

in 1871, at credit of 14,275 persons, the average amount for each being £31 17s. 5d. On the 31st December, 1881, the population of the colony was 500,910; there were 51,008 open accounts in the Government Savings Banks, aggregating in amount £1,232,788, or an average of £24 3s. 4d. at credit of each. In other Savings Banks there were on the same date 10,046 open accounts, the total amount at credit being £316,727, or an average of £31 17s. 1d. for each account. The total amount of deposits in the Savings Banks in the colony at the end of the year 1881 was therefore £1,549,515, belonging to 61,054 depositors, with an average of £25 7s. 7d. at credit of each, as against £454,966 in 1871, and 14,275 depositors, with an average of £31 17s. 5d.; the population during the ten years intervening having increased from 266,986 to 500,910.

These figures are well worth the careful consideration of honorable members. They show the remarkable extent to which advantage of the Savings Banks is being taken by the people for whose benefit they were established; the population having barely doubled itself since 1871, while the number of depositors has increased nearly fivefold.

Intimately connected with the subject of the prudential savings of the community are the questions of life assurance and the growth of the Government Insurance Department. Established in 1870, at a time when public confidence in many English assurance companies was severely shaken, and with the avowed object of giving to the assured the absolute security of the colony, the department has since exhibited a progressive advancement, which warrants the statement that the experiment sanctioned by the Legislature twelve years ago has now been proved a complete success. This scheme may be justly described as the only successful institution of the kind set on foot by any Government; and the example thus offered has attracted the attention of various other Colonial Governments, and also the Indian Government.

The premiums were from the first fixed at what were deemed the lowest rates commensurate with a prudent regard to safety, and without any idea of profit-bonuses. But, notwithstanding these low charges, careful management, together with the favourable influences of a healthy climate and comfortable social conditions, have produced results more satisfactory than was anticipated. The business of the department in the first ten years of its existence produced a profit of £77,000, as shown by the Valuation Report of the London Actuaries, which was laid before Parliament last session.

The business done has increased from 460 policies issued up to June, 1871, insuring £206,000, to a total of 16,900 policies issued during the eleven years ending June, 1881, insuring upwards of £5,800,000, being equal to an annual average of 1,500 policies, insuring fully half a million each year during the period. The business of the year now approaching its close will, I am informed, considerably exceed that average, and probably reach £600,000.

The growth of the Assurance Fund is not less satisfactory than has been the progress of the annual business. From a sum of £5,000 in hand in June, 1871, the Accumulated Fund by June, 1881, had expanded to over £557,000, and now it has reached nearly £650,000.

Agreeably to the wishes of Parliament as expressed last session, an Industrial Branch, enabling persons to insure their lives for sums ranging from £3 upward by means of weekly payments, was opened in the early part of March last. During the thirteen weeks which have since elapsed, 2,100 industrial policies have been issued. The average amount insured for all ages is about £25 per policy; for adult lives, about £55. As in the Ordinary Branch of the department so also in the Industrial Branch, any surplus profits which may arise will be divided amongst the assured—a provision which is quite a novel feature in what is termed industrial assurance.

To facilitate the payment of small quarterly premiums, there will be provided cards on which postage stamps can be affixed until the amount of the quarterly premium is reached; and the cards can then be deposited in post offices, where credit will be given for the premiums they represent. Arrangements are also being completed by which Post Office Savings Bank depositors may make payment of premiums out of their deposits by means of an instruction to Postmasters for that purpose, thus saving trouble and securing the maintenance of the policy.