

1927.  
NEW ZEALAND.

PUBLIC SERVICE SUPERANNUATION FUND.

ACTUARIAL EXAMINATION AS AT 31st MARCH, 1924.

*Laid before Parliament in pursuance of Section 48 (4) of the Public Service Classification and Superannuation Act, 1908.*

R E P O R T

BY THE ACTUARY APPOINTED BY HIS EXCELLENCY THE GOVERNOR-GENERAL TO MAKE THE ACTUARIAL EXAMINATION OF THE PUBLIC SERVICE SUPERANNUATION FUND.

Wellington, 21st September, 1926.

1. I HAVE the honour to submit the following report on the Public Service Superannuation Fund as at 31st March, 1924, as required by section 48 of the Public Service Classification and Superannuation Act, 1908.
2. The scheme, which came into operation on the 1st January, 1908, embraces, with the few exceptions set out in section 52, all permanent public servants outside the Government Railways Superannuation Fund and the Teachers' Superannuation Fund.
3. The contributions and the benefits provided by the Act, together with the statements showing the progress of active membership, discontinuance of membership from various causes, and the progress of pensions for each year, will be found in Tables I to IV of the appendix to this report. The ages of the contributors at the date of the valuation, together with their contributions and other particulars, are shown in Table V; and the pensions granted during the triennium, with the ages at which they were granted, in Table VI.
4. The income and outgo of the fund since the previous valuation were as follows:—

| CONSOLIDATED REVENUE ACCOUNT OF THE PUBLIC SERVICE SUPERANNUATION FUND FROM THE<br>1ST JANUARY, 1920, TO THE 31ST MARCH, 1924. |            |    |    |                                    |            |    |    |  |  |
|--------------------------------------------------------------------------------------------------------------------------------|------------|----|----|------------------------------------|------------|----|----|--|--|
| <i>Income.</i>                                                                                                                 |            |    |    | <i>Outgo.</i>                      |            |    |    |  |  |
|                                                                                                                                | £          | s. | d. |                                    | £          | s. | d. |  |  |
| Funds at 1st January, 1920 ..                                                                                                  | 1,288,197  | 10 | 2  | Pensions to members ..             | 720,283    | 5  | 6  |  |  |
| Members' contributions ..                                                                                                      | 963,181    | 0  | 2  | Pensions to widows and children .. | 60,556     | 15 | 0  |  |  |
| Transfers from other funds ..                                                                                                  | 4,489      | 7  | 1  | Contributions returned ..          | 245,869    | 6  | 6  |  |  |
| Government subsidy ..                                                                                                          | 500,000    | 0  | 0  | Transfers to other funds ..        | 534        | 2  | 7  |  |  |
| Interest .. ..                                                                                                                 | 392,200    | 0  | 0  | Salaries .. ..                     | 9,330      | 4  | 5  |  |  |
| Transferred from Unclaimed Contributions Account ..                                                                            | 2,000      | 0  | 0  | Public Trust Office commission ..  | 9,807      | 6  | 9  |  |  |
| Fines .. ..                                                                                                                    | 2,404      | 2  | 0  | Travelling and office expenses ..  | 2,647      | 19 | 7  |  |  |
| Fee remitted .. ..                                                                                                             | 100        | 0  | 10 | Funds at 31st March, 1924 ..       | 2,103,542  | 19 | 11 |  |  |
|                                                                                                                                | £3,152,572 | 0  | 3  |                                    | £3,152,572 | 0  | 3  |  |  |

OBJECT OF VALUATION.

5. A distinguishing peculiarity of a superannuation fund is that its liabilities are essentially of a deferred nature. Each individual contributor must pay contributions for years before benefits accrue to him. Consequently the income of such a fund must for many years greatly exceed the outgo. Taking the simplest case, where a fund consisted entirely of young contributors, age 20, contributing for a pension at age 60, it would be forty years before the outgo commenced, and it would not be possible by any ordinary rough-and-ready method to determine during those forty years whether the