

1939.  
NEW ZEALAND.

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# NATIONAL PROVIDENT FUND.

TWENTY-EIGHTH ANNUAL REPORT OF THE BOARD, FOR THE YEAR ENDED 31st DECEMBER, 1938.

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

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## PART I.—THE FUND (SECTION 72).

1. As will be seen by the comparative figures below, the Fund continues to provide a most useful means for persons of prudence to assure an income for their later years :—

	1938.	1937.
New contributors .. .. .	4,064	4,902
Local bodies .. .. .	124	124
Total contributors .. .. .	29,439	28,972
Annuitants .. .. .	847	736
	£	£
Contributions .. .. .	313,900	266,431
Interest .. .. .	198,617	185,016
Total Income .. .. .	653,392	583,420
Annuity payments .. .. .	73,691	66,370
Other benefits .. .. .	204,254	167,816
Total outgo .. .. .	355,721	239,915
Funds at end of year .. .. .	5,290,258	4,992,587
Rate of interest, per cent. .. .. .	£3 18s. 2d.	£3 18s. 3d.

2. The actuarial examination of the Fund mentioned in last report has been completed, covering a period of twelve years to 31st December, 1937. The Government Actuary's report on the valuation—which is published separately as H.—17B—discloses the Fund to be completely solvent, which is highly satisfactory, particularly in view of the violent financial disturbances of the last decade.

3. Some legislative improvements—mostly for machinery purposes—are in train; but in the Finance Act, 1938, special provision was made to deal with nurses and certain other officers whose employment is liable to change as between the General Government and local authorities. The effect is to remedy long-standing anomalies as to continuity of service.

## PART II.—STATE SUBSIDY (SECTION 74).

The amount of subsidy paid by the State for the year was £76,221 17s. 9d.

W. LEE MARTIN,  
Chairman of the Board.

R. SINEL,  
Superintendent of the Fund.

Wellington, 3rd August, 1939.

NATIONAL PROVIDENT FUND.

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1938.

	£	s.	d.		£	s.	d.
Amount of Fund at beginning of year (1st January, 1938) .. .. .	4,992,586	18	5	National Provident Fund Act, 1926—			
National Provident Fund Act, 1926—				Maternity claims (section 19) .. .. .	4,032	0	0
Contributions .. .. .	313,900	3	0	Maternity claims (section 43) .. .. .	36,570	0	0
Interest .. .. .	198,616	16	6	Refund of contributions on lapse, reduction, and withdrawal (sections 11, 12, and 13) ..	96,736	11	8
Fines (section 11 (4)) .. .. .	377	10	7	Refund of contributions in lieu of annuity (section 14) .. .. .	11,240	13	6
Government contribution under Act (sections 52 and 74 (2)) .. .. .	76,221	17	9	Incapacity allowances (sections 17 and 18), including contributions waived on incapacity (£1,577 1s. 3d.) .. .. .	10,305	19	6
Refund of maternity claims by the State (sections 42 (2) and 70) .. .. .	40,602	0	0	Death: Refund of contributions (sections 15 (5) and (16)) .. .. .	31,830	16	4
Contributions overpaid on exit .. .. .	61	15	10	Death: Allowances on account of widows and children (section 15) .. .. .	13,476	5	4
Benefits refunded on exit (sections 11 to 16 and 28) .. .. .	21,084	11	11	Annuities (sections 13 and 48) .. .. .	73,691	0	6
Miscellaneous receipts .. .. .	0	2	10	Refund of contributions overpaid on exit ..	61	15	10
Refunds unclaimed .. .. .	2,527	4	8	Public Trustee: Charges .. .. .	2,675	17	3
				Legal expenses .. .. .	100	7	4
				Investment Fluctuation Account .. .. .	75,000	0	0
				Amount of Fund at end of year (31st December, 1938) .. .. .	5,290,257	14	3
	£5,645,979	1	6		£5,645,979	1	6

BALANCE-SHEET AS AT 31ST DECEMBER, 1938.

<i>Liabilities.</i>		£	s.	d.	<i>Assets.</i>		£	s.	d.
Fund as per Revenue Account .. .. .		5,290,257	14	3	In hands of Public Trustee—				
Post Office .. .. .		739	2	9	Invested .. .. .		5,250,796	4	3
National Provident Fund Act, 1926—					Uninvested .. .. .		13,649	12	8
Claims due and in course of payment*—					Balances in transit .. .. .		9,955	6	3
Maternity (sections 19 and 43) .. .. .		3,095	8	9	National Provident Fund Act, 1926—				
Death: Refunds (section 16) .. .. .		1,487	4	2	Contributions outstanding or in course of transmission*—				
Death: Refunds (section 15 (5)) .. .. .		1,251	18	0	(a) Contributions due but not overdue ..		21,231	9	7
Death: Allowances (section 15) .. .. .		348	11	11	(b) Contributions overdue .. .. .		1,650	17	8
Annuities (sections 13 and 48) .. .. .		2,633	1	9	Government subsidy due under Act* (sections 52 and 74 (2)) .. .. .		76,221	17	9
Allowances (section 17) .. .. .		366	7	10	Refund due in respect of maternity claims* (sections 42 (2) and 70) .. .. .		4,374	0	0
Refunds of contributions in lieu of annuity (section 14) .. .. .		919	14	8	Fines due* (section 11 (4)) .. .. .		103	7	1
Public Trustee: Charges* .. .. .		1,153	18	9	Interest due* .. .. .		9,386	13	10
Refunds in Suspense .. .. .		62,763	0	7	Interest accrued but not due* .. .. .		62,471	4	11
Suspense Account .. .. .		1,768	9	3					
Contributions prepaid .. .. .		10,755	11	0					
Investment Fluctuation Reserve .. .. .		72,300	10	4					
		£5,449,840	14	0			£5,449,840	14	0

\* Included in Revenue Account.

Wellington, 30th June, 1939.

R. SINEL, Superintendent.  
 R. M. PORTEOUS, A.R.A.N.Z., Accountant.

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. H. FOWLER, Controller and Auditor-General.

(2) NUMERICAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 1938.

	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. Pension Rate: Other.			Aggregate.				
	M.	F.	T.	M.	F.	T.	M.	F.	T.	M.	F.	T.		M.	F.	T.	M.	F.	T.	£	s.
Number of contributors at commencement of year	16,874	741	17,615	2,129	331	2,460	228	42	270	496	89	585	4,987	3,055	8,042	24,714	4,258	28,972	275,395	8	4
New entrants during the year	1,602	210	1,812	248	27	275	29	7	36	41	2	43	590	1,308	1,898	2,510	1,554	4,064	37,595	4	0
Transfer from another class	102	8	110	178	18	196	39	7	46	49	3	52	6	..	6	374	36	410	15,896	7	4
Increase due to adjustment on age-error, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	165	3	4
Total .. .. .	18,578	959	19,537	2,555	376	2,931	296	56	352	586	94	680	5,583	4,363	9,946	27,598	5,848	33,446	329,052	3	0
Discontinuances, &c. (as per detailed statement below)	1,959	132	2,091	311	45	356	53	15	68	65	12	77	366	1,049	1,415	2,754	1,253	4,007	33,914	10	4
Total at end of year	16,619	827	17,446	2,244	331	2,575	243	41	284	521	82	603	5,217	3,314	8,531	24,844	4,595	29,439	295,137	12	8
<i>Details of Discontinuances, &amp;c., during the Year.</i>																					
Death	51	3	54	5	..	5	..	1	1	..	..	..	29	6	35	85	10	95	2,952	16	0
Notice of withdrawal	1,415	101	1,516	165	26	191	23	8	33	36	5	41	262	1,016	1,278	1,903	1,156	3,059	24,913	5	4
Lapse and cancellation	252	3	255	21	..	21	..	..	..	..	1	1	..	..	..	273	4	277	898	10	4
Attainment of pension age	44	11	55	4	..	4	..	2	2	2	2	4	69	27	96	119	47	166	3,576	4	4
Transfer to another class	197	14	211	116	14	130	28	4	32	27	4	31	6	..	6	374	36	410	1,538	1	8
Decrease due to adjustment on age-error, &c.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	35	12	8
Total .. .. .	1,959	132	2,091	311	45	356	53	15	68	65	12	77	366	1,049	1,415	2,754	1,253	4,007	33,914	10	4
<i>Numerical Progress since Establishment.</i>																					
Total entered	60,529	4,763	65,292	9,664	1,236	10,900	1,031	159	1,190	1,317	252	1,569	10,194	13,292	23,486	82,735	19,702	102,437	..	..	..
Total transferred from other classes	4,411	235	4,646	2,811	227	3,038	511	67	578	741	56	797	105	3	108	8,579	588	9,167	..	..	..
Total discontinued	64,940	4,998	69,938	12,475	1,463	13,938	1,542	226	1,768	2,058	308	2,366	10,299	13,295	23,594	91,314	20,290	111,604	..	..	..
Total transferred to other classes	45,425	3,977	49,402	6,022	879	6,901	638	106	744	771	164	935	5,035	9,981	15,016	57,891	15,107	72,998	..	..	..
Total contributors on books at 31st December, 1938	2,896	194	3,090	4,209	253	4,462	661	79	740	766	62	828	47	..	47	8,579	588	9,167	..	..	..
	48,321	4,171	52,492	10,231	1,132	11,363	1,299	185	1,484	1,537	226	1,763	5,082	9,981	15,063	66,470	15,695	82,165	..	..	..
Total contributors on books at 31st December, 1938	16,619	827	17,446	2,244	331	2,575	243	41	284	521	82	603	5,217	3,314	8,531	24,844	4,595	29,439	295,137	12	8

## NATIONAL PROVIDENT FUND ACT, 1926.

## Direct Contributors.

## (3) STATEMENT OF RETIRING AND OTHER ALLOWANCES FOR THE YEAR ENDED 31ST DECEMBER, 1938.

	On Death.				On Incapacity.				On Attainment of Age 80.				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	179	1	9,243	0	0	35	..	1,384	10	0	186	83	11,965	14	0	400	84	22,593	4	0
Granted during the year	26	..	1,482	0	0	27	..	1,209	0	0	44	20	2,251	10	0	97	20	4,942	10	0
Total ..	205	1	10,725	0	0	62	..	2,593	10	0	230	103	14,217	4	0	497	104	27,535	14	0
Discontinued during the year (as per statement below)	23	..	1,482	0	0	18	..	936	0	0	3	1	130	0	0	44	1	2,548	0	0
Existing at end of year ..	182	1	9,243	0	0	44	..	1,657	10	0	227	102	14,087	4	0	453	103	24,987	14	0

*Particulars of Retiring and other Allowances discontinued during the Year.*

Discontinued by death ..	..	..	..	..	..	5	..	214	10	0	3	1	130	0	0	8	1	344	10	0
Expiry ..	23	..	1,482	0	0	13	..	721	10	0	..	..	..	..	..	36	..	2,203	10	0
Total ..	23	..	1,482	0	0	18	..	936	0	0	3	1	130	0	0	44	1	2,548	0	0

## Other Contributors.

## (3A) STATEMENT OF RETIRING AND OTHER ALLOWANCES FOR THE YEAR ENDED 31ST DECEMBER, 1938.

	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	172	..	3,893	0	0	67	13	7,229	19	0	363	104	56,156	10	0	602	117	67,279	9	0
Granted during year ..	22	..	618	0	0	11	5	1,796	16	0	55	20	11,307	0	0	88	25	13,721	16	0
Total ..	194	..	4,511	0	0	78	18	9,026	15	0	418	124	67,463	10	0	690	142	81,001	5	0
Discontinued during year (as per statement below)	8	..	246	0	0	17	2	2,416	19	0	20	4	2,619	4	0	45	6	5,282	3	0
Existing at end of year ..	186	..	4,265	0	0	61	16	6,609	16	0	398	120	64,844	6	0	645	136	75,719	2	0

*Particulars of Retiring and other Allowances discontinued during the Year.*

Discontinued by death ..	4	..	90	0	0	6	..	669	0	0	20	4	2,619	4	0	30	4	3,378	4	0
Expiry ..	4	..	156	0	0	11	2	1,747	19	0	..	..	..	..	..	15	2	1,903	19	0
Total ..	8	..	246	0	0	17	2	2,416	19	0	20	4	2,619	4	0	45	6	5,282	3	0

## NATIONAL PROVIDENT FUND.

## PROGRESS OF RETIRING AND OTHER ALLOWANCES SINCE THE ESTABLISHMENT OF THE FUND TO 31ST DECEMBER, 1938.

	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 ..	623	1	30,495	10	0	573	33	38,351	6	0	871	243	103,072	14	0	2067	277	171,919	10	0
Total discontinued ..	255	..	16,987	10	0	468	17	30,084	0	0	246	21	24,141	4	0	969	38	71,212	14	0
Total existing at 31st December, 1938	368	1	13,508	0	0	105	16	8,267	6	0	625	222	78,931	10	0	1098	239	100,706	16	0

*Approximate Cost of Paper.*—Preparation, not given; printing (660 copies), £7 10s.

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