

1943  
NEW ZEALAND

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# GOVERNMENT RAILWAYS SUPERANNUATION FUND

## REPORT OF BOARD

*Laid before Parliament in pursuance of Section 124 of the Government Railways Act, 1926*

THE Board has the honour to transmit for the information of Parliament the following report upon the transactions of the Government Railways Superannuation Fund for the year ended 31st March, 1943. The Revenue Account, Balance-sheet, and statements in connection therewith, will be found appended.

The expenditure for the year exceeded the income by £23,492.

*Members' Contributions.*—The income under this heading showed an increase of £3,959. The number of contributors at 5 per cent. increased by 227, while contributors at 3, 6, 7, 8, 9, and 10 per cent. decreased by 54, 41, 6, 3, 2, and 2 respectively. The increase in amount of contributions is due to appointments to the permanent staff.

*Contingent Contributors.*—During the year 69 casual employees elected to contribute to the fund so that in the event of their subsequently being permanently appointed they would not be faced with a liability in respect of service prior to permanent appointment. The total number of employees so contributing at the end of the year under review was 546, and the amount standing to their credit £21,947.

*Subsidy.*—The sum of £170,000 was paid into the fund by the Working Railways Department. The sum of £90,440 was also received from the Treasury in accordance with the provisions of section 7 of the Finance Act, 1941, leaving a deficit of £23,492. To meet the full commitments of the fund a subsidy of £114,000 would have been required.

*Interest.*—The interest earned amounted to £59,464, a decrease of £2,570 as compared with the previous year. Table D, Statement of Investments, shows that the average rate of interest on securities held at the 31st March, 1943, was 4.216 per cent., and the average rate earned on the mean funds for the year 4.945 per cent., as against 4.23 per cent. and 5.002 per cent. respectively for the previous year.

*Life Allowances.* The expenditure on account of life allowances to members amounted to £513,798, an increase of £7,412 as compared with the figures for the previous year, the year ended 31st March, 1942, showed an increase under this heading of £22,709 13s. 8d. Table A, Statement of Allowances, shows that the average amount of the 131 allowances granted during the year was £169 3s. 9d., and the average amount of 148 allowances discontinued was £187 17s. 1d. Twenty-nine contributors have made elections in favour of dependants in accordance with the provisions of section 13 of the Finance Act (No. 2), 1940.

*Allowances to Widows and Children.*—Until the passing of the Finance Act (No. 2), 1940, allowances to widows and children were paid only in cases where contributors died before retiring on a pension. Section 14 of this Act makes provision for payment of annuities to widows and children whether contributors die before or after becoming entitled to a retiring-allowance. The expenditure on account of allowances to widows and children was £43,213 £29,214 to widows and children of contributors who died before retiring and £13,999 to widows and children of contributors who died after retirement. The sum of £18,688 was received from the Working Railways Account during the year on account of the increased payments to widows and children, as provided in section 114, Part III, of the Government Railways Act, 1926.

Approval was received for the continuance of the cost-of-living bonus to annuitants in cases of special hardship where the allowance was less than £100, the amount of bonus granted being sufficient to bring the allowance up to £100, but with a maximum bonus of £26. The bonus is provided for out of the Working Railways Account, and is not a charge on the Superannuation Fund.

At the 31st March, 1943, there were 2,723 members, 1,170 widows, and 302 children, making a total of 4,195 persons actually on the fund, involving an annual liability of £533,960 8s.

R. SEMPLE,  
Chairman, Government Railways Superannuation  
Fund Board.