

STATE LIFE INSURANCE.

The advantage of Government insurance would be that every policy would be guaranteed by the State. The premiums would be low, bonuses large, policies free from restriction. All assets and profits would belong to the people and would be invested in the country. The policies would acquire a liberal surrender value and those who were leaving the Dominion of Canada would be entitled to surrender their insurance.

The total life insurance in force in New Zealand at the 31st of December, 1902 (excluding industrial business), consisted of 99,908 policies making an average of 126 policies for every thousand persons living. The sum assured (excluding bonuses) represented by these policies was \$110,784,363.05 and average of \$1,197.05 for each policy. If every European inhabitant of the colony was insured it would equal \$150.35 for each or \$421.95 for every male over 15 years of age. On these policies the annual premium income was \$3,831,136.25. There are six Australian companies doing business in New Zealand, two American and two English. The Australian offices had in force at the end of 1902, 55,203 policies assuring the sum of \$67,736,753.85 and \$10,712.50 annuities. The annual premiums were \$2,219,447.30.

The two American offices had 2,228 policies, assuring \$3,948,840.90 and \$3,424.10 annuities. The annual premiums were \$153,565.55 while the English offices had only 71 policies, assuring \$100,395 and the annual premiums were only \$3,195.15. The total business of the ten foreign offices amounted to 57,502 policies, while the New Zealand Government offices had 42,406 policies, assuring a sum of \$47,998,374.20 and annuities of \$176,501.20 the annual premiums being \$1,454,927.25.

The industrial insurance covered 27,418 policies assuring a sum of \$3,067,033.30 the annual premiums being \$145,892.85.

This is the result of 34 years' work, and testifies plainly to the popularity of State insurance in a British colony.

The following premiums were collected from:

Railway employees.....	\$70,325
Post & Telegraph department.....	\$29,585
Education department.....	\$23,280
Police Force.....	\$10,185
Other departments.....	\$46,075

This was all voluntary insurance. Compulsory insurance under the Civil Service Act only amounted to \$16,005. It will be seen that less than ten p.c. of this large volume of business is of the nature of compulsory insurance, nine-tenths of the public servants having used their own judgment, and being perfectly at liberty to withdraw at any time. Policies are not issued to full-blooded Maoris, Chinese, negroes or other colored races,

but half-castes (excepting Chinese) are accepted with an extra premium of 40 cents per \$100, and the policies are to mature not later than the age of forty-five years.

With a few exceptions, all policies are protected from bankruptcy to the extent of \$0,700 (exclusive of bonuses), but a policy is not protected if it can be proved to the satisfaction of a judge of the Supreme Court that it was taken with the intent to defraud creditors.

The utmost publicity is afforded, and the accounts and balance sheets give the fullest details, and the statement of business and annual reports might be copied with advantage by every insurance company.

There is an Accident department, opened mainly with a view to covering the liabilities of employers of labour, which were considerably increased by the coming into force of the Workers' Compensation for Accidents Act, of 1900. The Employers' Liability Act of 1882, and its amendment gave a workman the right to claim for any accident, with certain limitations, but the maximum amount he can claim being \$2,425, whereas the last Act of 1900 greatly extends the liability of employers.

The compensation is as follows:

(a) Where death results from the injury and the workman leaves dependants wholly dependent upon his earnings the compensation is three years' wages, but not to be less than \$970, nor to exceed \$1,940.

(b) If dependants are left partially dependent upon the workman's earnings, the compensation is to be such a sum as may be agreed upon, not exceeding the amount payable under the former provisions.

(c) If no dependants are left, the compensation is to be a sum equal to the reasonable expenses of the workman's medical attendance and burial, not exceeding \$145.50.

(d) Where a workman is totally incapacitated for work he is entitled to a weekly payment from the date of the accident not exceeding fifty per cent of one half of his average weekly earnings. If the incapacity is partial only, he cannot claim for the first week, unless the incapacity continues for a longer period than two weeks. The weekly payment is not to exceed \$970 and the total liability of the employer is limited to \$1,455.

The premiums are assessed on the wages, and vary from 32 cents per \$100 of wages for light occupations, such as barbers, clerks, drapers, etc., to 76 cents per \$100 for building trades, and \$2.57 per \$100 for coal mines and \$5.04 per \$100 for bush-felling or lumbering. The accident department is entirely separate from the life business, and the funds of the two departments are kept entirely separate. The cost of conducting the accident business is entirely borne by the separate department.