended 31st December, 1916, together with the Revenue Account and Balance-sheet.

The gross premium income amounted to £22,378, and, after deducting reinsurances, to £22,350.

The claims were £10,698, an increase of £1,607 as compared with the previous year.

The gross return from interest was £4,665 8s. 7d., as compared with £4,407 15s. 7d. in 1915. Owing, however, to increased taxation, the net return in 1916 was slightly smaller than that of the previous year.

The ratio of expenses to premiums, exclusive of land and income tax, was 27·2 per cent., as compared with 28·7 in 1915, while the ratio to the total income was 23·3 per cent.

The funds at the end of the year amounted to £19,989, an increase of £9,286, while the Reserve Fund constituted under section 20 of the Government Accident Insurance Act, 1908, was £62,597. The total assets at the end of the year amounted to £105,260.

Amongst the new investments which have been made during the year may be mentioned the sum of £7,500, which has been invested in Government war bonds. The Branch's total subscription amounted to £10,000, and the balance of £2,500 was duly paid over when the final instalment became payable early in the current year. The investments in the loans raised by the Government locally in 1915 and 1916 now represent a little over 20 per cent. of the total invested funds.

On the coming into operation of the Workers' Compensation for Accidents Act, 1900, the rates for this class of business were entirely experimental, owing to the fact that there had been no previous experience of a cognate nature which could be utilized. The experience in New Zealand has been carefully tabulated by the Department's Actuary since the coming into operation of the Act, and the rates have been actuarially revised from time to time as the accumulated data indicated the necessity of a revision of the charges. In 1914 a general reduction in rates was made, and since then further concessions have been granted in various occupations. The funds, however, still show a considerable increase, and it is thought that a further general reduction in the rates should be made when the Reserve and Accident Funds, which now amount to £82,585, have increased to £100,000.

J. H. RICHARDSON,
Government Insurance Commissioner.

REVENUE ACCOUNT OF THE ACCIDENT BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT FOR THE YEAR ENDED 31st DECEMBER, 1916.

	£	s.	d.		£	s.	d.
Amount of Accident Funds, 1st January, 1916	10,702	8	0	Claims	10,698	9	2
Premiums £22,378 7 8				Commission	2,593	11	10
Less reinsurance premiums 28 3 6				Salaries	2,695	0	0
Interest £4,665 8 7				Expenses of management	785	5	3
Less land and income tax 957 2 0				Amount of Accident Funds, 31st December, 1916	19,988	12	6
	3,708	6	7				
	£36,760	18	9		£36,760	18	9