$\begin{array}{ccc} & & 1934. \\ \text{N E W} & Z \text{ E A L A N D}. \end{array}$

PUBLIC SERVICE SUPERANNUATION BOARD

(TWENTY-SIXTH ANNUAL REPORT OF THE), WITH ACCOUNTS, FOR THE FINANCIAL YEAR ENDED 31st MARCH, 1934.

Presented to Parliament pursuant to the Provisions of the Public Service Superannuation Act, 1927.

REPORT.

The Board has the honour to submit the following report upon the transactions in connection with the Public Service Superannuation Fund:—

The Revenue Account, balance-sheet, and statements regarding membership and retiring and

other allowances will be found appended.

The Board.—Extraordinary vacancies occurred during the year due to the resignation of Messrs. J. T. Carr and H. A. Lamb, representatives of contributors belonging to the Post and Telegraph Department, Messrs. R. H. Brown and E. H. R. Green being elected unopposed to fill the vacancies. Mr. A. E. Allison, Government Insurance Commissioner, a statutory member of the Board, retired during the year and was succeeded by Mr. W. E. Arnold.

Contributors.—The number of new contributors who joined the scheme during the year, and other

particulars, are contained in the following table:-

Rate per Cent. of Contribution as provided		Number.		Annual Calany	Annual				
by the Act.	Male. Female.		Total.	Annual Salary.	Contributions.				
				£ s. d.	£ s. d.				
5	422	228	650	66,426 6 8	3,321 6 4				
6	18	5	23	4,565 8 4	273 18 6				
7	7	1	8	2,040 8 4	142 16 7				
8	1	3	4	497 5 10	39 15 8				
9	3		3	$684 \ 3 \ 4$	61 11 6				
10				• •					
Transferred from other	5		5	1,647 6 8	82 7 4				
$rac{ ext{funds}}{ ext{Totals}}$	456	237	693	75,860 19 2	3,921 15 11				

The following table contains particulars of the public servants who were contributing to the fund on the 31st March, 1934 (after allowing for deaths, retirements, and withdrawals), grouped according to their respective rates of contribution:—

Rate per Cent. of Contribution as		Number.		Annual Salary.	Annual				
provided by the Act.	provided by the Act. Male. Female. To	Total.	Annual Salaty.	Contributions.					
	İ			£ s. d.	£ s. d				
5	12,452	1,952	14,404	3,389,079 15 0	169,453 19				
6	1,319	141	1,460	413,889 15 10	24,833 7 9				
7	820	91	911	260,426 5 0	18,229 16				
8	402	45	447	130,994 15 10	10,479 11 8				
9	115	13	128	38,464 3 4	3,461 15				
10	17	2	19	5,562 1 8	556 4 2				
Totals	15,125	2,244	17,369	4,238,416 16 8	227,014 15				

The number of male contributors increased by 169; female contributors decreased by 19. The net increase in the annual contributions amounts to £1,714.

Retiring and other Allowances.—Pensions for £23,723 7s. per annum were granted during the year as follows: For age or length of service, £15,056 11s. to 58 members (50 male and 8 female members); for medical unfitness for duty, £4,968 10s. to 36 members; to 3 contributors retired under the provisions of section 14, Finance Act, 1931, £343 6s. per annum; to widows and children of deceased members, £2,263 per annum to 73 widows, and £1,092 per annum to 42 children.

Under section 114 of the Public Service Superannuation Act, 1927, the statutory allowances to widows and children were increased from £18 to £31 per annum, and from 5s. per week to 10s. per week respectively. The additional expenditure on this account is recovered from the Consolidated Fund.

Those officers who retired during the year and who possessed compensation rights under the Civil Service Act, 1866, would have been entitled to receive the sum of £560, the amount of compensation accrued to the date when they joined the Superannuation Fund had they not become participants in the benefits of the fund. The total amount of such compensation for which the fund became liable since the initiation of the scheme is £561,134. To this amount must be added accretions to the date of retirement, approximately £143,000, for which the Consolidated Fund would otherwise have been liable, and the whole may be fairly set against the total subsidies paid to the fund during the past twenty-six years, amounting to £2,071,433.

One hundred and eighteen retiring or other allowances were discontinued by death, and fifty-one for other causes—viz., four widows remarried, and forty-seven children reached the age of fourteen.

					Males.	Females.	Annual .	Amo	unt.
Total number and value of retiring	gand	other	alle	wances	maios.	r cmares.	£	s.	d.
granted during the year					109	103	23,723	7	0
Number and value discontinued					109	60	18,240	12	1
Net increase for year									
					• •	43*	£5,482	14	11

*Includes 41 widows.

The annual amount payable at the close of the year was £488,074 2s., as shown in the statement attached.

Income.—1	Pha	total	income	for	the	vear	wag	made	1110	2.8	follows :-	_
1 ncome.—— 1	LHE	100 barr	mcome	TOT	une	year	w abs	maue	uμ	an	TOHOWS .—	

							£
Members' ordin	nary cont	$_{ m ributions}$					 229,301
Subsidy, Cook	Islands a	nd Samoai	n Admi	nistration			 599
Contributions	from Gov	ernment	• •	• •			 143,529
Fines, &c.			• •		•		 732
Interest							 157,200
Premium on co	nversion,	, Governm	ent insc	cribed stock		• •	 3,732
Total	income f	or year					 £535,093

Outgo.—The pensions paid during the year to contributors who have retired and to dependants of deceased contributors amounted to £486,925 5s. 9d.—viz., £448,761 8s. 9d. to members, and £38,163 17s. to widows and children.

Refunds of contributions to contributors who have left the Service amounted to £23,406 5s. 4d., while the refunds under section 42 to personal representatives of deceased contributors and annuitants amounted to £12,466 11s. 3d.

Five contributors who were retired elected to accept a refund of their contributions under section 34, amounting to £1,678 5s. 10s., in lieu of retiring-allowances.

One contributor was transferred to another fund in accordance with the provisions of section 120, and his contributions, amounting to £17 9s. 1d., were accordingly transferred to such fund. The salaries of the staff and other office expenses were £2,218 17s. 6d. and £1,864 0s. 4d. respectively. The total outgo for the year was £532,944 5s. 7d.

Accumulated Funds.—These amounted at the end of the year to £2,899,564 5s. 6d.

Balance-sheet.—On the 31st March the total assets of the fund, which include provision for the outstanding accounts, amounted to £2,972,390 17s. 3d. The balance-sheet appended gives full particulars as to the liabilities and assets.

Investment of the Fund.—The total investments of the fund at each rate of interest were as follow:--

Inscribed stock—						£	s.	d.
4 per cent			 			498,110	0	0
Rural Advances bonds—								
5 per cent.*			 			236,155	10	0
Rural intermediate credi	t bond	S						
$5\frac{1}{2}$ per cent.*			 			29,000	0	0
Debenture securities—			£	s.	d.			
$4\frac{1}{3}$ per cent. †			 6,000	0	0			
5 per cent.†			 32,102	12	7			
$5\frac{1}{4}$ per cent. \dagger			 17,523	0	0			
$5\frac{1}{5}$ per cent. †			 3,700	0	0			
$5^{\tilde{3}}_{4}$ per cent.†			 6,539	8	5			
6 per cent.†			 452,296	4	7			
						518,161	5	7
Mortgage securities—								
5 per cent			 1,516	8	0			
$5\frac{1}{2}$ per cent.‡			 5,817		5			
6 per cent.‡			 1,510,441	15	0			
$6\frac{1}{2}$ per cent. ‡			 12,440	16	7			
						1,530,216	7	0
						£2,811,643	2	7

* Subject to an interest-tax at the rate of 20 per cent. charged on all interest on and from 1st April, 1933. Vide section 6, Finance Act, 1932-33.

† Interest on and from 1st April, 1933, 20 per cent. lower than the rate prescribed by the securities or to the rate of 4½ per cent. per annum, whichever rate is the higher. Section 5, Local Authorities Interest Reduction and Loans Conversion Act, 1932–33.

Subject to a reduction of 20 per cent., but not to be reduced below the rate of 5 per cent. per annum. Part III

National Expenditure Adjustment Act, 1932.

A special payment into the fund was made by Treasury (amounting to £30,633) being the amount of the reduction in the interest-rate of the four classes of securities.

The above total includes £22,439 Ss. 2d. invested on Stipendiary Magistrates' account.

The average rate of interest earned for the financial year on the mean funds was £5 11s. 6d. per cent., a reduction of 7s. 3d. per cent. as compared with the previous year. In this connection it must be understood that the amount of interest due and outstanding and interest accrued but not due at the balance date is taken into account in arriving at the before-mentioned rate. Reference to the balance-sheet discloses the sum of £63,642 5s. 4d. is overdue on mortgage securities. The Courts, acting under the powers contained in the Mortgagors and Tenants Relief Act, 1933, have written off during the year the sum of £4,747 17s. 7d., being arrears of interest; in addition, the rate of interest has been reduced from 5 per cent. to as low as 2 per cent. in a number of cases for periods varying from one to three years.

Progress of the Fund.—The following table illustrates the position of matters in relation to the

fund since its inception:

	Year ended 31	st December,	Year	ended 31st 1	Iarch,
	1908.	1916.	1924.	1931.	1934.
Total number of contributors Total amount contributed annually Interest on investments Number of pensions and allowances payable Annual value of retiring and other allowances payable Total amount of contributions refunded Expenses of administration Total amount of accumulated fund	7,235 £79,831 £1,295 122 £8,881 £484 £890 £71,481	13,313 £141,844 £42,314 1,233 £88,392 £23,391 £2,318 £896,568	15,021 £217,692 £113,608 2,362 £251,894 £53,303 £6,229 £2,039,043		17,369 £227,015 £157,200 3,558 £488,074 £37,551 £7,180 £2,899,564

A. T. NGATA Chairman.

PUBLIC SERVICE SUPERANNUATION FUND.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1934.

Dr.	£		d.	Cr.			
	2,897,415	3	1	By Retiring-allowances—	£		d.
Members' contributions—					448,761		9
Under section 19 (ordinary)		19	5	To widows and children	38,163	17	0
Transferred from other superannuation				Contributions returned—			
funds	882	17	2	Under section 37 (left service)	23,406	5	4
funds Interest on arrears of contributions	650	18	10	Under section 42 (death)	12,466	11	3
Government subsidy—				Under section 34 (retirement)	1,678		
Statutory	86,000	0	0	Contributions transferred to other super-	-,		
Special, section 29, Finance Act (No. 2),	,			annuation funds (section 120)	17	9	1
1933	40,775	13	1	Interest (section 38, Public Service Super-			
Section 114, Public Service Superannuation	10,0	10	1.	annuation Act, 1927)	21	5	7
Act, 1927 (widows and children)	16,753	14	10	Loss on realization of security	1.248		7
£ s. d.		тт	10	Expenses—	1,240	1.1	•
Interest on investments 131,314 13 3				G-T	2,218	17	6
Less amounts written off				Mudical food	71	8	0
				74.0	60	0	0
by Court Orders, Mort-				15		15	0
gagors and Tenants						3	8
Relief Act, 1933 4,747 17 7		1 ~	0	Cleaning	49		
D 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	126,566	19	8	Messenger service		8	
Reimbursement by Treasury on account				Public Trustee's charges	3,097		
reduction of interest*	30,633			Contingencies			3
Subsidy, Cook Islands and Samoa	599	9	8	Post and Telegraph Department charges	1,000		
Premium on conversion, New Zealand Go-				Furniture and fittings	7		2
vernment inscribed stock	3,731		4	Typewriters and other machines (upkeep)		14	
Recoveries: Realization of security	75		0	Legal charges Heating and lighting	172		· 1
Fines, fees, and sundries	593	5	5	Heating and lighting	15		
Stipendiary Magistrates' Account: Adminis-				Printing and stationery	100	7	4
tration expenses recovered	64	- 1	7	Postages, telegrams, and services	206	19	6
· ·				Travelling-expenses	9	11	6
				Balance as at 31st March, 1934 2,	899,564	5	6
:	£3,432,508	11	1	£3.	432,508	11	1

^{*}Payment by Treasury of amount of statutory reduction of interest on mortgage securities, National Expenditure Adjustment Act, 1932, Part III, £15,412; interest-tax, rural advances bonds and intermediate-credit debentures, section 6, Finance Act, 1932-33, £2,818; statutory reduction of interest, New Zealand Government inscribed stock, New Zealand Debt-conversion Act, 1932-33, £6,632; statutory reduction of interest, local-body debentures, section 5, Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, £6,071; total, £30,633.

BALANCE-SHEET AS AT 31ST MARCH, 1934.

Account 2,899,564 Add value of office furniture, fittings, and ma-		£	s.	d.	Amount invested by the Beard 2,789,203 1 Contributions due in course of transmission 29,190 1 £ s. d. Interest due and outstanding 63,642 5 4		5
chinery 351 13		2,899,916	3	9	Interest accrued but not due 29,685 9 2 93,327 1	14	6
Retiring and other allowances due in cours	se of				Subsidy— Cook Islands and Samoa	4	11
payment					Section 114, Public Service Superannuation		
To members		2,385		7		14	10
To widows and children		298	19	1	Contributions transferable from other super-		
Refunds of contributions due in course of	pay-				annuation funds	14	1
ment —					Rates, fees, and premiums paid on account of		
Under section 37 (left service)		371			mortgagors (recoverable) 1,624		
Under section 42 (death)		1,320	15	5	Office furniture, fittings, and machinery 351	18	3
Expenses due in course of payment—		_			Retiring-allowances recoverable (Pensions De-		
Heating and lighting			16		partment) 31		
Printing and stationery			19		Sundry debtors (Rarotongan Administration) . 375		4
Post and Telegraph charges		236		6		7	2
Typewriters and other machines (upkeep)		0	4	0	Cash in bank 1,017		
Public Trustee's charges on accrued interest		3,140	6	0	Cash in hand, Post and Telegraph Department 450	4	4
Contributions paid in advance or in error		132		1			
Balance, Government subsidy*		64,500		0			
Unclaimed Account (contributions, &c.)		79	8	8			
Balance Cost-of-living Bonus Account		1	4	0			
		2,972,390			£2,972,390	17	3

^{*}The Government subsidy is paid a January of each year; owing to the change in the date of the financial year, to show the true position of the fund it is necessary to state this item as a liability. †Includes £50,000 on deposit at call; interest, 3\(\frac{1}{4}\) per cent.

Note.—The liability under the provisions of section 9 (2), National Expenditure Adjustment Act, 1932, as amended by sections 24 and 25, Finance Act, 1932–33 (No. 2), amounted to £72,685 7s. 10d. as at 31st March, 1934.

Subsidiary Account.

Cost-of-living Bonus	paid to Annuitants	of the Public Se	ervice Superannuation	Fund on behalf of the Treasury.

Dr. To Amount disbursed for period	l 1st April 19		s.	d.	$\begin{bmatrix} C_T, \\ \text{By Amount received from Treasury} & \dots \end{bmatrix}$	£ 1.106	s.	d.
to 31st March, 1934	• •	1,104	19	8		1,100	U	O
Balance carried forward	• •	J	4	0				
		£1,106	3	8		£1,106	3	8
				-				

PUBLIC SERVICE SUPERANNUATION FUND—continued.

STIPENDIARY MAGISTRATES' ACCOUNT.

Revenue Account for the Year ended 31st March, 1934.

Dr.		£	s.	d.	Cr.			£	s.	d.
To Λmount of fund, 1st April, 1933		23,695	15	2	By Retiring-allowances			3,448	4	10
Members' contributions, section 63	, Public				Contributions returned, section 63.	Public	Ser-	•		
Service Superannuation Act, 1927		1,640	8	5	vice Superannuation Act, 1927			688	10	0
Interest on investments		1,251	4	7	Administration expenses			64	1	7
Premium on conversion, New Zealand	Govern-				Balance as at 31st March, 1934			22,418	2	3
ment inscribed stock		31	10	6	,					
		£26,618	18	8				£26,618	18	8
				-						

Balance-sheet as at 31st March, 1934.

Liabilities. Stipendiary Magistrates' Account: Balance du	£	s.	d.	Assets. Amount invested by the Board	 £ 22,439	s. 8	
from Revenue Account		$\frac{2}{1}$	$\frac{3}{8}$	Contributions due in course of transmission	 30	15	9
	£22,470	3	11		£22,470	3	11

Note.—The liability under the provisions of section 10 (3), National Expenditure Adjustment Act, 1932, as at 31st March, 1934, amounts to £606 5s. 2d.

Wellington, 6th June, 1934.

R. S. Wogan, Acting-Secretary,

Public Service Superannuation Board.

I hereby certify that the Revenue Account and balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby, subject to the above departmental notes.—G. F. C. CAMPBELL, Controller and Auditor-General.

STATEMENT OF CONTRIBUTORS FOR THE YEAR ENDED 31ST MARCH, 1934.

		Number.		Annual Salary.	Annual
	М.	F.	Total.	Zumuai Sanary.	Contributions.
Contributors at the beginning of the year New contributors entered during the year Contributors transferred from other funds Increase by promotion during the year	14,956 451 5	2,263 237 	17,219 688 5	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	£ s. d. 225,300 11 8 3,839 8 7 82 7 4 4,786 4 11
Total	15,412 287	$\frac{2,500}{256}$	17,912 543	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	234,008 12 6 6,993 16 11
Total contributors at end of year	15,125	2,244	17,369	4,238,416 16 8	227,014 15 7

PARTICULARS OF CONTRIBUTIONS DISCONTINUED DURING THE YEAR.

How discontinued.	м.	Numb	er, Total,	Annual S	Salary	γ.	Annual Contribution	s.	Amo paid Retiren	on	t.	Retir allow grant	\mathbf{nc}	В
By death before retiring-allowance entered upon (sees. 42 and 43)	51	5	56	£ 15,446	s. d	-	£ s. 6			s. 11	d. 9		s. 0	d. 0
By retirement before retiring-age (sec. 37)	146	238	384	62,913		6			23,406					
By retirement (sec. 34)	5		5	1,305		0		2	1,678	5	10			
By retirement medically unfit (sec. 32)	31	5	36	11,826	6 8	8	655 6 1	0				4,968	10	0
By retirement at retiring-age or for length of service (sec. 26)	50	8	58	27,094	5 10	0	1,822 7	0	••			15,056	11	0
By retirement (sec. 14, Finance Act, 1931)	3		3	1,208	6 8	8	74 - 6	0			-	343	6	0
By transfer to other funds (sec. 120)	1		Ī	68	8 4	4		5	17	9	1		0	0
By reduction				1,734		$\frac{1}{2}$	_	5		Ü		• • •		
Total	287	256	543	121,597	4 5	2	6,993 16 1	I	35,598	12	0	21,706	7	0

Progress of Contributors since Date of Establishment of the Fund to 31st March, 1934.

				Number.			Annual
_			м.	F.	Total.	Annual Salary.	Contributions.
Total entered Total discontinued	• •		 33,221 18,096	8,976 6,732	42,197 24,828	£ s. d. 9,664,803 15 10 5,426,386 19 2	£ s. d. 562,742 9 10 335,727 14 3
Total existing at 33	lst Marc	h, 1934	 15,125	2,244	17,369	4,238,416 16 8	227,014 15 7

PUBLIC SERVICE SUPERANNUATION FUND-continued.

1934
MARCH,
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Year
THE
FOR
ALLOWANCES
OTHER
AND
RETHING
OF
STATEMENT

	Section 26: On Attainment of Betring Age or for Length of Service.	Age Section 32: Medically unfit.	Section 61: Police injured on Duty.	Section 39, Finance Act, 1930 (No. 2).	Section 28, Finance Act, 1921.	Section 14. Finance Act, 1931.	Section 42: Widows.	Sections 42 (c) and 43 (a): Children.	Total Betiving and other Allowances,	other
	Number. Annual M. F. Total.	Number. Annual Annual Amount.	Number. Annual Amount.	Num- ber. Annual A. Amount.	Num- ber. Annual M.	Number: Annual M. F. Es Amount.	Num- ber. Annual F.	Number. Annual M. F. Total.	Number. M. F. Total.	Annual Amount.
Retiring and other allowances— Existing at beginning of year. Granted during year at retirement Granted during year efter re- tirement	1,559 250 1,849 400,766 9 50 8 58 15,056 11	s. d. g. s.	d. 25 s. d. 7 11 1,653 10 0	0 % % % % % % % % % % % % % % % % % % %	43 7. 7. 914 18 0	15 # 23 2,319 15 0 3 . 3 343 6 0	927 28,737 18 558 55 1,705	201, 146 347 9,022 18 12 30 780 7 5 12 312	2,147 1,368 8,515 4 102 43 145 7 60 67	£ s. d 82,591 7 1 21,706 7 0 2,017 0 0
Total Discontinued during year	1,649 258 1,907 415,828 68 2 70 13,972	0 0 248 46 294 29,441 1 1 4 15 2 17 1,598 6	7 11 1,653 10	6 57 8 605 3 0	13 7,014 1S 0 2 310 11 0	22 4 26 2,663 1 0	1,000 31,000 32 992	226 163 389 10,114 23 24 47 1,222	2,256 1,471 3,727 109 60 169	506,314,14, 1 18,240,12,1
Existing at end of year	1,581 256 1,837 401,850 18	18 8 233 44 277 27,842 14 10	11 1,653 10	6 56 8,459 10 0	0 41 6,704 7 0	22 4 26 2,663 1 0	968 30,008	3 203 139 342 8,892	2,147 1,411 3,558 488,074	8,074 2 0
		PARTICULARS OF]	RETIRING AND OF	OTHER ALLOWANCES	CES DISCONTINUED	DURING THE	YEAR.	-		
How discontinued— By death By expiry	68 2 70 13,972	1 4 15 2 17 1,598 6	::	1 145 13 (0 2 310 11 (::	28 868 4 124	8 47 1,222	86 32 118 23 28 51	16,894 12 1 1,346 0 0
Total	68 2 70 13,972	1 4 15 2 17 1,598 6		1 145 13 (0 2 310 11 (32 992	2 23 24 47 1,222	109 60 169	18,240 12 1
	PROG	PROGRESS OF RETIRING AND	RETIRING AND OTHER ALLOWANCES	SINCE	ESTABLISHMENT OF	THE FUND TO	31ѕт Максн,	1934.		
Total granted Total discontinued	2,635 298 2,933 568,526 10 1,054 42 1,096 166,675 11	10 0 498 57 550 49,497 0 11 4 260 13 278 21,654 5	5 15 2,097 14 7 4 444 3	0 59 8,747 14 C	0 49 7,688 8 0 8 984 1 0	22 4 26 2,663 1 (0 1,350 39,640 382 9,632	0 724 654 1,378 29,861 2 521 515 1,036 20,969	3,997 2,363 6,360 1,850 952 2,802	708,721 7 5 220,647 5 5

Wellington, 6th June, 1934.

Total existing at 31st March 1934 1,581 256 1,887 401,850 18 8 283 44 277 27,842 14 10 11 1,653 10 6

Approximate Cost of Paper.-Preparation, not given; printing (1,950 copies), £11 10s.

R. S. Wogan, Acting-Secretary, Public Service Superannuation Board.

342 8,892 2,147 1,411 3,558 488,074 2 0

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