

1920.
NEW ZEALAND

ANNUAL REPORT
OF THE
GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31st DECEMBER, 1919.

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

Government Insurance Office, Wellington, 28th May, 1920.

I HAVE the honour to submit the following report upon the transactions of the Department for the year ended the 31st December, 1919, 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 5,721 proposals were dealt with, for the assurance of £1,876,797. The number of policies actually completed was 4,983, assuring £1,617,795, with annual premiums amounting to £58,569. These figures constitute a record for the Department. The facilities offered by the Department's war-loan policies, enabling subscriptions to be made to war loans with the least possible inconvenience, were evidently appreciated by the public, as a large amount of business was done under them. Thirty-seven annuities were also granted, on which the purchase-money was £20,265.

The total business now in force, including 438 immediate and deferred annuities for £23,195 per annum, is 55,770 policies, bearing an annual premium income of £423,065. The sum assured, payable at death or maturity, is £14,123,728, to which are attached reversionary bonuses amounting to £1,423,016. The total business on the books thus amounts to £15,546,744.

Income.—The total income of the Department was £701,423—viz., premium income, £411,306; interest income (less land and income tax), £269,852; annuity purchase-money, £20,265.

Outgo.—During the year 758 policies matured, for £180,102, and 648 policies became claims by the death of policyholders, the amounts payable being £195,341. Of these, 115, for £24,656, represent deaths among the oversea Forces through wounds and sickness, and approximately 93, for £24,000, deaths from influenza. The death claims were less by 643 policies, representing £142,426, than in 1918, and in fact were smaller than in any year since 1914.

Accumulated Funds.—The total assurance, annuity, and endowment funds, apart from a special investment reserve of £288,825, now stand at £5,354,904.

The Balance-sheet.—On the 31st December, 1919, the total assets of the Department amounted to £5,728,681, and were invested as shown in the following statement, which also gives the distribution of the assets at the end of the previous year for purposes of comparison:—

At 31st December, 1918.		Class of Investment.	At 31st December, 1919.	
Amount.	Percentage of Total Assets.		Amount.	Percentage of Total Assets.
£			£	
3,038,552	53.6 per cent.	Mortgages on freehold property ..	2,784,532	48.6 per cent.
738,018	13.0 ..	Loans on policies	733,943	12.8 ..
1,250,900	22.0 ..	Government securities	1,635,800	28.6 ..
211,711	3.7 ..	Local bodies' debentures	210,597	3.7 ..
134,864	2.4 ..	Landed and house property	134,831	2.3 ..
128,593	2.3 ..	Miscellaneous assets	130,179	2.3 ..
170,343	3.0 ..	Cash in hand and on current account ..	98,799	1.7 ..
5,672,981	100.0 per cent.	Total	5,728,681	100.0 per cent.

As compared with the 1918 balance-sheet, the holdings of war-loan stock by the Life Branch show an increase of £424,907, bringing the total up to £969,900, in addition to £40,000 debentures under the Finance Act, 1915.