

1925.  
NEW ZEALAND.

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## ACCIDENT INSURANCE BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT.

(ANNUAL REPORT ON THE) FOR THE YEAR ENDED 31st DECEMBER, 1924.

*Laid before Parliament pursuant to Section 22 of the Government Accident Insurance Act, 1908.*

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Government Insurance Office, Wellington, 26th June, 1925.

I HAVE the honour to submit my report on the business of the Accident Insurance Branch of the Department for the year ended 31st December, 1924, together with the Revenue Account and Balance-sheet.

The year has been one of progress, as is evidenced by the following comparison with the previous year :—

Income—	1923.	1924.
Gross premiums .. .. .	£35,560	£40,632
Premiums less reinsurances .. .. .	£35,268	£39,614
Interest less land and income tax .. .. .	£6,208	£7,192
<b>Outgo—</b>		
Claims .. .. .	22,402	24,764
Ratio of claims to premiums (per cent.) .. .. .	63·5	62·5
Ratio of management expenses to premiums (per cent.) .. .. .	28·9	26·7
Ratio of management expenses to total income (per cent.) .. .. .	24·5	22·6
Funds .. .. .	£29,089	£38,538
Funds, including statutory Reserve Fund .. .. .	£144,109	£153,558
Total assets .. .. .	£177,889	£187,836

Probably the outstanding feature of the year's operations is the drop in the ratio of management expenses to premiums, from 28·9 per cent. to 26·7 per cent. The average ratio of expenses to premiums in the case of the Department's competitors in 1923 was approximately 38 per cent., and from these figures it can be seen how economically conducted has been the business of the Department.

As, owing to the transfer of the Accident Branch of this Department to the State Fire Department, this is the last report I shall be making, it may not be out of place to draw attention to the work achieved by the Government Insurance Department in creating the Accident organization, and in the face of strenuous opposition bringing the Accident Branch to its present strong position. The aim of the Department has never been to push, regardless of cost, for big business figures, but to render the greatest service to the assuring public by keeping expenses, and consequently premiums, down to the lowest possible level compatible with sound business principles. At the same time the Department has, by means of its actuarial staff, been able to base the business upon a scientific foundation; to preserve equity as between different industries in the country; to secure the free assent of the private companies to its pronouncements, and to give to Parliament and the State, on all matters regarding workers' compensation, advice the value of which may be measured by the great extent to which it has been accepted.

It may be added that the Department is able to recall with pride the scrupulousness with which it has observed the rules of fair trading in its competition with outside companies, and the sympathy and generosity with which it has always dealt with the claims of those workers unfortunate enough to meet with injury in the course of their avocation.

A. T. TRAVERSI, F.I.A., F.C.A.S., Commissioner.

REVENUE ACCOUNT OF THE ACCIDENT BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT FOR THE YEAR ENDED 31ST DECEMBER, 1924.

	£	s.	d.		£	s.	d.
Amount of Accident Funds, 1st January, 1924 .. ..	29,088	14	5	Claims .. ..	24,764	8	2
Premiums .. .. £40,631 17 9				Commission .. ..	4,761	17	2
Less reinsurance premiums .. ..	1,018	2	10	Salaries .. ..	4,202	0	0
				Expenses of management .. ..	1,467	8	2
Interest .. ..	8,372	18	3	Further appropriation to Reserve for unearned premiums .. ..	2,020	0	0
Less land and income tax .. ..	1,181	8	0	Contribution to Superannuation Fund ..	140	0	0
				Amount of Accident Funds, 31st December, 1924 .. ..	38,538	6	1
	7,191	10	3				
	£75,893	19	7		£75,893	19	7

BALANCE-SHEET OF THE ACCIDENT BRANCH OF THE GOVERNMENT INSURANCE DEPARTMENT ON 31ST DECEMBER, 1924.

Liabilities.	£	s.	d.	Assets.	£	s.	d.
Accident Funds, as per Revenue Account	38,538	6	1	Debentures issued under authority of the Finance Act, 1915 .. ..	10,000	0	0
Claims admitted (proofs not yet completed) .. ..	12,000	0	0	New Zealand Inscribed Stock — War Loans .. ..	100,500	0	0
Commission .. ..	521	5	6	New Zealand Inscribed Stock .. ..	3,000	0	0
Premium and other deposits .. ..	128	15	2	Mortgages on property .. ..	53,013	3	10
Sundry creditors .. ..	302	18	2				
Officers' Fidelity Fund .. ..	500	0	0				
Reserve for unearned premiums .. ..	17,825	0	0	Overdue interest .. ..	19	10	0
Investment Fluctuation Reserve .. ..	3,000	0	0	Outstanding interest due but not overdue .. ..	110	13	8
Reserve Fund constituted under section 20 of the Government Accident Insurance Act, 1908 .. ..	115,019	19	11	Interest accrued but not due .. ..	1,905	13	8
					2,035	17	4
				Agents' balances .. ..	235	13	11
				Sundry debtors .. ..	2,157	7	0
				Cash in hand and on current account ..	16,894	2	9
	£187,836	4	10		£187,836	4	10

Government Insurance Department, 8th June, 1925.

A. T. TRAVERSI, F.I.A., F.C.A.S., Commissioner.  
G. A. KENNEDY, 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.

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