

1915.  
NEW ZEALAND.

# ANNUAL REPORT

## OF THE GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31st DECEMBER, 1914.

*Presented to both Houses of the General Assembly pursuant to the Provisions of the Government Life Insurance Act, 1908.*

Government Insurance Office, Wellington, 21st June, 1915.

I HAVE the honour to submit the following report upon the transactions of the Department for the year ended the 31st December, 1914, and its position at that date. The Revenue Account, Balance-sheet, and Statement of Business are appended.

*New Business and Amount in Force.*—During the year 4,904 proposals were dealt with for the assurance of £1,388,427. The number of policies actually completed was 3,931, assuring £1,116,353, with annual premiums amounting to £30,824. Twenty-eight annuities were also granted, on which the purchase-money was £17,712. The amount of new business completed is the largest effected by the Department in any one year, while the average sum assured per policy—£284—also shows a very satisfactory increase.

The total business now in force, including 399 immediate and deferred annuities for £22,523 per annum, is 52,273 policies, bearing an annual premium income of £370,882. The sum assured, payable at death or maturity, is £12,550,465, to which have been added reversionary bonuses amounting to £1,246,610. The total business on the books thus amounts to £13,797 075.

*Income.*—The total income of the Department was £609,241. It was made up as follows: Premium income, £364,776; interest income (less land and income tax), £226,749; annuity purchase-money, £17,712; fees, £4.

*Outgo.*—During the year 519 policies became void by the deaths of policyholders, the claims amounting to £187,560; this amount is larger than usual, but is considerably under what is provided for in the tables of mortality used by the Department. Six hundred and fourteen policies also matured for £148,149. The total sum which has been paid in respect of claims by death and survival since the foundation of the Department forty-five years ago has amounted to £5,330,457.

*Accumulated Funds.*—The total assurance, annuity, and endowment funds, apart from a special investment reserve of £189,121, now stand at £5,033,884.

*The Balance-sheet.*—On the 31st December, 1914, the total assets of the Department amounted to £5,267,991, and were invested as shown in the following statement, which also gives the distribution of the assets at the end of the previous year for purposes of comparison:—

At 31st December, 1913.		Class of Investment.	At 31st December, 1914.	
Amount.	Percentage of Total Assets.		Amount.	Percentage of Total Assets.
£			£	
3,154,213	61·4 per cent.	Mortgages on freehold property ...	3,219,661	61·1 per cent.
842,132	16·4 "	Loans on policies ...	852,549	16·2 "
665,900	13·0 "	Government securities ...	665,900	12·6 "
174,236	3·4 "	Local bodies' debentures ...	191,097	3·6 "
136,529	2·7 "	Landed and house property ...	134,996	2·6 "
119,374	2·3 "	Miscellaneous assets... ..	122,169	2·3 "
43,445	0·8 "	Cash in hand and on current account ...	81,619	1·6 "
5,135,829	100·0 per cent.	Total ... ..	5,267,991	100 0 per cent.

*Investment Fluctuation Fund.*—Owing to the war the market price of Government and other securities quoted on the London Stock Exchange has fallen considerably, and although a full recovery is no doubt only a matter of time, it has been thought advisable to value the Department's