

1903.
NEW ZEALAND.

EDUCATION: TEACHERS' SUPERANNUATION:

REPORTS OF THE ACTING-ACTUARY OF THE GOVERNMENT INSURANCE DEPARTMENT ON THE
PROPOSED TEACHERS' SUPERANNUATION SCHEME.

Laid on the Table by leave of the House.

The GOVERNMENT INSURANCE COMMISSIONER to the Right Hon. the MINISTER OF EDUCATION.

Government Insurance Department, Wellington, 1st August, 1903.

IN accordance with your instructions the Acting-Actuary of this Department, Mr. Muter, has investigated the contributions and benefits contained in the Teachers' Superannuation Bill, and I beg to hand you herewith his report regarding the matter.

J. H. RICHARDSON,

The Right Hon. the Prime Minister.

Government Insurance Commissioner.

[Enclosure.]

Government Life Insurance Department, Wellington, 31st July, 1903.

(Memorandum No. 1 by the Acting-Actuary, Government Insurance Department, regarding the Teachers' Superannuation Scheme.)

I HAVE valued the proposed contributions and benefits set out in the Teachers' Superannuation Bill, and in doing so have necessarily adopted the particulars supplied by the Education Department as to the ages, length of service, &c., of the male teachers. In regard to females I require some further information before I can report on the cost of the scheme as applied to them; this information is now being prepared by the Education Department. From the above it will be understood that the remarks which follow apply exclusively to male teachers.

CONTRIBUTIONS.

The contributions provided by the Bill are as follows:—

For ages 30 and under	...	...	...	5 per cent. of salary.
" over 30 but not exceeding 35	...	...	6	" "
" " 35	"	40	6½	" "
" " 40	"	45	8	" "
" " 45	"	50	9	" "
" " 50	...	...	10	" "

Male members who have contributed during a period of thirty-five years are entitled to all the benefits of the fund without further contribution.

BENEFITS.

Male members have the right to retire on a pension after thirty-five years' service, or on attaining age 60, or at any age if medically unfit for further duty.

The pensions for each year's service are to be one eightieth part of the average annual rate of salary received during the ten years preceding retirement, but are not to exceed one-half of such average annual rate of salary.

In addition to the pensions on retirement, there are allowances of £25 per annum to widows during widowhood and 6s. per week for the first child, 5s. per week for the second, 4s. for the third, 3s. for the fourth, and 2s. per week for each child in excess of the fourth. The allowances for children are to be made until such children attain the age of sixteen years. Allowances to widows and children are payable whether the contributor dies in the service or whether he has retired on a pension.

Five years' contributions (or the value of five years' contributions) have to be paid before pensions are allowed. The contributions are returned in full, without interest, on the resignation of a member before he becomes entitled to a retiring-allowance, or on dismissal, or if the contributor dies in the service without leaving a wife or children, or if on retirement he elects to receive a return of his contributions in lieu of a pension.