1938.
NEW ZEALAND.

STATE FIRE INSURANCE OFFICE.

ANNUAL REPORT OF THE GENERAL MANAGER FOR THE YEAR ENDED 31st DECEMBER, 1937.

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

State Fire Insurance Office, Wellington, 31st March, 1938.

I HAVE the honour to submit the thirty-third annual report of the State Fire Insurance Office for the year ended 31st December, 1937, with the Revenue Account and Balance-sheet.

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

	1935.	1936.	1937.
	£	£	£
Income—			
Premiums ..	199,898	202,987	175,726
Other receipts, less land-tax ..	39,303	42,432	47,725
Premium on conversion of securities ..	329	..	..
Outgo—			
Bonus rebate to policyholders	41,233	41,563	33,379
Claims	53,151	43,517	34,795
Working-expenses (exclusive of income-tax and Fire Board contributions) ..	53,779	53,347	53,781
Fire Board contributions	7,994	8,225	9,602
Income-tax	23,641	41,296	35,454
	Per Cent.	Per Cent.	Per Cent.
Ratio of claims to premium income	26·59	21·44	19·8
Ratio of working-expenses (exclusive of income-tax and Fire Board contributions) to premium income ..	26·9	26·28	30·61
Ratio of Fire Board contributions to premium income ..	4·0	4·05	5·46
Ratio of income-tax to premium income	11·83	20·34	20·18
	£	£	£
Carried to reserve for unearned premiums ..	..	..	..
Surplus, apportioned as follows :—			
Written off Office premises	27,000	23,500	26.000
Reserve Fund	2,731	471	439
Bonus Rebate Reserve	30,000	33,500	..
Reinsurance Reserve	..	..	30,000
Total ..	£59,731	£57,471	£56,439
Reserves and funds at 31st December	£1,049,420	£1,083,391	£1,113,830

1. As regards premium income, the above comparison for this year does not indicate the true progress made by the Office, because of the fact that premiums for 1937 are shown after deduction of the original and special rebate, whereas premiums for 1936 are shown gross, inclusive of bonus rebate. This difference in method arises out of the decision made in December, 1936, to reduce premiums by the equivalent of the rebates then in operation, and to give policyholders on the premiums so reduced a further bonus out of profits.