

1945
NEW ZEALAND

ANNUAL REPORT
OF THE
GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31st DECEMBER, 1944

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

Government Insurance Office, Wellington, 24th April, 1945.

I HAVE the honour to submit the following report upon the transactions of the Department for the year ended 31st December, 1944, and its position at that date. The Revenue Account, Balance-sheet, and Statement of Business are appended.

New Business and Amount of Business in Force. New business for the year amounted to 7,080 policies, assuring the sum of £3,842,696, the premiums thereon being £83,609 per annum. Twenty-seven annuities were also granted, the purchase-money being £19,062. The total business in force at the end of the year (including immediate, deferred, and contingent annuities for £108,437 per annum) comprises 101,893 policies, bearing an annual premium income of £391,643. The total sum assured is £37,318,708, to which reversionary bonuses amounting to £1,027,374 have been added.

Income. The total income amounted to £1,489,666, made up as follows: premium income, £924,029; interest income (net), £546,575; annuity-purchase money, £19,062. The total for the year exceeded that for the previous year by £87,245.

Outgoings.—During the year 2,061 policies became claims by the death of the policyholders and by maturity, the payment involved being £742,554. The total amount paid in claims since the inception of the Department amounts to £20,635,170.

Accumulated Funds.—Assurance, annuity, and endowment funds, apart from special reserves of £370,659, now stand at £13,129,718, an increase of £465,005 over the previous year.

Bonus Distribution.—Owing to the conditions arising out of the war the annual distribution of bonuses was discontinued temporarily in 1941, but last year an allotment for the three years 1941-43 was arranged.

The bonus investigation for the past year has been carried out, and the Actuary's report discloses a net cash surplus of £209,153, excluding interim bonuses paid during the year. The surplus is sufficient to enable bonuses to be allotted at the same rates as for the past three years, but, in view of war conditions still prevailing, bonus notices will not be distributed to policyholders.

Expense Ratios.—The ratio of expenses to (a) total income and (b) premium income for 1941, 1942, 1943, and 1944 is as follows:—

	Ratio of Expenses to	1941.	1942.	1943.	1944.
(a) Total income	8·62	7·62	8·15	8·90
(b) Premium income	13·81	12·21	13·15	14·06

The slight increase in 1944 is due to the marked increase in the volume of new business.

General.—The results achieved, particularly as regards new business, are very gratifying.

The good efforts of the field staff, aided by an extension of our advertising programme, produced a new business record, the amount written being an increase of £1,167,860 over the 1943 figures.

Fifty-eight of the Department's office staff are still on active service. We look forward to the early victorious conclusion of the war in Europe and the safe return of those members of our staff who have done such fine work overseas.

I wish again to take the opportunity of paying a tribute to the excellent work done by the members of our depleted staff during the war years. Without their willing co-operation in carrying out extra duties the Department could not have handled the increased business and continued to give efficient service to the policyholders.

J. W. MACDONALD, Commissioner.