

The rate of interest realized on the mean funds, after deduction of land and income tax from interest, was £4 19s. 2d.

*Triennial Investigation.*—The triennial valuation of the Department's liabilities and assets as at the 31st December, 1920, was completed by the Actuary early this year, and the results are set out fully in the Actuary's report. A surplus of assets over liabilities amounting to £238,704 was disclosed. Of this sum £217,706 has been allotted in the shape of compound reversionary bonuses upon the sum assured and the bonuses in force, thus giving increasing bonuses to those policyholders who have maintained their previous bonus intact. The resultant bonuses in the General Section range from £1 per cent. per annum of the sum assured in the case of new policies to £1 15s. per cent. per annum in the case of policies with longer durations.

As between the Temperance and General Sections, the more favourable mortality in the Temperance Section has resulted in policies in that section becoming entitled to bonuses at a rate 5 per cent. higher than similar policies in the General Section.

The total surpluses distributed since the commencement of business in 1870 amount to £2,234,382, which sum has been converted into reversionary additions to the sums assured amounting to £3,907,698.

*Legislation.*—During the year the Life Insurance Amendment Act, 1920, was passed. The Act, which came into force on the 1st April, 1921, amongst other things, provides, in cases where a husband has assigned his policy to his wife, or *vice versa*, greater facilities for the reversion of the policy to the original status on the death of the assignee, does away with the necessity for probate or letters of administration when the policy becomes a claim in those cases where the sum assured is in excess of £200, but the balance payable is less than that amount, and remedies certain defects in the existing legislation regarding the powers of minors to deal with their policies.

*General.*—The result of the year's operations has been very satisfactory. As indicated above, there has been a record inflow of new business, bringing the aggregate business to the highest point yet reached, whilst the disturbing effect of the war upon mortality has virtually ceased. It is gratifying that at a time when so many insurance offices in different parts of the world have found it necessary to make drastic reductions in their periodical bonuses or even to omit their allotment altogether, while a leading company in a neutral European State is in more serious difficulties, this Department can point to the fact that it has been able to maintain a strong position and a satisfactory rate of bonus. In addition to the satisfactory condition disclosed, the outlook for the future is very promising.

J. H. RICHARDSON, Commissioner.