

RAILWAYS SUPERANNUATION FUND.

Up to last year no investigation had been made of the Railways Superannuation Fund. The Government, considering it essential that Parliament should be acquainted with the financial position, gave instructions for an examination. The Actuary reports that to make the fund sound it is necessary to provide an additional £25,000 per annum for the next three years, and that at the expiration of three years a further investigation should be made to ascertain whether any additional contribution will be required. A further sum of £25,000 will accordingly be placed on this year's estimates, making a total for the year of £50,000.

STATEMENT SHOWING CONTRIBUTIONS TO SUPERANNUATION FUNDS DURING THE YEARS 1911-12 TO 1914-15 INCLUSIVE.

Fund.	Year.			
	1911-12.	1912-13.	1913-14.	1914-15.
	£	£	£	£
Public Service	23,000	48,000	48,000	48,000
Teachers'	7,000	17,000	17,000	17,000
Railways	25,000	25,000	25,000	50,000
	£55,000	£90,000	£90,000	£115,000

STATE ADVANCES OFFICE.

It will be remembered that last session legislation was passed which enabled the Government to transfer from the State Advances Office the responsibility of providing moneys for land for settlements, Native-land settlement, opening up Crown lands, Hauraki Plains settlement, the Rangitaiki land drainage, and the guaranteed mining advances. The result of the year's working shows a profit of £81,894 in the Settlers Branch and £10,141 in the Workers Branch, while the Local Authorities Branch shows a loss for the year of £3,129. The results in the cases of the Settlers and Workers Branches are very satisfactory, while the loss in the case of the Local Authorities Branch is small, and was not unexpected. It will be remembered with regard to the last-named branch that, owing to the very low rate at which the money was originally lent to the local authorities, a loss of over £20,000 was made in the first two years of business, and that the present Government found it necessary, in order to prevent a recurrence of these heavy losses, to slightly raise the rate of interest chargeable to local bodies in respect of all subsequent advances. Owing, however, to the large amount of money which had been previously lent at unremunerative rates, and which must of course remain at those rates, it will be some time before the increased rates now being charged in respect of the new loans will convert the annual loss into an annual profit.

Last year's Budget showed the unsatisfactory condition of the funds available for lending purposes in June, 1912. I am pleased to be able to inform the House that there are now ample funds at the disposal of the Department for lending. The following table will show the improved condition during the past two years :—

	30th June, 1912.	30th June, 1914.
Advances to Settlers—	£	£
Total commitments...	73,142 ^a	581,393 ^b
Total funds	644,739 ^c	1,373,786
Advances to Workers—		
Total commitments...	559,891 ^d	212,590 ^e
Total funds	655,166	294,013
Advances to Local Authorities—		
Total commitments...	711,820	240,045
Total funds	96,783	687,560

^a Includes £34,680 temporarily transferred from Public Debt Sinking Fund Branch.

^b Includes £186,572 temporarily transferred from Public Debt Sinking Fund Branch, and £130,000 from Advances Office Sinking Fund.

^c Includes £360,000 temporarily transferred from Settlers Branch to Workers Branch.

^d Includes £360,000 temporarily transferred to Workers Branch from Settlers Branch.

^e Includes £70,000 temporarily transferred from Settlers Branch.