

NEW ZEALAND GOVERNMENT INSURANCE.

The report of the New Zealand Government Insurance Office for the year 1899 states: During the year, 4,704 proposals were dealt with, of which 3,565, assuring the sum of £740,828, were completed. The annual premiums on these new policies amounted to £24,093, in addition to single premiums for £1,702. The total number of new policies was 263 in excess of the previous year, and the new sum assured £34,939. The income of the department for the year has been £288,101 for premiums, and £133,466 for interest; making, with other receipts, a total of £421,569, which represents an increase of £11,421 upon the total income of the previous year.

Claims and Expenses.—Two hundred and eighty-two policyholders died during the year, the claims upon their policies amounting to £95,322, which was £13,768 less than was paid on this account in 1898, and considerably less than the amount expected. Two hundred and twenty policies matured during the year, the total claims in this respect amounting to £66,747. This item of outgo is naturally constantly increasing, and, being practically known in advance, it is possible to make the necessary provision for it without any strain whatever on the resources of the Department. The disbursements on account of commission and management expenses shew a reduced percentage, the ratio of expenses (including the land and income tax) to total income now standing at 14.15 per cent., as against 14.34 per cent. in 1898, and 14.86 per cent. in 1897.

The total increase in the funds during the year amounted to £150,547, of which £14,400 was carried to reserve, and the balance of £136,147 added to the Insurance Fund, which now stands at £2,997,681. The Department having now been in existence thirty years, it will be of interest to trace its progress in the accumulation of funds, and, in other respects, for each period of ten years, as shewn in the following statement:—

Year	No.	Policies in Force	Premium Income	Revenue from Interest	Accumulated Funds.
			£	£	£
1879....	10,223	3,726,300	118,200	16,700	371,900
1889....	27,218	7,600,500	218,800	81,400	1,582,400
1899....	39,366	10,341,700	281,500	133,500	2,997,700

Triennial Investigation.—The triennial valuation of the liabilities has been completed, and the report of the Department's Actuary is appended. Before the basis of valuation was finally adopted, the advice of the Department's well-known Consulting Actuaries in London was sought, and these gentlemen (Messrs. Ralph P. Hardy and George King) assuaged in the view here held that the valuation should be made upon the basis of 3 1-2 per cent. interest. The valuation was accordingly made upon that basis, the resulting surplus of £126,600 being converted into reversionary bonuses, and the certificates have been forwarded to the policyholders. Although, by valuing at 3 1-2 per cent., and also making strong reserves in connection with the investments, the bonuses suffer a slight temporary reduction, it is felt that undoubted security is the first thing to be considered; and, under existing circumstances, the course now adopted must inevitably tend to develop the best interests of the policyholders.

The Commissioner, Mr. Richardson, in his concluding remarks, says: "The war in South Africa compelled the Department to face, for the first time, the

question of war risks, as many of its policyholders were likely to engage in the war, and applications for insurance were received from those actually proceeding to the front. In such cases, temporary assurances for two years were granted, at a uniform rate of £6 10s. per cent. per annum, the policies being limited to £250, but no restrictions whatever were imposed upon those already insured; and I am happy to say that, up to the date of this report, the Department has had only two claims directly traceable to the effects of the war.

After consultation with the London Actuaries, and a thorough consideration of the matter in all its bearings, it was decided to place the premium-rates upon a 3 1-2 per cent. basis. Complete new tables of premiums were consequently formed, and applied to all new business after the 31st December, 1899. Now that the valuation of existing business and the premiums for new business are both placed upon a 3 1-2 per cent. basis, the Department's financial position is greatly strengthened, and I confidently anticipate the best results for the policyholders."

SAFETY IN RAILWAY TRAVELLING.

It is a curious fact that whereas the assumed excessive dangers of railway travelling first brought accident insurance into existence, the experience of the past fifty years goes to show that a man is less likely to come to harm journeying by rail, say from London to Brighton, than on a short pedestrian excursion through the metropolis, say from the Bank to Charing Cross. Without wishing to detract from the great organizing ability, the skill and the forethought with which the traffic arrangements of the iron roads of the kingdom are administered, there can be no doubt that the strict supervision exercised by the Government over the working of our railways, and the heavy penalties that, in the shape of damages, accrue in the event of accidents involving loss of life or serious injury, have done much to ensure the safety of the public. Whatever the explanation, the pleasing fact remains that railway travelling is by no means the hazardous proceeding the pessimistic prophets of the early fifties foretold.

According to the annual report of the Board of Trade in regard to railway accidents, the killed and injured among railway passengers in 1899 were as follows:—

Passengers:	Killed	Injured
From Accidents to trains, rolling stock permanent way, &c.,.....	14	693
By accidents from other causes, including accidents from their own want of caution or misconduct.	141	1,459

These figures have, however, to be judged in connection with the numbers carried by the railways during the same period, and when all the accompanying circumstances—not only the millions of travellers, but the complex conditions of time and space and the element of human fallibility—are borne in mind, the ratios of fatalities and injuries work out at a scale gratifyingly low. Exclusive of journeys of season-ticket holders—a vast number in itself—the total number of passenger journeys was 1,106,691,991 for the year 1899, or 43,780,875 more than in the previous year. Calculated on these figures, the propor-