

No. 2.—TWENTY-FIRST ANNUAL REPORT OF THE TEACHERS' SUPERANNUATION BOARD

FOR THE YEAR ENDED 31ST JANUARY, 1927.

The Hon. the Minister of Education.

SIR,—

Wellington, 21st July, 1927.

The Board has to submit the following report for the year ended the 31st January, 1927 :—

The Board.—The usual quarterly meetings of the Board were held in February, May, August, and November.

Contributors.—The number of contributors increased from 7,968 at 31st January, 1926, to 8,376 at the end of January, 1927, an increase of 408. Table A shows the contributors arranged according to percentage of contribution, together with the number admitted and left during the year.

Retiring and other Allowances.—Allowances amounting to £24,049 12s. were granted during the period, compared with £13,403 16s. in 1925–26. The total annual rate of all allowances payable at the end of January, 1927, was £174,815 12s.

Thirty-six allowances were discontinued by death, and thirteen from other causes—viz., remarriage of widows, and children attaining the age of fourteen years.

Nineteen widows and eleven children were granted allowances, compared with thirteen and five respectively in 1925–26.

Income.—The total income for the period was £291,876, made up as follows :—

Contributions	£ 147,028
Government subsidy (£43,000 per annum under the Act, with an additional grant of £25,000, Finance Act, 1925, £3,428)	71,428
Interest	73,420
Total for period	£291,876

Expenditure.—The allowances paid to contributors who have retired and to dependants of deceased contributors and annuitants amounted to £184,707, an increase of £15,449 over the amount for 1925–26.

Refunds of contributions on voluntary retirement from the Education service amounted to £19,710, an increase of £3,568 compared with 1925–26.

The refunds payable on the death of contributors and annuitants amounted to £3,947, an increase of £1,956.

Administration Expenses.—These amounted to £3,147. Included in this sum is an item of £900 charged by the Education Department for clerical assistance. No part of the salary of the Secretary to the Board is, however, included in the item, the whole of his salary, in terms of the Act, being a charge on the Consolidated Fund.

Net Revenue.—The total for the period was £74,332, compared with £66,068 in 1925–26.

Government Subsidy.—The statutory annual Government subsidy of £43,000 was augmented by an additional grant of £25,000, and by £3,428 under Finance Act, 1925. The total subsidies paid by the Government since the inception of the fund to the 31st January, 1927, amount to £609,525.

Investment of the Fund.—The arrangement with the Public Trustee for the investment of the fund was continued during the period. The total investments at the different rates of interest on the 31st January, 1927, were : At 4½ per cent., £30,450 ; at 5 per cent., £12,920 ; at 5¼ per cent., £38,260 ; at 5¾ per cent., £12,000 ; at 6 per cent., £771,613 ; at 6½ per cent., £169,419. Average rate of interest, 5.99 per cent.

Unclaimed Contributions.—The amount unclaimed at the 31st January last was £2,346.

The cost-of-living bonus to retired teachers has been continued in necessitous cases.

Under the provisions of section 29 of the Finance Act, 1925, the value of a residence or board and quarters provided, or an allowance paid in lieu thereof, is now to be taken into account for the purpose of computing contributions and retiring-allowance. The new provision applies automatically to all who join the fund on or after the 1st October, 1925, but does not apply to those already on the fund unless they definitely elected that it should so apply. Upon election back contributions with interest became payable on any house allowance, &c., received in the past period of membership. In the case of annuitants making the election the allowance is recomputed as from the date of retirement, and it can be readily understood that in many cases the arrears of allowance due to such annuitants would largely exceed the arrears of contributions and interest due by them. Under the 1925 Act the time allowed for the making of the election closed on the 31st March, 1926, but under section 32 of the Finance Act, 1926, the time was extended until 31st March, 1927. In all, 1,124 contributors and 374 annuitants have made the election, the increase in retiring allowance in respect of the latter being at the rate of £7,750 per annum.

Under the provisions of section 38 of the Finance Act, 1926, the Board can now allow contributors who served with the Forces in the Great War to count service prior to the date on which membership commenced. A considerable number of "soldier teachers" have taken advantage of this provision, paying into the fund the equivalent of contributions for the additional period of service admitted, with interest thereon.

I have, &c.,

R. A. WRIGHT, Chairman.