

1939.  
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, 1939. The Revenue Account, Balance-sheet, and statements in connection therewith will be found appended.

The income for the year exceeded the expenditure by £9,631 1s. 9d.

*Members' Contributions.*—The income under this heading showed an increase of £7,627 13s. 11d. The number of contributors at 5, 6, 7, 8, 9, and 10 per cent. increased by 1,027, 87, 47, 36, 30, and 26, while contributors at 3 and 4 per cent. decreased by 125 and 9 respectively. The increase in amount of contributions is due to appointments to the permanent staff.

*Contingent Contributors.*—During the year 323 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 a liability in respect of service prior to permanent appointment. The total number of employees so contributing at the end of the year under review was 684, and the amount standing to their credit £13,043 8s. 9d.

*Subsidy.*—In addition to the sum of £170,000 paid into the fund by the Working Railways Department, a subsidy of £52,000 was received from the Treasury in accordance with the provisions of section 17 of Finance Act (No. 2), 1934.

*Interest.*—The interest earned amounted to £63,997 11s. 5d., a decrease of £591 9s. 5d. as compared with the previous year. Table D, Statement of Investments, shows that the average rate of interest on securities held at the 31st March, 1939, was 4.254 per cent., and the average rate earned on the mean funds for the year 5.123 per cent., as against 4.315 per cent. and 5.213 per cent. respectively for the previous year.

*Life Allowances.* The expenditure on account of life allowances to members amounted to £433,369 9s. 10d., an increase of £8,518 9s. 1d. as compared with the figures for the previous year. Year ended 31st March, 1938, showed an increase under this heading of £4,642 6s. 6d. Table A, Statement of Allowances, shows that the average amount of the 181 allowances granted during the year was £189 8s. 4d. and the average amount of 124 allowances discontinued was £163 6s.

*Allowances to Widows and Children.*—The expenditure under the heading of allowances to widows and children showed an increase of £1,249 8s. 4d. The sum of £13,151 17s. 4d. was received 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, 1939, there were 2,388 members, 662 widows, and 353 children, making a total of 3,403 persons actually on the fund, involving an annual liability of £454,691 13s. 2d.

D. G. SULLIVAN,  
Chairman, Government Railways Superannuation  
Fund Board.