

1932.
NEW ZEALAND.

GOVERNMENT RAILWAYS SUPERANNUATION FUND.

REPORT OF BOARD.

Laid before Parliament in pursuance of Section 124 of the Government Railways Act, 1926.

THE Board has the honour to transmit, for the information of Parliament, the following report upon the transactions of the Government Railways Superannuation Fund for the year ended 31st March, 1932:—

The Revenue Account, Balance-sheet, and statements in connection therewith will be found appended.

The balance of income over expenditure for the year amounts to £5,656 19s. 1d., a decrease of £110,882 19s. 4d., as compared with the previous year. The decrease in the amount received on account of contributions and the increase in the amount of life allowances paid have been the contributing causes of this decrease.

Members' Contributions.—The income under this heading shows a decrease of £28,446 7s. 3d., members' contributions being £142,239 3s. 7d., as compared with £170,685 10s. 10d. for the previous year. The number of contributors decreased by 1,044 as follows: At 3 per cent., 456; at 4 per cent., 212; at 5 per cent., 319; at 6 per cent., 32; at 7 per cent., 20; at 8 per cent., 4; at 9 per cent., 1. The falling-off in membership is due to reductions in staff as a result of the prevailing depression, vacancies in the permanent staff not having been filled.

Contingent Contributors.—During the year 37 casual employees elected to contribute to the fund, so that in the event of their subsequently being permanently appointed they would not be faced with having to pay accumulated arrears on account of service prior to permanent appointment. The total number of employees so contributing at the end of the year under review was 136, and the amount standing to their credit £6,229 13s. 10d.

Subsidy.—During the year the sum of £170,000 was paid into the fund by the Working Railways Department.

Interest.—The interest earned amounts to £84,483 3s. 2d., an increase of £4,434, as compared with the previous year. Reference to Table C, Statement of Investments, shows that the average rate of interest on securities held at the 31st March, 1932, was 5·736 per cent., and the average rate earned on the mean funds for the year 5·734 per cent., as against 5·744 per cent., and 5·737 per cent., respectively for the previous year.

Life Allowances.—The expenditure on account of life allowances to members amounts to £346,527 1s. 3d., an increase of £76,925 9s. 5d., as compared with the figures for the previous year. The increases under this heading were £20,365 16s. 8d. for the year ended 31st March, 1931, and £8,525 9s. 10d. for the year ended 31st March, 1930. On referring to Table A, Statement of Allowances, it will be seen that the average amount of the 759 allowances granted during the year is £185 7s. 8d., and the average amount of the 77 allowances discontinued is £125 11s. 1d.

Allowances to Widows and Children.—The expenditure under the heading of allowances to widows and children shows an increase of £705 6s. 6d. The sum of £12,200 5s. 1d., being £241 14s. more than the previous year, was transferred from the Working Railways Account during the year on account of the increased payments to widows and children as provided in section 114, Part III, of the Government Railways Act, 1926.

Approval was received for the continuance of the cost-of-living bonus to annuitants in cases of special hardship where the allowance was less than £100, the amount of bonus granted being sufficient to bring the allowance up to £100, but with a maximum bonus of £26. The bonus is provided for out of the Working Railways Account, and is not a charge on the Superannuation Fund.

At the 31st March, 1932, there were 2,296 members, 560 widows, and 392 children, making a total of 3,248 persons actually on the fund, involving an annual liability of £431,129 17s. 2d.

Investment of the Fund.—The Investment Account has been increased during the year to the extent of £21,823 3s. 11d. All moneys not required in the Current Account have been transferred to the Investment Account without delay.

H. H. STERLING,
Chairman of the Government Railways,
Superannuation Fund Board.