

1939.
NEW ZEALAND.

ACTUARY'S REPORT ON THE VALUATION OF THE
NATIONAL PROVIDENT FUND

AS AT 31ST DECEMBER, 1937.

*Laid before Parliament in pursuance of Section 73 of the National
Provident Fund Act, 1926.*

1. In accordance with the provisions of section 73 of the National Provident Fund Act, 1926, as amended by section 31 of the Finance Act, 1938, I have the honour to submit the following report on the National Provident Fund as at 31st December, 1937.

2. The Fund consists broadly of two sections—the Main Fund, established to enable individuals to purchase pensions commencing at age sixty, and the Local Authorities' Section, which is in effect a pension fund for employees of local authorities. In the former, membership is voluntary, new members being enrolled by representatives of the Department appointed for the purpose, while in the latter membership as contributors on behalf of their employees is compulsory in respect of Hospital Boards and optional for other local authorities.

The principle of providing for old age is common to both sections, but their structure is in every way dissimilar. The published accounts of the Department, however, relate to the whole Fund, and in consequence the financial positions of the two sections cannot be viewed separately.

3. The receipts and expenditure of the Fund for the period 1st January, 1926, to 31st December, 1937, were as follows:—

CONSOLIDATED REVENUE ACCOUNT, 1ST JANUARY, 1926, TO 31ST DECEMBER, 1937.

<i>Income.</i>				<i>Outgo.</i>			
	£	s.	d.		£	s.	d.
Amount of Fund at 1st January, 1926	1,377,967	4	9	Maternity claims—			
Contributions	2,831,369	3	0	National Provident Fund members	72,712	0	0
Interest less investment expenses	1,758,370	16	4	Approved friendly-society members	403,392	0	0
Fines	8,878	11	6	Refund of contributions on lapse, withdrawal, &c.	863,772	6	3
State subsidies	665,040	3	3	Incapacity allowances	71,868	1	10
Refund of maternity claims by State	458,878	0	0	Death claims			
Benefits refunded on exit	117,508	13	10	Refund of contributions	206,966	5	11
Miscellaneous receipts	15	17	1	Widows' and children's allowances	131,179	19	6
Refunds unclaimed	17,043	17	6	Retirement allowances	431,989	14	3
Premiums on conversion	8,444	13	8	General expenses	63,795	6	0
				Investment Fluctuation Account	5,254	8	9
				Amount of Fund at 31st December, 1937	4,992,586	18	5
	£7,243,517	0	11		£7,243,517	0	11

4. All contributions paid by contributors—with minor exceptions noted in paragraphs 7 and 8—attract a 25-per-cent. State subsidy, and, in addition, expenses other than the charges by the Public Trustee for his administration of the assets of the Fund and legal