

1942.
NEW ZEALAND.

REPORT OF THE WAR DAMAGE COMMISSION

ESTABLISHED UNDER THE WAR DAMAGE ACT, 1941, FOR THE PERIOD
ENDED 31st MARCH, 1942.

Presented to both Houses of the General Assembly pursuant to the Provisions of the War Damage Act, 1941.

Wellington, 15th February, 1943.

IN accordance with the provisions of section 18 of the War Damage Act, 1941, the following report and statement of accounts is presented on the operations of the War Damage Commission for the period ended 31st March, 1942:—

(1) Statutory members of the Commission are as follows:—

The Minister of Finance, Chairman,

The Secretary to the Treasury,

and the following were appointed members by His Excellency the Governor-General under section 4 (c) of the Act:—

Mr. J. H. Jerram, I.S.O., General Manager of the State Fire and Accident Insurance Office, Deputy Chairman,

Mr. G. E. Brangwin, General Manager for New Zealand of the Norwich Union Insurance Society, Ltd.,

Mr. Robert Caughley, General Manager for New Zealand of the Alliance Assurance Co., Ltd., and

Mr. William Stewart, Valuer-General.

Mr. T. L. Seator was appointed Secretary to the Commission.

The first meeting of the War Damage Commission was held on the 23rd December, 1941, and meetings as required have been held since that date.

(2) Regulations under the Act were gazetted on the 19th December, 1941, and authority was issued immediately to all insurance companies and offices undertaking liability under any contract of fire insurance to accept applications under section 15 of the Act, which provides for voluntary insurance.

The application of compulsory insurance under section 14 was deferred until the 1st March, 1942, in order to give the Commission and insurance companies time to establish the administration necessary for the collection of war-damage premiums as additions to all ordinary fire and motor comprehensive premiums. The work involved in this operation during the twelve months beginning on the 1st March, 1942, was expected to affect at least one million policies.

The statement of accounts given overleaf includes premiums due under section 14 as at the 31st March, but in accordance with the regulations such receipts were not payable to the Commission until the end of April.

(3) Immediately following the broadcast statement by the Minister of Finance (the Hon. Walter Nash) on the 19th December, 1941, that war-damage cover was available, there was an unprecedented rush by the public for insurance, and the offices of the War Damage Commission and of all fire-insurance companies were literally swamped with personal and postal applications which necessitated for a time hastily extemporized methods, and which almost excluded attention to normal insurance business.

The difficulties of the position were accentuated by staff difficulties in all offices due to the war, but with the willing co-operation of insurance executives and staffs throughout the Dominion and much overtime the demands of the public were met, and during the period under review no less than 631,400 applications were received and dealt with, the bulk of these during December and early part of January.

(4) The sum at the credit of the War Damage Fund at the close of the period under review was £743,575. There were no claims, but the contingent liability on the Fund, much of which is concentrated in congested business areas, is very heavy. If any one of the cities suffered an enemy attack or disaster through an explosion of munitions, the damage might very easily run into several million pounds in excess of receipts for some time to come.

(5) The Commission wishes to place on record its appreciation of the co-operation of insurance offices given free of any cost to the Fund. This service represents in money value alone many thousands of pounds, and has enabled the scheme to operate at trifling cost to the Fund in relation to the amount collected. At the 31st March, 1942, the expenses of the War Damage Office, including salaries of officers employed in the War Damage Office, equipment, overtime, rent, stationery, postages and telegrams amounted to £2,278, or 3 per cent. of the premiums received.

(6) The Commission also desires to express its thanks to the staff, and particularly to the Secretary, for assistance very cheerfully and ungrudgingly given during a period of particular stress and difficulty when the War Damage Office was in the process of establishment and at the same time was the centre of thousands of inquiries and applications from all parts of the Dominion.

J. H. JERRAM,
Deputy Chairman.