generally lower than elsewhere; that the placing of the rates on this low basis has been effected without friction with the private companies, who in point of fact defer to the Department's scientific assessment; and that a considerable reserve has now been built up against contingencies, rendering the Branch strong enough to be able to contemplate the granting of rebates of premium to the policyholders in accordance with the amendment in the Act already mentioned. The question of the rebates to be allowed is now receiving careful consideration, and the matter will be dealt with at an early date. I think it can be claimed that the working of the Branch has not only saved thousands of pounds to the insuring public, but that its actuarial analysis of the business has placed beyond doubt the equities as between different classes of insurers. In order to illustrate more forcibly what has been achieved I may say that in the older business of fire insurance not only has no attempt been made to ascertain the net cost of the separate classes of business, but that the premiums charged to the public have never been reduced to the low point that applies in accident insurance. In the latter business the premiums are fixed at double the actual claim cost, whereas an examination of the returns of fire offices will show that the premiums charged by the companies for fire insurance are equivalent to about three times the claim cost. It can therefore be said that the business of accident insurance has reached a considerably higher point of efficiency in economical service to the public, thanks to the work done by the Accident Branch.

J. H. RICHARDSON, Commissioner.

REVENUE ACCOUNT OF THE ACCIDENT BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT FOR THE YEAR ENDED 31ST DECEMBER, 1922.

		£ s. d.		£ s. d.
Amount of Accident Funds, 1st January, 1922		11,472 7 7	Claims	20,329 15 5
Premiums	£33,982 10 5		Commission	4,043 4 10
Less reinsurance premiums	634 16 2		Salaries	3,870 0 0
		33,347 14 3	Expenses of management	1,708 4 1
Interest	7,598 0 1		Amount of Accident Funds, 31st December, 1922	21,068 15 5
Less land and income tax	1,489 6 10			
		6,108 13 3		
Defalcations recovered		91 4 8		
		£51,019 19 9		£51,019 19 9

BALANCE-SHEET OF THE ACCIDENT BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT ON 31ST DECEMBER, 1922.

Liabilities.	£ s. d.	*Assets.*		£ s. d.
Accident Funds, as per Revenue Account	21,068 15 5	Debentures issued under authority of the Finance Act, 1915		10,000 0 0
Claims admitted (proofs not yet completed)	12,000 0 0	New Zealand Inscribed Stock — War Loans		100,500 0 0
Commission	355 19 7	New Zealand Inscribed Stock		3,000 0 0
Premium and other deposits	74 14 5	Mortgages on property		40,720 0 0
Sundry creditors	2,466 2 4	Outstanding interest due but not overdue	£220 3 9	
Officers' Fidelity Fund	300 0 0	Interest accrued but not due	1,596 15 9	
Reserve for unearned premiums	14,929 0 0			1,816 19 6
Investment Fluctuation Reserve	3,000 0 0	Agents' balances		558 18 4
Reserve Fund constituted under section 20 of the Government Accident Insurance Act, 1908	115,019 19 11	Sundry debtors		1 11 10
		Cash in hand and on current account		12,617 2 0
	£169,214 11 8			£169,214 11 8

Government Insurance Department, 6th March, 1923.

J. H. RICHARDSON,
Commissioner.

G. A. KENNEDY,
Acting-Secretary.

The Audit Office, having examined the Revenue Account and balance-sheet, and compared them with the relative books, documents, and securities, hereby certifies them to be in accordance therewith.

G. F. C. CAMPBELL,
Controller and Auditor-General.

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