

Retiring and other Allowances.—Pensions for £10,662 5s. per annum were granted during the year, as follows: For age or length of service, £8,716 per annum to seventy-one members (sixty-nine male and two female members); for medical unfitness for duty, £591 5s. to eleven members (all male); to widows and children of deceased members, £666 per annum to thirty-seven widows, and £689 per annum to fifty-three children.

The largest retiring-allowance granted during the year to a contributor was £433 7s., and the smallest £6 9s. per annum, while the average was £113 10s.

Those officers who retired during the year would have been entitled to receive the sum of £20,937 9s. 6d. accrued compensation under the Civil Service Act, 1866, had they not become participants in the benefits of the Superannuation Fund. The total amount saved to the Consolidated Fund in this manner since the initiation of the superannuation scheme has been £149,554 14s. 2d., which may fairly be set against the subsidies paid to the fund, amounting to £156,500.

Thirty retiring-allowances were discontinued by death, and fourteen for other causes—viz., one widow remarried, nine children reached age fourteen, three allowances granted to officers were cancelled on their re-employment, and one officer forfeited his allowance under section 44, Amendment Act, 1908 (refusal to accept re-employment).

The annual amount payable at the close of the year was £60,970 6s. 11d., as shown in the statement attached.

Income.—The total income for the year was £185,463, made up as follows:—

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Members' ordinary contributions	116,388
Transferred from other funds	37
Contributions from Government	48,000
Fines	234
Interest	20,804
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Total income for year	£185,463

Outgo.—The pensions paid to contributors who have retired and to dependants of deceased contributors during the year amounted to £58,238 2s. 1d.—viz., £54,544 11s. 6d. to members, and £3,693 10s. 7d. to widows and children.

Refunds of contributions to contributors who have left the service, including interest £7 11s. 8d., amounted to £9,371 8s. 2d., while the refunds under section 42 to personal representatives of deceased contributors amounted to £966 16s. 10d.

Four contributors who were retired elected to accept a refund of their contributions under section 38, amounting to £193 11s. 7d., in lieu of retiring-allowances. Refunds of contributions under section 32 (e), by reason of the death of contributors while in the Public Service, and who were entitled to compensation from the Consolidated Fund, amounted to £220 13s. 4d. during the year. Payments under section 32 (f), balance of compensation and contributions less amount of retiring-allowance received, amounted to £942 8s. 7d.

Four contributors were transferred to other funds in accordance with the provisions of section 48 of the Amendment Act of 1908, and their contributions, amounting to £4 12s. 8d., were accordingly transferred to such other funds. The salaries of the staff (excluding that of the Secretary, paid out of the Consolidated Fund, as provided under section 25 of the Act) and other office expenses were £912 5s. and £140 9s. 5d. respectively. Legal expenses (Crown Law Office opinions) amounted to £1 1s., and medical fees for reports under section 36 to £52 10s. The travelling-expenses of the elected members of the Board amounted to £10 5s. The total outgo for the year was £71,104 3s. 8d.

Net Revenue.—The total for the year was £114,359.

Accumulated Funds.—These amounted at the end of the year to £537,914.

Balance-sheet.—On the 31st December the total assets of the fund, which include provision for the outstanding accounts, amounted to £544,909. The balance-sheet appended gives full particulars as to the assets and liabilities.

The large amount of interest accrued, £16,020 5s. 11d., arises from the arrangement of placing the moneys in the common fund of the Public Trust Office, as explained in the report for the year 1911. On the 1st April in each year the total amount of interest accrued to the end of the previous financial year is capitalized.

Investment of the Fund.—As contributors are aware, the accumulated moneys of the fund are placed in the common fund of the Public Trust Office, bearing interest at the rate of 4½ per cent. per annum. This rate is the maximum allowed by the Public Trust Office Act, and the Board is of opinion that a substantially higher rate could be earned. With this object in view the Board proposes to seek legislative power to enable more favourable arrangements to be made for the investment of the fund.

Actuarial Investigation.—The triennial investigation is being made by the Government Actuary, and his report will be presented to Parliament during the coming session.

H. D. BELL,
Chairman.