

1932.
NEW ZEALAND.

PUBLIC SERVICE SUPERANNUATION FUND.

ACTUARIAL EXAMINATION AS AT 31st MARCH, 1930.

Laid before Parliament in pursuance of Section 49 (4) of the Public Service Superannuation Act, 1927.

REPORT

BY THE ACTUARY APPOINTED BY HIS EXCELLENCY THE GOVERNOR-GENERAL TO MAKE THE ACTUARIAL EXAMINATION OF THE PUBLIC SERVICE SUPERANNUATION FUND.

Government Actuary's Department,
Wellington, 25th November, 1931.

1. I HAVE the honour to submit the following report on the Public Service Superannuation Fund as at the 31st March, 1930, as required by section 49 of the Public Service Superannuation Act, 1927.

2. The scheme, which came into operation on the 1st January, 1908, embraces, with the few exceptions set out in section 54 of the Act, all permanent public servants outside the Government Railways Superannuation Fund and Teachers' Superannuation Fund.

3. The contributions and the benefits provided by the Act, together with the statements showing the progress of active membership, discontinuance of membership from various causes, and the progress of pensions for each year, will be found in Tables I to IV of the appendix to this report. The ages of the contributors at the date of the valuation, together with their contributions and other particulars are shown in Table V; and the pensions granted during the triennium, with the ages at which they were granted, in Table VI.

4. The income and outgo of the fund since the previous valuation were as follow :—

CONSOLIDATED REVENUE ACCOUNT OF THE PUBLIC SERVICE SUPERANNUATION FUND FROM THE 1ST APRIL, 1927, TO THE 31ST MARCH, 1930.							
<i>Income.</i>	£	s.	d.	<i>Outgo.</i>	£	s.	d.
Funds at 1st April, 1927	2,493,790	7	11	Pensions to members	961,556	19	6
Members contributions	764,854	8	6	Pensions to widows and children	95,472	13	5
Transfers from other funds	1,463	13	10	Contributions returned	144,612	4	0
Government subsidy	358,000	0	0	Transfer to other funds	1,791	9	9
Subsidy from Cook Islands and Samoa Administrations	3,129	19	7	Loss on realization of securities	3,902	11	0
Government subsidy under section 114, Public Service Superannuation Act.. ..	42,661	19	8	Salaries	8,282	11	5
Interest on investments	448,004	1	5	Public Trust Office Commission	11,179	19	10
Interest on arrears of contributions	917	12	1	Travelling and office expenses	4,697	19	6
Fines	979	4	6	Funds at 31st March, 1930	2,882,504	1	11
Other receipts	199	2	10				
	£4,114,000	10	4		£4,114,000	10	4

5. It will be noted that the funds shown herein differ from those shown in the annual report of the Superannuation Fund Board by £64,500, which sum the Board regard as unearned subsidy, and therefore treat as a liability. In this connection I would point out that the accounts of a superannuation fund are obviously not designed to show the annual profit or loss of the fund, nor does the balance-sheet make any pretensions to show the real contingent liabilities of the fund in connection with pensions or other benefits. Under the circumstances, no good purpose is served by so understating the funds, and the Board is recommended to bring its accounting methods into line with the world-wide practice of financial institutions controlling life-assurance and other funds whose liabilities involve contingencies which cannot be measured by ordinary accountancy standards.