

ANNUAL REPORT

OF THE

GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31ST DECEMBER, 1891.

Presented to both Houses of the General Assembly pursuant to the provisions of the Acts relating to Government Life Insurance.

Government Insurance Office,
Wellington, 20th June, 1892.

I HAVE the honour to submit herewith the usual accounts and statements of business of the department for the calendar year 1891.

New Business.—During the period above referred to 3,834 proposals, for a total amount of £927,934, were received. Of these, 3,284 were in the General and 550 in the Temperance Section. Of the whole of the proposals received, 365 were declined or deferred, 2,911 completed, and in the remaining cases the proponents did not close. Of every 100 *proposals received*, 76 were accepted at ordinary rates, 14 were “loaded”—*i.e.*, accepted with an extra premium—and 10 were deferred or declined. Of every 100 *policies completed*, 88 were at ordinary rates, and 12 with an extra premium, or the equivalent contingent debt. In the General Section the policies issued were 2,695, assuring £660,193; and in the Temperance Section 216, assuring £39,708; making, in all, 2,911 policies, for £699,901, of which 856, for £248,450, were tontine. The amount assured of policies issued exceeded that of the previous year by £15,659. The new premiums received amounted to £19,982 7s. 9d., including £1,697 5s. 7d., single payments. Twenty-three annuity policies were issued, the amount payable to the annuitants being £1,040 17s. 8d. per annum. The purchase-money amounted to £11,661 15s. 4d.

Interest.—The interest earned during the year amounted to £96,378 16s., being an increase of £6,582 17s. 10d. over the same item in the preceding period. It will be observed that the interest outstanding at the end of the year is somewhat in excess of that at the end of 1890. This is explained by the fact that advice of the payment of the interest on some of the Government securities was received on the 2nd January, 1892, instead of the 31st December, 1891.

Total Revenue.—The total revenue was £330,895 6s. 9d., being an increase of £17,469 16s. 6d. over that received in 1890.

Death Claims.—Claims by death under assurance policies, including bonus additions, amounted to £84,507 9s., or, after the deduction of contingent debts imposed in lieu of extra premiums on under-average lives, to £84,074 7s. 8d. The mortality of the preceding year—1890—was abnormally light, and although this year's death claims appear heavy by comparison they still fall far short of what is provided for in the tables of the department.

Claims under Policies matured.—Endowment assurances matured, including bonus additions and simple endowments matured on the lives of children, amounted to £16,554 13s. 11d.

Expenses of Management.—The expenses of management, of which £12,954 1s. 5d. is represented by commission and £7,112 15s. 7d. by property-tax, amounted to £53,234 8s. 8d., the ratio to premium income showing a further decline. During the two years 1890 and 1891 the total reduction has been nearly 3 per cent.

Accumulated Funds.—The funds have increased by £132,603 4s. 10d. The addition is in every respect a highly satisfactory one, and would have been still greater had it not been for the fact that the distribution of the bonus, which was commenced shortly before the end of the year, entailed the payment of over £10,000 to those policyholders who surrendered their bonuses for cash.