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NEW ZEALAND.

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# ACCIDENT INSURANCE BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT

(ANNUAL REPORT ON THE) FOR THE YEAR ENDED 31st DECEMBER, 1923.

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*Laid before Parliament pursuant to Section 22 of the Government Accident Insurance Act, 1908.*

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Government Insurance Office, Wellington, 6th June, 1924.

I HAVE the honour to submit my report on the business of the Accident Insurance Branch of the Department for the year ended 31st December, 1923, together with the Revenue Account and Balance-sheet.

The gross premium income amounted to £35,560, and, after deducting reinsurances, to £35,268.

The claims were £22,402, an increase of £2,072 as compared with the previous year. Owing largely to the increase effected by recent legislation in the benefits under the Workers' Compensation Act, for which no increase has been made in the premiums, the ratio of claims to premiums is higher than usual—namely, 63·5 per cent. In effect this gratuitous increase of benefits is equivalent to a substantial rebate of premiums.

The gross return from interest was £7,719, as compared with £7,598 in 1922. The sum of £1,511 was paid in taxes.

The ratio of management expenses to premiums was 28·9 per cent., and to total income 24·5 per cent. The average ratio of expenses to premiums in the case of the Department's competitors in 1922 was nearly 37 per cent., so that it will be realized that the Department's business is very economically conducted.

The total holding in New Zealand inscribed stock by the Accident Branch is £103,500, in addition to £10,000 debentures under the Finance Act, 1915, the two together representing 75 per cent. of the total invested funds.

The statutory Reserve Fund stands at £115,020.

The total assets at the end of the year amount to £177,889.

The Department has now under attention the periodical actuarial investigation into the equity and correctness of the basic premiums charged to the different industries for insurance against their liabilities under the Workers' Compensation Act. This has always been a notable feature of the Department's activities, the result being that the business of accident insurance, especially workers' compensation, as transacted in New Zealand enjoys, along with life insurance, the distinction of being based on a scientific and equitable foundation.

A. T. TRAVERSI, F.I.A., F.C.A.S.,  
Commissioner.