1928.
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, 1928.

The Revenue Account, Balance-sheet, and statements in connection therewith will be found appended.

The balance of income over expenditure for the year amounts to £125,255 13s. 1d., as compared with £123,689 0s. 6d. for the previous year.

Members' Contributions.—The receipts under the heading of members' contributions show a steady increase, being £158,600 4s. 6d., as compared with £157,784 14s. for the previous year, an increase of £815 10s. 6d. Table B, Statement of Contributors, discloses that there is a net increase of 62 members, that the contributors at 5 per cent. have increased by 138, and that contributors at 3 per cent. and 4 per cent. have decreased by 45 and 37 respectively.

Contingent Contributors.—During the year thirty-six casual employees elected to contribute to the fund, so that in the event of their subsequently becoming permanently appointed they would not be faced with having to pay accumulated arrears on account of service prior to permanent appointment. The total number of employees so contributing at the end of the year under review was 191, and the amount standing to their credit £5,744 6s. 7d.

Subsidy.—During the year the sum of £170,000 was paid into the fund by the Working Railways Department.

Interest.—The interest amounts to £58,293 4s. 11d., an increase of £7,577 10s. 4d. as compared with the previous year. Reference to Table C, Statement of Investments, shows the average rate of interest on securities held at the 31st March, 1928, as 5·82 per cent., and the average rate earned on the mean funds for the year 5·758 per cent., as against 5·79 per cent. and 5·708 per cent. respectively for the previous year.

Owing to the increase in interest collections the expenditure, under the heading "Public Trust charges" is £244 13s. 2d. in excess of the figures for the previous year.

Life Allowances.—The expenditure on account of life allowances to members amounts to £227,860 15s. 5d., an increase of £12,610 13s. 4d. as compared with the figures for the previous year. The increase under this heading is not so marked as in the previous two years, being £3,749 13s. less than the increase shown for the year ended 31st March, 1927, and £4,675 11s. 5d. less than the increase for the year ended 31st March, 1926. On referring to Table A, Statement of Allowances, it will be seen that the average amount of the 108 allowances granted during the year is £176 18s. 8d., and that the average amount of the 79 allowances discontinued is £110 5s. 7d.

Allowances to Widows and Children.—The expenditure under the heading of allowances to widows and children shows a decrease of £336 8s. 10d. The sum of £12,379 16s. 1d., being £229 1s. less than the previous year, was transferred 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, 1928, there were 1,447 members, 467 widows, and 491 children, making a total of 2,405 persons actually on the fund, involving an annual liability of £247,442 6s. 2d.

Investment of the Fund.—The Investment Account has been increased during the year to the extent of £129,000. All moneys not required in the Current Account have been transferred to the Investment Account without delay.

J. G. COATES,
Chairman of the Government Railways
Superannuation Fund Board.