

1943
NEW ZEALAND

ACCIDENT INSURANCE BRANCH OF THE STATE FIRE INSURANCE OFFICE

(ANNUAL REPORT ON THE) FOR THE YEAR ENDED 31st DECEMBER, 1942

Presented to both Houses of the General Assembly pursuant to Section 22 of the Government Accident Insurance Act, 1908

State Fire Insurance Office, Wellington, 30th March, 1943.

I HAVE the honour to submit the forty-second annual report of the Government Accident Insurance Office for the year ended 31st December, 1942, together with the Revenue Account and Balance-sheet.

The following comparison with the previous two years shows the position briefly :—

	1940.		1941.		1942.	
	£	£	£	£	£	£
Income—						
Premiums from all classes of accident insurance	259,399		268,775		232,241	
Interest	20,557		19,771		22,364	
Profit on realization of securities		18	
	<u>279,956</u>		<u>288,546</u>		<u>254,623</u>	
Outgo—						
Bonus and sums accrued under profit-sharing schemes	4,000		6,920		3,746	
Claims	138,000		134,208		122,826	
Working-expenses (exclusive of income-tax) ..	42,185		42,442		38,172	
Carried to reserve for unearned premiums		3,826		..	
Income-tax	52,018		65,087		68,930	
National and social security tax	13,063		12,784		13,797	
Loss on realization of securities		2,146		..	
	<u>249,266</u>		<u>267,413</u>		<u>247,471</u>	
Surplus, apportioned as follows :—						
Investment Fluctuation Reserve	10,000		
Reserve Fund	20,690		21,133		7,152	
	<u>30,690</u>		<u>21,133</u>		<u>7,152</u>	
Total	<u>279,956</u>		<u>288,546</u>		<u>254,623</u>	
Reserves and funds as at 31st December ..	<u>554,966</u>		<u>579,925</u>		<u>587,077</u>	
Ratio of claims (all classes of business) to premium income	Per Cent. 53·2		Per Cent. 49·93		Per Cent. 52·89	
Ratio of working-expenses (exclusive of income-tax) to premium income	16·26		15·79		16·43	
Ratio of underwriting surplus to premium income	9·68		5·66		·21	

The reduction in premium income is due entirely to the fall in premiums derived from motor-vehicles insurance. Owing to an alteration in the registration date, the income for 1941 covered thirteen months' premiums under the Motor-vehicles Insurance (Third-party Risks) Act, 1928, whereas the income for 1942 from the same source is for a normal period of twelve months. Also, due to war conditions there has been a lessened demand for motor-vehicle cover, and in addition greatly-reduced premiums have been charged both for comprehensive and third-party insurances.

The comments made in the Fire Branch annual report as regards staffing difficulties and extra duties arising out of the administration of war measures apply with equal force to the Accident Branch, and I once again desire to thank all officers for their helpful co-operation under unavoidably difficult conditions.

J. H. JERRAM, General Manager.