

SESSION II.  
1918.  
NEW ZEALAND.

ANNUAL REPORT  
OF THE  
GOVERNMENT INSURANCE COMMISSIONER  
FOR THE YEAR ENDED 31st DECEMBER, 1917.

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

Government Insurance Office, Wellington, 18th July, 1918.  
I HAVE the honour to submit the following report upon the transactions of the Department for the year ended the 31st December, 1917, 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 3,676 proposals were dealt with for the assurance of £1,009,150. The number of policies actually completed was 2,898, assuring £784,600, with annual premiums amounting to £28,237. Thirty-one annuities were also granted, on which the purchase-money was £11,224.

The total business now in force, including 402 immediate and deferred annuities for £18,878 per annum, is 53,058 policies, bearing an annual premium income of £387,377. The sum assured, payable at death or maturity, is £12,884,531, to which have been added reversionary bonuses amounting to £1,304,243. The total business on the books thus amounts to £14,188,774.

*Income.*—The total income of the Department was £645,277—viz., premium income, £383,727; interest income (less land and income tax), £250,326; annuity purchase-money, £11,224.

*Outgo.*—During the year 984 policies became claims by the deaths of policyholders, the amounts payable being £263,773. The claims arising out of the war amongst the overseas forces numbered 517, or 53 per cent. of the total, representing in sums assured and bonuses £104,203. The total amount paid in war claims from August, 1914, to 31st December, 1917, has been £224,547, representing 1,097 policies. Six hundred and forty-four policies also matured for £159,605.

The total sum which has been paid in respect of claims by death and survival since the foundation of the Department forty-eight years ago has amounted to £6,539,580.

The expenses of management, including commission, amounted to £59,725, a reduction of £2,230 as compared with the previous year. The ratio of expenses (excluding land and income tax) to total income was 9·3 per cent.

*Accumulated Funds.*—The total assurance, annuity, and endowment funds, apart from a special investment reserve of £288,825, now stand at £5,199,320.

*The Balance-sheet.*—On the 31st December, 1917, the total assets of the Department amounted to £5,602,871, 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, 1916.		Class of Investment.	At 31st December, 1917.	
Amount.	Percentage of Total Assets.		Amount.	Percentage of Total Assets.
£			£	
3,227,796	58·9 per cent.	Mortgages on freehold property ...	3,141,294	56·1 per cent.
809,533	14·8 "	Loans on policies ...	780,976	13·9 "
855,900	15·6 "	Government securities ...	1,055,900	18·9 "
210,487	3·8 "	Local bodies' debentures ...	209,277	3·7 "
134,930	2·5 "	Landed and house property ...	134,898	2·4 "
131,882	2·4 "	Miscellaneous assets ...	130,064	2·3 "
111,204	2·0 "	Cash in hand and on current account ...	150,462	2·7 "
5,481,732	100·0 per cent.	Total ...	5,602,871	100·0 per cent.