

1948
NEW ZEALAND

NATIONAL PROVIDENT FUND

THIRTY-SEVENTH ANNUAL REPORT OF THE BOARD FOR THE YEAR ENDED 31st
DECEMBER, 1947

*Presented to both Houses of the General Assembly pursuant to the National Provident Fund
Act, 1926, Sections 72 and 74*

PART I.—THE FUND (SECTION 72)

1. Summarized figures for the three annual periods terminating on the 31st December, 1937, 1942, and 1947, form a ready basis for comparative analysis, and while the statistics disclose a further slight recession in numerical membership, the upward trends in the annual payments of contributions and benefits have continued :—

	1937.	1942.	1947.
New contributors	4,902	2,687	2,614
Total contributors	28,972	28,508	25,722
Pensioners	736	1,229	1,983
Income—	£	£	£
Contributions	266,431	342,234	622,859
Interest (including fines)	185,016	248,416	306,023
Total income (including State subsidy)	583,420	695,648	1,099,777
Outgo—			
Pensions	66,370	104,379	168,376
Other benefits	167,816	158,043	295,488
Total outgo	239,915	266,149	467,425
Funds at end of Year	4,992,587	6,862,358	9,586,611
Effective interest earnings (per cent.)	£3 18s. 3d.	£3 15s. 9d.	£3 7s. 0d.

2. In terms of the 1946 legislation, the Board introduced a new Standard Superannuation Scheme which became available to permanent employees of all local authorities on the 1st August, 1947; although a considerable volume of detailed assessments was dealt with in the period under review, there remained a large carry-over which will be reflected in the accounts for the following year. The additional contributions payable to secure credits for past service and also additional salaries which cause the disparity between the nominal annual contributions and contributions payable as per Revenue Account are also reflected in the abnormal amount stated as contributions due at the close of the year; arrangements have been made to collect such arrears of contributions by regular monthly instalments.

3. During the year two important legislative amendments affected the *public portion of the Fund*—firstly, the weekly rate of allowances payable in respect of children, on the incapacity or death of the contributor, which had remained at 7s. 6d. from the initiation of the Fund in 1910, was increased to 10s., and the period for payment extended to age sixteen; and, secondly, the income barrier which precluded persons with incomes in excess of £300 per annum from becoming contributors to the Fund was eliminated. It is hoped that with the improved employment situation staff will shortly be available to bring the benefits of the Fund more directly before the public. The annual pensions payable on maturity—*i.e.*, attainment of age sixty and benefits payable to dependants of direct or personal contributors—have risen from £22,500 in 1937 to over £56,500 in 1947, clearly indicating the growing appreciation of the value of the Fund and its increasing importance in New Zealand's national economy.

4. Tribute is paid to the efficient manner in which the depleted staff have responded to the calls made both on their energy and time during the twelve months under review.

W. NASH, Chairman of the Board.

W. L. COMRIE, Superintendent of the Fund.

Wellington, 9th November, 1948.

NATIONAL PROVIDENT FUND

(1) REVENUE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1947

Amount of Fund at beginning of year (1st January, 1947)	£ 8,985,360	National Provident Fund Act, 1926—	£
National Provident Fund Act, 1926—		Refund of contributions on lapse, reduction, and withdrawal (secs. 11, 12, and 13)	1,80,397
Contributions	622,859	Refund of contributions in lieu of pension (sec. 14)	25,380
Interest	305,566	Incapacity allowances (secs. 17 and 18), including contributions waived on incapacity (£71)	13,399
Fines (sec. 11 (4))	457	Death: Refund of contributions (secs. 15 (5) and 16)	44,830
Government contribution under Act (secs. 52 and 74 (2))	121,334	Death: Allowances on account of widows and children (sec. 15)	31,483
Contributions over-paid on exit	704	Pensions (secs. 13 and 48)	168,375
Benefits refunded on exit (secs. 11 to 16 and 28)	26,219	Refund of contributions overpaid on exit	764
Miscellaneous receipts	2	Public Trustee: Charges	2,765
Refunds unclaimed	2,346	War-risk insurance premiums	92
Premiums on conversion	20,290	Investment Fluctuation Account	31,109
		Amount of Fund at end of year (31st December, 1947)	9,586,611
	<u>£10,085,137</u>		<u>£10,085,137</u>

BALANCE-SHEET AS AT 31ST DECEMBER, 1947

<i>Liabilities</i>		<i>Assets</i>	
	£		£
Fund as per Revenue Account	9,586,611	In hands of Public Trustee—	
Disbursement Account	3,312	Invested	9,345,449
National Provident Fund Act, 1926—		Uninvested	19,085
Claims due and in course of payment*—		Post Office	39,734
Death: Refunds (sec. 16)	830	Balances in transit	47,715
Death: Refunds (sec. 15 (5))	1,128	National Provident Fund Act, 1926—	
Death: Allowances (sec. 15)	207	Contributions outstanding or in course of transmission*—	
Pensions (secs. 13 and 48)	950	(a) Contributions due but not overdue	168,796
Refunds of contributions in lieu of pension (sec. 14)	2,803	(b) Contributions overdue	3,038
Public Trustee: Charges*	819	Government subsidy due under Act* (secs. 52 and 74 (2))	121,334
Refunds in Suspense	93,605	Fines due* (sec. 11 (4))	192
Suspense Account	6,268	Interest due*	3,071
Contributions prepaid	31,982	Interest accrued but not due*	79,100
Investment Fluctuation Reserve	100,000		
	<u>£9,828,515</u>		<u>£9,828,515</u>

* Included in Revenue Account.

W. L. COMRIE, Superintendent.

R. S. BROWN, Accountant.

Wellington, 8th November, 1948.

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.—J. P. RUTHERFORD, Controller and Auditor-General.

(2) NUMERICAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 1947

	Numbers.												Annual Contributions. £						
	Class 1. Pension Rate, 10s.			Class 2. Pension Rate, 20s.			Class 3. Pension Rate, 30s.			Class 4. Pension Rate, 40s.				Class 5. Superannuation.			Aggregate.		
	M.	F.	T.	M.	F.	T.	M.	F.	T.	M.	F.	T.		M.	F.	T.	M.	F.	T.
Number of contributors at commencement of year	11,974	784	12,758	2,282	368	2,650	231	51	282	594	126	720	5,521	5,474	10,995	20,602	6,803	27,405	398,846
New entrants during the year	237	35	272	75	23	98	5	2	7	20	11	31	842	1,364	2,206	1,179	1,435	2,614	68,922
Transfer from another class	28	5	33	64	8	72	9	5	14	24	5	29	2	1	3	127	24	151	56,187
Increase due to adjustment on age-error, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1
Total	12,239	824	13,063	2,421	399	2,820	245	58	303	638	142	780	6,365	6,839	13,204	21,908	80,170	523,056	
Discontinuances, &c. (as per detailed statement below)	11,533	116	11,649	190	56	246	39	9	48	55	10	65	874	2,146	3,020	2,111	2,337	4,448	101,085
Total at end of year	11,236	708	11,944	2,231	343	2,574	206	49	255	583	132	715	5,491	4,693	10,184	19,797	5,925	25,722	422,871

Details of Discontinuances, &c., during the Year

Death	43	11	54	11	3	14	18	4	22	10	1	25	27	9	36	82	12	94	3,247
Notice of withdrawal	357	68	425	82	32	114	7	7	7	4	4	13	744	2,115	2,859	1,220	2,223	3,443	58,707
Lapse and cancellation	333	33	366	51	9	60	7	2	5	2	9	12	100	22	122	428	44	472	50,520
Attainment of pension age	122	6	128	17	4	21	3	2	5	12	4	20	3	..	3	254	34	288	37,287
Transfer to another class	68	9	77	29	8	37	11	3	14	16	..	..	..	..	..	127	24	151	823
Decrease due to adjustment on age-error, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1
Total	953	116	1,069	190	56	246	39	9	48	55	10	65	874	2,146	3,020	2,111	2,337	4,448	101,085

Numerical Progress since Establishment

Total entered	65,025	5,821	70,846	10,733	1,516	12,249	1,151	202	1,353	5,152	340	1,852	14,690	29,335	44,034	93,120	37,214	130,334	..
Total transferred from other classes	4,784	275	5,059	3,501	333	3,834	644	90	734	1,010	89	1,099	169	17	186	10,108	804	10,912	..
Total discontinued	69,809	6,096	75,905	14,234	1,849	16,083	1,795	292	2,087	2,522	429	2,951	14,868	29,352	44,220	103,228	38,018	141,246	..
Total transferred to other classes	54,845	5,082	59,927	7,557	1,190	8,747	803	142	945	1,015	216	1,231	9,303	21,650	33,962	73,323	31,289	104,612	..
Total	3,678	306	3,984	4,636	316	4,952	786	101	887	924	81	1,005	74	..	..	10,108	804	10,912	..
Total contributors on books at 31st December, 1947	58,523	5,388	63,911	12,003	1,506	13,509	1,559	243	1,822	1,939	297	2,236	9,377	24,659	34,036	83,431	32,093	115,524	..
Total contributors on books at 31st December, 1947	11,236	708	11,944	2,231	343	2,574	206	49	255	583	132	715	5,491	4,693	10,184	19,797	5,925	25,722	422,871

NATIONAL PROVIDENT FUND ACT, 1926

Contributors (General)

(3) STATEMENT OF PENSIONS AND ALLOWANCES FOR THE YEAR ENDED 31ST DECEMBER, 1947

	On Death.			On Incapacity.			On Attainment of Age 60.			Total Pensions and Allowances.		
	Number.		*Annual Amount.	Number.		*Annual Amount.	Number.		*Annual Amount.	Number.		Annual Amount.
Existing at beginning of year	M. 161	F. ..	£ 7,604	M. 23	F. ..	£ 837	M. 792	F. 192	£ 37,663	M. 976	F. 192	£ 46,104
Granted during the year	54	..	6,631	10	..	822	145	10	5,524	209	10	12,977
Total	215	..	14,235	33	..	1,659	937	202	43,187	1,185	202	59,081
Discontinued during the year (as per statement below)	13	..	793	10	..	411	24	3	1,222	47	3	2,426
Existing at end of year ..	202	..	13,442	23	..	1,248	913	199	41,965	1,138	199	56,655

Particulars of Pensions and Allowances discontinued during the Year

Discontinued by death	..	..	..	1	..	20	24	3	1,222	25	3	1,242
Expiry	13	..	793	9	..	391	..	..	..	22	..	1,184
Total	13	..	793	10	..	411	24	3	1,222	47	3	2,426

Contributors (Superannuation—Sections 22, 38, and 54 of the Act)

3A) STATEMENT OF RETIRING AND OTHER ALLOWANCES FOR THE YEAR ENDED 31ST DECEMBER, 1947

	On Death.			On Medical Unfitness.			On Retirement (Age or Service).			Total Retiring and other Allowances.		
	Number.		*Annual Amount.	Number.		*Annual Amount.	Number.		*Annual Amount.	Number.		Annual Amount.
Existing at beginning of year	M. 306	F. ..	£ 6,163	M. 94	F. 19	£ 12,359	M. 572	F. 253	£ 118,505	M. 972	F. 272	£ 137,027
Granted during the year	45	..	12,805	11	1	2,188	68	22	24,265	124	23	39,258
Total	351	..	18,968	105	20	14,547	640	275	142,770	1,096	295	176,285
Discontinued during the year (as per statement below)	15	..	839	21	4	3,186	41	3	6,646	77	7	10,671
Existing at end of year	336	..	18,129	84	16	11,361	599	272	136,124	1,019	288	165,614

Particulars of Retiring and other Allowances discontinued during the Year

Discontinued by death	11	..	436	4	..	627	41	3	6,646	56	3	7,709
Expiry	4	..	403	17	4	2,559	..	..	..	21	4	2,962
Total	15	..	839	21	4	3,186	41	3	6,646	77	7	10,671

* Includes improvement in rates of Pensions and Allowances, effected during year.

NATIONAL PROVIDENT FUND

PROGRESS OF PENSIONS AND ALLOWANCES SINCE THE ESTABLISHMENT OF THE FUND
TO 31ST DECEMBER, 1947

	On Death.			On Incapacity.			On Maturity (Age or Service).			Total Pensions and Allowances.		
	Number.		Annual Amount.	Number.		Annual Amount.	Number.		Annual Amount.	Number.		Annual Amount.
Total granted	M.	F.	£	M.	F.	£	M.	F.	£	M.	F.	£
Total discontinued	1,125	1	64,003	855	60	65,916	2,150	549	250,485	4,130	610	380,404
	587	1	32,432	748	44	53,307	638	78	72,396	1,973	123	158,135
Total existing at 31st December, 1947	538	..	31,571	107	16	12,609	1,512	471	178,089	2,157	487	222,269

PART II.—STATE SUBSIDY (SECTION 74)

The amount of subsidy paid by the State for the year was £121,334.

Approximate Cost of Paper.—Preparation, not given; printing (665 copies), £16 10s.

By Authority: E. V. PAUL, Government Printer, Wellington.—1948.

Price 6d.]