1948
NEW ZEALAND

# 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, 1948. The Income and Expenditure Account, Balance-sheet, and statements in connection therewith will be found appended.

The income for the year exceeded the expenditure by £84,584.

*Members' Contributions.*—The income under this heading showed a decrease of £20,481. The number of contributors at 3, 5, 6, 7, 8, 9, and 10 per cent. decreased by 111, 1,544, 146, 8, 11, 6, and 7 respectively.

*Contingent Contributors.*—During the year 36 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 88, and the amount standing to their credit £5,296.

*Subsidy.*—The sum of £396,106 was paid into the fund by the Working Railways Department, the sum of £81,500 was received from the Treasury in accordance with the provisions of section 3 of the Finance Act, 1942, and £497,000 was received from the Consolidated Fund Vote Department of Internal Affairs.

*Interest.*—The interest earned amounted to £20,045, a decrease of £31,733 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, 1948, was 3·489 per cent., as against 4·278 per cent. for the previous year.

*Life Allowances.*—The expenditure on account of life allowances to members amounted to £815,231. The average of the 365 allowances granted during the year was £267 0s. 8d., and the average of the 150 allowances discontinued was £223 11s. 1d. Forty 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.*—Prior to 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 £89,718; £46,539 to widows and children of contributors who died before retiring, and £43,179 to widows and children of contributors who died after retirement. The sum of £56,984 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.