1937.
NEW ZEALAND.

STATE FIRE INSURANCE OFFICE.

ANNUAL REPORT OF THE GENERAL MANAGER FOR THE YEAR ENDED 31st DECEMBER, 1936.

Presented to both Houses of the General Assembly pursuant to the Provisions of the State Fire Insurance Act, 1908.

State Fire Insurance Office, Wellington, 30th July, 1937.

I have the honour to submit the thirty-second annual report of the State Fire Insurance Office for the year ended 31st December, 1936, with the Revenue Account and Balance-sheet.

The following are the comparative figures for the last three years:—

	1934.	1935.	1936.
Income—	£	£	£
Premiums	200,581	199,898	202,987
Other receipts, less land-tax	43,750	39,303	42,432
Premium on conversion of securities	45	329	..
Outgo—			
Bonus rebate to policyholders	41,211	41,233	41,563
Claims	54,751	53,151	43,517
Working-expenses (exclusive of income-tax and Fire Board contributions)	53,073	53,779	53,347
Fire Board contributions	7,940	7,994	8,225
Income-tax	34,929	23,641	41,296
	Per Cent.	Per Cent.	Per Cent.
Ratio of claims to premium income	27·3	26·59	21·44
Ratio of working-expenses (exclusive of income-tax and Fire Board contributions) to premium income	26·46	26·9	26·28
Ratio of Fire Board contributions to premium income	3·96	4·0	4·05
Ratio of income-tax to premium income	17·41	11·83	20·34
	£	£	£
Carried to reserve for unearned premiums	..	..	..
Surplus, apportioned as follows:—			
Payment to Treasury under section 5, Finance Act, 1931 (No. 2)	871	..	..
Written off Office premises	26,000	27,000	23,500
Reserve Fund	25,601	2,731	471
Bonus Rebate Reserve	..	30,000	33,500
Total	£52,472	£59,731	£57,471
Reserves and funds at 31st December	£1,016,688	£1,049,420	£1,083,391

1. Both premium and investment income for 1936 show an improvement over the figures for 1935. The actual increase in premium income is greater than the figures indicate, for the reason that premiums for 1936 are shown less rebate for the month of December, whereas the figures for 1935 are inclusive of the rebate. The alteration is consequent on the operation of a new system of bonuses which was instituted as from the 1st December, and which is referred to hereunder. The comparisons also require to be viewed in the light of the steady decline in the average rate for fire insurance which has taken place. The Government Statistician reports that the average rate over all classes of business, hazardous or non-hazardous, in 1931 was 9s. 3d. per cent., whereas it had fallen by stages to 8s. 2d. per cent. in 1935.