1930.
NEW ZEALAND.

ANNUAL REPORT

OF THE

GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31ST DECEMBER, 1929.

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

Government Insurance Office, Wellington, 19th June, 1930.

I HAVE the honour to submit my report regarding the position of the Department as at the 31st December, 1929, together with the Balance-sheet and Revenue Account at that date, and Statement of Business showing the operations of the Department during the year.

The Actuary's Annual Report regarding the division of surplus is appended, with the statements required to be presented triennially in terms of sections 36, 37, and 38 of the Act.

In my report of last year the Department's operations over a period of three years were compared, and a similar comparison is again made on this occasion. On account, however, of the completion of a further triennial period, a convenient opportunity is presented for making a more extensive examination, and accordingly in the following statements an analysis is also made of the Department's progress during the latest three triennial periods.

The main features of the Department's operations during the past three years are as follows:—

	1927.	1928.	1929.
	£	£	£
(1) *Life Assurance Business*:—			
(*a*) New sums assured	1,791,845	1,915,465	1,918,600
Annual premiums thereon	58,006	63,138	62,414
(*b*) Total sums assured (including bonus additions)	21,277,350	22,084,471	22,965,608
Annual premiums thereon	595,780	617,642	642,140
(2) *Annual Income*:—			
Interest and rents	401,697	419,592	438,717
Less land and income tax (after allowing for refund made in 1929)	11,075	15,792	20,558
Net interest and rents	390,622	403,800	418,159
Premium income, including consideration for annuities	600,864	626,359	654,847
	£991,486	£1,030,159	£1,073,006

	1927.	1928.	1929.
	£	£	£
(3) *Claims :—*			
Claims by death during year	198,130	197,620	196,093
Claims by maturity during year	275,069	315,077	297,075
Total claims during year	£473,199	£512,697	£493,168
Total claims paid since inception of Department	..	..	£11,737,918
(4) *Management Expenses* (including commission)	97,152	95,745	94,306
(5) *Profits divided*	190,500	200,287	214,188
(6) *Funds :—*			
Life-assurance funds	7,303,925	7,582,679	7,926,525
Investment-fluctuation Reserve and Accident and Fidelity Reserve	212,687	213,349	226,807
	£7,516,612	£7,796,028	£8,153,332

The above statement gives clear indication that the Department has made consistent progress and in particular that, notwithstanding the additional business placed on the books and the additional cost of annual bonus distributions introduced in 1927, the actual expenses of management have steadily decreased during the three years.

A similar statement of the operations during the past three triennial periods is as follows :—

	1921–23.	1924–26.	1927–29.
	£	£	£
(1) *Life Assurance Business :—*			
(*a*) Total new sums assured effected during period	4,499,581	5,512,560	5,625,910
Annual premiums thereon	139,620	175,757	183,558
(*b*) Total sums assured at end of period (including bonus additions)	17,906,612	20,218,404	22,965,608
Annual premiums thereon	501,321	575,420	642,140
(2) *Income during Period :—*			
Interest and rents	917,826	1,084,747	1,260,006
Less land and income tax	23,407	31,339	47,425
Net interest and rents	894,419	1,053,408	1,212,581
Premium income, including consideration for annuities	1,454,387	1,663,229	1,882,070
	£2,348,806	£2,716,637	£3,094,651
(3) *Claims during Period :—*			
Claims by death	530,990	547,896	591,843
Claims by maturity	653,295	718,407	887,221
Total claims during period	£1,184,285	£1,266,303	£1,479,064
Total claims paid to date since inception of Department	£8,992,551	£10,258,854	£11,737,918
(4) *Management Expenses* (including commission)	280,580	297,611	287,203
(5) *Profits divided* (excluding interim bonuses)	317,563	430,363	604,975
(6) *Funds at end of Period :—*			
Life-assurance funds	6,222,485	7,029,584	7,926,525
Investment-fluctuation Reserve and Accident and Fidelity Reserve	208,224	208,609	226,807
	£6,430,709	£7,238,193	£8,153,332

The foregoing statements give a fairly comprehensive view of the Department's activities. The triennial period 1927–29 as compared with the corresponding 1921–23 period shows the following increases, viz.: New sums assured, £1,126,329; total income, £745,845; and funds, £1,722,623: The most outstanding feature, however, is the remarkable increase which has taken place in the amount of profits divided, which have increased from £317,563 to £604,975—an increase of over 90 per cent. The larger profits have arisen mainly from exceptionally favourable mortality, increase in interest earned, and economy in management—the three most important sources from which the profits of a life-insurance institution are derived. In this connection it is interesting to compare the average management expense and interest rates over the above periods with the corresponding rates in respect of the year 1929:—

	1921–23. Per Cent.	1924–26. Per Cent.	1927–29. Per Cent.	1929. Per Cent.
Ratio of expenses of management (including commission)—				
To premium income	19·3	17·9	15·3	14·4
To total income	11·9	11·0	9·3	8·8
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Gross average rate of interest before deduction of land and income tax	5 7 5	5 12 6	5 15 10	5 16 3
Net average rate of interest after deduction of land and income tax	5 4 8	5 9 3	5 10 6	5 10 10

These figures show that since the 1921–23 period the average *net* rate of interest has increased from £5 4s. 8d. per cent. to £5 10s. 10d. per cent., while the economy which has been effected in management expenses is equivalent to 4·9 per cent. of the premium income or 3·1 per cent. of the total income. This aspect of the Department's administration is specially important from the policyholders' point of view because the combined effect of these improvements is equivalent to an additional cash profit of not less than 1s. in every £1 of premium paid.

Taxation.—In my report of last year I pointed out that the Department appeared to be bearing a relatively and probably a greater burden of taxation than any other life-insurance institution operating in the Dominion. There was considerable difficulty in regard to the interpretation of certain sections of the taxing Acts, and consequently an unintentional and inequitable burden of taxation was being borne by the Department. It was imperative in the policyholders' interests that the position should be clarified, and the Commissioner of Taxes agreed to join with the Department in a friendly action in order to get a definite ruling in the matter. As the result of this action, and in conformity with the decision of the Appeal Court, the remission sought was granted and the basis of taxation determined. I consider it advisable, however, to point out that notwithstanding this decision, the Department, as compared with other life-insurance institutions, continues to bear at least its full share of taxation. In the past year it paid land and income tax amounting to £20,558 2s. 2d.—a sum possibly greater than that paid by any of its competitors in respect of their New Zealand business.

Assets.—The Department's assets, which are held in trust solely for the benefit of the policyholders, are being invested in sound securities. It will be noticed by reference to the Balance-sheet that the item "Foreclosed properties" on the books at 31st December last amounted only to £1,394 9s. 4d. The property represented by this item has since been disposed of at a satisfactory figure. The distribution of the assets is as follows:—

Class of Investment.	Percentage of Total Assets.
Mortgages of freehold property	41·0
Government securities	28·7
Local-body debentures	13·6
Loans on policies	12·3
Landed and house property	2·6
Miscellaneous assets	1·8
	100·0

Annual Bonus Distribution.—The usual bonus investigation has been carried out by the Actuary, and his report, which is appended hereto, discloses a net surplus of £222,540 (excluding interim bonuses paid during the year) in respect of this year. Of this sum, £214,188 has been allotted in the form of compound reversionary bonuses upon the sum assured and existing bonuses, the total reversionary bonuses thus allotted amounting to £352,346. The bonus allotted under the present issue of ordinary endowment assurances is at the rate of £1 18s. per cent. per annum of the sum assured and existing bonuses, which is at the same rate as that of the preceding two years. In the case of the corresponding issue of long-term endowment and whole-life assurances, the rate has been increased from £2 to £2 2s. per cent. per annum of the sum assured and existing bonuses. These bonuses are very satisfactory, especially in view of the low premiums charged by the Department, and have been declared in conjunction with the maintenance of the strong valuation basis disclosed in the appended schedules.

General.—Summarizing the results for the year—

(1) The new business was again the highest ever transacted by the Department in any one year.
(2) The total income increased by nearly £43,000.
(3) Claims decreased by £19,529.
(4) Total funds increased by £357,304.
(5) Profits divided amounted to £214,188.
(6) Expense ratios (both to total income and premium income) showed decreases.
(7) The net rate of interest earned showed an increase.

The combined effect of a careful selection of risks, economy of management, and profitable investment of the funds has been reflected in the increased profits recently distributed. During the past ten years the Department has made marked advances in all directions, and, given average trade conditions, there is every reason to expect further progress. The Department is constituted entirely on the lines of a mutual life-insurance office, its policyholders being a group of individuals joined together for mutual aid and protection. In the attainment of this end policyholders not only benefit themselves but, as their funds are invested entirely in the Dominion, they assist to no small extent in its development. The welfare of the Department is therefore of vital interest not only to the policyholders but to the people of New Zealand generally.

A. E. ALLISON,
Commissioner.

Revenue Account of the Government Life Insurance Department for the Year ended 31st December, 1929.

	£ s. d.	£ s. d.
Amount of Funds at 1st January, 1929		7,582,679 3 11
Renewal premiums — Assurance, Annuity, and Endowment		567,277 16 2
New premiums (including instalments of first year's premiums falling due in the year)		60,778 19 9
Single premiums—Assurance and Endowment		5,168 8 5
Consideration for Annuities ..		21,621 14 1
Refund of Income-tax for years 1927 and 1928		10,562 14 8
Interest and Rent ..	441,988 12 0	
Less land and income tax after deducting refund (£6,511 5s. 9d.) for 1929, £20,558 2s. 2d.; property expenses, £3,272 0s. 9d. ..	23,830 2 11	
		418,158 9 1
		£8,666,247 6 1

	£ s. d.	£ s. d.
Death claims under assurance policies, including bonus additions ..		195,581 11 0
Endowment Assurances matured, including bonus additions		285,731 6 0
Endowments matured		11,343 10 0
Premiums returned on endowments ..		511 18 11
Bonuses surrendered for cash ..		8,427 14 4
Annuities		23,038 11 9
Surrenders		36,498 15 11
Loans released by surrender ..		59,983 5 8
Commission, new* ..	35,341 10 0	
,, renewal	4,385 11 10	
		39,727 1 10
Contribution to Public Service Superannuation Fund		717 16 0
Expenses of management—		
Salaries—		
Head Office ..	22,514 9 9	
Branch offices and agents ..	12,285 2 1	
Extra clerical assistance	2,285 9 3	
Medical fees and expenses ..	3,149 3 2	
Travelling-expenses	742 10 3	
Advertising ..	632 5 10	
Printing and stationery	1,374 18 5	
Rent	5,302 0 7	
Postage and telegrams	1,759 17 0	
Exchange ..	70 1 7	
General expenses ..	3,745 3 10	
		53,861 1 9
Property depreciation		4,300 0 0
Transfer to Investment Fluctuation Reserve Account		20,000 0 0
Amount of funds, 31st December, 1929		7,926,524 12 11
		£8,666,247 6 1

* Including agents' allowances.

Balance-sheet of the Government Life Insurance Department on 31st December, 1929.

Liabilities.

	£ s. d.
Total Assurance, Annuity, and Endowment Funds (as per Revenue Account)	7,926,524 12 11
Claims admitted, proofs not yet completed	33,463 17 0
Annuities	1,128 14 7
Commission	933 15 1
Medical fees	263 11 0
Premium and other deposits ..	6,213 2 0
Sundry creditors	8,428 0 11
Accident and Fidelity Fund ..	3,911 18 5
Investment Fluctuation Reserve ..	222,895 11 5
Sinking Funds on Local Body Loans	11,161 7 5
	£8,214,924 10 9

Assets.

	£ s. d.	£ s. d.
Loans on policies		1,014,921 1 7
New Zealand Government securities ..		2,273,160 0 0
Rural Advances Bonds		85,230 0 0
Municipal Corporation debentures ..		231,739 14 9
County securities		103,448 0 11
Harbour Board debentures ..		28,700 0 0
Town Board debentures		31,919 5 8
Road Board debentures		21,800 0 0
Drainage Board debentures ..		1,790 2 3
Power Board debentures		700,853 8 0
Landed and house property ..		142,251 10 0
Landed and house property (leasehold)		1,775 9 3
Mortgages on property		3,365,032 15 10
Properties acquired by foreclosure ..		1,394 9 4
Overdue premiums on policies in force ..	8,290 17 9	
Outstanding premiums due but not overdue	56,184 8 0	
		64,475 5 9
Overdue interest ..	7,193 15 3	
Outstanding interest due but not overdue	9,755 0 10	
Interest accrued but not due	107,581 15 11	
		124,530 12 0
Sundry debtors (including refund of income-tax for 1927, 1928, and 1929)		18,318 16 1
Cash in hand and on current account		3,583 19 4
		£8,214,924 10 9

A. E. Allison, Commissioner.
H. Rose, Secretary.

Government Life Insurance Department.

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.

Statement of Business

TOTAL. / *Whole-life and Term Assurances.*

POLICIES ISSUED AND DISCON-

YEAR 1929.	TOTAL. No.	TOTAL. Sum assured.	TOTAL. Reversionary Bonuses.	TOTAL. Annual Premiums. 1. *Ordinary.* 2. *Extra.*	TOTAL. Annuities. 1. *Immediate or entered upon.* 2. *Deferred.*	Whole-life and Term Assurances. No.	Whole-life and Term Assurances. Sum assured.	Whole-life and Term Assurances. Reversionary Bonuses.	Whole-life and Term Assurances. Annual Premiums. 1. *Ordinary.* 2. *Extra.*
		£	£	£ s. d.	£ s. d.		£	£	£ s. d.
Policies in force at 31st December, 1928	68,562	19,974,581	2,109,890	615,669 14 4 1,972 15 1	23,251 2 0 1,868 14 10	10,308	3,784,573	621,185	95,033 7 5 802 14 3
New business	5,735	1,918,600	..	62,309 17 11 103 14 9	2,155 12 4 ..	188	101,950	..	3,387 12 8 15 16 4
Bonus allotted ..	..	..	324,871	..	..	..	..	36,690	..
Total.. ..	74,297	21,893,181	2,434,761	677,979 12 3 2,076 9 10	25,406 14 4 1,868 14 10	10,496	3,886,523	657,875	98,421 0 1 818 10 7
Policies discontinued during 1929	4,108	1,193,112	169,222	37,752 8 3 163 12 4	1,967 5 0 357 1 8	633	263,168	44,126	6,552 1 7 103 1 4
Total policies in force at 31st December, 1929	**70,189**	**20,700,069**	**2,265,539**	**640,227 4 0** **1,912 17 6**	**23,439 9 4** **1,511 13 2**	9,863	3,623,355	613,749	91,868 18 6 715 9 3

PARTICULARS OF POLICIES DISCON-

How discontinued.	No.	Sum assured.	Reversionary Bonuses.	Annual Premiums.	Annuities.	No.	Sum assured.	Reversionary Bonuses.	Annual Premiums.
By Death	580	150,740	45,714	4,714 10 3 39 5 9	2,267 5 0 ..	294	85,548	35,431	2,035 16 0 29 11 4
Maturity	1,138	234,835	60,813	9,227 10 8 20 2 4	..	..	..	..	..
Surrender	1,466	474,648	51,501	14,165 15 10 53 8 10	..	235	114,447	8,518	3,019 2 5 35 6 2
Changes to other Tables	84	34,850	1,110	921 2 10 ..	.. 57 1 8	34	17,550	..	455 12 3 ..
Cancellation ..	137	39,800	50	1,162 16 5 ..	..	2	2,300	..	37 13 4 ..
Lapse	703	258,239	10,034	7,560 12 3 50 15 5	(−)300 0 0 (+)300 0 0	68	43,323	177	1,003 17 7 38 3 10
Total discontinued during year 1929	**4,108**	**1,193,112**	**169,222**	**37,752 8 3** **163 12 4**	**1,967 5 0** **357 1 8**	633	263,168	44,126	6,552 1 7 103 1 4

PROGRESS OF BUSINESS OF THE GOVERNMENT LIFE INSURANCE

	No.	Sum assured.	Reversionary Bonuses.	Annual Premiums.	Annuities.	No.	Sum assured.	Reversionary Bonuses.	Annual Premiums.
Total issued	202,179	54,867,041	5,679,414	1,700,000 6 4 40,301 16 1	116,164 10 8	50,456	16,398,129	2,264,027	430,012 19 11 18,520 4 5
Total void	131,990	34,166,972	3,413,875	1,059,773 2 4 38,388 18 7	91,213 8 2	40,593	12,774,774	1,650,278	338,144 1 5 17,804 15 2
Total in force ..	**70,189**	**20,700,069**	**2,265,539**	**640,227 4 0**	**24,951 2 6**	9,863	3,623,355	613,749	91,868 18 6
Extra Premiums	..	..	..	1,912 17 6	..	..	..	..	715 9 3
				£642,140 1 6					£92,584 7 9

NOTE.—The "ordinary" premium is the premium charged

at End of Year 1929.

Endowment Assurances: No.	Endowment Assurances: Sum assured.	Endowment Assurances: Reversionary Bonuses.	Endowment Assurances: Annual Premiums. *1. Ordinary. 2. Extra.*	Annuity Assurances: No.	Annuity Assurances: 1. Sum assured. 2. Reversionary Bonuses.	Annuity Assurances: Annuities. *1. Immediate or entered upon. 2. Deferred.*	Annuity Assurances: Annual Premiums.	Annuities: No.	Annuities: Annual Premiums.	Annuities: Annuities. *1. Immediate or entered upon. 2. Deferred.*	Simple Endowments, Investments, etc.: No.	Simple Endowments, Investments, etc.: 1. Sum assured. 2. Reversionary Bonuses.	Simple Endowments, Investments, etc.: Annual Premiums. *1. Ordinary. 2. Extra.*
	TINUED DURING THE YEAR 1929.												
	£	£	£ s. d.		£	£ s. d.	£ s. d.		£ s. d.	£ s. d.		£	£ s. d.
55,881	15,817,283	1,466,724	509,746 2 2 1,169 1 4	41	5,935 1,191	789 8 10 1,268 14 10	237 2 7	392	518 5 10	22,461 13 2 600 0 0	1,940	366,790 20,790	10,134 16 4 0 19 6
5,373	1,789,100	..	58,018 8 2 87 8 5	..	..	..	..	32	..	2,155 12 4 ..	142	27,550 ..	903 17 1 0 10 0
..	..	284,957	..	..	133	..	..	..	..	..	..	3,091	..
61,254	17,606,383	1,751,681	567,764 10 4 1,256 9 9	41	5,935 1,324	789 8 10 1,268 14 10	237 2 7	424	518 5 10	24,617 5 6 600 0 0	2,082	394,340 23,881	11,038 13 5 1 9 6
3,270	895,804	122,359	29,861 3 7 60 11 0	14	150 26	525 6 1 57 1 8	7 6 1	16	426 13 4	1,441 18 11 300 0 0	175	33,990 2,711	905 3 8 ..
57,984	16,710,579	1,629,322	537,903 6 9 1,195 18 9	27	5,785 1,298	264 2 9 1,211 13 2	229 16 6	408	91 12 6	23,175 6 7 300 0 0	1,907	360,350 21,170	10,133 9 3 1 9 6
	TINUED DURING THE YEAR 1929.												
247	63,892	10,283	2,640 8 2 9 14 5	..	..	..	..	29	..	2,267 5 0 ..	10	1,300 ..	38 6 1 ..
1,073	225,585	58,735	8,919 7 1 20 2 4	..	..	..	..	..	..	..	65	9,250 2,078	308 3 7 ..
1,170	347,501	42,982	10,794 7 8 18 2 8	..	.. 1	..	..	..	..	..	61	12,700 ..	352 5 9 ..
47	16,500	1,085	450 18 2 ..	1	150 25	.. 57 1 8	7 6 1	..	..	..	2	650 ..	7 6 4 ..
133	37,000	50	1,109 4 5 ..	..	..	..	..	..	..	..	2	500 ..	15 18 8 ..
600	205,326	9,224	5,946 18 1 12 11 7	13	..	525 6 1 ..	..	(−)13	(+)426 13 4	(−)825 6 1 (+)300 0 0	35	9,590 633	183 3 3 ..
3,270	895,804	122,359	29,861 3 7 60 11 0	14	150 26	525 6 1 57 1 8	7 6 1	16	426 13 4	1,441 18 11 300 0 0	175	33,990 2,711	905 3 8 ..
	DEPARTMENT SINCE DATE OF ESTABLISHMENT TO 31st DECEMBER, 1929.												
142,561	37,199,523	3,369,588	1,225,315 17 10 21,759 12 2	1,106	160,450 8,315	57,497 16 6	8,619 15 8	1,146	866 6 8	58,666 14 2	6,910	1,108,939 37,484	35,185 6 3 21 19 6
84,577	20,488,944	1,740,266	687,412 11 1 20,563 13 5	1,079	154,665 7,017	56,022 0 7	8,389 19 2	738	774 14 2	35,191 7 7	5,003	748,589 16,314	25,051 16 6 20 10 0
57,984	16,710,579	1,629,322	537,903 6 9	27	5,785 1,298	1,475 15 11	229 16 6	408	91 12 6	23, 475 6 7	1,907	360,350 21,170	10,133 9 9 ..
..	..	..	1,195 18 9	..	..	..	..	..	..	..	..	..	1 9 6
			£539,099 5 6				£229 16 6		£91 12 6			£	10,134 19 3

at the true age; the "extra" the additional premium charged for any reason whatsoever.

A. E. Allison, Commissioner.
Geo. W. Melville, Actuary.

GOVERNMENT INSURANCE DEPARTMENT.

STATEMENTS

IN CONNECTION WITH THE VALUATION OF LIABILITIES (FOURTH AND FIFTH SCHEDULES)

FOR THE

TRIENNIUM ENDING 31ST DECEMBER, 1929.

Presented to both Houses of the General Assembly pursuant to Section 38 of the Government Life Insurance Act, 1908.

REPORT BY THE ACTUARY

RESPECTING THE

VALUATION OF THE LIABILITIES

UNDER LIFE POLICIES AND ANNUITIES

OF THE

NEW ZEALAND

Government Insurance Department,

In terms of Section 36 of the Government Life Insurance Act, 1908.

FOURTH SCHEDULE.

I.

THE date up to which the valuation was made was the 31st December, 1929.

II.

The principles upon which the valuation and distribution of profits were made were as follows :—

(1) *Principles of Valuation.*—In making the valuation no credit whatever has been taken for any loadings or extra premiums, and in no case has there been valued for inclusion among the assets a valuation premium greater than the pure premium derived from the British Offices OM Table with 3 per cent. interest. The liability has been ascertained by taking the difference between the present value of the sums assured (including reversionary bonuses) and the present value of the valuation premiums. Where the original premiums have been reduced by the application of amounts received in consideration of the surrender of bonuses or former policies the valuation premiums have been reduced by an equal amount. In all cases where an extra premium was payable the policy has been valued at the true age, and a full proportion has been reserved for the unexpired risk for which the extra premium had been paid. Adequate extra reserves have been made for limited-premium policies and the immediate payment of claims in the case of whole-life assurances, and allowance has been made for the actual incidence of the premium income. Endowments have been valued as sums certain payable at the end of their respective terms, and mortality has only been taken into consideration where the premiums are payable during the joint lives of the child and purchaser, 3 per cent. interest being used.

FOURTH SCHEDULE.

Annuities have been valued by the *a (f)* and *a (m)* Annuity Tables deduced from the mortality of British Annuitants, 1900–1920, using 3 per cent. interest. In the case of annuity assurances the value at the age of entering upon the annuity has been computed by the above-mentioned Annuity Tables and treated as an endowment payable at the specified age, which has then been valued, in combination with the insurance portion of the contract, by the OM Table, with 3 per cent. interest.

Policies have been valued in groups where practicable.

(2) *Principles of Distribution of Surplus.*—The divisible surplus is distributed among the policyholders entitled to participate as a compound reversionary bonus per cent. on sums assured and existing bonuses, for each premium paid since the last division, the rate of such bonus for each class of assurance being determined as far as practicable by the profit earned. An interim bonus is also paid, at the same rate, in respect of those policies which may become claims before the next distribution of surplus. The profit from favourable mortality in the General Section and the Temperance Section respectively has been estimated and specially divided among the members of the respective sections. The result is that Temperance policies will, on this occasion, receive compound reversionary bonuses at the same rate as General policies which are like them in all other respects.

The divisible surplus has been converted into reversionary bonuses by means of the OM Table of Mortality with 3 per cent. interest, the reversion for a continuous assurance having been used for whole-life policies.

III.

The Tables of Mortality used in the Valuation were,—

(1) For Assurances, the OM (British Offices) Table;

(2) For Annuities, the *a (f)* and *a (m)* Annuity Tables deduced from the mortality of British Annuitants, 1900–1920.

IV.

The rate of interest assumed in the valuation was 3 per cent.

V.

The proportion of the annual premium income reserved as a provision for future expenses and profits is represented by the difference between the premiums actually payable and the valuation premiums, and amounts to 19·6 per cent. of the annual premium income. In addition special provision has been made for future expenses and profits under assurances by limited premiums.

VI.

The Consolidated Revenue Account for the period 1st January, 1927, to 31st December, 1929, is given on page 13.

VII.

1. The liabilities of the Department under life policies and annuities at the date of the valuation, showing the number of policies, the sums assured, and the amount of premiums payable annually under each class of policies, both with and without participation in profits, will be found in detail in the Valuation Summary given on pages 14 and 15.

FOURTH SCHEDULE.

CONSOLIDATED REVENUE ACCOUNT

OF THE

GOVERNMENT INSURANCE DEPARTMENT

FOR THE PERIOD COMMENCING 1ST JANUARY, 1927, AND ENDING 31ST DECEMBER, 1929.

	£	s.	d.	£	s.	d.
Amount of funds on 1st January, 1927				7,029,583	16	2
Renewal premiums				1,637,509	0	11
New premiums				175,343	10	3
Single premiums				16,113	3	2
Consideration for annuities granted ..				53,104	11	3
Interest and rent ..	1,270,254	11	4			
Less land and income tax (after deducting refund of £17,074 0s. 5d) £47,424 6s. 6d.; property expenses £10,249 3s. 11d.	57,073	10	5			
				1,212,581	0	11
				£10,124,235	2	8

	£	s.	d.	£	s.	d.
Death claims under policies—assurance, including bonus additions				590,859	19	10
Endowment assurances matured, including bonus additions				856,462	19	0
Endowments matured				30,757	16	0
Premiums returned on endowments ..				983	9	6
Bonuses surrendered for cash ..				28,828	15	0
Annuities				69,225	7	5
Surrenders				116,898	3	5
Loans released by surrender				172,190	16	3
Commission, new* ..	105,181	11	5			
Commission, renewal	12,710	14	2			
				117,892	5	7
Expenses of Management:—						
Salaries—						
Head Office ..	66,134	9	1			
Branch Offices and agents ..	36,463	15	10			
Extra clerical assistance	7,625	18	4			
Medical fees and expenses ..	11,421	14	1			
Travelling-expenses	2,451	19	9			
Advertising ..	1,567	2	11			
Printing and stationery	4,950	8	10			
Rent	16,833	8	7			
Postage and telegrams	5,235	2	5			
Exchange ..	167	6	4			
General expenses ..	9,841	10	7			
Services rendered by Government Actuary's Department	4,412	14	1			
Contribution to Public Service Superannuation Fund	2,205	6	11			
				169,310	17	9
Property depreciation				4,300	0	0
Transfer to Investment Fluctuation Reserve Account				40,000	0	0
Amount of funds, 31st December, 1929				7,926,524	12	11
				£10,124,235	2	8

* Including Agents' allowances.

VALUATION BALANCE-SHEET

OF THE

GOVERNMENT INSURANCE DEPARTMENT

As at 31st December, 1929.

Dr.	£
To Net value of Liabilities (as per Valuation Summary)	7,703,985
Surplus	222,540
	£7,926,525

Cr.	£
By Accumulated funds (as per Consolidated Revenue Account)	7,926,525
	£7,926,525

FOURTH SCHEDULE.

Summary and Valuation of the Policies of the Government Life Insurance Department as at 31st December, 1929.

Description of Transactions.	Particulars of Policies for Valuation.				Values { Assurances: OM Table, 3 % Interest. Annuities: a (f) and a (m) Tables deduced from Mortality of British Annuitants, 1900-1920, 3 % Interest.			
	Number of Policies.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Net Liability.
ASSURANCES.								
I.—With Participation in Profits.		£	£	£	£	£	£	£
Whole-life assurances—Uniform premiums	4,073	1,689,219	25,248	19,709	1,293,638	191,771	148,497	1,145,141
,, Limited, single, and commuted premiums	282	155,567	10	8	124,119	59	43	124,076
,, Limited, single, and commuted premiums with extra profits	250	132,878	4,171	3,518	73,675	75,359	63,309	10,366
Endowment assurances—Uniform premiums	46,386	14,752,358	446,818	350,122	8,605,400	5,944,737	4,596,917	4,008,483
,, Limited, single, and commuted premiums	521	220,352	5,133	3,999	116,557	54,681	42,497	74,060
,, With extra profits	305	100,867	3,553	2,995	71,931	45,552	38,325	33,606
Double endowment assurances—Uniform premiums	10,048	3,096,402	77,630	64,950	2,022,292	751,557	621,431	1,400,861
,, Limited, single, and commuted premiums	127	13,316	..	..	9,000	..	..	9,000
Deferred endowment assurances, with return of premiums—								
Ordinary profits	9	6,200	50	38	1,269	1,340	1,018	251
Extra profits: Uniform premiums	106	35,300	564	493	15,188	12,307	10,759	4,429
Extra profits: Limited premiums	1	400	8	8	159	82	78	81
Joint life—Whole-life assurances: Uniform premiums	15	10,046	468	366	6,457	5,409	4,216	2,241
,, ,, Limited, single, and commuted premiums	1	1,107	96	80	789	272	225	564
Survivorship assurances	1	63	..	..	27	..	..	27
Simple endowments, with return of premiums	974	169,265	5,652	5,021	121,178	51,608	45,664	75,514
Endowments—Premiums ceasing on death of purchaser ..	435	60,805	2,281	2,010	45,094	17,990	15,902	29,192
Annuity assurances	27	7,083 and annuity— Deferred, £1,212 Ent'd upon £264	230	207	16,065	1,582	1,430	14,635
Total assurances with profits	63,561	20,451,228	571,912	453,524	12,522,838	7,154,306	5,590,311	6,932,527

FOURTH SCHEDULE.

SUMMARY AND VALUATION OF THE POLICIES OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT AS AT 31ST DECEMBER, 1929—*continued.*

DESCRIPTION OF TRANSACTIONS.	PARTICULARS OF POLICIES FOR VALUATION.				VALUES { Assurances: OM Table, 3 % Interest. Annuities: a (f) and a (m) Tables deduced from Mortality of British Annuitants, 1900–1920, 3 % Interest.			
	Number of Policies.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Net Liability.
II.—Without Participation in Profits.		£	£	£	£	£	£	£
Whole-life assurances—Uniform premiums	5,153	2,208,994	60,839	54,755	1,208,860	866,955	780,306	428,554
,, Limited, single, and commuted premiums	83	37,273	1,015	913	20,300	6,817	6,135	14,165
Endowment assurances—Uniform premiums	589	155,320	4,770	4,293	105,427	48,122	43,310	62,117
,, Limited, single, and commuted premiums	8	1,286	..	..	967	..	..	967
Deferred whole-life assurances, with return of premiums—								
Uniform premiums	59	28,400	209	188	6,770	5,329	4,796	1,974
Limited premiums	3	5,000	35	32	1,242	760	684	558
Deferred endowment assurances, with return of premiums—								
Uniform premiums	318	75,950	1,334	1,201	36,048	21,637	19,473	16,575
Limited premiums	2	200	..	..	131	..	..	131
Joint life—Whole-life assurances	1	217	..	..	159	..	..	159
Industrial assurances	2	40	1	1	22	..	..	22
Temporary assurances	2	1,700	20	18	13	..	..	13
Total assurances without profits	6,220	2,514,380	68,223	61,401	1,379,939	949,620	854,704	525,235
Reserve for prepaid loading, under-average lives, &c.	..	..	..	..	51,913	..	..	51,913
Total assurances	69,781	22,965,608	640,135	514,925	13,954,690	8,103,926	6,445,015	7,509,675
ANNUITIES.								
Immediate	406	23,175	..	..	192,601	..	..	192,601
Deferred	2	300	92	83	2,124	461	415	1,709
Total annuities	408	23,475	92	83	194,725	461	415	194,310
Total of the results	70,189	22,965,608 and £24,951 per annum.	640,227	515,008	14,149,415	8,104,387	6,445,430	7,703,985

FOURTH SCHEDULE.

2. The net liabilities and assets of the Department, with the amount of surplus, are shown in the Valuation Balance-sheet given on page 13.

VIII.

All participating policies in force at the date of the valuation share in the profits. The profits are allotted in the form of compound reversionary bonuses which vest immediately and are payable with the sum assured in the event of a claim; but, except in the case of short-term double-endowment policies, they do not acquire a cash value for surrender purposes until the policies to which they belong have been two years in existence.

IX.

The results of the valuation are as follows:—

(1) The total amount of profit made by the Department during the year ending the 31st December, 1929, including a balance of £12,232 carried forward from 1928, on the basis of a 3-per-cent. valuation, was £225,806, of which amount £3,266 has been paid as interim bonuses during the year.

(2) The amount of profit divided among the policyholders as at the 31st December, 1929, was £214,188, which has been converted into reversionary bonuses amounting to £352,346. The number of policies which participated was 63,445, assuring the sum of £18,143,789, or, including reversionary additions, £20,409,328.

(3) The following are specimens of the bonuses which have been allotted for the year ending the 31st December, 1929, to policies for £100 issued under the present premium tables and upon which all previously allotted bonuses had been allowed to remain:—

Endowment Assurances Maturing at Age 80.

Number of Years in Force.	Age at Entry, 20.		Age at Entry, 30.		Age at Entry, 40.		Age at Entry, 50.		Number of Years in Force.
	Reversionary Bonus.	Cash Value.	Reversionary Bonus.	Cash Value.	Reversionary Bonus.	Cash Value.	Reversionary Bonus.	Cash Value.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	
5	2 5 0	0 10 11	2 5 0	0 13 10	2 5 0	0 17 10	2 5 0	1 3 3	5
10	2 8 0	0 13 0	2 8 0	0 16 10	2 8 0	1 1 10	2 8 0	1 8 0	10
15	2 11 0	0 15 8	2 11 0	1 0 2	2 11 0	1 6 4	2 11 0	1 13 7	15
20	2 13 0	0 18 7	2 13 0	1 4 1	2 13 0	1 10 11	2 13 0	1 19 1	20
25	2 16 0	1 2 2	2 16 0	1 8 11	2 16 0	1 16 10	2 16 0	2 6 11	25
30	2 19 0	1 6 9	2 19 0	1 14 5	2 19 0	2 3 7	2 19 0	2 19 0	30
Endowment Assurances.—Term 20 Years.									
5	2 1 0	1 2 1	2 1 0	1 2 5	2 1 0	1 2 11	2 1 0	1 4 3	5
10	2 3 0	1 8 4	2 3 0	1 8 6	2 3 0	1 9 2	2 3 0	1 9 10	10
15	2 6 0	1 17 0	2 6 0	1 17 2	2 6 0	1 17 5	2 6 0	1 17 9	15
20	2 8 0	2 8 0	2 8 0	2 8 0	2 8 0	2 8 0	2 8 0	2 8 0	20

The cash values of the reversionary bonuses are computed by the H^M Table of Mortality, with interest at $4\frac{1}{2}$ per cent.

G. W. Melville, F.F.A.,
Actuary.

REPORT

BY THE

Government Insurance Commissioner,

In terms of Section 37 of the Government Life Insurance Act, 1908.

FIFTH SCHEDULE.

STATEMENT OF THE LIFE ASSURANCE AND ANNUITY BUSINESS OF THE GOVERNMENT INSURANCE DEPARTMENT ON THE 31ST DECEMBER, 1929.

Question 1.—The published table or tables of premiums which are in use at the date above mentioned.

Answer.—The tables of premiums in use are contained in Appendix No. 1.

Question 2.—The total amount assured on lives for the whole term of life which are in existence at the date above mentioned, distinguishing the portions assured with and without profits, stating separately the total reversionary bonuses, and specifying the sums assured for each year of life, from the youngest to the oldest ages.

Question 3.—The amount of premiums receivable annually for each year of life, after deducting the abatements made by the application of bonuses in respect of the respective assurances mentioned under heading No. 2, distinguishing ordinary from extra premiums.

Answer to Questions 2 *and* 3.—This information is contained in Appendices Nos. 2, 3, 4, 5, and 6.

Question 4.—The total amount assured under classes of assurance business other than for the whole term of life, distinguishing the sums assured under each class, and stating separately the amount assured, with and without profits, and the total amount of reversionary bonuses.

FIFTH SCHEDULE.

Question 5.—The amount of premiums receivable annually in respect of each such special class of assurances mentioned under heading No. 4, distinguishing ordinary from extra premiums.

Question 6.—The total amount of premiums which has been received from the commencement upon all policies under each special class mentioned under heading No. 4, which are in force at the date above mentioned.

Answers to Questions 4, 5, *and* 6 are contained in the following table:—

Class of Assurance.	Number of Policies.	Sums assured.	Reversionary Bonuses.	Annual Premiums. Ordinary.	Annual Premiums. Extra.	Total Ordinary Premiums received.
WITH PROFITS.		£	£ s.	£ s. d.	£ s. d.	
Endowment assurances ..	46,907	13,588,289	1,384,420 14	451,950 2 8	1,181 17 1	Not calculated.
Double-endowment assurances ..	10,175	2,878,534	231,184 0	77,630 3 10	8 8 3	
Endowment assurances with extra profits	305	87,150	13,716 19	3,552 16 3	0 5 0	
Deferred endowment assurances ..	116	41,900	..	622 17 9	..	
Joint-life assurances	16	10,200	952 2	564 8 1	4 9 6	
Survivorship assurances ..	1	40	23 9	..	..	
Annuity assurances	27	5,785*	1,298 4	229 16 6	..	
Endowments with return of premiums if death occur during term	974	154,150	15,115 9	5,652 8 6	..	
Endowments; Premiums ceasing on death of purchaser	435	54,750	6,055 1	2,280 19 1	1 9 6	
WITHOUT PROFITS.						
Endowment assurances ..	597	156,606	..	4,770 4 0	5 8 5	
Joint-life assurances	1	217	..	..	..	
Deferred assurances	382	109,550	..	1,577 4 5	..	
Industrial assurances	2	40	..	0 17 4	..	
Temporary assurances	2	1,700	..	20 5 11	..	
Total..	**59,940**	**£17,088,911**	**£1,652,765 18**	**£548,852 4 4**	**£1,201 17 9**	

* And annuities deferred, £1,211 13s. 2d. (shown in answer to Question 8); and annuities entered upon, £264 2s. 9d. (included in answer to Question 7).

FIFTH SCHEDULE.

Question 7.—The total amount of immediate annuities on lives, distinguishing the amounts for each year of life.

ANSWER TO QUESTION 7.

TOTAL AMOUNT OF IMMEDIATE ANNUITIES ON LIVES, DISTINGUISHING THE SEX, AND THE AMOUNTS FOR EACH YEAR OF LIFE.

Age attained.	Males.		Females.	
	Number of Policies.	Amount of Annuities.	Number of Policies.	Amount of Annuities.
		£ s. d.		£ s. d.
27	1	23 11 8	..	..
32	1	10 2 0	..	..
44	..	..	1	52 0 0
45	..	..	1	44 5 0
49	1	139 6 8	..	..
50	1	50 0 0	2	25 12 8
51	..	..	1	50 0 0
53	..	..	3	119 10 8
56	3	220 4 8	1	25 16 8
57	1	30 0 0	3	180 16 8
58	3	167 6 0	2	85 0 4
59	2	493 19 4	1	25 16 8
60	5	367 10 0	1	57 12 4
61	5	418 14 8	4	421 19 2
62	..	..	2	62 10 0
63	6	625 10 10	1	20 19 4
64	12	391 15 5	4	192 18 8
65	11	754 18 1	2	203 0 8
66	7	231 5 2	7	345 18 4
67	3	276 15 4	3	190 11 4
68	20	986 3 4	2	44 10 0
69	7	304 2 4	9	299 15 8
70	8	205 0 4	5	196 6 4
71	23	1,341 17 8	4	117 1 10
72	10	706 1 4	6	386 11 8
73	3	156 11 8	12	527 5 8
74	11	920 13 2	8	279 0 8
75	7	614 16 10	1	7 5 8
76	3	169 9 6	2	84 10 0
77	12	1,367 2 8	2	135 11 4
78	9	1,335 9 10	4	255 11 0
79	4	194 0 0	10	257 16 10
80	13	410 3 0	..	..
81	1	93 9 0	8	482 14 4
82	2	138 3 0	5	259 4 4
83	17	565 3 10	1	105 10 0
84	3	295 0 0	2	148 11 8
85	1	171 3 4	4	124 8 8
86	4	254 1 8	2	53 11 6
87	3	144 0 0	15	410 17 10
88	3	141 19 10	3	70 8 4
89	1	31 1 4	4	220 18 0
90	1	20 0 0	1	65 1 8
91	1	68 5 0	..	..
92	3	62 12 0	2	141 6 0
94	3	190 10 6	..	..
95	..	..	4	23 6 10
Totals	**235**	**£15,088 1 0**	**155**	**£6,801 14 4**

Age attained.	Joint and Survivorship.		Amount of Annuity.
	Male.	Female.	
			£ s. d.
60–76	1	1	70 4 0
70–66	1	1	10 0 0
70–67	1	1	400 0 0
71–67	1	1	25 9 0
71–69	1	1	109 0 0
81–78	1	1	200 0 0
83–82	2	2	152 19 4
88–81	4	4	470 19 4
88–78	1	1	50 19 4
90–7	1	1	17 13 4
103–88	2	2	42 9 8
Totals . ..	**16**	**16**	**£1,549 14 0**

Immediate annuities amounting to £264 2s. 9d. per annum are included above. The corresponding number of policies, sums assured, &c., are included in the answers to Questions 4, 5, and 6 (Annuity Assurances).

FIFTH SCHEDULE.

Question 8.—The amount of all annuities other than those specified under heading No. 7, distinguishing the amount of annuities payable under each class, the amount of premiums annually receivable, and the amount of consideration-money received in respect of each such class, and the total amount of premiums received from the commencement upon all deferred annuities.

ANSWER TO QUESTION 8.

THE AMOUNTS OF ALL ANNUITIES OTHER THAN THOSE SPECIFIED UNDER HEADING NO. 7.

Class of Annuity.	Number of Policies.	Amount of Annuities.	Annual Premiums.	Single Premiums.	Total Premiums received to 31st December, 1929.
		£ s. d.	£ s. d.		
Deferred (premiums not returnable)	2	300 0 0	91 12 6	Nil	Not calculated.
Deferred (annuity assurances)* ..	..	1,211 13 2	..		
Totals	2	£1,511 13 2	£91 12 6	..	..

* The number of policies and the premiums for this class are included in the answers to Questions 4, 5, and 6.

Question 9.—The average rate of interest at which the funds of the Department were invested at the close of each year during the period since the last investigation.

Answer.—The net effective rate of interest credited to the funds of the Department for each year of the triennium, after deducting land and income tax, was as follows:—

	£ s. d.
1927	5 10 10
1928	5 9 9
1929	5 10 10

Question 10.—A table of minimum values, if any, allowed for the surrender of policies for the whole term of life, and for endowments and endowment assurances; or a statement of the method pursued in calculating such surrender values, with instances of its application to policies of different standing, and taken out at various interval ages, from the youngest to the eldest.

Answer.—The minimum surrender values at present ruling for whole-life and endowment assurance policies issued at the present rates of premium are given in Appendix No. 7. In the case of simple endowments, with return of all premiums at death of nominee, the premiums are returned without interest, as surrender value. Other endowments and children's deferred assurances are treated specially.

FIFTH SCHEDULE.

Question 11.—A statement to be furnished of the manner in which policies on unhealthy lives are dealt with.

Answer.—When proposals are made on lives which, although not of such inferior quality as to merit total rejection, are considered not to reach the requisite standard for insurance at the ordinary rates of premium, such proposals are accepted either at an increased premium or subject to a contingent debt.

The true age is taken as the basis of surrender calculations, except in the cases of paid-up policies, the surrender values of which are calculated at the rated-up ages.

The Appendices alluded to above have been compiled under the immediate supervision of Mr. G. W. MELVILLE, F.F.A.

A. E. ALLISON,
Government Insurance Commissioner.

18th June, 1930.

FIFTH SCHEDULE.

Appendix No. 1.

THE PUBLISHED TABLES OF PREMIUMS

Which were in Use on the 31st December, 1929.

Class of Assurance, with Participation in Profits.				Age 10.	Age 15.	Age 20.	Age 25.	Age 30.	Age 35.	Age 40.	Age 45.	Age 50.	Age 55.	Age 60.
				£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Whole-life Assurance, with Premiums ceasing at the Policy Anniversary nearest to age 80. Annual Premiums to secure £100, payable at death only—Table 2L.				1 14 7	1 18 7	2 3 6	2 8 4	2 14 6	3 2 0	3 11 6	4 4 0	5 0 5	6 2 11	7 14 9
Endowment Assurance.—To secure £100, payable on the Policy Anniversary nearest to Age 80, or at Death, if prior.		A	Annual premiums during the whole term	1 7 9	1 11 3	1 15 7	1 19 11	2 5 5	2 12 4	3 1 3	3 13 2	4 9 2	5 11 5	7 3 7
		B s	Single payments ..	27 11 0	30 7 0	33 12 0	36 10 0	39 19 0	43 16 0	48 2 0	53 1 0	58 10 0	64 9 0	70 16 0
			Annual premiums.—											
		B 10	Limited to 10 years	3 15 0	4 1 8	4 9 10	4 17 0	5 5 4	5 15 0	6 6 1	6 19 4	7 15 2	8 14 6	9 19 4
		B 15	" 15 "	2 14 8	2 19 9	3 5 11	3 11 3	3 17 7	4 5 0	4 13 9	5 4 6	5 17 10	6 15 3	7 18 11
		B 20	" 20 "	2 4 10	2 9 1	2 14 2	2 18 9	3 4 2	3 10 7	3 18 5	4 8 4	5 1 2	5 18 8	..
		B 25	" 25 "	1 19 1	2 2 11	2 7 6	2 11 7	2 16 7	3 2 7	3 10 0	3 19 10	4 13 0	..	..
		B 30	" 30 "	1 15 5	1 19 0	2 3 3	2 7 1	2 11 10	2 17 9	3 5 3	3 15 4	..	..	..
		B 35	" 35 "	1 13 0	1 16 4	2 0 5	2 4 2	2 8 11	2 14 10	3 2 7	..	..	..	..
Endowment Assurance.—To secure £100 at the End of the Term indicated, or at Death, if prior.	With Ordinary Profits.	C	Annual premiums.—											
			Term 10 years ..	9 8 0	9 9 1	9 11 6	9 12 0	9 13 3	9 14 8	9 16 5	9 19 8	10 4 5	10 12 3	11 5 2
			" 15 " ..	5 19 3	6 0 6	6 2 8	6 3 5	6 4 10	6 6 6	6 8 11	6 13 1	6 19 4	7 9 7	8 6 1
			" 20 " ..	4 5 9	4 7 1	4 9 1	4 10 1	4 11 9	4 13 11	4 17 0	5 2 2	5 10 3	6 3 0	..
			" 25 " ..	3 6 3	3 7 8	3 9 9	3 10 11	3 12 11	3 15 7	3 19 6	4 6 0	4 15 10	..	..
			" 30 " ..	2 13 10	2 15 5	2 17 7	2 19 0	3 1 4	3 4 7	3 9 7	3 17 4	..	..	..
			" 35 " ..	2 5 5	2 7 2	2 9 5	2 11 2	2 14 0	2 18 1	3 4 0	..	..	..	..
			" 40 " ..	1 19 7	2 1 5	2 3 11	2 6 1	2 9 6	2 14 3	..	..	..	..	..
			" 45 " ..	1 15 5	1 17 5	2 0 3	2 2 10	2 6 10	..	..	..	..	..	..
			" 50 " ..	1 12 6	1 14 9	1 17 10	2 0 10	..	..	..	..	..	..	..
			" 55 " ..	1 10 5	1 12 11	1 16 4	..	..	..	..	..	..	..	..
			" 60 " ..	1 9 1	1 11 10	..	..	..	..	..	..	..	..	..
			" 65 " ..	1 8 3	..	..	..	..	..	..	..	..	..	..
	With Extra Profits.	2 C	Annual premiums.—											
			Term 25 years ..	3 18 10	4 0 4	4 2 5	4 3 8	4 5 8	4 8 5	4 12 6	4 19 2	5 9 4	..	..
			" 30 " ..	3 5 4	3 7 0	3 9 3	3 10 8	3 13 2	3 16 6	4 1 9	4 9 10	..	..	..

Note (Table 2L).—In addition to participating in ordinary profits, a special reversionary bonus of 20s. per cent. per annum on the sum assured will be allotted in this table.

Note (Table 2C).—In addition to participating in ordinary profits, a special reversionary bonus of 20s. per cent. per annum on the sum assured will be allotted in this table.

Joint Life Assurance.—To secure £100, payable on the Failure of Either Life. — E

Annual Premiums. Age of Younger Life (nearest Birthday).	Difference between Age of Elder and Younger Life. 0 Years.	2 Years.	4 Years.	6 Years.	8 Years.	10 Years.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
20	2 14 11	2 16 1	2 17 4	2 18 10	3 0 7	3 2 6
25	3 0 11	3 2 5	3 4 2	3 6 0	3 8 2	3 10 7
30	3 8 11	3 10 9	3 12 11	3 15 4	3 18 1	4 1 2
35	3 18 10	4 1 3	4 4 0	4 7 1	4 10 10	4 15 2
40	4 11 7	4 14 9	4 18 6	5 2 11	5 7 10	5 13 6
45	5 9 0	5 13 5	5 18 5	6 4 2	6 10 11	6 18 9
50	6 12 5	6 18 3	7 5 2	7 13 3	8 2 8	8 13 7

Double Endowment Assurance—G.

For the assurance of £100 in the event of death during the term, and an endowment of £200 in the event of the life assured surviving the term.

Term.	Annual Premium.
	£ s. d.
10 years	18 0 0
15 "	11 7 0
20 "	8 0 0
25 "	6 0 0
30 "	4 15 0
35 "	3 17 0

FIFTH SCHEDULE.

Appendix No. 1.

THE PUBLISHED TABLES OF PREMIUMS

Which were in Use on the 31st December, 1929.

Class of Assurance without Participation in Profits.

Whole-life Assurance. Premium required to secure £100, payable at death only.

Endowment Assurance. Annual Premium to secure £100, payable at End of Term indicated, or at Death if prior.

Temporary Assurance. Premium to be Paid for assuring £100 on a Single Life.

Age Nearest Birthday.	Whole-life: Single Premium.	Whole-life: Annual Premium.	Whole-life: Premium Limited to 10 Years.	Whole-life: Premium Limited to 20 Years.	Endowment: Term 25 Years.	Endowment: Term 30 Years.	Temporary: Annual Premium for 1 Year.	Temporary: Annual Premium for 3 Years.	Temporary: Annual Premium for 5 Years.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
10	22 4 0	1 1 6	2 13 6	1 12 7	2 19 1	2 7 3			
15	24 17 0	1 4 8	3 0 0	1 16 9	3 0 5	2 8 9	1 0 0	1 0 6	1 1 0
20	27 18 0	1 8 7	3 8 0	2 1 10	3 2 5	2 10 9			
25	30 13 0	1 12 5	3 14 10	2 6 3	3 3 7	2 12 2	1 0 8	1 0 11	1 1 4
30	34 0 0	1 17 5	4 3 5	2 11 9	3 5 5	2 14 5	1 3 0	1 3 5	1 3 10
35	37 12 0	2 3 6	4 12 10	2 18 1	3 7 11	2 17 6	1 5 3	1 6 0	1 6 7
40	41 16 0	2 11 4	5 3 10	3 5 9	3 11 9	3 2 3	1 8 6	1 8 11	1 9 7
45	46 11 0	3 1 8	5 17 1	3 15 6	3 17 10	3 9 8	1 12 6	1 14 1	1 15 7
50	51 17 0	3 15 4	6 12 7	4 7 11	4 7 4	..	2 0 6	2 2 1	2 4 0
55	57 10 0	4 14 4	7 11 4	..	..	..	..	..	..
60	63 11 0	6 0 8	8 14 10	..	..	..	..	..	..

Deferred Assurances for Children.

Without Profits. Premium to secure £100, payable — Whole-life Assurance: At Death after Age 21. Endowment Assurance: At Death after Age 21, or on the Policy Anniversary nearest to Age 30 / Age 50.

Age nearest Birthday.	Whole-life Assurance. At Death after Age 21.	Endowment Assurance. Age 30.	Endowment Assurance. Age 50.
	£ s. d.	£ s. d.	£ s. d.
0	0 12 2	2 0 8	0 19 4
1	0 12 8	2 2 11	1 0 2
2	0 13 2	2 5 3	1 1 0
3	0 13 8	2 7 10	1 1 11
4	0 14 3	2 10 7	1 2 11
5	0 14 10	2 13 7	1 3 11
6	0 15 5	2 16 11	1 5 0
7	0 16 1	3 0 6	1 6 2
8	0 16 9	3 4 5	1 7 5
9	0 17 5	3 8 10	1 8 9
10	0 18 2	3 13 7	1 10 1
11	0 19 0	3 18 11	1 11 7
12	0 19 10	4 4 11	1 13 2
13	1 0 8	4 11 8	1 14 10
14	1 1 7	4 19 3	1 16 8

Endowment Assurance. With Extra Profits.

Premium to secure £100, payable at Death after Age 21, or on the Policy Anniversary nearest to Age 50.

Age nearest Birthday.	Annual Premium.	Age nearest Birthday.	Annual Premium.
	£ s. d.		£ s. d.
0	1 6 4	8	1 17 5
1	1 7 6	9	1 19 2
2	1 8 8	10	2 1 1
3	1 9 11	11	2 3 1
4	1 11 3	12	2 5 3
5	1 12 8	13	2 7 7
6	1 14 2	14	2 10 1
7	1 15 9	..	..

After age 21 the policy in addition to participating in the ordinary profits will receive an extra reversionary bonus of 20s. per cent. per annum on the sum assured.

Premiums payable throughout whole term of policy. Premiums refunded if child should die before age 21.

Immediate Annuities.

Showing the Sum to be paid for an Immediate Annuity of £10, payable by Half-yearly Instalments, with a Proportionate Payment to the Date of Death.

Age Last Birthday.	Male.	Female.
	£ s. d.	£ s. d.
80	51 10 10	55 10 0
79	53 19 2	58 5 0
78	56 9 2	61 1 8
77	59 0 0	64 0 0
76	61 12 6	67 0 10
75	64 7 6	70 2 6
74	67 5 0	73 5 10
73	70 3 4	76 10 10
72	73 5 0	79 17 6
71	76 8 4	83 5 10
70	79 12 6	86 16 8
69	82 17 6	90 11 8
68	86 2 6	94 9 2
67	89 7 6	98 8 4
66	92 12 6	102 8 4
65	96 0 0	106 7 6
64	99 9 2	110 6 8
63	102 18 4	114 4 2
62	106 7 6	118 0 0
61	109 16 8	121 15 10
60	113 7 6	125 12 6
59	117 0 0	129 7 6
58	120 12 6	133 3 4
57	124 2 6	136 17 6
56	127 10 10	140 11 8
55	130 16 8	144 4 2
54	134 0 10	147 14 2
53	137 4 2	151 4 2
52	140 5 0	154 12 6
51	143 5 0	157 19 2
50	146 4 2	161 4 2
49	149 0 10	164 10 0
48	151 16 8	167 15 0
47	154 10 10	170 18 4
46	157 5 0	174 0 10
45	159 17 6	177 0 10
44	162 8 4	179 19 2
43	164 19 2	182 16 8
42	167 9 2	185 11 8
41	169 18 4	188 5 10
40	172 6 8	190 18 4

FIFTH SCHEDULE.

Appendix No. 2.

ASSURANCES FOR THE WHOLE TERM OF LIFE WITH WHOLE-LIFE PREMIUMS, WITH PROFITS,

IN FORCE AT 31ST DECEMBER, 1929.

Age attained.	Number of Policies.	Amount assured.	Bonus Additions.	Office Annual Premiums. Ordinary.	Office Annual Premiums. Extra.	Age attained.
		£	£ s.	£ s. d.	£ s. d.	
45	1	300	120 17	4 14 6	..	**45**
46	1	100	40 19	1 11 1	..	**46**
47	6	1,400	577 12	22 11 0	..	**47**
48	9	2,200	885 1	35 13 1	..	**48**
49	14	3,650	1,510 17	60 1 4	..	**49**
50	20	3,675	1,560 0	61 18 0	..	**50**
51	25	6,275	2,734 3	106 1 3	..	**51**
52	43	10,160	4,383 11	175 2 7	0 10 0	**52**
53	53	13,300	5,836 6	230 14 11	1 10 0	**53**
54	66	18,675	8,623 3	323 2 5	9 10 0	**54**
55	68	17,825	7,598 18	316 16 8	3 9 0	**55**
56	89	20,945	9,384 14	373 14 9	2 5 0	**56**
57	105	25,265	11,600 8	463 3 1	8 2 8	**57**
58	108	28,639	13,641 16	529 17 9	9 5 0	**58**
59	163	41,019	20,224 1	771 17 10	2 12 5	**59**
60	118	31,895	14,226 16	622 15 0	8 0 0	**60**
61	160	44,025	21,093 12	855 13 1	9 8 0	**61**
62	137	42,070	20,165 10	854 19 7	4 5 0	**62**
63	176	57,450	26,831 3	1,161 16 9	8 10 0	**63**
64	174	50,975	25,735 19	1,054 11 6	13 3 3	**64**
65	168	43,688	20,345 16	931 11 1	12 1 4	**65**
66	139	39,194	18,131 12	827 11 0	8 5 0	**66**
67	181	52,900	25,045 10	1,171 18 8	11 1 0	**67**
68	156	45,950	22,747 9	1,030 17 2	4 13 8	**68**
69	157	44,230	21,579 19	984 0 10	18 8 3	**69**
70	138	42,420	21,020 8	948 5 3	8 18 6	**70**
71	191	56,879	25,858 19	1,296 10 4	41 14 2	**71**
72	163	40,255	18,077 2	954 0 11	11 18 0	**72**
73	154	43,924	20,718 4	1,034 14 9	16 15 3	**73**
74	131	36,835	18,183 6	874 3 1	14 13 4	**74**
75	130	31,643	15,986 15	758 1 8	6 18 10	**75**
76	120	33,700	16,538 12	835 1 3	22 2 0	**76**
77	117	31,777	14,026 14	786 6 3	15 15 0	**77**
78	105	32,300	16,650 17	806 11 0	17 0 3	**78**
79	95	26,721	12,518 9	680 1 11	7 1 4	**79**
80	73	22,125	11,604 17	583 3 9	28 13 3	**80**
81	62	18,637	9,677 5	499 19 3	6 13 9	**81**
82	46	13,850	7,601 6	360 14 8	13 10 11	**82**
83	42	15,036	8,802 6	406 18 11	7 16 2	**83**
84	36	11,691	7,600 12	289 19 6	8 1 7	**84**
85	29	10,300	5,033 12	345 12 10	5 12 2	**85**
86	21	6,000	3,584 6	194 5 4	4 15 8	**86**
87	24	6,542	2,591 3	173 10 1	9 0 0	**87**
88	16	4,200	2,569 4	119 9 9	2 17 4	**88**
89	8	2,300	1,471 6	61 19 8	4 2 0	**89**
90	9	2,400	1,210 1	72 0 8	1 7 0	**90**
91	9	1,850	1,068 4	71 8 6	..	**91**
92	8	1,400	708 10	56 2 6	3 1 4	**92**
93	2	250	120 1	7 6 0	..	**93**
94	2	200	137 6	6 13 11	..	**94**
95	4	820	511 5	33 13 6	..	**95**
96	1	500	362 14	18 3 4	..	**96**
Totals	**4,073**	**£1,140,360**	**£548,858 16**	**£25,247 13 6**	**£393 7 5**	

FIFTH SCHEDULE.

Appendix No. 3.

ASSURANCES FOR THE WHOLE TERM OF LIFE BY LIMITED AND SINGLE PREMIUMS, WITH PROFITS,

IN FORCE AT 31ST DECEMBER, 1929.

Age attained.	Year of Expiry of Premium.	Number of Policies.	Amount assured.	Bonus Additions.	Office Annual Premiums. Ordinary.	Office Annual Premiums. Extra.
			£	£ s.	£ s. d.	£ s. d.
13	1,996	1	500	7 10	9 4 2	..
14	1,995	3	950	14 17	18 2 0	..
15	1,994	1	500	..	9 17 6	..
16	1,993	1	300	..	6 9 0	..
18	1,991	4	2,000	..	42 13 4	..
19	1,990	3	2,100	36 1	44 17 4	..
20	1,989	3	700	14 17	15 6 8	..
21	1,988	7	2,350	15 0	53 2 3	..
22	1,987	10	4,700	30 2	108 7 3	..
23	1,986	3	1,300	..	30 18 9	1 13 0
24	1,985	5	2,750	20 5	66 0 4	..
25	1,984	18	8,300	209 17	201 9 3	..
26	1,983	15	8,450	192 0	212 0 4	..
27	1,982	10	4,250	82 3	110 1 7	..
28	1,981	16	9,600	343 6	243 8 10	..
29	1,980	10	4,750	55 16	128 5 11	..
30	1,979	14	6,600	104 14	180 3 10	..
31	1,978	2	500	3 0	14 3 2	..
32	1,977	12	5,800	128 6	165 19 4	..
33	1,976	8	3,900	75 8	110 18 5	..
34	1,975	10	5,100	137 3	155 11 7	..
35	1,974	6	2,700	144 10	80 4 0	..
36	1,973	12	5,000	64 19	162 10 10	..
37	1,972	4	2,000	19 7	65 3 5	..
38	1,971	8	2,300	47 6	76 18 11	..
39	1,970	7	3,550	34 18	125 8 8	..
40	1,969	6	2,900	40 14	104 4 6	0 10 0
41	1,968	8	6,600	251 7	235 12 1	..
42	1,967	3	2,000	116 2	72 12 6	..
43	1,966	4	1,700	94 13	63 9 8	..
44	1,965	4	2,100	57 15	84 3 3	..
45	1,964	8	8,500	24 11	358 12 8	..
46	1,963	4	3,000	126 3	127 2 6	12 13 4
47	1,962	2	650	11 4	28 14 10	..
48	1,961	4	2,200	30 0	102 8 0	..
49	1,960	1	500	30 6	22 10 0	..
50	1,959	4	2,250	395 13	65 13 2	..
51	1,958	5	2,050	61 13	88 16 4	..
52	1,937	1	200	89 14	3 16 5	..
53	1,956	5	1,759	95 14	84 15 0	..
54	1,955	4	1,800	611 5	25 2 1	..
55	..	2	700	436 13	..	..
56	..	9	4,187	2,146 7	..	..
57	1,952	8	4,014	1,155 15	115 16 11	4 0 0
58	..	7	1,849	1,247 13	..	..
59	..	4	1,515	1,030 8	..	..
60	..	10	1,793	1,048 16	..	..
61	1,948	16	4,901	2,950 17	39 13 4	..
62	..	6	1,032	641 10	..	..
63	1,946	10	3,989	2,132 18	23 4 3	..
64	1,945	9	2,677	1,181 3	91 4 8	..
65	1,934	6	2,608	1,843 9	2 12 8	..
66	..	10	3,096	2,030 2	..	..
67	..	9	4,257	2,194 17	..	..
68	..	7	1,890	1,214 2	..	..
69	..	15	5,133	3,398 0	..	..
70	..	7	1,503	1,044 2	..	..
71	..	8	3,259	1,591 15	..	..
72	..	6	1,203	735 4	..	..
73	..	8	1,593	1,452 6	..	..
74	..	16	4,702	2,788 18	..	..
75	..	11	2,569	1,691 0	..	..
76	..	9	3,110	2,136 19	..	..
77	..	5	1,500	770 9	..	..
78	..	5	1,545	1,293 4	..	..
79	..	7	4,871	4,300 9	..	..
80	..	10	3,174	2,265 13	..	..
81	..	9	3,130	2,497 0	..	..
82	..	11	6,420	3,803 3	..	..
83	..	7	1,211	892 8	..	..
84	..	4	1,326	1,235 13	..	..
85	..	3	800	684 6	..	..
86	..	4	1,859	1,681 5	..	..
87	..	3	601	270 13	..	..
88	..	7	3,611	1,083 4	..	..
89	..	1	1,000	883 11	..	..
90	..	1	1,000	911 16	..	..
91	..	5	1,685	1,373 2	..	..
97	..	1	59	57 16	..	..
50	1,939	..	..	..	3 14 8	..
Totals	..	**532**	**£224,531**	**£63,914 5**	**£4,181 6 2**	**£18 16 4**

FIFTH SCHEDULE.

Appendix No. 4.

ASSURANCES FOR THE WHOLE TERM OF LIFE, WITHOUT PROFITS,

In force at 31st December, 1929.

Age attained.	Number of Policies.	Amount assured.	Office Annual Premiums. Ordinary.	Office Annual Premiums. Extra.	Age attained.
		£	£ s. d.	£ s. d.	
16	3	2,100	24 9 11	..	16
17	1	200	2 14 0	..	17
19	2	1,100	14 19 8	..	19
20	2	1,500	17 3 4	..	20
21	4	3,500	38 16 8	..	21
22	5	2,500	28 8 0	..	22
23	15	5,600	72 5 3	..	23
24	7	2,600	35 13 2	..	24
25	14	3,900	58 1 6	..	25
26	23	11,050	166 9 10	..	26
27	25	10,750	167 0 6	..	27
28	38	21,250	346 13 11	..	28
29	36	18,450	306 10 4	..	29
30	55	32,050	540 15 3	..	30
31	68	26,050	439 11 10	2 0 0	31
32	62	26,400	453 2 2	1 7 1	32
33	66	33,850	609 14 0	4 5 0	33
34	76	29,950	536 13 4	8 6 3	34
35	86	35,750	671 7 11	2 0 0	35
36	101	44,500	843 17 6	11 1 8	36
37	95	55,650	1,063 4 6	18 15 0	37
38	121	47,250	923 14 2	8 0 0	38
39	151	78,550	1,629 12 1	7 0 0	39
40	173	69,300	1,437 9 0	1 15 0	40
41	161	69,700	1,449 0 3	11 19 3	41
42	155	72,550	1,539 14 7	0 9 9	42
43	207	100,550	2,350 14 11	5 10 0	43
44	186	85,350	2,013 6 10	20 19 6	44
45	216	95,250	2,255 12 5	18 0 0	45
46	240	94,629	2,343 0 7	14 15 0	46
47	215	103,050	2,614 4 4	7 15 0	47
48	205	87,050	2,261 5 11	1 5 2	48
49	223	90,400	2,495 3 2	5 0 0	49
50	205	77,900	2,180 6 2	13 10 0	50
51	230	95,082	2,778 18 3	12 5 0	51
52	194	80,500	2,398 18 11	24 9 0	52
53	166	69,550	2,211 2 11	11 10 4	53
54	164	60,650	1,944 1 0	10 5 0	54
55	155	64,694	2,188 12 2	9 0 0	55
56	121	48,972	1,807 7 11	6 0 0	56
57	115	39,500	1,439 4 8	11 5 0	57
58	106	44,215	1,641 16 9	14 10 0	58
59	106	30,500	1,167 11 11	12 10 0	59
60	88	39,550	1,671 2 3	7 10 0	60
61	84	35,750	1,533 16 3	2 0 0	61
62	58	25,900	1,112 3 0	..	62
63	81	33,150	1,521 18 2	5 10 0	63
64	56	21,800	1,077 15 11	..	64
65	26	10,300	485 18 10	..	65
66	29	12,500	626 10 4	0 10 0	66
67	29	19,850	1,063 5 3	4 0 0	67
68	20	6,400	352 3 9	2 0 0	68
69	21	7,852	446 18 5	..	69
70	21	5,550	316 15 3	..	70
71	3	950	52 16 1	..	71
72	9	6,150	369 12 7	0 15 0	72
73	7	1,400	76 15 2	..	73
74	6	1,150	69 4 4	..	74
75	12	3,900	260 1 7	..	75
76	1	2,000	219 16 8	..	76
79	2	850	66 16 7	..	79
80	1	100	6 17 10	..	80
Totals	5,153	£2,208,994	£60,838 19 9	£297 13 0	

FIFTH SCHEDULE.

Appendix No. 5.

ASSURANCES FOR THE WHOLE TERM OF LIFE BY LIMITED AND SINGLE PREMIUMS, WITHOUT PROFITS,

IN FORCE AT 31ST DECEMBER, 1929.

Age attained.	Number of Policies.	Amount assured.	Year of Expiry of Premiums.	Average Age attained.	Office Annual Premiums. Ordinary.	Office Annual Premiums. Extra.
		£			£ s. d.	£ s. d.
27	1	40				
28	1	500				
30	1	24				
31	1	1,000				
32	1	300				
34	2	230	1930	62	69 15 10	..
35	1	500	1931	59	14 14 0	..
36	2	2,200	1932	39	4 7 1	..
37	1	1,500	1933	47	162 4 0	..
38	2	544	1935	50	147 2 4	..
39	3	1,500	1936	48	11 13 5	..
41	5	1,581	1937	44	39 5 10	..
42	4	2,520	1939	49	97 14 9	..
43	6	1,612	1940	50	9 19 8	1 3 0
44	1	1,000	1941	50	161 2 0	..
45	1	500	1942	43	87 0 6	..
46	4	1,700	1943	46	57 17 0	..
47	4	1,100	1944	42	67 11 11	..
48	5	1,338	1945	40	52 18 4	..
49	4	5,343	1948	30	19 11 1	..
50	1	600	1951	35	12 10 0	..
51	5	1,165				
52	2	1,400				
53	3	900				
54	2	273				
55	4	2,500				
56	2	602				
57	2	600				
58	2	500				
59	2	600				
60	2	1,200				
61	2	221				
62	2	1,200				
64	1	363				
72	1	117				
Totals	**83**	**£37,273**	..	..	**£1,015 7 9**	**£1 3 0**

FIFTH SCHEDULE.

Appendix No. 7.

TABLE showing the MINIMUM SURRENDER VALUE ruling at the Valuation Date in respect of Policies for £100.

True Age at Entry.	Whole-life Participating Assurance by Equal Annual Premiums for the Whole Term of Life.					Endowment Assurances payable in Fifteen Years, or at previous Death.		Endowment Assurances payable in Twenty-five Years, or at previous Death.				Endowment Assurances payable in Thirty-five Years, or at previous Death.				
	MINIMUM SURRENDER VALUES AT THE END OF															
	5 Years.	10 Years.	15 Years.	25 Years.	35 Years.	5 Years.	14 Years.	5 Years.	10 Years.	20 Years.	24 Years.	5 Years.	10 Years.	20 Years.	30 Years.	34 Years.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
15	3 1 0	6 8 0	10 2 0	18 18 0	30 7 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	72 1 0	91 3 0
20	2 16 0	6 19 0	11 4 0	21 15 0	34 17 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	71 6 0	90 12 0
25	3 10 0	8 7 0	13 8 0	25 15 0	40 7 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	70 14 0	89 18 0
30	4 2 0	9 18 0	16 1 0	30 4 0	45 19 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	70 0 0	89 3 0
35	4 19 0	12 0 0	19 3 0	35 5 0	51 17 0	25 0 0	89 5 0	11 8 0	26 10 0	67 5 0	90 2 0	6 11 0	15 8 0	37 8 0	69 6 0	88 6 0
40	6 2 0	14 10 0	22 17 0	40 10 0	57 9 0	24 6 0	88 7 0	11 4 0	26 6 0	65 14 0	88 12 0	7 4 0	16 19 0	38 15 0	68 12 0	87 8 0
45	7 7 0	17 5 0	26 17 0	45 19 0	62 4 0	23 16 0	87 14 0	11 5 0	26 8 0	64 15 0	87 15 0	..	..	..	..	..
50	8 17 0	20 9 0	31 0 0	51 4 0	65 14 0	23 5 0	87 0 0	11 10 0	26 17 0	63 11 0	86 13 0	..	..	..	..	..
55	10 10 0	23 14 0	35 10 0	55 12 0	69 16 0	22 12 0	86 1 0	12 2 0	27 12 0	62 9 0	85 9 0	..	..	..	..	..
60	12 3 0	27 5 0	39 16 0	58 10 0	77 17 0	21 12 0	84 15 0	..	..	..	..	..	..	..	..	..

NOTE.—In addition to the above Values the full HM. 4½ per cent. Cash Value of all existing ordinary Bonuses is granted.

ACTUARY'S REPORT

OF THE VALUATION OF THE

GOVERNMENT INSURANCE DEPARTMENT

AS AT 31ST DECEMBER, 1929.

Presented to both Houses of the General Assembly pursuant to Section 40 of the Government Life Insurance Act, 1908.

Wellington, 16th April, 1930.

In accordance with your instructions, and in compliance with section 40 of the Government Life Insurance Act, 1908, and amendments, an investigation and a valuation in respect of the assurance and annuity contracts of the Department has been made in respect of the year ending 31st December, 1929, with the object of ascertaining the net surplus which may be distributed amongst the policy-holders, and I have the honour to report as follows:—

The total contracts consisted of 70,189 policies, assuring £22,965,608 inclusive of bonus additions, and £24,951 immediate and deferred annuities per annum, the office premiums thereon amounting to £642,140 per annum.

The average net rate of interest earned by the funds of the Department during the year was £5 10s. 10d. per cent. after deduction of taxes, and the expenses of management were 14·40 per cent. of the premiums, or 8·79 per cent. of the total income. The corresponding rates of the previous year were £5 9s. 9d. per cent. and 15·29 per cent. or 9·35 per cent. respectively.

The experiences of the Temperance and General Sections during the past year have been separately investigated in accordance with the Act and this investigation has disclosed that the bonus rates recommended below should be declared in both sections.

The bases adopted for the valuation were as follows:—

(*a*) The British Offices OM. Table 1893, and the British Offices Annuity Tables 1920, were employed in the case of assurance and annuities respectively, at 3 per cent. interest; and

(*b*) The net premium method of valuation has been followed in arriving at the value according to the above tables of the liabilities in respect of the Department's contracts, and additional reserves have been included for future bonuses, expenses, and other contingencies.

The valuation has disclosed a total surplus of £225,806, as follows:—

	£
Total funds at 31st December, 1929	7,926,525
Less value of liabilities	7,703,985
Net surplus	222,540
Add interim bonuses paid during the year	3,266
Total surplus	£225,806

I recommend that the following rates of compound bonus should be declared on the sum assured and existing bonuses in respect of each full year's premium paid during the year:—

Policies Issued under Present Premium Tables.

	Per Cent. £	s.	d.
Whole-life assurances, and long-term endowment assurances (Tables A and B)	2	2	0
Endowment assurances (excluding Tables A and B)	1	18	0
Double endowment assurances and pure endowments	1	7	6

Policies Issued under Premium Tables which have been closed.

	£	s.	d.
Whole-life and endowment assurances	1	16	0
Double endowment assurances	1	10	0

The above bonuses will absorb £214,188, and I recommend that the balance of the net surplus—viz., £8,352—should be carried forward.

During the past year the profit derived from mortality has been very favourable, the average net rate of interest has increased slightly, and a reduction has been effected in the expenses of management. These results are highly satisfactory, and fully justify the increased bonus rate which is recommended above in respect of whole-life and long-term endowment assurance policies issued under the present premium tables.

With reference to the above-mentioned favourable mortality, I would point out that light mortality, while a satisfactory and necessary feature of every well-managed life-insurance institution, naturally means the postponement of claims, and consequently usually requires somewhat higher reserves than those indicated by the standard table employed in the valuation of the assurance contracts. In arriving, therefore, at the net liabilities under the assurance contracts, adequate provision has been made for this factor. I may mention in conclusion that the Department is in a very strong financial position, and the policyholders can look forward to the future with confidence.

I have, &c.,
GEO. W. MELVILLE, F.F.A., Actuary.

The Government Insurance Commissioner, Wellington.

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