

1936.
NEW ZEALAND.

NATIONAL PROVIDENT FUND.

TWENTY-FIFTH ANNUAL REPORT OF THE BOARD, FOR THE YEAR ENDED 31st DECEMBER, 1935.

Prepared in pursuance of Section 72 of the National Provident Fund Act, 1926.

THE operations of the Fund for the year ended 31st December, 1935, disclose satisfactory all-round progress, as shown by the following comparative figures:—

	1935.	1934.
New contributors	2,977	2,839
Total contributors	25,782	25,172
Pensioners	588	522
	£	£
Contributions	233,178	227,652
Interest	168,039	165,829
Total income	502,899	493,173
Pension payments	51,758	46,404
Other benefits	141,840	146,964
Total outgo	199,632	212,361
Funds at end of year	4,341,060	4,037,793
Rate of interest, per cent... ..	£4 1s. 10d.	£4 6s. 11d.

The benefits granted by the Fund include, *inter alia*, annuities at age sixty, widows' annuities, invalidity and death allowances varying with the number of dependent children, and the enrolment of contributors is not made any easier by the fact that the State also grants free old-age pensions and free pensions to widows, miners, &c. The last five years have imposed a severe test on the Fund, as a considerable number of members have elected, in many cases through force of economic circumstances, to relinquish membership and withdraw their contributions. Under all the circumstances it is very gratifying that progress continues to be shown, and with improving financial conditions a greater degree of expansion may confidently be expected. It seems clear, however, from the experience of the Fund since its inception, together with the results of similar schemes in other countries, that the objective of relieving the State of old-age and other pension payments can be achieved only by a compulsory scheme, preferably including all sections of the community, although partial success might be achieved by commencing with those below a specified age or under a given income limit.

If deemed desirable by Government, the present voluntary basis of the National Provident Fund could be altered and made compulsory, or, alternatively, the scales of contributions and benefits could be suitably modified to form the framework of a national compulsory contributory scheme.

W. LEE MARTIN,
Chairman of the Board.

C. GOSTELOW, F.I.A.,
Superintendent of the Fund.

Wellington, 23rd July, 1936.

NATIONAL PROVIDENT FUND.

(I) REVENUE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1935.

	£	s.	d.		£	s.	d.
Amount of fund at beginning of year	4,037,792	14	9	Maternity claims (section 19)	4,554	0	0
Contributions	233,177	10	0	Maternity claims (approved friendly societies)	27,844	0	0
Interest	168,039	2	6	Refund of contributions on lapse, reduction, and withdrawal (sections 11, 12, and 13)	57,898	4	0
Fines	374	10	11	Refund of contributions in lieu of pension (section 14)	4,549	17	4
Government contribution under Act	58,303	3	4	Incapacity allowances (sections 17 and 18), including contributions waived on incapacity (£1,251 0s. 4d.)	7,839	15	11
Refund of maternity claims by the State	27,844	0	0	Death: Refund of contributions (sections 15 (5) and 16)	26,750	8	2
Contributions overpaid on exit	54	14	0	Death: Allowances on account of widows and children (section 15)	12,349	3	3
Benefits refunded on exit	15,105	5	5	Retirement: Allowances (sections 13 and 48)	51,757	11	3
Miscellaneous receipts	0	5	6	Refund of contributions overpaid on exit	54	14	0
				Expenses—			
				Salaries	2,010	0	11
				Commission, allowances, and agency expenses	651	7	2
				Postages	40	17	6
				Printing and stationery	43	3	8
				Rent	161	8	10
				Government Actuary	152	10	1
				Public Trustee: Charges	2,794	0	0
				Travelling allowances and expenses	25	18	8
				General expenses	59	6	7
				Legal expenses	95	8	10
				Amount of fund at end of year	4,341,059	10	3
	£4,540,691	6	5		£4,540,691	6	5

BALANCE-SHEET AS AT 31ST DECEMBER, 1935.

<i>Liabilities.</i>		£	s.	d.	<i>Assets.</i>		£	s.	d.
Fund as per Revenue Account		4,341,059	10	3	In hands of Public Trustee—				
Claims due and in course of payment*—					Invested	4,046,529	12	3	
Maternity		1,514	16	6	Uninvested	202,430	7	6	
Death (section 16)		921	18	7	Post Office	402	18	5	
Death (section 15 (5))		494	4	11	Balances in transit	9,128	10	5	
Death: Allowances (section 15)		363	2	5	Contributions outstanding or in course of transmission*—				
Allowances (sections 13 and 48)		1,714	3	11	(a) Contributions due but not overdue	9,296	13	2	
Allowances (section 17)		239	8	9	(b) Contributions overdue	2,174	6	4	
Refunds (section 14)		349	14	5	Government subsidy due under Act*	58,303	3	4	
Public Trustee: Charges*		1,567	18	7	Refund due in respect of maternity claims*	1,066	0	0	
Refunds in suspense		40,621	7	11	Fines due*	138	3	4	
Suspense Account		211	5	7	Interest due*	21,613	7	7	
Contributions prepaid		8,817	7	9	Interest accrued but not due*	46,791	17	3	
		£4,397,874	19	7		£4,397,874	19	7	

* Included in Revenue Account.

C. GOSTELOW, F.I.A.,
Superintendent.
R. M. PORTEOUS,
Accountant.

Wellington, 1st July, 1936.

I hereby certify that the Balance-sheet and Revenue Account have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—
J. H. FOWLER, Deputy Controller and Auditor-General.

(2) NUMERICAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 1935.

Numbers.

	Class 1. Pension Rate, 10s.			Class 2. Pension Rate, 20s.			Class 3. Pension Rate, 30s.			Class 4. Pension Rate, 40s.			Class 5. Pension Rate: Other.			Aggregate.			Annual Contributions. £ s. d.	
	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	15,224	627	15,851	1,682	314	1,996	192	51	243	428	114	542	4,058	2,482	6,540	21,584	3,588		25,172	231,857	12 4
New entrants during the year	1,483	106	1,589	83	19	102	9	5	14	14	4	18	379	875	1,254	1,968	1,909	2,977	21,577	12 8
Transfer from another class	77	11	88	107	6	113	16	9	25	29	5	34	9	1	10	238	32	270	7,089	13 4
Increase due to adjustment on age-error, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	75	18 0
Total	16,784	744	17,528	1,872	339	2,211	217	65	282	471	123	594	4,446	3,358	7,804	23,790	4,629	28,419	260,600	16 4
Discontinuances, &c. (as per detailed statement below)	1,324	80	1,404	192	28	220	31	10	41	31	16	47	198	727	925	1,776	861	2,637	21,226	2 4
Total at end of year	15,460	664	16,124	1,680	311	1,991	186	55	241	440	107	547	4,248	2,631	6,879	22,014	3,768	25,782	239,374	14 0
Death	35	2	37	5	..	5	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Notice of withdrawal	756	51	807	79	16	95	9	1	10	6	8	14	110	690	800	69	7	76	2,909	19 8
Lapse and cancellation	400	11	411	17	..	17	3	..	3	1	1	2	..	..	..	960	766	1,726	13,072	10 4
Attainment of pension age	21	5	26	7	4	11	3	3	6	2	..	2	55	19	74	421	25	446	1,343	6 8
Transfer to another class	112	11	123	84	8	92	16	6	22	22	7	29	4	..	4	88	31	119	2,935	2 4
Decrease due to adjustment on age-error, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	238	32	270	951	11 8
Total	1,324	80	1,404	192	28	220	31	10	41	31	16	47	198	727	925	1,776	861	2,637	21,226	2 4

Details of Discontinuances, &c., during the Year.

	Class 1. Pension Rate, 10s.			Class 2. Pension Rate, 20s.			Class 3. Pension Rate, 30s.			Class 4. Pension Rate, 40s.			Class 5. Pension Rate: Other.			Annual Contributions. £ s. d.				
	M.	F.	T.	M.	F.	T.	M.	F.	T.	M.	F.	T.	M.	F.	T.					
	Death	35	2	37	5	..	5
Notice of withdrawal	756	51	807	79	16	95	9	1	10	6	8	14	110	690	800	69	7	76	2,909	19 8
Lapse and cancellation	400	11	411	17	..	17	3	..	3	1	1	2	..	..	..	960	766	1,726	13,072	10 4
Attainment of pension age	21	5	26	7	4	11	3	3	6	2	..	2	55	19	74	421	25	446	1,343	6 8
Transfer to another class	112	11	123	84	8	92	16	6	22	22	7	29	4	..	4	88	31	119	2,935	2 4
Decrease due to adjustment on age-error, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	238	32	270	951	11 8
Total	1,324	80	1,404	192	28	220	31	10	41	31	16	47	198	727	925	1,776	861	2,637	21,226	2 4

Numerical Progress since Establishment.

	Class 1. Pension Rate, 10s.			Class 2. Pension Rate, 20s.			Class 3. Pension Rate, 30s.			Class 4. Pension Rate, 40s.			Class 5. Pension Rate: Other.			Annual Contributions. £ s. d.				
	M.	F.	T.	M.	F.	T.	M.	F.	T.	M.	F.	T.	M.	F.	T.					
	Total entered	55,052	4,304	59,356	8,954	1,163	10,117	964	149	1,113	1,219	236	1,455	8,322	9,843		18,165	74,511	15,695	90,206
Total transferred from other classes	4,156	216	4,372	2,245	179	2,424	405	52	457	582	43	625	71	2	73	7,459	492	7,951	..	..
Total discontinued	59,208	4,520	63,728	11,199	1,342	12,541	1,369	201	1,570	1,801	279	2,080	8,393	9,845	18,238	81,970	16,187	98,157	..	..
Total transferred to other classes	41,509	3,700	45,209	5,608	808	6,416	590	84	674	670	121	791	4,120	7,214	11,334	52,497	11,927	64,424	..	..
Total contributors on books at 31st December, 1935	2,239	156	2,395	3,911	223	4,134	593	62	655	691	51	742	25	..	25	7,459	492	7,951	..	..
Total contributors on books at 31st December, 1935	43,748	3,856	47,604	9,519	1,031	10,550	1,183	146	1,329	1,361	172	1,533	4,145	7,214	11,359	59,956	12,419	72,375	..	..
Total contributors on books at 31st December, 1935	15,460	664	16,124	1,680	311	1,991	186	55	241	440	107	547	4,248	2,631	6,879	22,014	3,768	25,782	239,374	14 0

NATIONAL PROVIDENT FUND ACT, 1926.

Direct Contributors.

(3) STATEMENT OF RETIRING AND OTHER ALLOWANCES FOR THE YEAR ENDED 31ST DECEMBER, 1935.

	On Death.				On Incapacity.				On Attainment of Age 60.				Total Retiring and other Allowances.			
	Number.		Annual Amount.		Number.		Annual Amount.		Number.		Annual Amount.		Number.		Annual Amount.	
	M.	F.	£	s. d.	M.	F.	£	s. d.	M.	F.	£	s. d.	M.	F.	£	s. d.
Allowances existing at beginning of year	163	1	8,755	10 0	42	..	1,638	0 0	95	50	6,618	7 0	300	51	17,011	17 0
Granted during the year	17	..	1,072	10 0	18	..	936	0 0	31	11	1,820	0 0	66	11	3,828	10 0
Total	180	1	9,828	0 0	60	..	2,574	0 0	126	61	8,438	7 0	366	62	20,840	7 0
Discontinued during the year (as per statement below)	14	..	1,072	10 0	19	..	877	10 0	2	..	52	0 0	35	..	2,002	0 0
Existing at end of year	166	1	8,755	10 0	41	..	1,696	10 0	124	61	8,386	7 0	331	62	18,838	7 0

Particulars of Retiring and other Allowances discontinued during the Year.

Discontinued by death ..	..	..	19	10 0	4	..	195	0 0	2	..	52	0 0	6	..	266	10 0
Expiry ..	14	..	1,053	0 0	15	..	682	10 0	..	..	..	..	29	..	1,735	10 0
Total ..	14	..	1,072	10 0	19	..	877	10 0	2	..	52	0 0	35	..	2,002	0 0

Other Contributors.

(3A) STATEMENT OF RETIRING AND OTHER ALLOWANCES FOR THE YEAR ENDED 31ST DECEMBER, 1935.

	On Death.				On Medical Unfitness.				On Attainment of Retiring Age.				Total Retiring and other Allowances.			
	Number.		Annual Amount.		Number.		Annual Amount.		Number.		Annual Amount.		Number.		Annual Amount.	
	M.	F.	£	s. d.	M.	F.	£	s. d.	M.	F.	£	s. d.	M.	F.	£	s. d.
Allowances existing at beginning of year	139	..	3,199	0 0	44	10	4,274	6 0	310	67	42,340	18 0	493	77	49,814	4 0
Granted during year ..	18	..	553	0 0	14	3	1,452	10 0	34	16	5,404	19 0	66	19	7,410	9 0
Total	157	..	3,752	0 0	58	13	5,726	16 0	344	83	47,745	17 0	559	96	57,224	13 0
Discontinued during year (as per statement below)	6	..	223	0 0	6	2	578	15 0	23	1	2,153	10 0	35	3	2,955	5 0
Existing at end of year	151	..	3,529	0 0	52	11	5,148	1 0	321	82	45,592	7 0	524	93	54,269	8 0

Particulars of Retiring and other Allowances discontinued during the Year.

Discontinued by death ..	2	..	36	0 0	4	1	321	4 0	23	1	2,153	10 0	29	2	2,510	14 0
Expiry ..	4	..	187	0 0	2	1	257	11 0	..	..	..	..	6	1	444	11 0
Total ..	6	..	223	0 0	6	2	578	15 0	23	1	2,153	10 0	35	3	2,955	5 0

NATIONAL PROVIDENT FUND.

PROGRESS OF RETIRING AND OTHER ALLOWANCES SINCE THE ESTABLISHMENT OF THE FUND TO 31ST DECEMBER, 1935.

	On Death.				On Incapacity.				On Attainment of Retiring Age.				Total Retiring and other Allowances.			
	Number.		Annual Amount.		Number.		Annual Amount.		Number.		Annual Amount.		Number.		Annual Amount.	
	M.	F.	£	s. d.	M.	F.	£	s. d.	M.	F.	£	s. d.	M.	F.	£	s. d.
Total granted	494	1	24,583	0 0	458	22	28,994	18 0	622	149	70,374	8 0	1574	172	123,952	6 0
Total discontinued	177	..	12,298	10 0	365	11	22,150	7 0	177	6	16,395	14 0	719	17	50,844	11 0
Total existing at 31st December, 1935	317	1	12,284	10 0	93	11	6,844	11 0	445	143	53,978	14 0	855	155	73,107	15 0

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