

6. The funds, as far as can be estimated, will reach their maximum at the end of the present financial year, and after that will continuously decline in the absence of any subsidy.

My estimate of the receipts and expenditure for the triennium 1909–12 is as follows :—

<i>Receipts.</i>		£	<i>Expenditure.</i>		£
Funds at the beginning of the period ..	..	31,813	Pensions and other allowances]	..	29,021
Contributions .. .. .	..	24,000	Commission, &c. .. .	..	361
Miscellaneous .. .. .	..	300	Funds at the end of the period ..	..	31,548
Interest .. .. .	..	4,817			
		<u>£60,930</u>			<u>£60,930</u>

Any estimate of this description can only be regarded as a rough approximation to the actual results, for, in addition to the uncertainty regarding the number of deaths and retirements, the increase in the Force itself is very irregular, and this affects the receipts from contributions.

7. In reference to the scheme in general, I may say that the benefits are not so great as those given in other branches of the public service, and are considerably less than those given to the Police Force of England for the same salary.

The English "Police Act, 1890," provides for pensions between a maximum and minimum scale, apparently at the option of the different police districts; but the maximum scale is said to be the one generally in operation.

On a salary of £100 a year the pensions on the New Zealand and English scales would be as follows for those qualified to draw them by age, length of service, or medical unfitness for duty :—

				Pensions.		
				New Zealand.	English Maximum.	English Minimum.
				£ s. d.	£ s. d.	£ s. d.
15 years' service .. .. .	..	..	..	25 0 0	30 0 0	25 0 0
20     "     "     "     " ..	..	..	..	33 6 8	40 0 0	33 6 8
26     "     "     "     " ..	..	..	..	43 6 8	66 13 4	51 13 4
28     "     "     "     " ..	..	..	..	46 13 4	66 13 4	55 0 0
34     "     "     "     " ..	..	..	..	56 13 4	66 13 4	65 0 0
35     "     "     "     " ..	..	..	..	58 6 8	66 13 4	66 13 4
36     "     "     "     " ..	..	..	..	60 0 0	66 13 4	66 13 4

The contributions in England are  $2\frac{1}{2}$  per cent. of the salaries, against from 5 per cent. to 10 per cent. in New Zealand; but the schemes are subsidised by grants from Parliament and also by contributions from the rates of the different police districts.

From this it will be seen that the benefits given to the police of this Dominion are not excessive, but nevertheless the scheme is not self-supporting, and in fact it cannot be made so without robbing it of all its utility.

When the scheme was initiated the Government's intention was to wait until the funds were exhausted before making any grant.

Clause 36 of "The Police Force Act, 1908," is as follows :—

"(1.) If at any time the Fund is unable to meet the charges upon it, and as often as such event occurs, the Board shall forthwith report the fact to the Minister of Finance, setting forth the amount of the deficiency, and the causes thereof.

"(2.) The Minister of Finance, upon being satisfied that the deficiency exists, and that provision is necessary therefor, shall, without further appropriation than this Act, pay into the Police Provident Fund out of the Consolidated Fund a sum sufficient to meet the deficiency."

Notwithstanding this, I think some annual subsidy should be given at once. The Fund is earning nearly 5 per cent. interest, but, without Government assistance, in all probability some of the investments will have to be realised to meet the outgo during the present triennium.

The Government has subsidised the Public Service Superannuation Fund with £20,000 a year, and the Teachers' Superannuation scheme with £7,000 a year. In the Public Service Classification and Superannuation Amendment Bill, 1908, it was proposed to grant an additional subsidy of £3,000 a year to the Public Service Superannuation Fund if the Police Fund was amalgamated with it.

This sum of £3,000 a year, if granted to the Police Provident Fund, would considerably reduce the liability of the Government in the future, and I would suggest that at least this amount be given. Increases in the amount would be necessary from time to time as the pensions increased, but this sum would at least keep the funds intact for some years.

In conclusion, I may say that the estimated saving to the Government in retiring-allowances to members of the Force since the Fund was established is said to be £20,389, or at the rate of £2,185 a year.

Respectfully submitted.

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