

1938.  
NEW ZEALAND.

EDUCATION:  
TEACHERS' SUPERANNUATION FUND.

*Presented to both Houses of the General Assembly by Command of His Excellency.*

No. 1.—THIRTY-SECOND ANNUAL REPORT OF THE TEACHERS'  
SUPERANNUATION BOARD.

FOR THE YEAR ENDED 31ST JANUARY, 1938.

The Hon. the Minister of Education.

SIR,—

Wellington, 9th May, 1938.

The Board has to submit the following report for the year ended the 31st January, 1938:—

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

The following figures show the transactions, &c., of the fund for the year ended 31st January, 1938, as compared with those for previous year:—

				1938.	1937.
Contributors on roll at 31st January	..	..	..	8,357	8,058
Increase from previous year	..	..	..	299	90*
Retiring and other allowances—					
Annual rate granted during year	..	..	..	£12,709	£17,591
Total annual rate at 31st January	..	..	..	£325,130	£322,557
Number granted during year—					
On retirement	..	..	..	68	88
To widows	..	..	..	21	26
To children	..	..	..	5	8
Number discontinued during year—					
By death	..	..	..	65	69
By other causes	..	..	..	14	11
Number current at 31st January—					
Retired members	..	..	..	1,674	1,660
Widows and children	..	..	..	379	378
Income for year—				£	£
Contributions	..	..	..	139,835	132,631
Government subsidy—					
Section 112 of Act	..	..	..	43,000	43,000
Section 114 of Act	..	..	..	5,277	4,350
Section 23, Finance Act, 1936	..	..	..	..	115,000
Special on account of interest reductions	..	..	..	6,547	9,450
Total Government subsidy	..	..	..	†54,824	171,800
Interest	..	..	..	42,759	44,187
Profit on realization of investments, &c.	..	..	..	..	34
Total income	..	..	..	£237,418	£348,652
Expenditure—					
Retiring and other allowances	..	..	..	328,007	323,976
Contributions refunded or transferred	..	..	..	36,342	31,481
Administration expenses, &c.	..	..	..	3,209	3,306
Total expenditure	..	..	..	£367,558	£358,763

\* Decrease. † Since the closing of the Accounts the Government has given a further special subsidy of £123,000 under authority of section 9, Finance Act (No. 2), 1937.

	1938.	1937.
	£	£
Net loss for year .. .. .	130,140	10,111
Balance at credit of Fund .. .. .	834,465	964,605
Funds invested at 31st January—		
At 3 per cent. .. .. .	5,000	5,000
At 3 <sup>3</sup> / <sub>8</sub> per cent. .. .. .	5,000	8,175
At 3 <sup>1</sup> / <sub>2</sub> per cent. .. .. .	65,676	51,681
At 3 <sup>3</sup> / <sub>4</sub> per cent. .. .. .	1,200	1,200
At 4 per cent. .. .. .	83,291	24,650
At 4 <sup>1</sup> / <sub>4</sub> per cent. .. .. .	383,759	280,239
At 4 <sup>2</sup> / <sub>5</sub> per cent. .. .. .	1,800	1,800
At 4 <sup>1</sup> / <sub>2</sub> per cent. .. .. .	198,965	136,730
At 4 <sup>3</sup> / <sub>5</sub> per cent. .. .. .	300	100
At 4 <sup>3</sup> / <sub>4</sub> per cent. .. .. .	..	1,100
At 4 <sup>4</sup> / <sub>5</sub> per cent. .. .. .	100	300
At 5 per cent. .. .. .	..	60,715
At 5 <sup>1</sup> / <sub>5</sub> per cent. .. .. .	2,250	2,250
At 5 <sup>1</sup> / <sub>2</sub> per cent. .. .. .	2,400	2,400
At 6 per cent. .. .. .	269	1,750
At 6 per cent. { (subject to reduction under the National	{ 211,432	376,392
At 6 <sup>1</sup> / <sub>2</sub> per cent. { Expenditure Adjustment Act, 1932) ..	{ ..	197
Total .. .. .	£961,442	£954,679
Average rate of interest (per cent.) {		
unreduced rate ..		4.608
after reduction as		4.972
shown above ..		4.378
Unclaimed contributions held at 31st January ..		4.577
£1,410		£855
<i>Cost-of-living Bonus.</i> —The payment of this bonus has been continued in necessitous cases.		
For the Teachers' Superannuation Board,		
C. E. CRAWFORD, Secretary.		

No. 2.—STATEMENTS IN ADDITION TO THOSE PRESCRIBED BY THE ACT AND REGULATIONS.

A. NUMBER OF CONTRIBUTORS ON THE 31ST JANUARY, 1938, ARRANGED ACCORDING TO PERCENTAGE OF CONTRIBUTION.

	5 per Cent.		6 per Cent.		7 per Cent.		8 per Cent.		9 per Cent.		10 per Cent.		Totals.		
	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	Total.
Number at 31st January, 1937	3,195	3,801	254	267	124	173	62	80	40	28	28	6	3,703	4,355	8,058
New contributors entered during year	231	415	20	30	11	19	6	16	3	3	1	2	272	485	757
Transfers from other funds ..	2	1	..	..	..	..	..	..	..	..	..	..	2	1	3
Number left during year ..	3,428	4,217	274	297	135	192	68	96	43	31	29	8	3,977	4,841	8,818
	58	339	13	14	5	10	..	9	1	4	6	2	83	378	462
Number at 31st January, 1938	3,370	3,878	261	283	130	182	68	87	42	27	23	6	3,894	4,463	8,357

B. TOTAL NUMBER OF CONTRIBUTORS WHO HAVE JOINED AND LEFT THE FUND SINCE ITS ESTABLISHMENT (1ST JANUARY, 1906, TO 31ST JANUARY, 1938).

	Number.			Annual Salary.	Annual Rate of Contribution.
	M.	F.	Total.		
Total entered (including net increases in salary and contributions)	6,884	13,781	20,665	£ 5,266,643	£ 304,141
Total discontinued .. .. .	2,990	9,318	12,308	2,662,341	166,501
Total existing at 31st January, 1938 ..	3,894	4,463	8,357	2,604,302	137,640

C. TABLE SHOWING PROGRESS OF FUND SINCE ITS INCEPTION (1ST JANUARY, 1906).

	Year ended 31st March, 1907.	Year ended 31st January, 1924.	Year ended 31st January, 1927.	Year ended 31st January, 1930.	Year ended 31st January, 1933.	Year ended 31st January, 1937.	Year ended 31st January, 1938.	Total to 31st January, 1938.
Total number of contributors	2,182	6,858	8,377	9,616	9,355	8,058	8,357	..
Total amount of contributions	£32,320	£101,594	£146,804	£140,832	£113,549	£132,398	£139,591	£2,819,983
Interest received .. ..	£864	£48,725	£73,420	£70,144	£61,117	£44,187	£42,759	£1,154,634
Subsidy from Government ..	£5,000	£63,833	£71,428	£71,831	£47,020	£171,800	£54,824	£1,663,293
Subsidy from Fiji Government ..	..	£38	£214	£262	£215	£233	£244	£3,102
Number of allowances payable	84	1,078	1,273	1,530	1,842	2,038	2,053	..
Total amount paid on account of retiring and other allowances	£3,147	£112,861	£184,707	£222,423	£283,738	£323,976	£328,007	£4,164,456
Total amount of contributions refunded and transferred	£260	£19,189	£26,590	£30,377	£33,478	£31,481	£36,342	£564,805
Accumulated fund .. ..	£34,734	£858,662	£1,083,155	£1,198,711	£1,111,642	£964,605	£834,465	..

No. 3.—ACCOUNTS AND STATEMENTS AS PRESCRIBED BY REGULATIONS IN  
TERMS OF SECTION 110 OF THE PUBLIC SERVICE SUPERANNUATION  
ACT, 1927.

(1) (A) REVENUE ACCOUNT FOR THE YEAR ENDED 31ST JANUARY, 1938.

	£	s.	d.		£	s.	d.
Balance 31st January, 1937 .. .. .	964,604	16	5	Retiring and other allowances .. .. .	..	..	328,007 9 4
Contributions of members .. .. .	139,248	18	7	Contributions refunded— On voluntary retirement .. .. .	£     s.     d. 28,252   8   4		
Contributions transferred from other funds .. .. .	342	6	2	On death of members .. .. .	6,971	17	11
Additional contribution from Fiji Government in respect to teachers in Fiji schools .. .. .	244	7	2	On lapse of membership .. .. .	868	13	11
Government subsidy— Under the Act, section 112 .. .. .	£     s.     d. 43,000   0   0				<hr/>		36,093   0   2
Under the Act, section 114 .. .. .	5,277	9	4	Rebate of contributions to annuitants on retire- ment under National Expenditure Adjustment Act, 1932, section 9 (2) .. .. .	..     ..     ..		219 12 1
On account of reduction of interest during year ended 31st March, 1937, under National Expenditure Ad- justment Act, 1932 .. .. .	6,547	0	0	Contributions transferred to other funds .. .. .	..     ..     ..		29 3 11
	<hr/>			Administration expenses— Commission, G.P.O. .. .. .	£     s.     d. 632   12   0		
	54,824	9	4	Commission, Public Trustee .. .. .	1,302	12	8
Interest— On investments .. .. .	42,630	0	6	Clerical assistance .. .. .	900	0	0
On contributions in arrears .. .. .	433	12	8	Postage and telegrams .. .. .	100	0	0
	<hr/>			Office expenses .. .. .	120	18	10
	43,063	13	2	Travelling-expenses of Board members .. .. .	61	19	6
Less investments written down (proportion of premium on purchase of investments) .. .. .	304	13	10	Medical fees .. .. .	40	19	0
	<hr/>			Audit fees .. .. .	50	0	0
	42,758	19	4		<hr/>		3,209 2 0
	<hr/>			Balance, 31st January, 1938 .. .. .	..     ..     ..		834,465 9 6
	£1,202,023	17	0		<hr/>		£1,202,023 17 0

COST-OF-LIVING BONUS ACCOUNT FOR THE YEAR ENDED 31st JANUARY, 1938.

	£	s.	d.		£	s.	d.
Refund from Consolidated Fund .. ..	1,568	8	9	Balance due from Consolidated Fund, January, 1937 .. ..	266	13	1
Balance due from Consolidated Fund, 31st January, 1938 .. ..	260	7	10	Payment of bonus .. ..	1,562	3	6
	<u>£1,828</u>	<u>16</u>	<u>7</u>		<u>£1,828</u>	<u>16</u>	<u>7</u>

(B) BALANCE-SHEET AS AT 31ST JANUARY, 1938.

Liabilities.			Assets.		
	£	s. d.		£	s. d.
Fund as per Revenue Account .. ..	834,465	9 6	Amount held by Public Trustee—		
Retiring and other allowances due and unpaid ..	2,523	12 11	Invested .. ..	961,442	7 7
Refund of contributions due and unpaid ..	512	5 6	Uninvested .. ..	2,971	7 3
Administration expenses unpaid—					964,413 14 10
Commission, Post and Tele-	£	s. d.	Premium paid on purchase of		
graph Department .. ..	206	14 6	Investments .. ..	3,439	2 2
Clerical assistance .. ..	750	0 0	Less amount written off ..	304	13 10
Postage and telegrams .. ..	83	6 8			3,134 8 4
Office expenses, printing, and			Amounts paid to protect securities		143 13 4
stationery .. ..	15	0 4	Contributions of members—		
Audit fee .. ..	41	13 4	In transit .. ..	2,153	8 5
Medical fees .. ..	11	11 0	Due and outstanding ..	3,793	19 9
	1,108	5 10			5,947 8 2
Unclaimed contributions .. ..	1,409	13 4	Funds in transit (for refund of		
Amounts paid into fund in error ..	87	9 10	contributions due London in		
Government subsidy— Statutory			February) .. ..		123 7 8
grant received in advance for			Interest on investments ..		
1938 .. ..	39,416	13 4	Due and outstanding ..	10,320	11 5
Less additional subsidy under sec-	406	1 9	Accrued, but not due ..	11,192	13 0
tion 114 of Act not yet received					21,513 4 5
Less additional subsidy under sec-			Interest on arrears of contribu-		
tion 114, receivable in respect			tions due and outstanding		
to allowances outstanding at			(contributors) .. ..		269 13 3
31st January, 1938 .. ..	173	4 3	Due by Consolidated Fund for		
			Cost-of-living Bonus .. ..		260 7 10
Rent received from securities					
leased (held for rates and ex-					
penses) .. ..		299 18 9			
Reserve—					
For commission payable to					
Public Trustee in respect to					
interest due or accrued ..	713	0 0			
For commission to Post and					
Telegraph Department in re-					
spect to vouchers issued but					
unpaid .. ..	40	13 0			
For cost of actuarial examina-					
tion .. ..	20	0 0			
		773 13 0			
Reserve for loss on investments—					
Balance at 31st January, 1937	3,049	9 10			
Less interest written off ..	173	7 6			
Less capital written off ..	374	10 11			
		2,501 11 5			
Account with Post Office over-					
drawn at 31st January, 1938 ..	92,119	6 9			
Vouchers issued but unpaid ..	21,167	3 8			
		113,286 10 5			
		£995,805 17 10			£995,805 17 10

NOTES.—Since the closing of the accounts for the year the Government has given a further subsidy on account of the loss suffered by the reduction of interest under the provisions of the National Expenditure Adjustment Act, 1932, during the year to 31st March, 1938. The amount for the period to 31st January, 1938, not included in the year's accounts, is £5,270. Since closing the Accounts for the year a further Government subsidy of £123,000 has been paid to the Fund.

The liability under section 9 (2) of the National Expenditure Adjustment Act, 1932, as amended by section 25 of the Finance Act (No. 2), 1932–33, in respect to the rebate to those contributors who did not elect to continue to contribute on the higher rate of salary before the reductions in 1932 has not been taken into account in the foregoing statement. The benefit (which is payable upon retirement) will amount in the aggregate, to approximately £30,000; but the additional liability is only approximately £5,000, as the remaining £25,000 would, in any case, be refunded as contributions in the ordinary way upon retirement before full age or service.

Education Department,  
Wellington, 9th May, 1938.

C. E. CRAWFORD, A.R.A.N.Z.,  
Secretary, Teachers' 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 departmental notes enfaced thereon, and to the following comment: There is no statutory authority for the Board to borrow moneys by way of overdraft from the Post Office Account.

J. H. FOWLER,  
Controller and Auditor-General.

## (2) STATEMENT OF CONTRIBUTORS, SHOWING ANNUAL RATES OF SALARIES AND CONTRIBUTIONS AS AT THE 31ST JANUARY, 1938.

	Number.			Annual Rate of Salary.	Annual Rate of Contributions.
	M.	F.	Total.		
Contributors at 31st January, 1937 ..	3,703	4,355	8,058	£ 2,540,745	£ 134,434
New contributors entered during the year ended 31st January, 1938	272	485	757	64,327	3,667
Transfers from other funds during the year	2	1	3	880	44
Net increase in salaries and contributions during the year	..	..	..	119,772	6,100
Totals .. .. .	3,977	4,841	8,818	2,725,724	144,245
Contributions discontinued during the year ended 31st January, 1938, by resignations, &c.	83	378	461	121,422	6,605
Totals at 31st January, 1938 ..	3,894	4,463	8,357	2,604,302	137,640

## (3) PARTICULARS OF CONTRIBUTIONS DISCONTINUED AND ALLOWANCES GRANTED AND REFUNDS OF CONTRIBUTIONS MADE DURING THE YEAR ENDED 31ST JANUARY, 1938.

How discontinued.	Number of Contributors.			Annual Rate at Date of Withdrawal.		Benefits.		
	M.	F.	Total.	Salary.	Contributions.	Allowances : Annual Rate.	Other Payments (non-recurring).	
By death before allowance entered upon—						£ s. d.	£ s. d.	
(a) Contributions paid to personal representatives	3	9	12	4,645	250	..	4,304	11 11
(b) Leaving widow or child	5	..	5	2,385	127	161 0 0	2,110	6 11
By voluntary retirement ..	40	315	355	82,355	4,198	..	28,252	8 4
By lapsed membership ..	5	10	15	3,459	204	..	869	16 5
By transfer to other funds ..	5	2	7	616	43	..	29	3 11
By allowances granted on retirement—								
(a) Ordinary .. .. .	18	32	50	21,826	1,415	9,659 11 0	} 219 12 1	
(b) Medically unfit ..	4	7	11	3,805	221	822 2 0		
(c) Extended provisions ..	3	4	7	2,505	156	1,446 6 0		
By death of annuitants ..	..	..	..	..	..	620 0 0	556	19 1
	83	379	462	121,596	6,614	12,708 19 0	36,342	18 8
Deduct (previously shown in lapsed now reinstated)	..	1	1	174	9	..	1	2 6
Totals .. .. .	83	378	461	121,422	6,605	12,708 19 0	36,341	16 2

(4) STATEMENT OF RETIRING-ALLOWANCES (INCLUDING ALLOWANCES TO WIDOWS AND CHILDREN) FOR THE YEAR ENDED 31ST JANUARY, 1938.

(1)	(2)	(3)																
		Details of Column (2).																
		Retiring allowances.						Allowances to										
		Ordinary (Age or Service).		Extended Provisions and Sec. 14, Finance Act, 1931.		Medically Unfit.		Widows.		Children.								
		Number.	Annual Rate.	Number.	Annual Rate.	Number.	Annual Rate.	Number.	Annual Rate.	Number.	Annual Rate.							
M.	F.	M.	F.	M.	F.	M.	F.	M.	F.	M.	F.							
Particulars.	Total Allowances.		Total.		Annual Rate.		£		s.		d.		£		s.		d.	
	611 1,427 2,038 322,557 7 0		393 913 261,513 2 0		76 62 21,883 4 0		103 113 27,830 2 0		299 9,276 19 0		39 40 2,054 0 0							
	28 46 74 12,088 19 0		18 32 9,659 11 0		3 4 1,446 6 0		4 7 822 2 0		1 31 0 0		3 2 130 0 0							
	.. 20 20 620 0 0		.. .. ..		.. .. ..		.. .. ..		20 620 0 0		.. .. ..							
	639 1,493 2,132 335,266 6 0		411 945 271,172 13 0		79 66 23,329 10 0		107 120 28,652 4 0		320 9,927 19 0		42 42 2,184 0 0							
34 45 79 10,136 14 0		20 23 8,075 0 0		3 2 669 1 0		4 2 682 13 0		12 372 0 0		7 6 338 0 0								
605 1,448 2,053 325,129 12 0		391 922 263,097 13 0		76 64 22,660 9 0		103 118 27,969 11 0		308 9,555 19 0		35 36 1,846 0 0								
Particulars of Allowances discontinued during the Year.																		
How discontinued—																		
By death ..		27 38 65 9,797 14 0		20 23 8,075 0 0		3 2 669 1 0		4 2 682 13 0		11 341 0 0		.. .. ..		338 0 0				
By expiry ..		7 7 14 339 0 0		.. .. ..		.. .. ..		.. .. ..		1 31 0 0		7 6 338 0 0						
Totals ..		34 45 79 10,136 14 0		20 23 8,075 0 0		3 2 669 1 0		4 2 682 13 0		12 372 0 0		7 6 338 0 0						
Progress of Allowances since Establishment of Fund to the 31st January, 1938.																		
Total granted ..		1,264 2,035 3,299 451,346 8 0		710 1,136 346,341 13 0		148 70 34,637 12 0		213 163 48,213 0 0		484 14,302 3 0		193 182 7,852 0 0						
Total discontinued ..		659 587 1,246 126,216 16 0		319 214 83,244 0 0		72 6 11,977 3 0		110 45 20,243 9 0		176 4,746 4 0		158 146 6,006 0 0						
Total existing ..		605 1,448 2,053 325,129 12 0		391 922 263,097 13 0		76 64 22,660 9 0		103 118 27,969 11 0		308 9,555 19 0		35 36 1,846 0 0						

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