

- (b) That the annual premium (£1 10s.) payable in respect of private motor-cars used for business purposes was too low, having regard to the risk involved in connection with these vehicles.
- (c) That the annual premium (£1) payable in respect of motor-cars used by the following individuals was too low : Commercial traveller, insurance agent or inspector, land and estate agent, manufacturer's agent, stock agent, station agent, salesman.
- (d) That the present annual premiums payable in respect of public motor-vehicles were too high, having regard to the risk involved in connection with these vehicles.

The adjustments necessary to implement the above conclusions were made, and an amended scale of premiums was published in the *New Zealand Gazette* No. 29, of the 28th April of this year.

The following schedule shows the premiums at present in force as compared with those previously charged :—

Vehicle.		Annual Premium.	
Class Number.	Kind of Vehicle.	On and after 1st June, 1932.	Up to 31st May, 1932.
		£ s. d.	£ s. d.
Class 1 ..	Motor-cycles	1 0 0	0 15 0
Class 5 ..	Private motor-cars used for business purposes ..	2 0 0	1 10 0
Class 8 ..	(a) Public motor-vehicles, seven seats	7 0 0	7 0 0
	(b) Public motor-vehicles, seven but not more than ten seats ..	7 0 0	7 10 0
	(c) Public motor-vehicles, ten but not more than twenty-six seats ..	11 10 0	12 0 0
	Each additional seat	0 10 0	1 0 0
	(d) Public motor-vehicles, more than twenty-six seats ..	19 10 0	28 0 0
	Each additional seat	0 5 0	0 10 0

The effect of these reductions in respect of public motor-vehicles is as follows in certain typical cases :—

Size of Vehicle.		Premiums.		
		Present.	Previous.	Decrease.
		£ s. d.	£ s. d.	£ s. d.
Seven seats		7 0 0	7 10 0	0 10 0
Fifteen seats		14 0 0	17 0 0	3 0 0
Thirty seats		30 0 0	20 10 0	9 10 0

The question as to whether an all-round reduction should be made in the premiums as a part of the scheme for the reduction of national costs was given careful consideration.

The matter of the premiums, however, is entirely dependent on the results of experience, and a general reduction that could not be justified by experience might cause serious interference with the financial stability of the scheme.

As pointed out above, the scheme is still in its infancy, and premium adjustments will probably be necessary from time to time in order to adjust anomalies as they are brought to light by experience.

The gazetting on the 29th October, 1931, of the agreement, referred to in the last report, whereby cover is provided (supplementary to that given by the Act) to meet the case of third parties injured or killed by motorists who subsequently cannot be traced has resulted in several claims being made under its terms. These claims are at present receiving attention.

The work entailed in collecting the premiums payable under the Act continues to be handled by the Deputy Registrars of Motor-vehicles (Postmasters), and the absence of complaints may be taken as an indication that the Act is working smoothly so far as the machinery for the collection of premiums is concerned.

2. MOTOR-VEHICLES ACT, 1924.

(a) REGULATIONS.

A reissue of the Motor-vehicle Regulations has been circulated in draft form for public criticism, and will be issued after full consideration has been given by the Government to the suggestions made as a result of this circulation. Attention is drawn to further remarks concerning the new draft of these regulations on page 9 of this report.