

1934.  
NEW ZEALAND.

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 by the Act.	Number.			Annual Salary.	Annual Contributions.
	Male.	Female.	Total.		
				£ 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 funds	5	..	5	1,647 6 8	82 7 4
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 provided by the Act.	Number.			Annual Salary.	Annual Contributions.
	Male.	Female.	Total.		
				£ s. d.	£ s. d.
5	12,452	1,952	14,404	3,389,079 15 0	169,453 19 9
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 9
8	402	45	447	130,994 15 10	10,479 11 8
9	115	13	128	38,464 3 4	3,461 15 6
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 7

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.

Total number and value of retiring and other allowances	Males.	Females.	Annual Amount.		
			£	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.*—The total income for the year was made up as follows :—

	£
Members' ordinary contributions .. .. .	229,301
Subsidy, Cook Islands and Samoan Administration .. .. .	599
Contributions from Government .. .. .	143,529
Fines, &c. .. .. .	732
Interest .. .. .	157,200
Premium on conversion, Government inscribed stock .. .. .	3,732
Total income for 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 credit bonds—			
5½ per cent.* . . . .	29,000	0	0
Debenture securities—	£	s.	d.
4½ per cent.† . . . .	6,000	0	0
5 per cent.† . . . .	32,102	12	7
5¼ per cent.† . . . .	17,523	0	0
5½ per cent.† . . . .	3,700	0	0
5¾ 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
5½ per cent.‡ . . . .	5,817	7	5
6 per cent.‡ . . . .	1,510,441	15	0
6½ 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 8s. 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 31st December,		Year ended 31st March,		
	1908.	1916.	1924.	1931.	1934.
Total number of contributors . . . .	7,235	13,313	15,021	18,197	17,369
Total amount contributed annually . .	£79,831	£141,844	£217,692	£270,316	£227,015
Interest on investments . . . . .	£1,295	£42,314	£113,608	£162,888	£157,200
Number of pensions and allowances payable	122	1,233	2,362	2,953	3,558
Annual value of retiring and other allow- ances payable	£8,881	£88,392	£251,894	£383,923	£488,074
Total amount of contributions refunded . .	£484	£23,391	£53,303	£40,754	£37,551
Expenses of administration . . . . .	£890	£2,318	£6,229	£8,418	£7,180
Total amount of accumulated fund . .	£71,481	£896,568	£2,039,043	£2,917,154	£2,899,564

A. T. NGATA. Chairman.



PUBLIC SERVICE SUPERANNUATION FUND—*continued.*

## STIPENDIARY MAGISTRATES' ACCOUNT.

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

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

*Balance-sheet as at 31st March, 1934.*

<i>Liabilities.</i>	£	s.	d.	<i>Assets.</i>	£	s.	d.
Stipendiary Magistrates' Account: Balance due from Revenue Account .. ..	22,418	2	3	Amount invested by the Board .. ..	22,439	8	2
Retiring-allowance due in course of payment .. ..	52	1	8	Contributions due in course of transmission .. ..	30	15	9
	<u>£22,470</u>	<u>3</u>	<u>11</u>		<u>£22,470</u>	<u>3</u>	<u>11</u>

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 Contributions.
	M.	F.	Total.		
Contributors at the beginning of the year ..	14,956	2,263	17,219	£ 4,189,625 13 4	£ 225,300 11 8
New contributors entered during the year ..	451	237	688	74,213 12 6	3,839 8 7
Contributors transferred from other funds ..	5	..	5	1,647 6 8	82 7 4
Increase by promotion during the year ..	..	..	..	94,527 8 4	4,786 4 11
Total .. ..	15,412	2,500	17,912	4,360,014 0 10	234,008 12 6
Contributions discontinued during the year ..	287	256	543	121,597 4 2	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.	Number.			Annual Salary.	Annual Contributions.	Amount paid on Retirement.	Retiring-allowance granted.
	M.	F.	Total.				
By death before retiring-allowance entered upon (secs. 42 and 43)	51	5	56	£ 15,446 5 0	£ 910 10 11	£ 10,496 11 9	£ 1,338 0 0
By retirement before retiring-age (sec. 37)	146	238	384	62,913 17 6	3,335 16 2	23,406 5 4	..
By retirement (sec. 34) .. ..	5	..	5	1,305 10 0	94 17 2	1,678 5 10	..
By retirement medically unfit (sec. 32)	31	5	36	11,826 6 8	655 6 10	..	4,968 10 0
By retirement at retiring-age or for length of service (sec. 26)	50	8	58	27,094 5 10	1,822 7 0	..	15,056 11 0
By retirement (sec. 14, Finance Act, 1931)	3	..	3	1,208 6 8	74 6 0	..	343 6 0
By transfer to other funds (sec. 120) ..	1	..	1	68 8 4	3 8 5	17 9 1	..
By reduction .. ..	..	..	..	1,734 4 2	97 4 5	..	..
Total .. ..	287	256	543	121,597 4 2	6,993 16 11	35,598 12 0	21,706 7 0

## PROGRESS OF CONTRIBUTORS SINCE DATE OF ESTABLISHMENT OF THE FUND TO 31ST MARCH, 1934.

	Number.			Annual Salary.	Annual Contributions.
	M.	F.	Total.		
Total entered .. ..	33,221	8,976	42,197	£ 9,664,803 15 10	£ 562,742 9 10
Total discontinued .. ..	18,096	6,732	24,828	5,426,386 19 2	335,727 14 3
Total existing at 31st March, 1934 ..	15,125	2,244	17,369	4,238,416 16 8	227,014 15 7

## PUBLIC SERVICE SUPERANNUATION FUND—continued.

STATEMENT OF RETIRING AND OTHER ALLOWANCES FOR THE YEAR ENDED 31ST MARCH, 1934

[illegible]

PARTICULARS OF RETIRING AND OTHER ALLOWANCES DISCONTINUED DURING THE YEAR.

[illegible]

PROGRESS OF RETIRING AND OTHER ALLOWANCES SINCE ESTABLISHMENT OF THE FUND TO 31ST MARCH, 1934.

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Wellington, 6th June, 1934.

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

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