

Comparisons between the claim ratios for the third-party-risks-insurance scheme and other branches of accident insurance show much higher figures for the former than the latter. This is largely due to the fact that the premiums are collected by the Post and Telegraph Department and handed over to the insurance companies, and also to the fact that much of the wasteful competitive struggle for business between the various companies has been eliminated, thus reducing overhead charges.

The following table shows the claim ratios for various classes of accident insurance during the last available six years :—

Class of Insurance.	Percentage of Claims paid (including Costs) during the Year					
	1927.	1928.	1929.	1930.	1931.	1932.
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Employers' liability.. ..	68·88	69·69	69·84	71·99	71·63	71·52
Personal accident	55·70	60·16	52·23	54·12	54·34	49·40
Motor-vehicle comprehensive ..	52·01	55·11	52·44	64·04	67·61	56·16
Other forms	23·06	27·73	27·50	23·60	32·05	33·83

(b) ANNUAL REVIEW OF PREMIUM RATES.

Section 16 of the Motor-vehicles Insurance (Third-party Risks) Act, 1928, provides that the amount of the premiums to be paid in respect of third-party insurance may be fixed from time to time by Order in Council. In accordance with the usual practice the latest figures relating to the operation of the Act were carefully examined in April last in order to ensure that the premiums for the 1934-35 licensing year might be again fixed in the light of experience, so as to give the motoring public the cover afforded at the lowest possible figure consistent with a reasonable margin to cover overhead and profit for the companies undertaking the third-party business.

After a careful analysis had been made of the figures submitted by each company, and after consultation with the companies, it was decided to make alterations in the premiums payable in respect of almost all classes of vehicles, involving an estimated aggregate premium reduction of between £25,000 and £30,000 for the 1934-35 licensing year.

The adjustment of premiums as provided in the Motor-vehicles Insurance (Third-party Risks) Regulations, 1934, allows only a small margin for claim fluctuation, working-expenses, and profit, but this small margin is made possible by reason of the fact that the pooling of the business (over 80 per cent. of which is carried on by companies forming the Third-party Pool) results in expenses being kept down to the barest minimum.

(c) ACTIONS WHEN NEGLIGENT DRIVER SUBSEQUENTLY DIES.

It is a rule of law that the remedy of personal action for damages against any person lapses with the death of that person (the Latin maxim being *Actio personalis moritur cum persona*). This maxim has the effect of preventing a claim for damages caused by a motor-accident being pressed against the estate of the driver should the driver whose negligence caused the accident subsequently die, and this bar applies even when the latter's liability was covered by third-party insurance. The majority of the insurance companies accepting risks under the Motor-vehicles Insurance (Third-party Risks) Act are favourable to waiving this bar to action on certain conditions, and negotiations are at present under way with this object in view. Whether the alteration will be effected by introducing legislation or by voluntary arrangement is not yet decided.

3. MOTOR-VEHICLES ACT, 1924.

(a) REGISTRATION OF MOTOR-VEHICLES, BY TYPES OF VEHICLE.

In last year's annual report it was pointed out that the registrations of motor-vehicles effected during the year were the lowest on record. The steady decline in registrations since the depression became apparent in the Dominion was arrested during the year, and since May, 1933, the registrations have shown a very steady increase each month as compared with the figures for the corresponding months in the previous licensing year. The registrations effected during the month of December, 1933, were the highest for any one month since October, 1930. The particulars of the registrations effected during each of the last nine financial years are as follows :—

Year ended 31st March,				Cars.	Commercial Vehicles.	Cycles.	Total Registrations.
1926	..	..	..	18,811	4,409	5,130	28,350
1927	..	..	..	16,439	4,692	5,464	26,595
1928	..	..	..	12,531	3,399	4,560	20,490
1929	..	..	..	18,739	4,167	4,768	27,674
1930	..	..	..	20,802	5,745	4,300	30,847
1931	..	..	..	12,378	4,113	3,139	19,630
1932	..	..	..	6,151	2,656	2,058	10,865
1933	..	..	..	4,716	2,640	2,072	9,428
1934	..	..	..	5,551	3,339	1,956	10,846