

Expense Ratios.—The ratio of expenses to (a) total income and (b) premium income for 1935, 1936, and 1937 is as follows :—

Ratio of expenses to—	1935.	1936.	1937.
(a) Total income	8·62	9·17	10·35
(b) Premium income	13·39	14·01	15·58

The expense ratios must be regarded as very satisfactory in view of the fact that the new business (and consequently the commission payable) was the highest in the history of the Department.

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 £34,605.
- (3) Claims increased by £18,750.
- (4) Total funds increased by £396,937.
- (5) Profits divided amounted to £243,182.

Last year I referred to the introduction of a new form of table mortgage in which the rates of interest are revisable every five years. This form of mortgage has proved popular, and the sum of £400,000 has been advanced under this system.

In conclusion, I should like to pay a tribute to the good work done by all members of the staff (both office and field). It is due to their efficiency, zeal, and loyalty that the Department holds such a high position in the keenly competitive field of life insurance.

W. E. ARNOLD, Commissioner.