

1924.

## NEW ZEALAND.

## ANNUAL REPORT

OF THE

## GOVERNMENT INSURANCE COMMISSIONER

FOR THE YEAR ENDED 31st DECEMBER, 1923.

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

Government Insurance Office, Wellington, 1st July, 1924.

PURSUANT to the Government Life Insurance Act, 1908, I beg to make the following report upon the transactions of the Department for the year ended 31st December, 1923 :—

As foreshadowed in the last annual report, J. H. Richardson, Esq., C.M.G., who controlled for so long a period the destinies of the Department, retired from the Commissionership during the year; and I was appointed to succeed him on the 1st June, 1923.

*Staff.*—Considerable inconvenience has been caused to the Department by the difficulty experienced in securing qualified actuarial assistance. It has taken twelve months to get the position of Assistant Actuary filled, and then only by sending to Great Britain. Not a single qualified candidate was available in New Zealand, and the reluctance of young New-Zealanders to qualify, notwithstanding exhortation, and in the face of obvious opportunities, must apparently be accounted for by their unfavourable verdict upon weighing the monetary inducement against the difficulty and lengthiness of the study, ranging over the whole field of insurance, economics, accounting, banking, and finance, and consuming on the average about seven years. Whatever the cause, the result, following as it did after a similar and even longer delay in securing a previous appointee from Australia, has seriously hampered the work of the Department, as it concerns the best scientific and most indispensable assistance available to a life-insurance office. It has also had its effect upon the important actuarial work performed by this Department for other Departments of the State.

*Business.*—The year has been a good one, as is evidenced by the following comparison with the previous year :—

New policies issued—	1922.	1923.
(a.) Number .. .. .	3,797	4,754
(b.) Insuring .. .. .	£1,286,609	£1,581,722
Business in force—		
(a.) Number .. .. .	59,487	60,545
(b.) Insuring (exclusive of bonus) .. .. .	£15,995,235	£16,549,451
Income—	£	£
(a.) Premiums .. .. .	473,141	489,171
(b.) Interest .. .. .	294,914	315,425
(c.) Annuity purchase-money .. .. .	10,593	10,042
(d.) Total income .. .. .	778,915	814,638
Outgo for claims—		
(a.) Deaths .. .. .	204,791	166,797
(b.) Matured policies .. .. .	198,131	235,409
Accumulated funds .. .. .	5,922,825	6,222,485

*Insurance without Medical Examination.*—During the year a system was instituted whereby insurance within certain limits may be effected without medical examination. It is particularly useful in out-of-the-way localities where no doctor is available. The results so far have been very satisfactory. Though a large number of policies has been effected, there has not up to the time of writing been a single claim.

*The Balance-sheet.*—On the 31st December, 1923, the total assets of the Department amounted to £6,489,868. The following statement gives the distribution of the assets at the end of the year as compared with the previous year :—

At 31st December, 1922.		Class of Investment.	At 31st December, 1923.	
Amount.	Percentage of Total Assets.		Amount.	Percentage of Total Assets.
£			£	
2,743,870	43·7	Mortgages on freehold property ..	2,674,831	41·2
854,240	13·6	Loans on policies .. .. .	874,657	13·5
1,982,900	31·6	Government securities .. .. .	2,180,270	33·6
233,025	3·7	Local bodies' debentures .. .. .	252,601	3·9
136,895	2·2	Landed and house property .. .. .	142,131	2·2
162,941	2·6	Miscellaneous assets .. .. .	160,236	2·5
162,148	2·6	Cash in hand and on current account ..	205,142	3·1
6,276,019	100·0	Total .. .. .	6,489,868	100·0

During the year some difficulty arose in dealing with the investment of the Department's funds. A falling-off occurred in the demand for mortgage loans of the smaller amounts, and this, combined with an unprecedented increase in the Department's income, with resultant rapid accumulation of funds, caused the statutory limitations upon the Department's lending-powers to be more severely felt than hitherto. Under the circumstances special action was initiated, with the satisfactory result that at the end of the year the whole of the funds available were definitely contracted for.

*Interest.*—The net effective rate of interest credited to the Insurance Fund, after deduction of land and income tax from interest, was £5 6s. 8d. per cent.

*Investment Fluctuation Reserve.*—It will be remembered that, owing to conditions arising out of the world war, it was deemed advisable in 1917 to set aside the sum of £99,704 to strengthen the Investment Fluctuation Reserve Fund. After full consideration of the improved financial outlook and all the other factors involved, and more particularly in view of the fact that the basis of valuation of the actuarial liabilities of the Department was being strengthened by approximately £250,000, it was decided that the best interests of the Department would be served by a repayment to the Assurance Fund, and accordingly £75,788 was transferred from the Investment Fluctuation Reserve Fund.

*Triennial Investigation.*—The triennial valuation of the Department's liabilities and assets as at 31st December, 1923, was completed by the Actuary early this year. The most important features of the valuation—the results of which are set out fully in the Actuary's report—are—

- (1.) The valuation has been made upon the very severe basis of OM 3 per cent. as against the former HM 3½ per cent.—that is to say, not only is a more stringent mortality table employed, but a future interest-earning power of only 3 per cent. has been taken credit for in place of the former 3½ per cent. The result is a strengthening of the actuarial reserves by approximately a quarter of a million pounds, against which must be reckoned the transfer from the Investment Fluctuation Fund mentioned above, the net strengthening of the total reserves being approximately £173,000.
- (2.) The material increase in the rate of compound reversionary bonuses provided by the record surplus of £336,350. The amount of cash surplus distributed to policyholders was £317,563, which is greater by £99,857 (or nearly 50 per cent.) than the amount divided at the last triennial investigation.

It is extremely gratifying to be able to report that, as indicated above, the Department was able to place its reserves upon so very strong a basis and simultaneously to declare bonuses in excess of anything done before.

*General.*—The impregnable position disclosed by the actuarial valuation, including the very satisfactory margin existing between the rate of interest assumed (3 per cent.) and the actual earning-power of the Department's funds, which gives every promise of satisfactory continuance, indicates the virility of the Department and constitutes the best possible augury of future prospects.

A. T. TRAVERSI, F.I.A.,<sup>c</sup> Commissioner.

REVENUE ACCOUNT OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT FOR THE YEAR ENDED  
31st DECEMBER, 1923.

	£	s.	d.		£	s.	d.
Amount of Funds at 1st January, 1923	5,922,824	13	4	Death claims under assurance policies, including bonus additions ..	166,657	7	0
Renewal premiums—Assurance, Annuity, and Endowment ..	444,539	7	3	Endowment Assurances matured, including bonus additions ..	229,865	15	0
New premiums (including instalments of first year's premiums falling due in the year) .. ..	42,854	14	1	Endowments matured .. ..	5,542	15	0
Single premiums—Assurance and Endowment .. ..	1,777	2	4	Premiums returned on endowments ..	139	8	3
Consideration for Annuities .. ..	10,042	8	9	Bonuses surrendered for cash .. ..	2,416	12	5
Interest and Rent .. £326,901 5 9				Annuities .. ..	20,630	3	7
Less land and income tax, £8,098 15s. 4d.; property expenses, &c., £3,377 10s. 6d.	11,476	5	10	Surrenders .. ..	30,899	14	1
				Loans released by surrender .. ..	43,589	12	9
Transfer from Investment Fluctuation Reserve Account .. ..	75,788	0	0	Commission, new* .. £30,501 8 10			
				„ renewal .. 3,148 18 9			
	315,424	19	11		33,650	7	7
				Expenses of management—			
				Salaries—	£	s.	d.
				Head Office .. 23,088 12 9			
				Branch offices and agents .. 12,499 1 8			
				Extra clerical assistance .. ..	629	0	8
				Medical fees and expenses .. ..	6,225	15	8
				Travelling-expenses .. ..	562	5	7
				Advertising .. ..	484	0	8
				Printing and stationery .. 1,904 13 11			
				Rent .. ..	5,236	18	10
				Postage and telegrams .. 1,892 3 1			
				Exchange .. ..	43	17	8
				General expenses .. 3,600 8 4			
				Triennial expenses .. 1,207 18 2			
					57,374	17	0
				Amount of funds, 31st December, 1923	6,222,484	13	0
	£6,813,251	5	8		£6,813,251	5	8

\* Including agents' allowances.

## BALANCE-SHEET OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT ON 31ST DECEMBER, 1923.

<i>Liabilities.</i>			<i>Assets.</i>			
	£	s. d.	£	s. d.	£	s. d.
Total Assurance, Annuity, and Endowment Funds (as per Revenue Account) .. .. .	6,222,484	13 0	Loans on policies .. .. .	..	874,656	18 1
Claims admitted, proofs not yet completed .. .. .	45,212	3 0	Government securities—			
Annuities .. .. .	548	12 0	Consolidated stock	625,900	0 0	
Commission .. .. .	2,200	16 5	Debentures issued under the authority of the Finance Act, 1915	40,000	0 0	
Medical fees .. .. .	490	7 0	New Zealand Inscribed Stock—			
Premium and other deposits .. .. .	6,924	11 9	War Loans ..	1,204,370	0 0	
Sundry creditors .. .. .	3,782	8 8	New Zealand Inscribed Stock—			
Officers' Fidelity Fund .. .. .	1,200	0 0	Finance Act, 1919	50,000	0 0	
Investment Fluctuation Reserve .. .. .	207,024	6 0	New Zealand Inscribed Stock—			
			Discharged Soldiers Settlement Loan ..	110,000	0 0	
			New Zealand Inscribed Stock issued under the Aid to Public Works and Land Settlement Act, 1921 ..	150,000	0 0	
					2,180,270	0 0
			Municipal Corporation debentures ..	149,256	4 4	
			County securities .. .. .	17,312	18 8	
			Harbour Board debentures .. .. .	33,100	0 0	
			Town Board debentures .. .. .	29,186	4 8	
			Road Board debentures .. .. .	21,800	0 0	
			Drainage Board debentures .. .. .	1,945	10 0	
			Landed and house property .. .. .	134,089	11 10	
			Landed and house property (leasehold) .. .. .	1,579	4 0	
			Mortgages on property .. .. .	2,674,830	14 8	
			Properties acquired by foreclosure .. .. .	6,462	10 8	
			Overdue premiums on policies in force ..	7,496	17 7	
			Outstanding premiums due but not overdue	43,625	4 2	
					51,122	1 9
			Overdue interest .. .. .	8,067	5 5	
			Outstanding interest due but not overdue	7,634	13 6	
			Interest accrued but not due .. .. .	79,870	5 8	
					95,572	4 7
			Agents' balances .. .. .	..	10,198	18 11
			Sundry debtors .. .. .	..	3,343	3 6
			Cash in hand and on current account (held against definite commitments)	..	205,141	12 2
					£6,489,867	17 10
					£6,489,867	17 10

A. T. TRAVERSI, F.I.A., Commissioner.  
G. A. KENNEDY, Secretary.

Government Life Insurance Department, 24th May, 1924.

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 1923.	TOTAL.					<i>Whole-life and Term Assurances.</i>				
	No.	Sum assured.	Rever- sionary Bonuses.	Annual Premiums. <i>1. Ordinary. 2. Extra.</i>	Annuities. <i>1. Immediate or entered upon. 2. Deferred.</i>	No.	Sum assured.	Rever- sionary Bonuses.	Annual Premiums. <i>1. Ordinary. 2. Extra.</i>	
<b>POLICIES ISSUED AND DISCON-</b>										
Policies in force at 31st December, 1922	59,487	15,995,285	1,453,866	£ 481,366 13 11 1,980 19 9	£ 21,136 16 11 2,478 18 6	11,264	3,771,160	651,123	£ 88,668 18 0 1,018 7 4	
New Business .. ..	4,754	1,581,722	..	£ 48,689 19 10 125 1 0	£ 1,072 14 6 (-) 42 0 4	720	372,850	..	£ 10,174 9 1 48 10 4	
Total.. ..	64,241	17,576,957	1,453,866	£ 530,056 13 9 2,106 0 9	£ 22,209 11 5 2,436 18 2	11,984	4,144,010	651,123	£ 98,843 2 1 1,066 17 8	
Policies discontinued during 1923	3,696	1,027,506	96,705	£ 30,723 4 3 118 11 11	£ 1,536 19 0 85 11 4	612	227,139	35,570	£ 5,414 3 11 70 1 0	
Total Policies in force at 31st December, 1923	<b>60,545</b>	<b>16,549,451</b>	<b>1,357,161</b>	£ 499,333 9 6 1,987 8 10	£ 20,672 12 5 2,351 6 10	11,372	3,916,871	615,553	£ 93,423 18 2 996 16 8	

PARTICULARS OF POLICIES DISCON-										
How discontinued.	No.	Sum assured.	Rever- sionary Bonuses.	£ s. d.	£ s. d.	No.	Sum assured.	Rever- sionary Bonuses.	£ s. d.	
By Death .. ..	484	129,525	33,998	£ 3,712 18 8 49 0 7	£ 1,536 19 0	270	89,914	29,865	£ 2,164 5 3 46 17 0	
Maturity .. ..	945	189,948	40,711	£ 7,176 12 7 16 16 2	..	..	..	..	..	
Surrender .. ..	952	260,959	9,969	£ 7,745 3 7 7 14 6	£ 85 11 4	100	32,300	2,456	£ 746 12 1 1 10 0	
Cancellation .. ..	150	41,500	..	£ 1,164 1 8 0 8 8	..	9	2,200	..	£ 51 7 7	
Surrender of Bonus.. ..	..	..	3,618	..	..	..	..	1,410	..	
Lapse .. ..	1,165	405,450	7,923	£ 10,579 10 3 34 19 1	..	233	102,650	1,451	£ 2,360 15 10 14 10 8	
Expiry of Premium.. ..	..	..	6	£ 120 3 2	..	..	..	..	£ 7 11 0	
Miscellaneous .. ..	..	124	480	£ 224 14 4 9 12 11	..	..	75	388	£ 83 12 2 7 3 4	
Total discontinued during year 1923	<b>3,696</b>	<b>1,027,506</b>	<b>96,705</b>	£ 30,723 4 3 118 11 11	£ 1,536 19 0 85 11 4	612	227,139	35,570	£ 5,414 3 11 70 1 0	

PROGRESS OF BUSINESS OF THE GOVERNMENT LIFE INSURANCE										
Total issued .. ..	167,395	43,470,871	3,907,697	£ 1,335,334 15 8 39,035 8 8	£ 105,586 16 2	47,861	15,057,159	2,000,979	£ 391,623 17 9 18,042 2 6	
Total void .. ..	106,850	26,921,420	2,550,536	£ 836,001 5 9 37,047 19 10	£ 32,562 16 11	36,489	11,140,288	1,385,426	£ 298,194 19 7 17,045 5 10	
Total in force .. ..	<b>60,545</b>	<b>16,549,451</b>	<b>1,357,161</b>	<b>499,333 9 6</b>	<b>23,023 19 3</b>	11,372	3,916,871	615,553	93,423 18 2	
Extra Premiums .. ..	..	..	..	1,987 8 10	..	..	..	..	996 16 8	
Reduction of Premiums by Bonus, &c. ..	..	..	..	..	..	..	..	..	..	
									<b>£501,320 18 4</b>	
									<b>£94,425 14 10</b>	

NOTE.—The Ordinary Premium is the premium charged

Wellington, 13th June, 1924.

at End of Year 1923.

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 1923.

45,672	11,831,938	800,433	{ 381,579 12 0 962 12 5 }	47	{ 10,885 1,561 }	{ 250 1 6 2,153 9 6 }	583 17 8	{ 422 3 }	{ .. 91 12 6 }	{ 20,886 15 5 325 9 0 }	2,079	{ 381,252 749 }	{ 10,442 18 9 .. }
3,860	1,171,772	..	{ 37,468 14 10 76 10 8 }	..	..	{ (+)16 11 4 (-)-16 11 4 }	..	{ 17 (-)-1 }	{ .. .. }	{ 1,056 3 2 (-)-25 9 0 }	158	{ 37,100 .. }	{ 1,046 15 11 .. }
49,532	13,003,710	800,433	{ 419,048 6 10 1,039 3 1 }	47	{ 10,885 1,561 }	{ 266 12 10 2,136 18 2 }	583 17 8	{ 439 2 }	{ .. 91 12 6 }	{ 21,942 18 7 300 0 0 }	2,237	{ 418,352 749 }	{ 11,489 14 8 .. }
2,886	761,517	60,317	{ 24,199 11 0 48 10 11 }	1	{ 350 69 }	{ .. 85 11 4 }	11 1 0	{ 26 .. }	{ .. .. }	{ 1,536 19 0 .. }	171	{ 38,500 749 }	{ 1,098 8 4 .. }
46,646	12,242,193	740,116	{ 394,848 15 10 990 12 2 }	46	{ 10,535 1,492 }	{ 266 12 10 2,051 6 10 }	572 16 8	{ 413 2 }	{ .. 91 12 6 }	{ 20,405 19 7 300 0 0 }	2,066	{ 379,852 .. }	{ 10,391 6 4 .. }

TINUED DURING THE YEAR 1923.

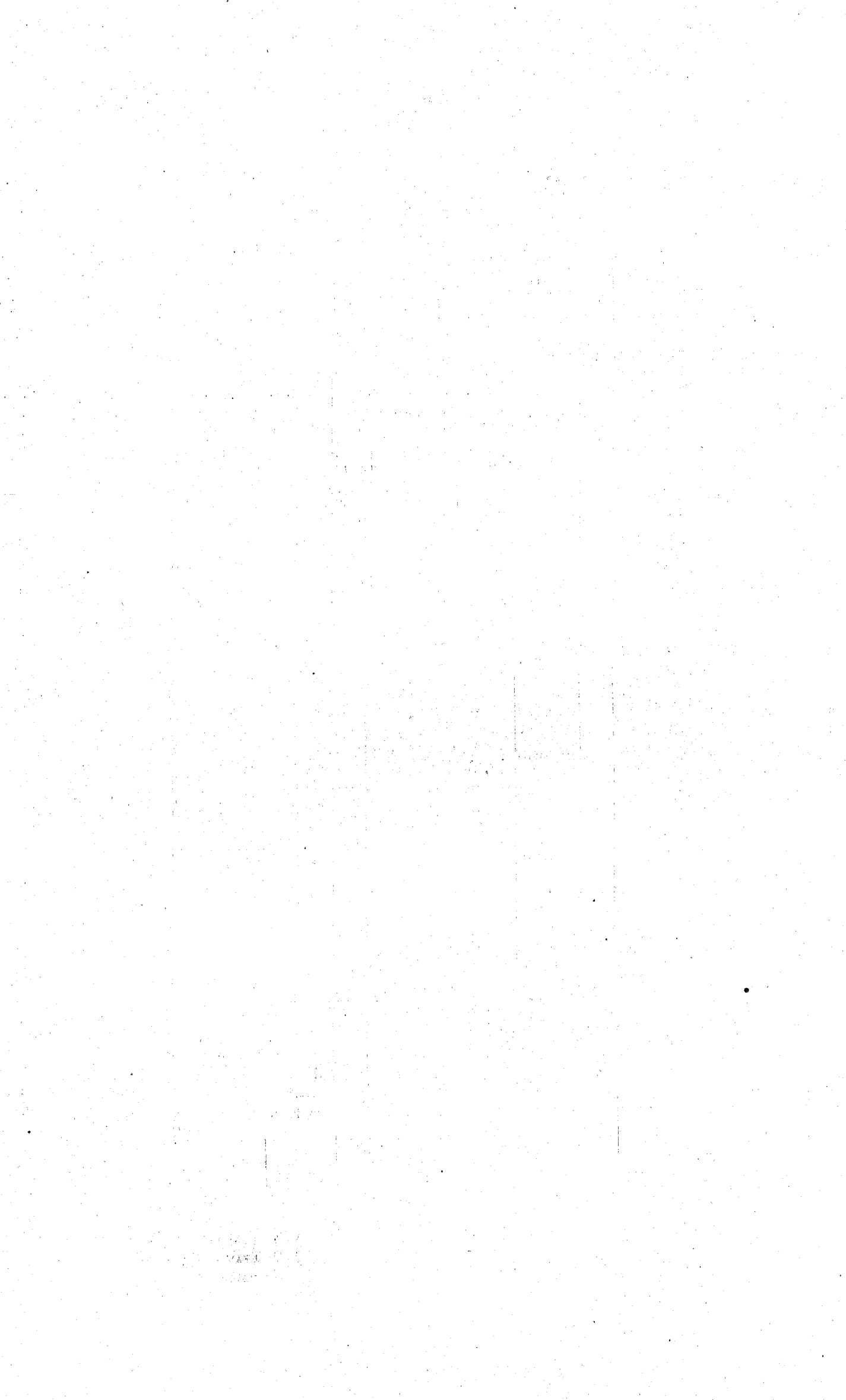
188	39,611	4,133	{ 1,548 13 5 2 3 7 }	..	..	..	..	{ 26 .. }	{ .. .. }	{ 1,536 19 0 .. }	..	..	..
909	185,148	39,939	{ 6,907 0 1 16 16 2 }	..	{ .. 29 }	..	..	{ .. .. }	{ .. .. }	{ .. .. }	36	{ 4,800 743 }	{ 269 12 6 .. }
753	206,759	7,473	{ 6,367 12 10 6 4 6 }	1	{ 200 40 }	{ .. 85 11 4 }	11 1 0	{ .. .. }	{ .. .. }	{ .. .. }	98	{ 21,700 .. }	{ 619 17 8 .. }
130	37,600	..	{ 1,078 5 6 0 8 8 }	..	..	..	..	{ .. .. }	{ .. .. }	{ .. .. }	11	{ 1,700 .. }	{ 34 8 7 .. }
..	..	2,208	..	..	..	..	..	{ .. .. }	{ .. .. }	{ .. .. }	..	..	..
906	292,350	6,472	{ 8,057 13 2 20 8 5 }	..	150	..	..	{ .. .. }	{ .. .. }	{ .. .. }	26	{ 10,300 .. }	{ 161 1 3 .. }
..	..	..	{ 112 12 2 .. }	..	..	..	..	{ .. .. }	{ .. .. }	{ .. .. }	..	{ .. 6 }	{ .. .. }
..	49	92	{ 127 13 10 2 9 7 }	..	..	..	..	{ .. .. }	{ .. .. }	{ .. .. }	..	{ .. .. }	{ 13 8 4 .. }
2,886	761,517	60,317	{ 24,199 11 0 48 10 11 }	1	{ 350 69 }	{ .. 85 11 4 }	11 1 0	{ 26 .. }	{ .. .. }	{ 1,536 19 0 .. }	171	{ 38,500 749 }	{ 1,098 8 4 .. }

DEPARTMENT SINCE DATE OF ESTABLISHMENT TO 31st DECEMBER, 1923.

111423	27,380,723	1,895,178	{ 907,557 15 2 20,972 16 2 }	1,106	{ 160,450 7,217 }	{ 327 13 0 57170 3 6 }	8,619 15 8	1,008	439 13 4	48,088 19 8	5,997	{ 872,539 4,323 }	{ 27,093 13 4 20 10 0 }
64,777	15,138,530	1,155,062	{ 512,708 19 4 19,982 4 0 }	1,060	{ 149,915 5,725 }	{ 61 0 2 55118 16 8 }	8,046 19 0	593	348 0 10	27,383 0 1	3,931	{ 492,687 4,323 }	{ 16,702 7 0 20 10 0 }
46,646	12,242,193	740,116	{ 394,848 15 10 990 12 2 }	46	{ 10,535 1,492 }	{ 266 12 10 2,051 6 10 }	572 16 8	415	91 12 6	20,705 19 7	2,066	{ 379,852 .. }	{ 10,391 6 4 .. }
..	..	..	{ 990 12 2 .. }	..	..	..	..	..	..	..	..	..	..
			£395,839 8 0				£572 16 8			£91 12 6			

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

A. T. TRAVERSI, F.I.A., Commissioner.  
C. GOSTELOW, F.I.A., Actuary.



# GOVERNMENT INSURANCE DEPARTMENT.

## STATEMENTS

IN CONNECTION WITH THE VALUATION OF LIABILITIES (FOURTH AND FIFTH SCHEDULES)

FOR THE

TRIENNIUM ENDING 31ST DECEMBER, 1923.

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*Presented to both Houses of the General Assembly pursuant to Section 38 of the Government Life Insurance Act, 1908.*

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REPORT BY THE ACTUARY  
RESPECTING THE  
VALUATION OF THE LIABILITIES  
UNDER LIFE POLICIES AND ANNUITIES  
OF THE  
NEW ZEALAND  
**Government Insurance Department,**

In terms of Section 36 of the Government Life Insurance Act, 1908.

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FOURTH SCHEDULE.

I.

THE date up to which the valuation was made was the 31st December, 1923.

II.

The principles upon which the valuation and distribution of profits were made were as follows:—

- (1.) *Principles of Valuation.*—The valuation has been made upon a strictly “net premium” basis; in other words, no credit whatever has been taken for any loadings or extra premiums, the pure premiums alone having been valued for inclusion among the assets. The liability has been ascertained by taking the difference between the present value of the sums assured (including reversionary bonuses) and the present value of the pure premiums (derived from the British Offices O<sup>m</sup> Table with 3 per cent. interest). Where the original premiums have been reduced by the application of amounts received in consideration of the surrender of bonuses or former policies the pure premiums have been reduced by an equal amount. In all cases where an extra premium was payable the policy has been valued at the true age, and a full proportion has been reserved for the unexpired risk for which the extra premium had been paid. Adequate extra reserves have been made for limited-premium policies and the immediate payment of claims in the case of whole-life assurances, and allowance has been made for the actual incidence of the premium income. Endowments have been valued as sums certain payable at the end of their respective terms, and mortality has only been taken into consideration where the premiums are payable during

## FOURTH SCHEDULE.

the joint lives of the child and purchaser, 3 per cent. interest being used. Annuities have been valued by the British Offices' Life Annuity Tables (1893), using 3 per cent. interest. In the case of annuity-assurances the value at the age of entering upon the annuity has been computed by the above-mentioned Annuity Tables and treated as an endowment payable at the specified age, which has then been valued, in combination with the insurance portion of the contract, by the O<sup>M</sup> Table, with 3 per cent. interest.

The valuation has been made in duplicate, and the policies valued in groups where practicable.

(2.) *Principles of Distribution of Surplus.*—The divisible surplus is distributed among the policyholders entitled to participate as a compound reversionary bonus per cent. on sums assured and existing bonuses, for each premium paid since the last division, the rate of such bonus for each class of assurance being determined as far as practicable by the profit earned. An interim bonus is also paid, at the same rate, in respect of those policies which may be surrendered or become claims before the next distribution of surplus. The profit from favourable mortality in the General Section and the Temperance Section respectively has been estimated and specially divided among the members of the respective sections. The result is that Temperance policies will, on this occasion, receive compound reversionary bonuses at a rate four shillings per cent. per annum higher than General policies which are like them in all other respects.

The divisible surplus has been converted into reversionary bonuses by means of the O<sup>M</sup> Table of Mortality with 3 per cent. interest, the reversion for a continuous assurance having been used for whole-life policies.

## III.

The Tables of Mortality used in the Valuation were,—

- (1.) For Assurances, the O<sup>M</sup> (British Offices) Table;
- (2.) For Annuities, British Offices' Life Annuity Tables (1893).

## IV.

The rate of interest assumed in the valuation was 3 per cent.

## V.

The whole of the loading, or the difference between the premiums payable to the office and the valuation "pure" premiums, amounting to £69,100 per annum and valued at £849,595, has been reserved for future expenses and profits; and in the case of limited-premium and paid-up policies, where the loading as well as the risk-premium is payable for a limited period only, a further reserve of £4,707 has been made to provide for expenses and profits when the premiums shall have ceased.

## VI.

The Consolidated Revenue Account for the three years that have elapsed since the last valuation is given on page 11.

## VII.

1. The liabilities of the Department under life policies and annuities at the date of the valuation, showing the number of policies, the sums assured, and the amount of premiums payable annually under each class of policies, both with and without participation in profits, will be found in detail in the Valuation Summary given on pages 12 and 13.

2. The net liabilities and assets of the Department, with the amount of surplus, are shown in the Valuation Balance-sheet given on page 11.

## FOURTH SCHEDULE.

# CONSOLIDATED REVENUE ACCOUNT

OF THE

## GOVERNMENT INSURANCE DEPARTMENT

FOR THE PERIOD COMMENCING 1ST JANUARY, 1921, AND ENDING 31ST DECEMBER, 1923.

	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
Amount of Funds on 1st January, 1921 .. .. .				5,542,551	19	7	Death Claims under Policies, Assurances, including Bonus Additions .. .. .				530,225	5	0
Renewal Premiums .. .. .				1,291,436	9	7	Endowment Assurances matured, including Bonus Additions .. .. .				634,908	6	0
New Premiums .. .. .				128,049	0	2	Endowments matured .. .. .				18,386	16	0
Single Premiums .. .. .				3,128	14	4	Premiums returned on Endowments .. .. .				764	9	10
Consideration for Annuities granted .. .. .				31,772	6	10	Bonuses surrendered for Cash Annuities .. .. .				19,545	17	4
Interest .. .. .	930,284	3	8				Surrenders .. .. .				62,838	9	4
Less Land and Income Tax, £23,406 13s. 2d.; Property Expenses, &c., £12,458 10s. 9d. .. .. .	35,865	3	11	894,418	19	9	Loans released by Surrender .. .. .				87,455	17	3
Defalcation Recovery Account .. .. .				267	6	6	Commission, New* .. .. .	90,748	19	5	107,579	18	7
Transfer from Investment Fluctuation Reserve .. .. .				75,788	0	0	"    Renewal .. .. .	9,102	16	7	99,851	16	0
				£7,967,412	16	9	Expenses of Management—						
							Salaries, Head Office .. .. .	73,459	2	3			
							"    Branch Offices and Agents .. .. .	38,068	2	3			
							Extra Clerical Assistance .. .. .	2,139	0	4			
							Medical Fees and Expenses .. .. .	18,031	17	2			
							Travelling-expenses .. .. .	2,737	4	6			
							Advertising .. .. .	1,426	17	8			
							Printing and Stationery .. .. .	6,621	18	1			
							Rent .. .. .	13,573	12	9			
							Postage and Telegrams .. .. .	7,199	15	6			
							Exchange .. .. .	135	16	3			
							General Expenses .. .. .	12,299	15	6			
							Triennial Expenses .. .. .	5,035	6	0			
											180,728	8	3
							Marryatt Defalcation Account .. .. .				2,643	0	2
							Amount of Funds on 31st December, 1923 .. .. .				6,222,484	13	0
											£7,967,412	16	9

\* Including Agents' allowances.

### VALUATION BALANCE-SHEET

OF THE

## GOVERNMENT INSURANCE DEPARTMENT,

As at 31st December, 1923.

<i>Dr.</i>	£	<i>Cr.</i>	£
To Net value of Liabilities (as per Valuation Summary) .. .. .	5,886,135	By Accumulated Funds (as per Consolidated Revenue Account) .. .. .	6,222,485
To Surplus .. .. .	336,350		
	<u>£6,222,485</u>		<u>£6,222,485</u>

SUMMARY AND VALUATION OF THE POLICIES OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT AS AT 31ST DECEMBER, 1923.

FOURTH SCHEDULE.

DESCRIPTION OF TRANSACTIONS.	PARTICULARS OF POLICIES FOR VALUATION.				VALUES— (Assurances: On Table, 3% Interest. Annuities: British Offices' Annuity Tables, 1893, 3% Interest.)			
	Number of Policies.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Sums assured and Bonuses.	Office Yearly Premiums.	Net Premiums.	Net Liability.
<b>ASSURANCES.</b>								
<b>I.—With Participation in Profits.</b>								
Whole-life Assurances—Uniform Premiums .. .. .	5,836	2,181,882	37,459	31,218	1,591,698	328,041	270,448	1,321,250
" Limited, Single, and Commuted Premiums .. .. .	392	212,169	74	61	164,264	206	169	164,095
Endowment Assurances—Uniform Premiums .. .. .	32,129	8,689,067	280,601	234,137	5,479,777	3,300,499	2,719,458	2,760,319
" Limited, Single, and Commuted Premiums .. .. .	314	125,110	3,209	2,663	68,371	32,365	26,563	41,808
" With extra Profits .. .. .	177	48,420	1,907	1,701	34,162	25,276	22,511	11,651
Double Endowment Assurances—Uniform Premiums .. .. .	13,381	3,941,713	103,634	91,386	2,168,933	1,262,045	1,101,544	1,067,389
" Limited, Single, and Commuted Premiums .. .. .	31	4,387	..	..	3,282	..	..	3,282
Deferred Endowment Assurances, with return of Premiums—								
Ordinary Profits .. .. .	4	2,800	24	19	535	648	512	23
Deferred Endowment Assurances, with return of Premiums—								
Extra Profits: Uniform Premiums .. .. .	87	28,450	487	448	12,368	10,545	9,693	2,675
Deferred Endowment Assurances, with return of Premiums—								
Extra Profits: Limited Premiums .. .. .	1	400	8	8	131	115	115	16
Joint Life—Whole-life Assurances: Uniform Premiums .. .. .	22	9,407	384	302	5,807	4,816	3,782	2,025
" Limited, Single and Commuted Premiums .. .. .	1	1,001	96	84	660	677	590	70
" Endowment Assurances .. .. .	1	812	45	37	550	560	410	140
Survivorship Assurances .. .. .	1	56	..	..	24	..	..	24
" .. .. .		12,027	..	..	..	..	..	..
" .. .. .		and annuity—	573	544	21,185	3,959	3,761	17,424
" .. .. .	46	Deferred, £2,051	..	..	721	..	..	721
" .. .. .	..	(Ent'd upon £267)	..	..	..	..	..	..
Reserve for extra Premiums .. .. .	..	..	..	..	..	..	..	..
Additional Reserve of Loading .. .. .	..	..	..	..	..	..	4,159,556	5,392,912
Total Assurances with Profits .. .. .	52,423	15,257,700	428,501	362,608	9,552,468	4,969,692	4,154,849	5,397,619

4,159,556  
Add 4,707

## FOURTH SCHEDULE.

## SUMMARY AND VALUATION OF THE POLICIES OF THE GOVERNMENT LIFE INSURANCE DEPARTMENT AS AT 31st DECEMBER, 1923—continued.

DESCRIPTION OF TRANSACTIONS.	PARTICULARS OF POLICIES FOR VALUATION.				VALUES (Assurances: OM Table, 3% Interest. Annuities: British Offices' Annuity Tables, 1893. 3% Interest.)			
	Number of Policies.	Sums assured and Bonuses. £	Office Yearly Premiums. £	Net Premiums. £	Sums assured and Bonuses. £	Office Yearly Premiums. £	Net Premiums. £	Net Liability. £
<b>II.—Without Participation in Profits.</b>								
Whole-life Assurances—Uniform Premiums .. .. .	5,066	2,096,047	54,323	52,033	1,039,791	873,404	844,434	195,357
" Limited, Single, and Commuted Premiums .. .. .	51	30,263	1,056	1,035	15,131	9,970	9,753	5,378
Endowment Assurances—Uniform Premiums .. .. .	612	172,500	5,452	5,129	103,484	71,857	67,560	35,924
" Limited, Single, and Commuted Premiums .. .. .	1	300	..	..	250	..	..	250
Deferred Whole-life Assurances, with return of Premiums—								
Uniform Premiums .. .. .	59	24,500	178	170	5,769	4,578	4,382	1,387
Limited Premiums .. .. .	3	5,000	35	35	1,029	841	841	188
Deferred Endowment Assurances, with return of Premiums—								
Uniform Premiums .. .. .	453	105,900	1,727	1,691	42,903	32,660	31,974	10,929
Limited Premiums .. .. .	2	200	..	..	108	..	..	108
Joint Life—Whole-life Assurances .. .. .	1	500	22	19	336	232	204	132
Industrial Assurances .. .. .	2	40	1	..	21	..	..	24
Temporary Assurances .. .. .	2	1,100	15	9	5	..	..	5
Total Assurances without Profits .. .. .	6,252	2,436,350	62,809	60,121	1,208,830	993,542	959,148	249,682
Total Assurances .. .. .	58,675	17,694,050	491,310	422,729	10,761,298	5,963,234	5,113,997	5,647,301
<b>ENDOWMENTS.</b>								
Simple Endowments, with return of Premiums .. .. .	994	153,162	5,503	5,147	107,077	52,628	49,011	58,066
Endowments—Premiums cease on death of Purchaser .. .. .	461	59,400	2,428	2,265	41,711	21,660	20,212	21,499
Total Endowments .. .. .	1,455	212,562	7,931	7,412	148,788	74,288	69,223	79,565
<b>ANNUITIES.</b>								
Immediate .. .. .	413	(Per annum.)	..	..	169,008	..	..	159,008
Deferred .. .. .	2	20,406	..	..	261	..	..	261
" 300 .. .. .			92	..				
Total Annuities .. .. .	415	20,706	92	..	169,269	..	..	159,269
Total of the Results .. .. .	60,545	17,906,612 and £23,024 per annum.	499,333 and £1,987 extra premium (not valued).	430,141	11,069,355	6,037,522	5,183,220	5,886,135

## FOURTH SCHEDULE.

## VIII.

All participating policies which were in force at the date of the valuation, however recently effected, share in the profits. The reversionary bonuses allotted to policies recently issued follow the sum assured—i.e., they vest immediately, and are payable with the sum assured as a claim, however short the duration; but, except in the case of short-term double-endowment policies, they do not acquire a cash value for surrender purposes until the policies to which they belong have been two years in existence.

## IX.

The results of the valuation are as follows:—

- (1.) The total amount of profit made by the Department during the three years ending the 31st December, 1923, including a balance of £20,998 carried forward three years ago, on the basis of a 3 per cent. valuation, was £355,560, of which amount £19,210 has been paid as interim bonuses during the triennium.
- (2.) The amount of profit divided among the policyholders as at the 31st December, 1923, was £317,563, which has been converted into reversionary bonuses amounting to £476,958. The number of policies which participated was 53,878, assuring the sum of £14,113,101, or, including reversionary additions, £15,470,262.
- (3.) The following are specimens of the bonuses which have been allotted, for the three years ending the 31st December, 1923, to policies for £100 upon which all previously allotted bonuses had been allowed to remain:—

WHOLE LIFE (TEMPERANCE SECTION).									
Number of Years in Force.	AGE AT ENTRY, 20.		AGE AT ENTRY, 30.		AGE AT ENTRY, 40.		AGE AT ENTRY, 50.		Number of Years in Force.
	Reversionary Bonus.	Cash Value.	Reversionary Bonus.	Cash Value.	Reversionary Bonus.	Cash Value.	Reversionary Bonus.	Cash Value.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	
25	5 4 0	2 0 9	5 4 0	2 12 0	5 4 0	3 5 5	5 4 0	3 18 5	25
30	5 9 0	2 8 2	5 9 0	3 1 10	5 9 0	3 15 5	5 9 0	4 7 8	30
35	5 19 0	2 19 6	5 18 0	3 14 3	5 16 0	4 7 6	5 16 0	4 18 2	35
ENDOWMENT ASSURANCE.—TERM 20 YEARS (TEMPERANCE SECTION).									
5	4 12 0	2 9 6	4 12 0	2 10 3	4 12 0	2 11 4	4 12 0	2 14 6	5
10	4 17 0	3 3 10	4 17 0	3 4 4	4 17 0	3 5 10	4 17 0	3 7 3	10
15	5 2 0	4 2 0	5 2 0	4 2 5	5 2 0	4 2 11	5 2 0	4 3 9	15
20	5 7 0	5 7 0	5 7 0	5 7 0	5 7 0	5 7 0	5 7 0	5 7 0	20

The cash values of the reversionary bonuses are computed by the H<sup>m</sup> Table of Mortality, with interest at 4½ per cent.

CECIL GOSTELOW, F.I.A.,

Actuary.



# REPORT

BY THE

## Government Insurance Commissioner,

In terms of Section 37 of the Government Life Insurance Act, 1908.

### FIFTH SCHEDULE.

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#### STATEMENT OF THE LIFE ASSURANCE AND ANNUITY BUSINESS OF THE GOVERNMENT INSURANCE DEPARTMENT ON THE 31ST DECEMBER, 1923.

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*Question 1.*—The published table or tables of premiums which are in use at the date above mentioned.

*Answer.*—The tables of premiums in use are contained in Appendix No. 1.

*Question 2.*—The total amount assured on lives for the whole term of life which are in existence at the date above mentioned, distinguishing the portions assured with and without profits, stating separately the total reversionary bonuses, and specifying the sums assured for each year of life, from the youngest to the oldest ages.

*Question 3.*—The amount of premiums receivable annually for each year of life, after deducting the abatements made by the application of bonuses in respect of the respective assurances mentioned under heading No. 2, distinguishing ordinary from extra premiums.

*Answer to Questions 2 and 3.*—This information is contained in Appendices Nos. 2, 3, 4, 5, and 6.

*Question 4.*—The total amount assured under classes of assurance business other than for the whole term of life, distinguishing the sums assured under each class, and stating separately the amount assured, with and without profits, and the total amount of reversionary bonuses.

## FIFTH SCHEDULE.

*Question 5.*—The amount of premiums receivable annually in respect of each such special class of assurances mentioned under heading No. 4, distinguishing ordinary from extra premiums.

*Question 6.*—The total amount of premiums which has been received from the commencement upon all policies under each special class mentioned under heading No. 4, which are in force at the date above mentioned.

*Answers to Questions 4, 5, and 6 are contained in the following table:—*

Class of Assurance.	Number of Policies.	Sums assured.	Reversionary Bonuses.	ANNUAL PREMIUMS.		Total Ordinary Premiums received.
				Ordinary.	Extra.	
WITH PROFITS.						
Endowment Assurances ..	27,027	£ 6,335,228	£ s. 483,326 8	£ s. d. 231,992 17 3	£ s. d. 554 10 8	£ s. d. 2,156,577 3 5
Long-term Endowment Assurances	5,416	1,865,835	129,788 4	51,817 11 4	399 1 6	487,997 2 6
Double-endowment Assurances	13,412	3,822,280	123,819 10	103,633 13 7	20 6 11	916,633 9 0
Endowment Assurances with extra profits	177	45,250	3,170 6	1,907 7 11	..	13,044 15 5
Deferred Endowment Assurances	4	2,800	..	23 13 10	..	23 13 10
Deferred Endowment Assurances with extra profits	88	28,850	..	494 19 3	..	2,592 3 7
Joint-life Assurances .. ..	23	9,800	607 0	479 16 11	..	3,449 18 11
Survivorship Assurances ..	1	40	15 18	..	..	37 2 2
Joint Endowment Assurances ..	1	800	12 0	45 2 8	..	203 2 0
Annuity Assurances .. ..	46	10,535*	1,491 14	572 16 8†	..	11,754 18 2
Endowments: With return ..	994	153,162	..	5,502 19 10	..	48,899 10 10
Endowments: Premiums ceasing on death of purchaser	461	59,400	..	2,428 9 6	..	21,137 13 2
WITHOUT PROFITS.						
Endowment Assurances ..	613	172,800	..	5,452 3 1	16 13 1	38,713 19 1
Joint-life Assurances .. ..	1	500	..	21 13 4	..	238 6 8
Deferred Endowment Assurances	455	106,100	..	1,727 8 4	..	9,866 9 1
Industrial Assurances ..	2	40	..	0 17 4	..	35 4 10
Temporary Assurances ..	2	1,100	..	15 4 8	..	15 4 8
Totals .. ..	48,723	£12,614,520	£742,231 0	£406,116 15 6	£990 12 2	£3,711,219 17 4

\* And annuities deferred, £2,051 6s. 10d.; and entered upon, £266 12s. 10d.

† These amounts are also shown under "Deferred Annuities" in answer to Question 8.



## FIFTH SCHEDULE.

Question 7.—The total amount of immediate annuities on lives, distinguishing the amounts for each year of life.

## ANSWER TO QUESTION 7.

TOTAL AMOUNT OF IMMEDIATE ANNUITIES ON LIVES, DISTINGUISHING THE SEX, AND THE AMOUNTS FOR EACH YEAR OF LIFE.

Age attained.	AMOUNT OF ANNUITIES.					
	Female.		Male.			
	£	s.	d.	£	s.	d.
38 .. ..	52	0	0	..	..	..
39 .. ..	44	5	0	..	..	..
46 .. ..	..	..	..	63	11	8
47 .. ..	119	10	8	..	..	..
49 .. ..	25	16	8	..	..	..
50 .. ..	110	0	0	..	..	..
51 .. ..	..	..	..	27	16	0
52 .. ..	110	17	0	63	6	8
53 .. ..	32	5	0	217	0	0
55 .. ..	74	10	0	107	2	4
56 .. ..	73	9	4	172	13	4
57 .. ..	133	3	4	237	4	8
58 .. ..	30	18	4	98	8	4
59 .. ..	32	7	8	428	1	10
60 .. ..	215	9	0	152	17	8
61 .. ..	115	6	8	255	6	4
62 .. ..	..	..	..	344	0	0
63 .. ..	239	9	4	350	9	0
64 .. ..	18	4	0	365	11	6
65 .. ..	101	16	2	765	4	0
66 .. ..	499	3	4	100	3	4
67 .. ..	135	15	0	387	10	10
68 .. ..	101	5	8	484	11	8
69 .. ..	780	12	0	414	11	6
70 .. ..	121	10	0	313	1	8
71 .. ..	136	16	4	1,601	10	0
72 .. ..	417	13	6	444	17	4
73 .. ..	153	14	4	251	5	8
74 .. ..	168	7	0	423	19	4
75 .. ..	443	17	0	151	3	8
76 .. ..	598	13	8	604	6	0
77 .. ..	68	11	8	53	1	6
78 .. ..	393	11	4	299	9	0
79 .. ..	291	17	4	239	11	4
80 .. ..	375	5	10	327	0	4
81 .. ..	99	3	6	198	5	6
82 .. ..	171	7	0	256	9	10
83 .. ..	181	6	8	256	10	0
84 .. ..	65	1	8	483	10	10
85 .. ..	215	12	0	62	12	0
86 .. ..	101	4	0	96	2	8
87 .. ..	..	..	..	476	13	10
88 .. ..	51	8	10	11	1	3
89 .. ..	..	..	..	129	14	4
91 .. ..	..	..	..	29	12	8
92 .. ..	..	..	..	66	13	10
94 .. ..	..	..	..	37	14	6
97 .. ..	300	0	0	..	..	..
Totals .. ..	£7,401	5	10	£11,849	17	9

Age attained.	JOINT AND SURVIVORSHIP.		Amount of Annuity.		
	Female.	Male.			
			£	s.	d.
63-60 .. ..	1	1	10	0	0
64-62 .. ..	1	1	109	0	0
65-61 .. ..	1	1	25	9	0
75-71 .. ..	1	1	200	0	0
77-76 .. ..	2	2	152	19	4
79-73 .. ..	1	1	75	0	0
82-71 .. ..	1	1	50	19	4
82-75 .. ..	3	3	278	4	4
84-70 .. ..	1	1	17	13	4
90-86 .. ..	1	1	193	1	0
96-81 .. ..	2	2	42	9	8
Totals .. ..	15	15	£1,154	16	0

## FIFTH SCHEDULE.

*Question 8.*—The amount of all annuities other than those specified under heading No. 7, distinguishing the amount of annuities payable under each class, the amount of premiums annually receivable, and the amount of consideration-money received in respect of each such class, and the total amount of premiums received from the commencement upon all deferred annuities.

## ANSWER TO QUESTION 8.

THE AMOUNTS OF ALL ANNUITIES OTHER THAN THOSE SPECIFIED UNDER HEADING NO. 7.

Class of Annuity.	Amount of Annuities.	Annual Premiums.	Single Premiums.	Total Premiums received to 31st December, 1923.
Deferred (Premiums not returnable) ..	£ s. d. 300 0 0	£ s. d. 91 12 6	£ s. d. ..	£ s. d. 239 5 0
Deferred (Annuity Assurances)* ..	989 9 1	247 1 7	32 5 0	5,463 9 4†
Deferred (Annuity Assurances)† ..	1,328 10 7	325 15 1	..	6,291 8 10‡
Totals .. ..	£2,617 19 8	£664 9 2	£32 5 0	£11,994 3 2

\* Including £175 6s. 4d., annuity "entered upon" and temporary assurances for £4,988. † Including £91 6s. 6d., annuity "entered upon" and whole-life assurances for £5,547. ‡ These amounts are also given in answer to Questions 5 and 6.

*Question 9.*—The average rate of interest at which the funds of the Department were invested at the close of each year during the period since the last investigation.

*Answer.*—The net effective rate of interest credited to the funds of the Department for each year of the triennium, after deducting land and income tax, was as follows:—

	£	s.	d.
1921 .. ..	5	3	5
1922 .. ..	5	3	11
1923 .. ..	5	6	8

*Question 10.*—A table of minimum values, if any, allowed for the surrender of policies for the whole term of life, and for endowments and endowment assurances; or a statement of the method pursued in calculating such surrender values, with instances of its application to policies of different standing, and taken out at various interval ages, from the youngest to the eldest.

*Answer.*—The minimum surrender values at present ruling for whole-life and endowment assurance policies issued at the present rates of premium are given in Appendix No. 7. In the case of simple endowments, with return of all premiums at death of nominee, the premiums are returned without interest, as surrender value. Other endowments and children's deferred assurances are treated specially.

*FIFTH SCHEDULE.*

*Question 11.*—A statement to be furnished of the manner in which policies on unhealthy lives are dealt with.

*Answer.*—When proposals are made on lives which, although not of such inferior quality as to merit total rejection, are considered not to reach the requisite standard for insurance at the ordinary rates of premium, such proposals are accepted at increased rates. Great refinement is not attempted in the assessment of lives, proposals being as a rule either accepted at par, with an extra premium of 10s. per cent. of the sum assured, an extra of 20s. per cent., or declined. The alternative of a fixed contingent debt in lieu of extra premium, if not remissible, is always offered.

The true age is taken as the basis of surrender calculations, except in the cases of paid-up policies, the surrender values of which are calculated at the rated-up ages.

The Appendices alluded to above have been compiled under the immediate supervision of Mr. C. GOSTELOW, F.I.A., the Actuary to the Department.

A. T. TRAVERSI, F.I.A.,

*Government Insurance Commissioner.*

20th June, 1924.

FIFTH SCHEDULE.

Appendix No. 1.

THE PUBLISHED TABLES OF PREMIUMS

Which were in Use on the 31st December, 1923.

Class of Assurance, with Participation in Profits.			Age Nearest Birthday.											
			Age 10.	Age 15.	Age 20.	Age 25.	Age 30.	Age 35.	Age 40.	Age 45.	Age 50.	Age 55.	Age 60.	
Endowment Assurance.—To secure £100, payable at Age 80, or at Death, if prior.	A	Annual premiums during the whole term	£ 1 7 9	£ 1 11 3	£ 1 15 7	£ 1 19 11	£ 2 5 5	£ 2 12 4	£ 3 1 3	£ 3 13 2	£ 4 9 2	£ 5 11 5	£ 7 3 7	
	B s	Single payments ..	27 11 0	30 7 0	33 12 0	36 10 0	39 19 0	43 16 0	48 2 0	53 1 0	58 10 0	64 9 0	70 16 0	
	B 10	Annual premiums.— Limited to 10 years	3 15 0	4 1 8	4 9 10	4 17 0	5 5 4	5 15 0	6 6 1	6 19 4	7 15 2	8 14 6	9 19 4	
	B 15	" 15 "	2 14 8	2 19 9	3 5 11	3 11 3	3 17 7	4 5 0	4 13 9	5 4 6	5 17 10	6 15 3	7 18 11	
	B 20	" 20 "	2 4 10	2 9 1	2 14 2	2 18 9	3 4 2	3 10 7	3 18 5	4 8 4	5 1 2	5 18 8	..	
	B 25	" 25 "	1 19 1	2 2 11	2 7 6	2 11 7	2 16 7	3 2 7	3 10 0	3 19 10	4 13 0	..	..	
	B 30	" 30 "	1 15 5	1 19 0	2 3 3	2 7 1	2 11 10	2 17 9	3 5 3	3 15 4	..	..	..	
	B 35	" 35 "	1 13 0	1 16 4	2 0 5	2 4 2	2 8 11	2 14 10	3 2 7	..	..	..	..	
Endowment Assurance.—To secure £100 at the End of the Term indicated, or at Death, if prior.	C	Annual premiums.— Term 10 years ..	9 8 0	9 9 1	9 11 6	9 12 0	9 13 3	9 14 8	9 16 5	9 19 8	10 4 5	10 12 3	11 5 2	
		" 15 "	5 19 3	6 0 6	6 2 8	6 3 5	6 4 10	6 6 6	6 8 11	6 13 1	6 19 4	7 9 7	8 6 1	
		" 20 "	4 5 9	4 7 1	4 9 1	4 10 1	4 11 9	4 13 11	4 17 0	5 2 2	5 10 3	6 3 0	..	
		" 25 "	3 6 3	3 7 8	3 9 9	3 10 11	3 12 11	3 15 7	3 19 6	4 6 0	4 15 10	..	..	
		" 30 "	2 13 10	2 15 5	2 17 7	2 19 0	3 1 4	3 4 7	3 9 7	3 17 4	..	..	..	
		" 35 "	2 5 5	2 7 2	2 9 5	2 11 2	2 14 0	2 18 1	3 4 0	..	..	..	..	
		" 40 "	1 19 7	2 1 5	2 3 11	2 6 1	2 9 6	2 14 3	..	..	..	..	..	
		" 45 "	1 15 5	1 17 5	2 0 3	2 2 10	2 6 10	..	..	..	..	..	..	
		" 50 "	1 12 6	1 14 9	1 17 10	2 0 10	..	..	..	..	..	..	..	
		" 55 "	1 10 5	1 12 11	1 16 4	..	..	..	..	..	..	..	..	
		" 60 "	1 9 1	1 11 10	..	..	..	..	..	..	..	..	..	
		" 65 "	1 8 3	..	..	..	..	..	..	..	..	..	..	
		2 C	Annual premiums.— Term 25 years ..	3 18 10	4 0 4	4 2 5	4 3 8	4 5 8	4 8 5	4 12 6	4 19 2	5 9 4	..	..
			" 30 "	3 5 4	3 7 0	3 9 3	3 10 8	3 13 2	3 16 6	4 1 9	4 9 10	..	..	..
NOTE.—In addition to participating in ordinary profits, a special reversionary bonus of 20s. per cent. per annum on the sum assured will be allotted in this table.														
Joint-Life Assurance.—To secure £100, payable on the Failure of Either Life.	E	Annual Premiums.	Difference between Age of Elder and Younger Life.						Double Endowment Assurance.					
		Age of Younger Life (nearest Birthday).	0 Years.	2 Years.	4 Years.	6 Years.	8 Years.	10 Years.	For the assurance of £100 in the event of death during the term, and an endowment of £200 in the event of the life assured surviving the term.					
			£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	Term.	Annual Premium.				
		20	2 14 11	2 16 1	2 17 4	2 18 10	3 0 7	3 2 6	10 years	£ s. d.				
		25	3 0 11	3 2 5	3 4 2	3 6 0	3 8 2	3 10 7	15 "	11 0 0				
		30	3 8 11	3 10 9	3 12 11	3 15 4	3 18 1	4 1 2	20 "	7 14 0				
		35	3 18 10	4 1 3	4 4 0	4 7 1	4 10 10	4 15 2	25 "	5 16 0				
40	4 11 7	4 14 9	4 18 6	5 2 11	5 7 10	5 13 6	30 "	4 12 0						
45	5 9 0	5 13 5	5 18 5	6 4 2	6 10 11	6 18 9	35 "	3 15 0						
50	6 12 5	6 18 3	7 5 2	7 13 3	8 2 8	8 13 7								

FIFTH SCHEDULE.

Appendix No. 1.

THE PUBLISHED TABLES OF PREMIUMS

Which were in Use on the 31st December, 1923.

Class of Assurance without Participation in Profits.										Immediate Annuities.		
Whole-life Assurance.					Endowment Assurance.		Temporary Assurance.			Showing the Sum to be paid for an Immediate Annuity of £10, payable by Half-yearly Instalments.		
Premium required to secure £100, payable at death only.					Annual Premium to secure £100, payable at End of Term indicated, or at Death if prior.		Premium to be Paid for assuring £100 on a Single Life.					
Age Nearest Birth-day.	Single Premium.	Annual Premium.	Premium Limited to		Term 25 Years.	Term 30 Years.	Annual Premium for 1 Year.	Annual Premium for 3 Years.	Annual Premium for 5 Years.	Age Last Birth-day.	Male.	Female.
			10 Years.	20 Years.								
10	£ s. d. 22 4 0	£ s. d. 1 1 1	£ s. d. 2 13 6	£ s. d. 1 12 7	£ s. d. 2 19 1	£ s. d. 2 7 3	£ s. d. 1 0 0	£ s. d. 1 0 6	£ s. d. 1 1 0	80	£ s. d. 51 10 10	£ s. d. 55 10 0
15	24 17 0	1 4 4	3 0 0	1 16 9	3 0 5	2 8 9	1 0 0	1 0 6	1 1 0	79	53 19 2	58 5 0
20	27 18 0	1 8 5	3 8 0	2 1 10	3 2 5	2 10 9	1 0 0	1 0 6	1 1 0	78	56 9 2	61 1 8
25	30 13 0	1 12 4	3 14 10	2 6 3	3 3 7	2 12 2	1 0 8	1 0 11	1 1 4	77	59 0 0	64 0 0
30	34 0 0	1 17 6	4 3 5	2 11 9	3 5 5	2 14 5	1 3 0	1 3 5	1 3 10	76	61 12 6	67 0 10
35	37 12 0	2 3 9	4 12 10	2 18 1	3 7 11	2 17 6	1 5 3	1 6 0	1 6 7	75	64 7 6	70 2 6
40	41 16 0	2 11 10	5 3 10	3 5 9	3 11 9	3 2 3	1 8 6	1 8 11	1 9 7	74	67 5 0	73 5 10
45	46 11 0	3 2 6	5 17 1	3 15 6	3 17 10	3 9 8	1 12 6	1 14 1	1 15 7	73	70 3 4	76 10 10
50	51 17 0	3 16 7	6 12 7	4 7 11	4 7 4	..	2 0 6	2 2 1	2 4 0	72	73 5 0	79 17 6
55	57 10 0	4 15 6	7 11 4	..	..	..	..	..	..	71	76 8 4	83 5 10
60	63 11 0	6 1 6	8 14 10	..	..	..	..	..	..	70	79 12 6	86 16 8
Deferred Assurances for Children.												
Age.	Without Profits.			Endowment Assurance. With Extra Profits.								
	Whole-life Assurance.	Endowment Assurance.		Premium to secure £100, payable at Death after Age 21, or at Age 50.								
	Premium to secure £100, payable			Age.	Annual Premium.	Age.	Annual Premium.					
	At Death after	At Death after Age 21, or at										
	Age 21.	Age 30.	Age 50.									
0	£ s. d. 0 12 2	£ s. d. 2 0 8	£ s. d. 0 19 4	0	£ s. d. 1 6 4	8	£ s. d. 1 17 5					
1	0 12 8	2 2 11	1 0 2	1	1 7 6	9	1 19 2					
2	0 13 2	2 5 3	1 1 0	2	1 8 8	10	2 1 1					
3	0 13 8	2 7 10	1 1 11	3	1 9 11	11	2 3 1					
4	0 14 3	2 10 7	1 2 11	4	1 11 3	12	2 5 3					
5	0 14 10	2 13 7	1 3 11	5	1 12 8	13	2 7 7					
6	0 15 5	2 16 11	1 5 0	6	1 14 2	14	2 10 1					
7	0 16 1	3 0 6	1 6 2	7	1 15 9	..	..					
8	0 16 9	3 4 5	1 7 5									
9	0 17 5	3 8 10	1 8 9									
10	0 18 2	3 13 7	1 10 1									
11	0 19 0	3 18 11	1 11 7									
12	0 19 10	4 4 11	1 13 2									
13	1 0 8	4 11 8	1 14 10									
14	1 1 7	4 19 3	1 16 8									
After age 21 the policy in addition to participating in the ordinary profits will receive an extra reversionary bonus of 20s. per cent. per annum on the sum assured.												
Premiums payable throughout whole term of policy.										Premiums refunded if child should die before age 21.		

## FIFTH SCHEDULE.

## Appendix No. 2.

ASSURANCES FOR THE WHOLE TERM OF LIFE WITH WHOLE-LIFE PREMIUMS,  
WITH PROFITS,

IN FORCE AT 31ST DECEMBER, 1923.

Age attained.	Number of Policies.	Amount assured.	Bonus Additions.	OFFICE ANNUAL PREMIUMS.		Net Premiums.	Age attained.
				Ordinary.	Extra.		
		£	£ s.	£ s. d.	£ s. d.	£	
38	1	650	160 4	10 4 10	..	7'23	38
39	1	300	74 1	4 14 6	..	3'44	39
40	1	100	24 10	1 11 1	..	1'15	40
41	7	1,600	427 11	25 14 10	..	18'84	41
42	10	2,400	588 17	39 4 7	..	28'63	42
43	16	4,050	1,032 17	66 11 6	..	48'56	43
44	21	3,700	1,023 7	62 6 0	..	45'60	44
45	28	6,685	1,879 16	113 1 5	..	83'40	45
46	54	12,760	3,483 18	222 2 6	0 10 0	165'27	46
47	60	15,200	4,375 4	262 19 11	1 10 0	195'51	47
48	76	21,000	6,207 0	365 1 2	9 10 0	271'41	48
49	76	20,750	5,907 0	369 12 0	7 19 0	278'39	49
50	109	26,895	8,293 19	483 6 10	3 15 0	363'79	50
51	120	29,465	9,011 13	542 7 0	8 2 8	410'94	51
52	125	32,265	10,442 0	596 18 10	11 5 0	454'12	52
53	177	45,119	15,256 16	847 19 9	5 2 2	649'35	53
54	142	38,295	10,619 10	745 5 9	9 7 1	579'63	54
55	184	51,945	17,026 9	1,017 0 10	12 12 10	791'48	55
56	163	48,070	15,396 5	970 14 11	4 7 6	762'82	56
57	210	67,250	20,936 16	1,357 9 1	8 10 0	1,067'06	57
58	210	61,275	20,649 19	1,271 19 8	13 2 11	1,010'45	58
59	196	50,700	15,737 18	1,080 10 9	14 1 4	863'89	59
60	175	51,294	16,114 8	1,083 1 1	9 5 0	866'73	60
61	215	61,600	19,555 15	1,363 0 10	16 1 0	1,107'04	61
62	196	56,800	18,752 8	1,266 3 6	9 17 9	1,031'50	62
63	210	58,380	19,602 14	1,295 1 10	25 17 11	1,063'61	63
64	181	54,770	18,095 18	1,223 4 8	11 13 6	1,005'21	64
65	251	70,693	21,620 3	1,620 5 1	47 17 2	1,350'25	65
66	221	54,775	17,111 12	1,281 0 7	19 7 0	1,069'39	66
67	208	59,000	18,604 3	1,402 16 4	19 19 11	1,191'23	67
68	193	55,943	19,185 18	1,321 5 6	25 19 2	1,119'84	68
69	213	58,983	19,951 15	1,431 12 11	19 19 6	1,219'51	69
70	196	56,196	19,293 9	1,365 17 8	25 7 3	1,174'88	70
71	186	48,931	16,104 7	1,209 11 1	22 0 4	1,045'37	71
72	192	55,760	19,399 11	1,407 19 6	27 19 3	1,218'48	72
73	184	55,941	19,561 5	1,417 2 4	37 14 2	1,227'77	73
74	128	35,710	12,433 8	936 11 10	37 9 11	819'52	74
75	127	36,131	13,573 9	971 10 1	18 19 11	854'83	75
76	104	30,271	11,045 10	837 14 1	38 16 9	741'77	76
77	95	31,350	12,533 3	835 2 4	17 5 10	741'39	77
78	102	29,004	12,034 4	766 13 2	20 11 1	683'20	78
79	82	23,592	9,037 7	707 1 1	19 14 9	631'28	79
80	74	20,821	8,766 1	634 9 5	12 4 0	568'20	80
81	63	15,427	5,200 13	434 7 9	11 4 6	391'81	81
82	55	17,605	7,616 11	479 6 8	19 10 3	435'70	82
83	53	17,702	8,059 13	488 11 9	18 1 6	443'45	83
84	32	7,607	2,939 14	234 0 11	4 10 5	211'74	84
85	34	8,250	2,853 13	276 9 11	2 14 4	251'48	85
86	23	6,057	2,333 12	221 3 1	9 19 8	200'04	86
87	20	5,900	2,380 16	151 4 3	11 5 7	138'67	87
88	12	4,700	2,078 7	139 16 3	..	128'01	88
89	9	2,070	710 7	70 3 9	..	64'96	89
90	4	1,850	971 10	67 7 2	..	62'11	90
91	3	220	130 1	6 16 3	..	6'32	91
92	4	800	416 6	28 9 4	..	26'56	92
93	4	520	131 14	27 11 10	0 18 8	24'83	93
Totals	5,836	£1,635,127	£546,754 15	£37,459 11 7	£672 1 7	£31,217'64	

## FIFTH SCHEDULE.

## Appendix No. 3.

## ASSURANCES FOR THE WHOLE TERM OF LIFE BY LIMITED AND SINGLE PREMIUMS, WITH PROFITS,

IN FORCE AT 31ST DECEMBER, 1923.

Age attained.	Number of Policies.	Amount assured.	Bonus Additions.	Year of Expiry of Premium.	Number of Policies.	Average Age attained.	OFFICE ANNUAL PREMIUMS.		Net Premiums.
							Ordinary.	Extra.	
		£ s.	£ s.				£ s. d.	£ s. d.	£
44	2	950 0	245 18						
45	3	575 0	239 4						
46	1	200 0	57 10						
47	2	200 0	60 3						
48	4	1,500 0	432 17						
49	4	1,900 0	657 1						
50	8	3,187 0	1,049 18						
51	7	2,153 0	702 17						
52	9	2,397 0	1,240 10						
53	5	1,615 0	770 19						
54	11	2,155 0	934 11						
55	15	4,833 0	2,133 0						
56	6	1,132 0	506 3	1924	4	49'3	31 11 9	..	26'12
57	8	3,623 0	1,579 1						
58	8	2,611 0	1,205 16	1925	1	51'5	11 5 0	..	8'98
59	10	4,308 0	2,033 8						
60	6	1,428 0	757 14	1926	1	56'5	2 9 10	..	2'08
61	10	5,051 0	2,281 1						
62	9	2,607 0	1,122 19	1929	1	68'5	18 1 8	..	15'79
63	12	3,785 0	1,889 10						
64	7	1,669 0	811 9	1934	1	59'5	2 12 8	..	2'23
65	10	3,573 0	1,258 1						
66	9	2,741 0	1,767 12	1937	1	46'5	3 18 4	..	3'03
67	9	1,252 0	787 16						
68	18	7,648 0	3,348 3	1939	1	44'5	3 14 8	..	2'83
69	17	5,027 0	2,172 2						
70	13	3,695 0	1,487 12						
71	7	2,500 0	623 12						
72	9	4,363 0	2,369 19						
73	9	5,145 0	3,494 2						
74	15	4,822 0	2,593 14						
75	16	7,374 0	4,180 7						
76	14	8,222 0	4,249 11						
77	12	3,187 0	1,639 2						
78	13	4,960 0	2,939 14						
79	11	4,196 0	2,392 12						
80	10	3,552 0	1,981 15						
81	10	2,276 17	1,182 18						
82	14	7,885 0	2,449 4						
83	7	2,003 0	1,155 3						
84	5	3,078 0	1,759 14						
85	9	4,821 0	2,245 0						
86	1	500 0	340 9						
87	3	735 0	289 4						
88	3	2,500 0	711 19						
91	1	59 0	44 16						
Totals	392	143,993 17	£68,175 10	..	10	52'4	£73 13 11	..	£61'06

## FIFTH SCHEDULE.

## Appendix No. 4.

## ASSURANCES FOR THE WHOLE TERM OF LIFE, WITHOUT PROFITS,

IN FORCE AT 31ST DECEMBER, 1923.

Age attained.	Number of Policies.	Amount assured.	OFFICE ANNUAL PREMIUMS.		Net Premiums.	Age attained.
			Ordinary.	Extra.		
		£	£ s. d.	£ s. d.	£	
10	2	1,100	12 3 3	..	11'28	10
14	1	1,000	10 15 10	..	10'25	14
15	2	1,500	17 17 6	..	16'86	15
16	4	2,200	27 2 8	..	25'19	16
17	4	1,300	16 3 11	..	14'86	17
18	3	1,900	23 17 8	..	21'89	18
19	4	1,200	16 9 3	..	15'35	19
20	9	3,650	50 13 9	..	46'00	20
21	14	5,100	69 10 10	..	63'49	21
22	19	6,600	92 16 1	..	84'23	22
23	24	10,400	155 18 4	..	143'65	23
24	41	15,700	239 9 5	..	219'47	24
25	72	27,700	433 7 3	..	398'78	25
26	65	24,450	399 16 11	..	366'31	26
27	60	27,250	454 6 3	5 0 0	423'31	27
28	71	32,800	558 2 11	6 5 0	521'66	28
29	69	25,900	445 10 9	2 0 0	412'70	29
30	100	46,950	836 8 1	9 19 2	789'48	30
31	99	51,700	941 18 1	10 0 0	890'95	31
32	126	47,350	877 0 0	8 0 0	824'44	32
33	140	63,300	1,196 15 8	7 0 0	1,132'64	33
34	180	73,600	1,430 9 2	2 10 0	1,342'87	34
35	179	78,900	1,580 18 11	11 5 0	1,502'11	35
36	186	88,550	1,795 16 10	5 9 9	1,698'97	36
37	205	78,500	1,651 2 9	5 15 0	1,568'01	37
38	191	84,850	1,866 17 8	9 19 6	1,784'32	38
39	225	94,750	2,094 2 0	11 10 0	2,004'68	39
40	231	99,450	2,296 15 10	9 0 0	2,204'71	40
41	200	87,700	2,021 8 1	5 15 0	1,946'34	41
42	214	91,000	2,211 3 4	7 15 0	2,129'25	42
43	212	85,900	2,194 15 3	9 0 0	2,118'94	43
44	208	86,350	2,291 8 5	18 0 0	2,213'00	44
45	220	83,582	2,240 17 7	23 0 0	2,162'74	45
46	197	87,250	2,437 2 3	22 10 0	2,351'85	46
47	148	61,050	1,786 19 6	9 0 4	1,719'83	47
48	159	60,850	1,822 9 1	10 5 0	1,754'97	48
49	147	57,450	1,743 9 11	35 5 0	1,674'55	49
50	102	37,750	1,192 7 6	0 19 6	1,149'31	50
51	115	38,450	1,263 13 0	10 0 0	1,220'63	51
52	104	38,365	1,274 17 7	13 10 0	1,227'10	52
53	103	35,450	1,268 19 2	14 10 0	1,223'73	53
54	91	36,550	1,377 1 10	3 0 0	1,333'64	54
55	87	32,200	1,247 1 11	2 0 0	1,188'84	55
56	62	27,000	1,075 5 2	..	1,035'97	56
57	85	36,750	1,505 11 11	3 0 0	1,465'83	57
58	62	22,600	1,004 14 10	..	965'83	58
59	31	13,250	582 7 3	4 0 0	558'26	59
60	32	15,200	665 5 3	0 10 0	648'98	60
61	41	23,250	1,215 12 5	4 0 0	1,172'07	61
62	20	7,000	349 8 1	2 0 0	336'20	62
63	18	5,700	286 3 0	..	278'00	63
64	25	6,550	367 10 2	..	353'40	64
65	8	2,800	146 18 1	5 0 0	140'95	65
66	15	9,200	564 1 10	1 15 0	551'76	66
67	9	2,100	113 18 10	..	109'43	67
68	6	1,150	68 17 2	..	66'32	68
69	12	3,900	260 1 7	..	252'77	69
70	1	200	20 14 4	..	20'08	70
71	1	200	16 19 0	..	16'17	71
73	2	850	66 16 7	..	63'27	73
74	2	600	41 7 0	2 10 0	39'48	74
78	1	200	5 8 4	..	4'94	78
Totals	5,066	£2,096,047	£54,323 2 10	£310 18 3	£52,032'89	



## FIFTH SCHEDULE.

**Appendix No. 5.**  
**ASSURANCES FOR THE WHOLE TERM OF LIFE BY LIMITED AND**  
**SINGLE PREMIUMS, WITHOUT PROFITS,**

IN FORCE AT 31ST DECEMBER, 1923.

Age attained.	Number of Policies.	Amount assured.	Year of Expiry.	Number of Policies.	Average Age attained.	OFFICE ANNUAL PREMIUMS.		Net Premiums.
						Ordinary.	Extra.	
		£				£ s. d.	£ s. d.	£
21	1	200						
28	1	200						
30	1	2,000						
31	1	500						
32	1	500	1926	1	47'5	10 3 2	..	10'15
33	3	2,300	1927	1	53'5	13 4 0	1 16 0	12'28
35	4	1,281	1928	1	44'5	29 15 6	..	29'77
36	2	2,250	1930	1	56'5	69 15 10	..	69'79
37	1	200	1931	1	53'5	14 14 0	..	13'66
38	1	1,000	1932	1	33'5	4 7 1	..	4'35
39	1	500	1933	4	40'5	303 13 4	..	300'40
40	2	1,400	1935	9	44'8	147 2 4	..	145'84
41	4	1,100	1936	1	41'5	5 16 4	..	5'68
42	3	1,000	1937	4	38'3	39 5 10	..	39'09
43	2	5,000	1939	4	46'0	80 18 4	..	78'35
44	1	600	1940	2	44'5	9 19 8	1 3 0	9'86
45	3	869	1941	3	44'2	161 2 0	..	153'04
46	1	1,000	1942	4	37'8	87 0 6	..	86'73
47	2	600	1943	3	38'8	57 17 0	..	55'79
49	3	2,200	1944	1	31'5	10 19 2	..	10'71
51	2	1,100	1946	1	35'5	6 7 0	..	6'06
52	2	500	1947	1	21'5	3 13 10	..	3'69
53	2	600						
54	2	1,200						
55	1	100						
56	2	1,200						
58	2	863						
<b>Totals</b>	<b>51</b>	<b>£30,263</b>	<b>..</b>	<b>43</b>	<b>..</b>	<b>£1,055 14 11</b>	<b>£2 19 0</b>	<b>£1,035'24</b>

## Appendix No. 6.

## TEMPERANCE NON-PROFIT SECTION

(Constituted according to Section 39, Government Life Insurance Act, 1908)

IN FORCE AT 31ST DECEMBER, 1923.

Age attained.	Number of Policies.	Amount assured.	Bonus Additions (allotted previous to transfer).	OFFICE ANNUAL PREMIUMS.		Net Premiums.	Age attained.
				Ordinary.	Extra.		
ASSURANCES FOR THE WHOLE TERM OF LIFE, WITH WHOLE-LIFE PREMIUMS.							
<b>78</b>	1	£ 200	£ s. d. ..	£ s. d. 5 8 4	..	£ 4'94	<b>78</b>
<b>Totals</b>	..	<b>£200</b>	<b>..</b>	<b>£5 8 4</b>	<b>..</b>	<b>£4'94</b>	<b>..</b>

FIFTH SCHEDULE.

Appendix No. 7.  
**TABLE showing the MINIMUM SURRENDER VALUE ruling at the Valuation Date in respect of Policies for £100.**

True Age at Entry.	Whole-life Assurance by Equal Annual Premiums for the Whole Term of Life.		Endowment Assurances payable in Fifteen Years, or at previous Death.		Endowment Assurances payable in Twenty-five Years, or at previous Death.		Endowment Assurances payable in Thirty-five Years, or at previous Death.										
	10 Years.	15 Years.	25 Years.	35 Years.	5 Years.	14 Years.	5 Years.	10 Years.	20 Years.	30 Years.	34 Years.						
MINIMUM SURRENDER VALUES AT THE END OF																	
	5 Years.	10 Years.	15 Years.	20 Years.	25 Years.	30 Years.	35 Years.	40 Years.	45 Years.	50 Years.	55 Years.	60 Years.					
15	£ s. d. 3 1 0	£ s. d. 6 8 0	£ s. d. 10 2 0	£ s. d. 18 18 0	£ s. d. 30 7 0	£ s. d. 30 7 0	£ s. d. 25 0 0	£ s. d. 89 5 0	£ s. d. 11 8 0	£ s. d. 26 10 0	£ s. d. 67 5 0	£ s. d. 90 2 0	£ s. d. 6 11 0	£ s. d. 15 8 0	£ s. d. 37 8 0	£ s. d. 72 1 0	£ s. d. 91 3 0
20	£ s. d. 2 16 0	£ s. d. 6 19 0	£ s. d. 11 4 0	£ s. d. 21 15 0	£ s. d. 34 17 0	£ s. d. 34 17 0	£ s. d. 25 0 0	£ s. d. 89 5 0	£ s. d. 11 8 0	£ s. d. 26 10 0	£ s. d. 67 5 0	£ s. d. 90 2 0	£ s. d. 6 11 0	£ s. d. 15 8 0	£ s. d. 37 8 0	£ s. d. 71 6 0	£ s. d. 90 12 0
25	£ s. d. 3 10 0	£ s. d. 8 7 0	£ s. d. 13 8 0	£ s. d. 25 15 0	£ s. d. 40 7 0	£ s. d. 40 7 0	£ s. d. 25 0 0	£ s. d. 89 5 0	£ s. d. 11 8 0	£ s. d. 26 10 0	£ s. d. 67 5 0	£ s. d. 90 2 0	£ s. d. 6 11 0	£ s. d. 15 8 0	£ s. d. 37 8 0	£ s. d. 70 14 0	£ s. d. 89 18 0
30	£ s. d. 4 2 0	£ s. d. 9 18 0	£ s. d. 16 1 0	£ s. d. 30 4 0	£ s. d. 45 19 0	£ s. d. 45 19 0	£ s. d. 25 0 0	£ s. d. 89 5 0	£ s. d. 11 8 0	£ s. d. 26 10 0	£ s. d. 67 5 0	£ s. d. 90 2 0	£ s. d. 6 11 0	£ s. d. 15 8 0	£ s. d. 37 8 0	£ s. d. 70 0 0	£ s. d. 89 3 0
35	£ s. d. 4 19 0	£ s. d. 12 0 0	£ s. d. 19 3 0	£ s. d. 35 5 0	£ s. d. 51 17 0	£ s. d. 51 17 0	£ s. d. 25 0 0	£ s. d. 89 5 0	£ s. d. 11 8 0	£ s. d. 26 10 0	£ s. d. 67 5 0	£ s. d. 90 2 0	£ s. d. 6 11 0	£ s. d. 15 8 0	£ s. d. 37 8 0	£ s. d. 69 6 0	£ s. d. 88 6 0
40	£ s. d. 6 2 0	£ s. d. 14 10 0	£ s. d. 22 17 0	£ s. d. 40 10 0	£ s. d. 57 9 0	£ s. d. 57 9 0	£ s. d. 24 6 0	£ s. d. 88 7 0	£ s. d. 11 4 0	£ s. d. 26 6 0	£ s. d. 65 14 0	£ s. d. 88 12 0	£ s. d. 7 4 0	£ s. d. 16 19 0	£ s. d. 33 15 0	£ s. d. 68 12 0	£ s. d. 87 8 0
45	£ s. d. 7 7 0	£ s. d. 17 5 0	£ s. d. 26 17 0	£ s. d. 45 19 0	£ s. d. 62 4 0	£ s. d. 62 4 0	£ s. d. 23 16 0	£ s. d. 87 14 0	£ s. d. 11 5 0	£ s. d. 26 8 0	£ s. d. 64 15 0	£ s. d. 87 15 0	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..
50	£ s. d. 8 17 0	£ s. d. 20 9 0	£ s. d. 31 0 0	£ s. d. 51 4 0	£ s. d. 65 14 0	£ s. d. 65 14 0	£ s. d. 23 5 0	£ s. d. 87 0 0	£ s. d. 11 10 0	£ s. d. 26 17 0	£ s. d. 63 11 0	£ s. d. 86 13 0	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..
55	£ s. d. 10 10 0	£ s. d. 23 14 0	£ s. d. 35 10 0	£ s. d. 55 12 0	£ s. d. 69 16 0	£ s. d. 69 16 0	£ s. d. 22 12 0	£ s. d. 86 1 0	£ s. d. 12 2 0	£ s. d. 27 12 0	£ s. d. 62 9 0	£ s. d. 85 9 0	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..
60	£ s. d. 12 3 0	£ s. d. 27 5 0	£ s. d. 39 16 0	£ s. d. 58 10 0	£ s. d. 77 17 0	£ s. d. 77 17 0	£ s. d. 21 12 0	£ s. d. 84 15 0	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..	£ s. d. ..

NOTE.—In addition to the above Values the full HM. 4½ per cent. Cash Value of all existing ordinary Bonuses is granted.

# ACTUARY'S REPORT

ON THE VALUATION OF THE

## GOVERNMENT INSURANCE DEPARTMENT

AS AT 31ST DECEMBER, 1923.

*Presented to both Houses of the General Assembly pursuant to Section 40 of the Government Life Insurance Act, 1908.*

Wellington, 16th April, 1924.

In accordance with instructions received I have made a valuation as at the 31st December last of the actuarial liabilities of the Department, with the object of ascertaining the net surplus available for division amongst the policyholders, and in compliance with section 40 of the Government Life Insurance Act, 1908, I have now the honour to report the results of the investigation.

### PROGRESS OF THE DEPARTMENT.

The progress of the Department during the last three years when compared with the three previous trienniums, in respect of new business and total business in force, is as follows:—

Triennium.	New Business of Triennium.			In Force at End of Triennium.			
	Number of Policies.	Sums assured.	Annual Premiums.	Number of Policies.	Sums assured.	Reversionary Bonuses.	Annual Premiums.
1912-1914 ..	11,721	£ 3,197,694	£ 89,715	52,273	£ 12,550,465	£ 1,246,610	£ 370,882
1915-1917 ..	10,129	2,709,163	90,017	53,058	12,884,531	1,304,243	387,377
1918-1920 ..	14,189	4,529,993	156,568	57,321	14,924,147	1,335,163	449,123
1921-1923 ..	13,537	4,499,581	139,620	60,545	16,549,451	1,357,161	501,321

The Consolidated Revenue Account, given below, shows the total income and expenditure for the last three years, and the growth of the funds of the Department during the triennium.

### CONSOLIDATED REVENUE ACCOUNT.

Triennium ending 31st December, 1923.		Previous Triennium.	Triennium ending 31st December, 1923.		Previous Triennium.
	£	£		£	£
Funds at beginning of triennium	5,542,552	5,199,320	Death claims .. ..	530,990	725,064
Renewal premiums ..	1,291,437	1,110,162	Matured claims .. ..	653,295	543,621
New premiums .. ..	131,178	136,633	Annuities paid .. ..	62,838	59,521
Consideration for annuities	31,772	56,651	Surrenders .. ..	195,036	148,158
Interest less taxes ..	894,419	783,201	Bonuses surrendered for cash	19,546	14,853
Defalcations recovered ..	267	..	Commission .. ..	99,852	94,829
Transfer from Investment Fluctuation Reserve	75,788	..	Expenses .. ..	180,728	157,369
			Marryatt Defalcation Account	2,643	..
			Funds at end of triennium ..	6,222,485	5,542,552
Totals .. ..	£7,967,413	£7,285,967	Totals .. ..	£7,967,413	£7,285,967

*Income.*—On the income side, the chief items of importance are the increase of £175,820 in the total premium income, and the revenue from interest, which exceeds by £111,218 the interest earnings of the previous triennium. The net effective rate of interest credited to the funds each year for the past six years has been as follows:—

*Rate of Interest (after deduction of Taxes from Interest).*

	£	s.	d.		£	s.	d.
1918 ... ..	4	15	11	1921 ... ..	5	3	5
1919 ... ..	5	5	0	1922 ... ..	5	3	11
1920 ... ..	5	1	8	1923 ... ..	5	6	8

*Outgo.*—The death claims of the triennium were £194,074 lighter than in the previous triennium, which, however, included heavy amounts for war and influenza epidemic claims. The incidence of the mortality was favourable and resulted in a material profit.

The sum paid to the holders of endowment assurance or endowment policies who survived the selected terms amounted to £653,295, an increase of no less than £109,674 over the previous triennium.

THE VALUATION.

The business to be valued consisted of 60,545 policies, assuring £17,906,612, inclusive of bonus additions, and £23,024 immediate and deferred annuities per annum, the ordinary annual premiums thereon amounting to £499,333. The Department also receives £1,987 per annum representing additions to the tabular premiums. These extra premiums are assumed to cover the current year's extra risk, and are not brought into the valuation as an asset.

*Basis of Valuation.*—The net premium method of valuation has been strictly adhered to, whereby the whole margin of loading has been reserved as a provision for future expenses. The O<sup>m</sup> Table of Mortality has been used for assurances, and the British Offices' Life Annuity Tables (1893), for annuities, 3 per cent. interest being used in each case.

The value of the total liability under the several contracts is ...	£	11,069,355
Deduct the value of the future net premiums ... ..		5,183,220
		<hr/>
		5,886,135
The <i>Accumulated Funds</i> are ... ..		6,222,485
		<hr/>
Difference, being <i>Net Surplus</i> at 31st December, 1923 ...		336,350
Add Interim Bonuses paid during the triennium ...		19,210
		<hr/>
Gross Surplus ... ..		£355,560
		<hr/>

THE SURPLUS.

Of this surplus of £355,560 the sum of £19,210 has been applied as shown above. Of the balance of £336,350 I recommend that £18,787 be carried forward, and that £317,563 be divided amongst all the participating policyholders in the form of compound reversionary bonuses per cent. on the sum assured and existing bonuses for each premium paid since the previous valuation. This will provide new reversionary bonuses of approximately £477,000.

Due consideration has been given to the difference between the present rates of premium and those charged before 1900 (hereafter referred to as the "Old Issue"), and to the more favourable mortality experienced in the Temperance Section, and a differential rate of bonus has been allotted to secure equity as far as practicable between the various classes of Assurance in both the General and Temperance Sections. The result is that new Assurance and Endowment Assurance policies effected during the triennium receive simple reversionary bonuses of 26s. and 30s. per cent. per annum on the sum assured in the General and Temperance Sections respectively, and business effected prior to that date, if existing bonuses have been left intact, bonuses increasing with the duration of the policy to £2 3s. per cent. per annum in the case of the older policies.

Double Endowment Assurances will receive simple reversionary bonuses ranging from 21s. to 27s. of the sum assured.

The Bonus Fund for Pure Endowments is sufficient to ensure that maturities during the next succeeding triennium will in no case receive less than £1 per cent. per annum over the whole duration of the policies.

These bonuses, although materially higher than the Department has ever declared in the past, can be allotted without straining its resources in any way. No Australasian life office adopts a stronger valuation basis than the Department, quite apart from the amount held in the Investment Fluctuation Reserve, of which little short of the whole will ultimately be available for retransfer. This, coupled with the fact that the Department was able, in a single triennium, to step from a 3½ per cent. to a 3 per cent. net premium valuation of its policy liabilities, an achievement which one of the strongest life offices of the world took twenty years to accomplish, is sufficient to justify the statement that none of the Department's competitors can look forward with more confidence to the maintenance of the bonus rate.

A complete valuation statement, prepared in accordance with the Government Life Insurance Act, 1908, is given on page 9.

CECIL GOSTELOW, F.I.A.,  
Actuary.

The Government Insurance Commissioner.

*Approximate Cost of Paper.*—Preparation, not given; printing (1,975 copies), £52.