

1922.
NEW ZEALAND.

ANNUAL REPORT
OF THE
GOVERNMENT INSURANCE COMMISSIONER
FOR THE YEAR ENDED 31st DECEMBER, 1921.

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

Government Insurance Office, Wellington, 14th June, 1922.

I HAVE the honour to submit the following report upon the transactions of the Department for the year ended the 31st December, 1921, 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.—During the year 5,553 proposals were dealt with, for the assurance of £1,821,100. The number of policies actually completed was 4,963, assuring £1,631,250, with annual premiums amounting to £50,734. Twenty-three annuities were also granted, on which the purchase-money was £11,136.

The total business now in force, including 434 immediate and deferred annuities for £23,744 per annum, is 59,189 policies, bearing an annual premium income of £474,151. The sum assured, payable at death or maturity, is £15,721,088, to which are attached reversionary bonuses amounting to £1,558,646. The total business on the books thus amounts to £17,279,734.

Income.—The total income of the Department was £755,519—viz., premium income, £460,302; interest income (less land and income tax), £284,081; annuity purchase-money, £11,136. The total income for the year is greater than that of last year by £24,611.

Outgo for Claims.—During the year 894 policies matured, for £219,756, and 442 policies became claims by the death of policy-holders, the amounts payable being £159,007. The outgo for death claims is smaller than for any year since 1913, and this notwithstanding the increased sums assured on the books.

Accumulated Funds.—The total assurance, annuity, and endowment funds, apart from a special investment reserve of £288,730, now stand at £5,726,356, an increase of £183,804 over the amount at the end of 1920.

The Balance-sheet.—On the 31st December, 1921, the total assets of the Department amounted to £6,090,101, and were invested as shown in the following statement, which also gives the distribution of the assets at the end of the previous year for purposes of comparison:—

At 31st December, 1920.		Class of Investment.	At 31st December, 1921.	
Amount.	Percentage of Total Assets.		Amount.	Percentage of Total Assets.
£			£	
2,750,026	46·4 per cent.	Mortgages on freehold property	2,743,405	45·1 per cent.
735,739	12·4 „	Loans on policies	794,546	13·0 „
1,869,800	31·6 „	Government securities	1,960,400	32·2 „
210,241	3·5 „	Local bodies' debentures	224,909	3·7 „
134,799	2·3 „	Landed and house property	136,016	2·2 „
124,337	2·1 „	Miscellaneous assets	145,918	2·4 „
102,615	1·7 „	Cash in hand and on current account	84,907	1·4 „
5,927,557	100·0 per cent.	Total	6,090,101	100·0 per cent.

The rate of interest realized on the mean funds, after deduction of land and income tax from interest, was £5 Os. 10d. per cent.

General.—The progress during the year has been very gratifying. In respect of the number of new policies issued and the amount assured thereby, the year just falls short of being a record year. The lapses decreased from 1,340 policies, for £376,300, to 956 policies, for £299,220—a satisfactory feature, following as it does a year of exceptional new business. The income for the year constitutes a record for the Department, and there is every indication that the year has been a most profitable one. Taking into account the present financial stringency the result of the year's operations has been satisfactory.

J. H. RICHARDSON, Commissioner.

REVENUE ACCOUNT OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT FOR THE YEAR ENDED
31ST DECEMBER, 1921.

	£	s.	d.		£	s.	d.
Amount of funds at 1st January, 1921	5,542,551	19	7	Death claims under policies, Assurance, including bonus additions	159,006	19	0
Renewal premiums—Assurance, Annuity, and Endowment	412,759	17	7	Endowment Assurances matured, including bonus additions	213,691	11	0
New premiums (including instalments of first year's premiums falling due in the year)	46,752	14	2	Endowments matured	6,064	0	0
Single premiums—Assurance and Endowment	789	8	0	Premiums returned on endowments	395	2	7
Consideration for Annuities	11,136	9	7	Bonuses surrendered for cash	12,468	18	2
Interest and rent .. £293,192 15 3				Annuities	21,201	17	1
Less land and income tax, £4,618 8s. 10d.; property expenses, &c., £4,494 2s. 10d.	9,112	6	8	Surrenders	26,479	19	10
	284,080	8	7	Loans released by surrender	28,691	12	1
				Commission, new* .. £31,981 6 9			
				renewal .. 3,054 6 7	35,035	13	4
				Expenses of management—			
				Salaries—	£	s.	d.
				Head Office	26,686	9	10
				Branch offices and agents	12,766	0	3
				Extra clerical assistance	902	3	2
				Medical fees and expenses	6,326	18	0
				Travelling-expenses	1,347	5	2
				Advertising	481	13	6
				Printing and stationery	2,718	3	6
				Rent	4,165	14	2
				Postage and telegrams	2,861	10	1
				Exchange	38	16	10
				General expenses	4,318	14	3
				Triennial expenses	3,422	7	10
					66,035	16	7
				Marryatt Defalcation Account	2,643	0	2
				Amount of funds, 31st December, 1921	5,726,356	7	8
					£6,298,070	17	6
					£6,298,070	17	6

* Including agents' allowances.

BALANCE-SHEET OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT ON 31ST DECEMBER, 1921.

<i>Liabilities.</i>			<i>Assets.</i>			
	£	s. d.	£	s. d.	£	s. d.
Total Assurance, Annuity, and Endowment Funds (as per Revenue Account)	5,726,356	7 8	Loans on policies .. .. .	..	794,545	16 1
Claims admitted, proofs not yet completed	60,842	0 6	Government securities—			
Annuities	412	15 8	Consolidated stock	625,900	0 0	
Commission	2,251	17 8	Debentures issued under the authority of the Finance Act, 1915	40,000	0 0	
Medical fees	465	3 0	New Zealand Inscribed Stock—			
Premium and other deposits	3,822	0 8	War Loans ..	1,184,500	0 0	
Fire Insurance moneys in suspense	850	0 0	New Zealand Inscribed Stock—			
Sundry creditors	5,770	16 10	Finance Act, 1919	50,000	0 0	
Officers' Fidelity Fund	600	0 0	New Zealand Inscribed Stock—			
Investment Fluctuation Reserve	288,729	14 1	Discharged Soldiers Settlement Loan ..	110,000	0 0	
					1,960,400	0 0
			Municipal Corporation debentures ..		131,439	14 0
			County securities		5,981	1 2
			Harbour Board debentures		34,500	0 0
			Town Board debentures		29,200	0 0
			Road Board debentures		21,800	0 0
			Drainage Board debentures		1,987	17 6
			Landed and house property		134,089	11 10
			Landed and house property (leasehold) ..		1,645	0 0
			Mortgages on property		2,743,405	2 3
			Properties acquired by foreclosure		281	8 3
			Overdue premiums on policies in force ..	8,326	18 7	
			Outstanding premiums due but not overdue..	43,449	14 4	
					51,776	12 11
			Overdue interest	8,420	4 5	
			Outstanding interest due but not overdue..	7,400	0 9	
			Interest accrued but not due	70,124	5 4	
					85,944	10 6
			Agents' balances		5,258	19 4
			Sundry debtors		2,938	1 1
			Cash in hand and on current account..		84,907	1 2
					£6,090,100	16 1
					£6,090,100	16 1

Government Life Insurance Department, 6th April, 1922.

J. H. RICHARDSON, Commissioner.
GEO. W. BARLTROP, Secretary.

The Audit Office, having examined the Revenue Account and Balance-sheet, and compared them with the relative books, documents, and securities, hereby certifies them to be in accordance therewith.

G. F. C. CAMPBELL, Controller and Auditor-General.

Statement of Business

YEAR 1921.	TOTAL.						Whole-life and Term Assurances.			
	No.	Sum assured.	Rever- sionary Bonuses.	Annual Premiums. 1. Ordinary. 2. Extra.	Annuit- ies. 1. Immediate or entered upon. 2. Deferred.		No.	Sum assured.	Rever- sionary Bonuses.	Annual Premiums. 1. Ordinary. 2. Extra.
		£	£	£ s. d.	£ s. d.		£	£	£ s. d.	
Policies in force at 31st December, 1920	57,321	14,924,147	1,335,163	{ 447,152 2 0 1,920 2 8 }	{ 21,381 19 10 2,776 10 3 }	11,372	3,671,771	658,721	{ 84,648 11 1 1,074 15 7 }	
New Business ..	4,986	1,631,250	..	{ 50,531 17 4 201 13 3 }	{ 1,277 3 4 (-123 11 0) }	563	278,400	..	{ 7,329 14 0 45 8 11 }	
Bonus allotted ..	..	..	339,388	..	..	..	..	82,747	..	
Total..	62,307	16,555,397	1,674,551	{ 497,683 19 4 2,121 15 11 }	{ 22,659 3 2 2,652 19 3 }	11,935	3,950,171	741,468	{ 91,978 5 1 1,120 4 6 }	
Policies discontinued during 1921	3,118	834,309	115,905	{ 25,567 3 11 135 19 8 }	{ 1,403 9 8 165 1 1 }	546	189,229	44,337	{ 4,160 1 9 64 18 4 }	
Total Policies in force at 31st December, 1921	59,189	15,721,088	1,558,646	{ 472,116 15 5 1,985 16 3 }	{ 21,255 13 6 2,487 18 2 }	11,389	3,760,942	697,131	{ 87,818 3 4 1,055 6 2 }	

POLICIES ISSUED AND DISCON-

How discontinued.	No.	Sum assured.	Rever- sionary Bonuses.	Annual Premiums. 1. Ordinary. 2. Extra.	Annuit- ies. 1. Immediate or entered upon. 2. Deferred.	No.	Sum assured.	Rever- sionary Bonuses.	Annual Premiums. 1. Ordinary. 2. Extra.
By Death ..	475	125,381	33,181	{ 3,752 19 8 42 7 8 }	{ 1,403 9 8 30 4 11 }	263	80,482	28,246	{ 1,859 5 1 35 15 0 }
Maturity ..	894	179,002	40,253	{ 6,804 1 11 26 12 7 }	..	..	..	..	..
Surrender ..	634	175,698	12,190	{ 4,956 16 6 23 5 0 }	{ .. 134 16 2 }	97	40,805	5,213	{ 829 0 1 2 0 8 }
Cancellation ..	158	53,150	47	{ 1,436 12 2 }	..	12	5,300	..	{ 128 3 11 }
Surrender of Bonus..	..	..	20,852	..	..	..	..	8,531	..
Lapse ..	956	299,220	9,013	{ 8,288 13 2 27 5 2 }	..	173	61,485	2,160	{ 1,311 14 4 14 15 0 }
Expiry of Policy ..	1	1,000	..	{ 14 0 0 6 12 6 }	..	1	1,000	..	{ 14 0 0 6 12 6 }
Expiry of Premium..	..	700	..	{ 148 10 4 .. .. }	..	..	..	..	..
Miscellaneous ..	..	158	339	{ 165 10 2 9 16 9 }	..	..	157	182	{ 17 18 4 5 15 2 }
Total ..	3,118	834,309	115,905	{ 25,567 3 11 135 19 8 }	{ 1,403 9 8 165 1 1 }	546	189,229	44,337	{ 4,160 1 9 64 18 4 }

PARTICULARS OF POLICIES DISCON-

How discontinued.	No.	Sum assured.	Rever- sionary Bonuses.	Annual Premiums. 1. Ordinary. 2. Extra.	Annuit- ies. 1. Immediate or entered upon. 2. Deferred.	No.	Sum assured.	Rever- sionary Bonuses.	Annual Premiums. 1. Ordinary. 2. Extra.
By Death ..	475	125,381	33,181	{ 3,752 19 8 42 7 8 }	{ 1,403 9 8 30 4 11 }	263	80,482	28,246	{ 1,859 5 1 35 15 0 }
Maturity ..	894	179,002	40,253	{ 6,804 1 11 26 12 7 }	..	..	..	..	..
Surrender ..	634	175,698	12,190	{ 4,956 16 6 23 5 0 }	{ .. 134 16 2 }	97	40,805	5,213	{ 829 0 1 2 0 8 }
Cancellation ..	158	53,150	47	{ 1,436 12 2 }	..	12	5,300	..	{ 128 3 11 }
Surrender of Bonus..	..	..	20,852	..	..	..	..	8,531	..
Lapse ..	956	299,220	9,013	{ 8,288 13 2 27 5 2 }	..	173	61,485	2,160	{ 1,311 14 4 14 15 0 }
Expiry of Policy ..	1	1,000	..	{ 14 0 0 6 12 6 }	..	1	1,000	..	{ 14 0 0 6 12 6 }
Expiry of Premium..	..	700	..	{ 148 10 4 .. .. }	..	..	..	..	..
Miscellaneous ..	..	158	339	{ 165 10 2 9 16 9 }	..	..	157	182	{ 17 18 4 5 15 2 }
Total ..	3,118	834,309	115,905	{ 25,567 3 11 135 19 8 }	{ 1,403 9 8 165 1 1 }	546	189,229	44,337	{ 4,160 1 9 64 18 4 }

PROGRESS OF BUSINESS OF THE GOVERNMENT LIFE INSURANCE

Total issued ..	158,844	40,602,540	3,907,693	{ 1,246,728 9 10 38,755 6 9 }	{ 103,249 5 8 46,592 14 0 }	14,413,909	2,000,980	{ 374,171 19 3 17,941 17 2 }	
Total void ..	99,655	24,881,452	2,349,052	{ 774,611 14 5 36,769 10 6 }	{ 79,505 14 0 35,203 10 6 }	10,652,967	1,303,849	{ 286,353 15 11 16,886 11 0 }	
Total in force ..	59,189	15,721,088	1,558,646	472,116 15 5	23,743 11 8	11,389	3,760,942	697,131	87,818 3 4
Extra Premiums ..	..	..	..	1,985 16 3	..	..	..	..	1,055 6 2
Reduction of Premiums by Bonus, &c. ..	..	..	..	48 10 0	..	..	..	..	44 17 6
				£474,151 1 8					£88,918 7 0

NOTE.—The Ordinary Premium is the premium charged

Wellington, 15th March, 1922.

at End of Year 1921.

ASSURANCES.								ANNUITIES.			SIMPLE ENDOWMENTS, INVESTMENTS, ETC.		
<i>Endowment Assurances.</i>				<i>Annuity Assurances.</i>									
No.	Sum assured.	Reversionary Bonuses.	Annual Premiums. 1. Ordinary. 2. Extra.	No.	1. Sum assured. 2. Reversionary Bonuses.	Annuities. 1. Entered upon. 2. Deferred.	Annual Premiums.	No.	Annual Premiums.	Annuities. 1. Immediate or entered upon. 2. Deferred.	No.	1. Sum assured. 2. Reversionary Bonuses.	Annual Premiums. 1. Ordinary. 2. Extra.

TINUED DURING THE YEAR 1921.

43,336	10,847,801	674,850	{ 351,068 17 6 845 7 1 }	51	{ 12,685 1,592 }	{ 60 13 10 2,581 1 3 }	739 18 4	{ 441 3 }	..	{ 21,321 6 0 195 9 0 }	2,118	{ 391,890 .. }	{ 10,674 14 7 .. }
4,208	1,307,000	..	{ 41,874 14 8 156 4 4 }	..	..	{ (+)103 11 0 (-)103 11 0 }	..	{ 24 (-)1 }	..	{ 1,173 12 4 (-) 20 0 0 }	192	{ 45,850 .. }	{ 1,327 8 8 .. }
..	..	253,605	..	..	{ .. 378 }	..	..	..	..	..	..	{ .. 2,658 }	..
47,544	12,154,801	928,455	{ 392,943 12 2 1,001 11 5 }	51	{ 12,685 1,970 }	{ 164 4 10 2,477 10 3 }	739 18 4	{ 465 2 }	..	{ 22,494 18 4 175 9 0 }	2,310	{ 437,740 2,658 }	{ 12,002 3 3 .. }
2,363	608,942	70,420	{ 20,264 8 7 71 1 4 }	3	{ 1,300 274 }	{ .. 165 1 1 }	68 7 0	{ 33 .. }	..	{ 1,403 9 8 6 0 6 }	173	{ 34,838 874 }	{ 1,068 6 1 .. }
45,181	11,545,859	858,035	{ 372,679 3 7 930 10 1 }	48	{ 11,385 1,696 }	{ 164 4 10 2,312 9 2 }	671 11 4	{ 432 2 }	..	{ 11,091 8 8 175 9 0 }	2,137	{ 402,902 1,734 }	{ 10,933 17 2 .. }

TINUED DURING THE YEAR 1921.

178	44,749	4,992	{ 1,886 6 9 6 12 8 }	1	{ 150 43 }	{ .. 30 4 11 }	7 7 10	{ 33 .. }	..	{ 1,403 9 8 .. }	..	{ }	..
854	173,802	39,251	{ 6,537 2 2 26 12 7 }	..	{ .. 168 }	..	..	..	..	..	40	{ 5,200 864 }	{ 266 19 9 .. }
429	112,755	6,910	{ 3,510 7 0 21 4 4 }	2	{ 450 62 }	{ .. 184 16 2 }	25 19 2	..	..	..	106	{ 21,688 .. }	{ 591 10 3 .. }
138	45,900	47	{ 1,253 18 1 .. }	..	{ .. .. }	..	..	..	..	..	8	{ 1,950 .. }	{ 54 10 2 .. }
..	..	12,320	..	..	{ .. 1 }	..	..	..	..	..	..	{ .. .. }	..
764	231,735	6,843	{ 6,861 15 7 12 10 2 }	..	{ .. .. }	..	..	..	..	..	19	{ 6,000 10 }	{ 115 3 3 .. }
..	{ }	{ }	..
..	..	..	{ 70 5 1 .. }	..	{ 700 .. }	..	35 0 0	..	{ 6 .. 6 .. }	..	..	{ .. .. }	{ 37 4 9 .. }
..	1	157	{ 144 13 11 4 1 7 }	..	{ .. .. }	..	..	..	..	..	..	{ .. .. }	{ 2 17 11 .. }
2,363	608,942	70,420	{ 20,264 8 7 71 1 4 }	3	{ 1,300 274 }	{ .. 165 1 1 }	68 7 0	{ 33 .. }	..	{ 1,403 9 8 6 0 6 }	173	{ 34,838 874 }	{ 1,068 6 1 .. }

DEPARTMENT SINCE DATE OF ESTABLISHMENT TO 31st DECEMBER, 1921.

104464	25,217,542	1,895,178	{ 838,249 0 11 20,792 19 7 }	1106	{ 160,450 7,216 }	{ 225 5 0 57,272 11 4 }	8,619 15 8	972	362 0 10	45,751 9 4	5,710	{ 810,639 4,324 }	{ 25,325 13 2 20 10 0 }	
59,283	13,671,683	1,037,143	{ 465,569 17 4 19,862 9 6 }	1058	{ 149,065 5,520 }	{ 61 0 2 54,960 2 2 }	7,948 4 4	538	348 0 10	24,484 11 8	3,573	{ 407,737 2,540 }	{ 14,391 16 0 20 10 0 }	
45,181	11,545,859	858,035	{ 372,679 3 7 930 10 1 }	48	{ 11,385 1,696 }	{ 164 4 10 2,312 9 2 }	671 11 4	434	14 0 0	21,266 17 8	2,137	{ 402,902 1,784 }	{ 10,933 17 2 .. }	
..	..	..	{ 930 10 1 3 12 6 }	..	{ .. .. }	..	..	..	..	..	..	{ .. .. }	..
			£373,613 6 2				£671 11 4			£14 0 0				£10,933 17 2

at the true age; the Extra, the additional premium charged for any reason whatsoever.

J. H. RICHARDSON, Commissioner.
A. T. TRAVERSI, Actuary.

