

**REPORT OF THE
GOVERNMENT ACTUARY**

for the year ended 30 June 1996

Presented to the House of Representatives pursuant to
Section 28 of the Superannuation Schemes Act 1989

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MINISTER OF FINANCE

In accordance with section 28 of the Superannuation Schemes Act 1989, I submit my report for the year ended 30 June 1996 on the principal matters transacted under or pursuant to that Act.

It is appropriate to record that prior reports under the Act have been provided by Mr N T Malley, who was the Government Actuary until his untimely death in February 1996. Much of the detail of this report would not have been possible without the planning and dedication shown by Mr Malley in his approach to the position of Government Actuary.

INTRODUCTION

The Act came into force on 22 March 1989. It provides for the implementation of the current regime for superannuation schemes, and for the phasing-out of the previous regime which had been defined by the Superannuation Schemes Act 1976 and its accompanying regulations.

My responsibilities are with the administration of the Act.

1. BACKGROUND

1.1 *The Superannuation Schemes Act 1989*

places emphasis on the role and responsibilities of trustees and makes no distinction between schemes which are provided to the general public, set up by individuals for themselves, or sponsored by private and state sector employers.

Special requirements for state sector schemes are set out in the State Sector Act 1988, Defence Act 1990 and Police Act 1958.

1.2 *Role of Minister of Finance.*

Principally, my role is to react to the decisions and actions (or lack of action) of persons responsible for managing registered superannuation schemes, where necessary or appropriate. My aim is to encourage compliance with the Act; and to resort to the use of my statutory powers only where that encouragement has proved ineffective, or where "encouragement" would be inappropriate due to the circumstances of the particular matter under consideration.

2. GENERAL OVERVIEW OF YEAR ENDED 30 JUNE 1996

2.1 *Activities.*

The office's activities have been directed towards:

- discussing particular problems with trustees and their advisors;
- auditing the activities of trustees and their advisors;
- investigating complaints regarding alleged activities of trustees and/or promoters and/or administration managers of registered superannuation schemes;
- assisting the market to be "informed".

2.2 *Examination of reports, deeds, deed amendments.*

All actuarial reports, trustees annual reports, trust deeds and trust deed amendments forwarded to this office have been read from the point of view of the Government Actuary's supervisory responsibilities under the Act, and actioned as considered appropriate.

As in previous years, the level of examination varied according to the office's experience of the activities of those involved, and to the nature of the potential issues. A detailed review of incoming documents covering a representative sample of the market was made no less than once every two months.

The office has placed equal emphasis on the examination of financial matters and on the audit of trust deeds and their amendments, which latter require certification under the Act.

The emphasis placed on the examination of financial matters is due to changes in the market, particularly as regards:

- the number and type of new products becoming available to prospective purchasers;
- the relative inexperience of some of the new entrants to the market;
- a fall in the internal technical competencies of some traditional market participants.

2.3 *Scheme applications.*

All applications for registration of new schemes have been processed within the 14 days time limit specified in the Act.

2.4 *Scheme terminations.*

All scheme terminations have been checked for compliance with the Act.

2.5 Complaints.

All complaints have been acknowledged, and an investigation initiated where appropriate, within a fortnight of receipt.

2.6 Attention of The Treasury.

The attention of The Treasury has been drawn to matters which may be of general interest or require its detailed consideration.

2.7 Scheme approval.

Approval was given to the reversion of \$9.45 million of superannuation scheme assets to employers who had sponsored those schemes.

2.8 Compliance problems.

Most of the problems regarding compliance with the Act were due to insufficient knowledge shown by scheme promoters and trustees and/or their administration managers and/or their advisors.

2.9 Disclosure.

The level of disclosure is generally of an acceptable standard in relation to the requirements of the Act.

3. LEGISLATION

3.1 Superannuation Schemes Act 1989

There have been two amendment Acts since the previous report.

The Superannuation Schemes Amendment Act 1996, enacted as part of the new disclosure regime detailed below and yet to enter into force, will add a new provision to the principal Act stating that section 16 (members' rights to information before becoming members) does not apply where prospective members are provided with appropriate investment statements.

The Superannuation Schemes Amendment Act (No. 2) 1996 has introduced new provisions:

- giving members the right (on request) to receive statements of the actuarial assumptions and bases of calculation used in triennial actuarial examinations (if required);
- giving a member who is considering a proposed change to his or her benefits the right to receive, on request, statements of the actuarial assumptions and bases of

calculation used in determining those benefits and (where relevant) the reasons why those assumptions and bases of calculation have changed in the previous 12 months;

- requiring scheme administrators, investment managers, actuaries and auditors to disclose to the Government Actuary any perceived “serious problem” with a scheme, meaning:
 - a) failure to operate in accordance with the Act or any related regulations; or
 - b) inadequacy in the financial position or management of the scheme or the security of benefits;
- and protecting those who disclose such information in good faith from civil or criminal liability, disciplinary proceedings or removal from office;
- requiring at least one trustee of an employer-sponsored scheme to be an independent person where the employer enters receivership or liquidation and the employer is also the trustee of the scheme; and
- giving members the right, after a scheme is wound up, to receive (on request) statements of the actuarial assumptions and bases of calculation used in triennial actuarial examinations or to determine their benefits.

Appendix 1 summarises the Superannuation Schemes Act 1989 and all amendments made to it since 1989.

3.2 Superannuation Schemes (Fees) Regulations 1992

Fees payable to the Government Actuary under the Superannuation Schemes Act 1989 have been held at the levels which came into force on 5 November 1992, in terms of the Superannuation Schemes (Fees) Regulations 1992. This has been possible through continuing improvements in the office’s efficiency and the dedication of the office’s staff.

3.3 The Human Rights Act 1993

The Act prohibits discrimination in employment on various grounds as described in the Act. Special provisions concerning discrimination on the grounds of age, sex, disability, or marital status apply to superannuation schemes. The deadline for removing some unlawful discrimination provisions from superannuation schemes was extended to 1 January 1996 by the Human Rights Amendment Act 1994.

On 21 November 1995, the Human Rights Commission issued the *Superannuation Guidelines*, which are intended to clarify various aspects of the Act as it relates to superannuation schemes. Those guidelines are relevant for trustees, their advisors and employers who sponsor schemes. I express my appreciation to the Human Rights Commission for issuing the guidelines.

Section 71 of the Act states:

“The Commission shall from time to time, after consultation with the Government Actuary, report to the Minister on whether discrimination on the prohibited grounds has been eliminated from superannuation schemes”.

In response to a request from the Commission, on 12 December 1995 the trustees of all registered superannuation schemes were asked by the Government Actuary to respond to the following question:

“Are the trustees of the opinion, after having obtained and considered independent legal advice, that the trust deed of the scheme complies with the requirements of the Human Rights Act 1993?”

The trustees response to that question is summarised below :

	<u>YES</u>	<u>NO</u>	<u>TOTAL</u>
Number of Schemes	788	618	1406
Number of Members	551,080	155,875	706,955
Assets (in \$millions)	11,139	3,627	14,766

In the above table "Yes" includes responses where no legal opinion has been obtained, and "No" includes schemes from which no response was obtained.

3.4 Privacy Act 1993

The Superannuation Schemes Unique Identifier Code 1995, a code of practice for the use of employment-related identifiers in the administration of employer-sponsored superannuation schemes, came into effect on 1 December 1995.

The code modifies the application of information privacy principle 12 of the Privacy Act 1993 and enables trustees, administrators, investment managers, actuaries and insurers of schemes to use employee numbers, payroll numbers or union numbers as identifiers to assist in administering schemes without breaching the Act. The code does not permit an employer or scheme to utilise the tax file number of an employee as a unique identifier.

3.5 Financial Transactions Reporting Act 1996

The Act came into force on 1 August 1996. It imposes the following main obligations on superannuation scheme trustees, administrators and investment managers:

- a) to verify the identity of every new member and to keep a record of that verification; and
- b) to verify the identity of any member involved in a transaction or proposed transaction in respect of which they have formed a suspicion (on reasonable grounds) that the transaction is or may be relevant to:
 - i. the investigation or prosecution of any person for a money laundering offence; or
 - ii. the enforcement of the Proceeds of Crime Act 1991;

and report to the Commissioner of Police as soon as practicable the details of any such transaction or proposed transaction.

The Act also requires verification of identity where persons conduct cash transactions through schemes involving \$10,000 or more and there are reasonable grounds to believe they are conducting those transactions on behalf of others.

Trustees, administrators and investment managers of employer-sponsored schemes need not verify the identity of new members where they have become members by reason of the inward transfer of all members of another scheme or section, or the employer has already verified their identity.

The Act applies to all superannuation schemes, with the exception of:

- (a) employer-sponsored schemes where members' contributions are made only by way of deduction from salary or wages and members are prohibited from assigning their interests to others; and
- (b) private schemes with seven or fewer members.

3.6 New Disclosure Regime.

New disclosure requirements for investment products and investment advisors were enacted on 22 August 1996 and are likely to be brought into force between 1 April and 1 October 1997. The disclosure regime takes the form of five Acts, four of which relate to superannuation schemes. Those Acts are:

- Financial Reporting Amendment Act (No. 2) 1996;
- Investment Advisors (Disclosure) Act 1996;
- Securities Amendment Act 1996; and
- Superannuation Schemes Amendment Act 1996.

Retail and employer-sponsored superannuation schemes will be governed by the new disclosure regime, on the basis that both are securities offered to the public. After the regime's entry into force, there will be a six month transitional period during which schemes may choose to operate under either the existing law or the new requirements.

The significant features of the new disclosure regime as it will affect superannuation schemes are:

- (a) before joining a scheme, members must be given an "investment statement" summarising certain key factors about the scheme (including contribution requirements, charges, benefits and risks);
- (b) a detailed prospectus about the scheme must be made available to members and prospective members on request;
- (c) members must be told certain details about the persons from whom they receive superannuation advice (including their procedures for handling money and any prior dishonesty convictions);

- (d) on request, members will be entitled to other information from advisors such as qualifications, relevant experience and details of any incentive remuneration; and
- (e) schemes' prospectuses and financial statements must be filed with the Registrar of Companies, meaning they will be available for public inspection and copying.

The primary disclosure document will be the investment statement. Its purpose will be to provide key information designed to assist a prudent but non-expert person to decide whether or not to become a member of the scheme. Investment statements will not be registered with the Government Actuary or any other government agency, but will be subject to the advertising requirements in the Securities Act 1978 and the Securities Regulations 1983. It is expected that investment statements will be combined with member booklets and prospectuses may be incorporated into annual reports.

3.7 Other Legislation

Since the previous report, minor amendments have been made to:

- (a) the Government Superannuation Fund Act 1956, regarding actuarial examinations of the GSF by the Government Actuary and the Crown's ability to incur pension expenses; and
- (b) the Securities Regulations 1983, regarding profit forecasts.

4. CASE LAW

Seven High Court cases decided during the year are of significance to trustees, members and sponsoring employers involved in superannuation schemes:

(1) *Stuart v Armourguard Security Limited; Stuart v Farmer* ([1996] 1 NZLR 484)

An employee unsuccessfully challenged the withdrawal benefit paid to him by the trustees of the Armourguard superannuation scheme following his resignation. He argued that:

- his resignation had been forced by reason of retrenchment, thereby entitling him to a benefit based on full vesting of his employer's contribution; and
- the trustees had breached the requirements of natural justice by failing to fully investigate the circumstances of his resignation or to provide him with an opportunity to present his case.

For the first claim the Court observed that the concepts of "redundancy" and "retrenchment" are not identical and that it is unsafe for trustees to treat them as such. Retrenchment does not extend to rationalising or making efficiency gains purely to gain a competitive advantage.

For the second claim the Court held that the trustees of superannuation schemes, in making discretionary determinations, owe no special obligation to observe the rules of natural justice and need do no more than discharge their recognised duties of impartiality and diligence.

However, while there may be no automatic requirement for trustees to call for submissions from potential beneficiaries with conflicting interests, to allow a right of reply or to hold hearings, the circumstances of particular cases may mean that those steps have to be taken as part of the trustees' duties, even if the concepts of natural justice do not strictly apply.

(2) *UEB Industries Limited Pension Plan; Ibell v Brabant (1995) 1 NZSC 40, 341*

The Court was asked to consider an application by the trustees of the UEB Plan (under section 76(3) of the Trustee Act 1956) for an order authorising distribution of the remaining assets of the Plan on its winding up without paying moneys due to members whose whereabouts were unknown.

The Court noted that the trustees had made every endeavour to identify all those eligible to share in the Plan's remaining assets, including advertising widely and making other enquiries.

The Court ordered that the trustees of the Plan could wind it up completely and distribute all the remaining assets to those beneficiaries who had been located. The trustees were not required to do any more than they had done to locate the missing beneficiaries, nor were they required to retain some money in case the missing beneficiaries claimed later.

(3) *DRG (New Zealand) Limited Superannuation Plan; Tutt v Bernacchi (Auckland, M571/93)*

DRG sold part of its business. The purchaser was required to set up a mirror image superannuation plan for transferring employees who were members of the DRG Plan. The Trustees of the DRG Plan had created a Company Contribution Reserve ("CCR") to which was allocated a substantial sum from the Plan's reserve fund. The employer's contributions to the Plan were being met from the CCR.

The issue was whether the CCR was a "liability" of the DRG Plan, with the result that it was excluded from the reserve fund (which was to be split between the DRG Plan and the mirror image plan).

The Court held that:

- the CCR was not a "liability" of the DRG plan, but merely an account to which assets were attributed and thus remained part of the reserve fund;
- employer contributions could be deducted from the reserve fund only as they fell due; and

- the reserve fund could not be debited with funds appropriated or attributed to the CCR so as to create a separate account used only to meet future employer obligations and not be available for other proper purposes.

Consequently the CCR had to be brought into account in determining the transferring members' interests in the reserve fund. The Court decided that to hold otherwise would be to accord the employer a proprietary interest in the assets of the Plan, contrary to the requirements of the trust deed.

(4) *New Zealand Seafarers' Union (Seamen's and Catering Sections) Retirement and Welfare Plans (Auckland, M530/94).*

The trustees of the New Zealand Seafarers' Union Retirement and Welfare Plans sought directions from the Court as to whether contributions to the Plans were due from employers and members in respect of redundancy payments, on the basis that (in terms of the Plans' trust deeds) the payments either fell within the ordinary meaning of "earnings" or were made "in respect of or in relation to" the members' employment.

The Court held that:

- in ordinary usage, "earnings" mean remuneration for services rendered and are the direct result of labour given;
- redundancy payments, by contrast, are not remuneration for services rendered but are compensation for loss of employment opportunity; and
- redundancy payments are not made "in respect of or in relation to" employment but are made in respect of or in relation to the different aspect of *cessation or termination* of employment.

The Court also held that the redundancy payments concerned were not "emoluments", as that term envisages revenue returns from an ongoing source rather than one-off compensation payments.

The Court acknowledged that the Inland Revenue treats redundancy payments as taxable income in the hands of employees, but held that convenient tax treatment should not control ordinary meanings in other contexts.

(5) *Cooper v CBA Finance Nominees Limited (Auckland, CP 730/93)*

The sponsoring employer of the Westpac Merchant Finance Staff Pension Scheme, which at the time was believed to have no members, had resolved pursuant to the scheme's trust deed to instruct the trustee to wind up the scheme and had instructed the trustee accordingly. The employer later wanted to continue the scheme and re-open it to new members.

The Court held that the trustee was required to wind up the scheme and made the following observation:

"The effect of the resolution and the advice to the trustee must be to convert the rights under a continuing scheme into those prescribed in clause A14. It would be extraordinary if it remained open to the company to "change its mind" and thereby negate rights created in terms of that clause and reinstate the rights and interests extant at the time of the resolution."

The case also involved a dispute over the beneficial ownership of the assets of the scheme. Because not all the potential beneficiaries were represented, the action was limited (by agreement) to the single issue of whether or not the trustee was obliged to wind up the scheme. As at the date of writing this report, I understand that the issue of beneficial ownership of the remaining assets has yet to be resolved.

(6) *Hampton v PGG Trust Limited* (Christchurch, CP 377/92)

This case dealt with an allegation of breach of trust in the administration of a private trust. The principles discussed are relevant to trustees generally. The central claim was that the trustees (the settlor's widow and a professional trustee company) did not protect the capital of the trust against the impact of inflation.

The essence of the case against the trustees was that they had favoured the interests of the widow trustee (as life tenant) ahead of those of the residuary beneficiaries. A policy of investment in fixed interest securities had been followed to maximize income, at significant cost to the real value of the capital.

The case arose after the widow died and the other beneficiaries discovered the size of the estate. It was noted that the corporate co-trustee had recognised the risk posed by inflation and recommended investment in equities, only to be repeatedly rebuffed by the widow (who had made it plain she regarded shares as speculative).

The Court held that there were three general principles of trust law with special relevance to the case:

- the duty of trustees to act with due diligence and prudence in the discharge of their duties;
- the duty of trustees to act with strict impartiality and even-handedness among all classes of beneficiaries; and
- the requirement, where there are co-trustees, for *each* trustee to act with due diligence and prudence.

In relation to the third of these duties, the Court observed:

"... upon entering the office each individual trustee has a separate responsibility to ensure that the terms of the trust are carried out. It is not open for one trustee to defer to the wishes of another trustee in the absence of proven reasons for doing so".

The Court decided that the trustees were in breach of trust by failing to invest part of the estate capital in equities; and the corporate co-trustee had not been entitled to defer to

the view of its co-trustee. Because both trustees were at fault, it was appropriate that they should be jointly answerable.

**(7) *Phillips New Zealand Limited*
(Auckland, M1241/95, 2 August 1996)**

The trustees of the Phillips New Zealand Limited Retirement Plan sought orders from the Court empowering them to amend the Plan's trust deed to allow them to apportion the reserve account in two equal parts between the employer and the contributing members of the Plan, in proportion to their respective account balances.

Members and beneficiaries had been advised of the effect of the proposed amendment in detail and had given their unanimous written consent.

The trust deed categorically prohibited any amendment that would result in part of the Plan becoming the property of the employer. The Court was called upon to decide whether it was within the trustees' power to make the proposed amendment. The Court held that the amendment was permissible, for each of two reasons:

- on the particular wording of the Plan's trust deed, the prohibition on amendments resulting in part of the Plan becoming property of the employer applied only to amendments where consent was not required (rather than to those where consent was required and was obtained); and
- in any event, the unanimous consent of all the interested parties (being of full age and capacity) had permitted a change in the Plan's purposes and was sufficient of itself to validate the amendment.

The Court also held that a trust's purposes "are not set in bronze" and that the main purpose of a pension scheme may be varied or enlarged by appropriate amendments to the trust deed. The Court observed that since beneficiaries acting unanimously can terminate a trust with the trustees' approval, "it is difficult to see why they cannot use the same rights to permit the trustees to modify it".

4.2 *An Employment Court case,*

Bates v BP Oil New Zealand Limited (Wellington, W80/935), brought against the employer (but not the trustees) of an employer-sponsored superannuation scheme, is also of interest. An employee who had been made redundant claimed that his employer had failed (in breach of its contract of employment and its implied obligations as an employer) to:

- request the trustees to augment his pension entitlement by taking into account a previous (broken) period of pensionable service; and
- notify him of the provision in the scheme's trust deed that would enable the employer to request the trustees to augment past broken service.

The Court dismissed both claims, finding that the employer had acted in good faith and that the obligation to inform the employee of his options under the trust deed lay with the

trustees. The Court decided that the trustees of the scheme had fulfilled their obligation to inform the employee of his options under the trust deed by supplying him with the appropriate member booklet, which summarised the relevant provisions of the trust deed and the operative rules of the scheme and notified him of his right to obtain a copy of the trust deed.

However the Court also held that a further reason why the employee's claims had failed was that it was not satisfied that the trustees (who were not a party to the proceedings) would have agreed to the employer's request to augment the employee's pension benefits had the request been made.

4.3 The 1995 report of the Government Actuary

included a note on *Sears*, in which the Court of Appeal held that it was lawful for an employer to treat employee contributions to a superannuation scheme as part of an employee's remuneration (and to deduct them from the employee's salary).

In *Sears v Attorney-General* (CA 169/94) the Court of Appeal rejected the employee's application for leave to appeal to the Privy Council. The Court held that it lacks jurisdiction to grant leave, as its decisions on employment contract matters are "final and conclusive" under section 135(5) of the Employment Contracts Act 1991.

Also in the 1995 report *Alexander & Alexander Pension Plan* was summarised, with a note that it was not clear whether or not there would be an appeal. It now appears from media reports that an appeal has been lodged, but put on hold pending the Privy Council decision in *Rangatira* (which is expected in late 1996).

5. TRUSTEES - DISCHARGE OF THEIR ROLE AND RESPONSIBILITIES

5.1 Introduction

The Superannuation Schemes Act 1989 emphasises the role and responsibilities of trustees, combining the elements of:

- Trustees freedom of action
- Trustees to be responsible for their actions
- Transparency of trustees actions.

Trustees are, of course, required to act in the best interests of the schemes' members and beneficiaries at all times, in accordance with the trust deed and general law.

5.2 Trustees' Annual Reports to Scheme Members

- (a) The Act requires trustees to provide scheme members with a copy of an annual report which contains the information stated in the Second Schedule to the Act.

- (b) The standard of these reports has, overall, been maintained at an acceptable level. Most reports now contain all the information required by the Act.

It is interesting to note that some scheme promoters and trustees regularly provide a greater level of meaningful disclosure than that required by the Act; and, in so doing, have gone to considerable lengths to make that information easy to understand.

- (c) I am pleased to note that the Association of Superannuation Funds of New Zealand continues to promote its Annual Competition on Excellence in Reporting. This competition covers trustees annual reports, as required by section 14 of the Act and personalised statements for individual scheme members, as referred to in section 17(b)(i) of the Act.

The competition has a very worthwhile role in encouraging and acknowledging best market practice.

- (d) The office continues to spend a great deal of time in ensuring trustees comply with the requirement to file annual reports. The office sends "reminder letters" to the trustees of every registered superannuation scheme. Three letters may be sent:

- the first letter reminds the trustees that an annual report is to be produced (888 letters posted March 1995, 779 posted March 1996);
- the second letter informs the trustees that a copy of the annual report has not yet been received (603 letters posted August 1995, 467 letters posted in August 1996);
- the third letter warns the trustees that the Government Actuary is considering the possibility of prosecuting the trustees or taking such other action as the Government Actuary may consider appropriate (51 letters posted October 1995).

The continuation of this procedure has helped to maintain the improvement in the timeliness of reports submitted to this office. However, there are still instances where there may be a deliberate delay in sending copies of reports to this office.

5.3 Trust Deeds and Trust Deed Amendments

Trustees, solicitors or administration managers are required to provide certificates of compliance with the Act in respect of every new Trust Deed and Deed of Amendment of a Trust Deed. This is an important responsibility.

The reports from the Government Actuary for each of the last four years have stated -

"On checking trust deeds and trust deed amendments, it has become apparent that some certificates have been wrongly provided. These mistakes would not have occurred if those responsible had taken more care, or been more familiar with, the Act requirements."

This state of affairs has continued over the past year, possibly due to the pressures exerted by the Human Rights legislation. There is still a need for some administration managers and solicitors to improve their service to trustees.

5.4 Actuarial Reports

The Act requires trustees of certain types of schemes to obtain an actuarial report on the financial position of the scheme at least once every three years. The purpose of this is to provide trustees with an independent report on their ability to pay the benefits promised by the trust deed.

A copy of this report is to be made available upon request to scheme members, and a copy is required to be forwarded for the Government Actuary's attention as soon as it is received by the trustees.

All such reports were examined. Where it was considered appropriate, questions were raised directly with the actuary who signed the report.

Appendix 2 contains an analysis of actuarial reports where the date of the actuarial investigation was in calendar year 1995. The analysis also contains reference to some financial and demographic aspects of the schemes covered by these reports.

5.4 Scheme Terminations

The Act sets out what is to happen when a registered superannuation scheme is to be wound up.

In the reports from the Government Actuary in previous years, concern has been stated at the number of trustees and their administration managers who had adopted a lax attitude to the fulfilment of their responsibilities in this area.

This continues to be a problem, but the situation is coming under control due to continuing attention to ensure compliance.

5.5 Queries and Complaints

Queries and complaints regarding the alleged activities of superannuation scheme promoters and/or trustees and/or administration managers continue to be made to the office (in writing, by telephone, or in person) by scheme members, member-elected trustees and Members of Parliament. Where I have considered it appropriate, these queries and complaints have been investigated using the Government Actuary's powers under section 24 of the Act.

My concerns are to determine whether there has been a breach of either the Trust Deed governing the scheme, or the Act.

Often the problem is caused by poor communication between superannuation scheme trustees and scheme members. In this latter respect, I note that the trustees of employer-sponsored schemes are, generally, making successful efforts to provide full meaningful disclosure to scheme members and beneficiaries.

However, there have been occasions when scheme members/beneficiaries have been adversely affected by a breach of the Trust Deed or of the Act. On most occasions, the trustee has eventually agreed to rectify the error, without my having to exercise my powers under section 20 of the Act.

There have been complaints where the trustee has, allegedly, not exercised a discretionary power in the favour of the complainant. In accordance with office practice, my principal concern is to determine whether the trustee has followed “due process” in arriving at a decision. Where “due process” has not been an issue, the complainants have been advised to seek legal advice as to what action the complainants could adopt.

6. EXERCISE OF DISCRETIONARY POWERS

6.1 *Discretionary powers.*

The Act provides the Government Actuary with various discretionary powers.

My general preference is to seek to persuade trustees to comply with the Act, rather than to force compliance by exercising the powers contained in the Act.

However, where I do exercise - or indicate that I may exercise - discretionary powers under the Act, it is usually with a view to making trustees realise the seriousness of a situation, and giving them a final opportunity to correct a problem.

6.2 *Examples.*

Examples of instances where I have felt it necessary to exercise my powers under the Act, or would very probably have exercised those powers if trustees had not accepted an invitation to address a particular matter, are as follows.

- (a) Directions to trustees (section 20):
- (b) Trustees required to supply Government Actuary with specified information (section 24):
- (c) Administration Manager to supply Government Actuary with specified information (section 24):
- (d) Deregistration of scheme (section 20):
- (e) Deregistration of scheme, and sections 8 to 10 of the Act to cease to be implied in the trust deed (sections 19(2) and 19(3)).

6.3 *Scheme assets requests approved.*

During the year, I have approved 9 requests under section 22 of the Act for superannuation scheme assets to revert to an employer. The total sum involved was \$9.45 million.

6.4 *Prosecutions.*

No prosecutions were initiated under section 25 of the Act in the past year.

6.5 Information requests.

Numerous requests were received for information. Nearly all of these requests could be classified as:

- copies of superseded trust deeds and amending deeds, scheme members information booklets, actuarial reports, trustees annual reports, or specified correspondence;
- requests for marketing information; or
- requests for statistical data.

All of these requests were met where the office held the information requested.

No requests were received from solicitors, news media, or other researchers seeking general access to my files for matters of potential interest. In the past, all such requests have been declined.

I received requests from the news media as to whether or not I was investigating named superannuation schemes. The office's response to all such enquiries is "to neither confirm nor deny".

7. COMMUNICATIONS

7.1 Seminars

The office endeavours to maintain effective communications with those concerned in the superannuation industry.

As part of this process, my staff and/or myself have attended various seminars, and discussed various matters concerning the administration of the Act with the Association of Superannuation Funds of New Zealand, New Zealand Society of Actuaries, New Zealand Society of Accountants, Inland Revenue Department, Department of Justice, The Treasury, Working Party on Improved Product and Investment Advisor Disclosure, Chief Human Rights Commissioner and Ministry of Commerce.

7.2 Administration of the Act

To further smooth the administration of the Act -

- the office continues to be willing to discuss particular problems on an informal basis with trustees and their professional advisors. Within the office a facility is provided to respond to telephone enquiries from trustees and their professional advisors;
- newsletters are issued on technical superannuation matters from time to time. These newsletters are subject to a "peer review" process before being issued: a draft of a newsletter is produced within the office, and then sent to selected external industry experts who are invited to comment.

The number of persons on the newsletter mailing list has increased appreciably over the last five years and now stands at 412, comprising scheme trustees, accountants, actuaries, solicitors, banks, life offices and other providers of investment and administration services, other consultants, government departments and agencies and the financial press.

Three newsletters were issued during the past year. The content included references to the 1995 Annual Report to the Minister of Finance; Government Superannuation Fund pensioner mortality; case law; Human Rights Act; statistical analysis; and conflict of interest issues.

8. STATISTICS

8.1 Introduction

A statistical analysis of superannuation schemes which were in force on their balance dates in 1995 has been carried out. A corresponding analysis has been made for schemes which were in force on their balance dates in 1990. This provides an approximate comparison between the situation immediately prior to the commencement of the current regime for superannuation schemes (1990 data) with the latest complete information available to me (1995 data).

The Government Superannuation Fund has been excluded from all these analyses.

8.2 Comparison between 1990 and 1995

Detailed information is shown in Appendices 3 to 10. In particular, Appendix 5.1 shows that the majority of superannuation schemes are very small:

- 41% have assets of less than \$0.5 million
- 56% have assets of less than \$1.0 million
- 82% have assets of less than \$5.0 million

8.5 Continuing decline in number of schemes

The number of superannuation schemes declined from 1,737 in 1994 to 1583 in 1995, a reduction of 154. The corresponding reduction in the number of employer sponsored schemes was from 1,447 in 1994 to 1,311 in 1995, a reduction of 136.

8.6 Superannuation Savings

The assets of retail superannuation schemes totalled \$4,811 million at 1995 balance dates and \$4,345 million at 1994 balance dates, an increase of \$466 million. In comparison, an increase of \$1,348 million was noted in the previous year.

9. STAFF AND EXTERNAL ADVISORS

9.1 Aim.

The underlying aim is for the office to have a small team of persons with particular skills and expertise; and for the office to supplement its resources, where and if appropriate, by seeking external assistance from experts in the private sector in dealing with particular problems as they arise.

9.2 Professional advice.

In seeking external professional advice, the office looks for persons who are not only senior professionals in their own right, but who also have particular skills and experience which match the nature of the problem. For example, in the actuarial area, whether the emphasis should be on conceptual thinking or a thorough knowledge of a particular technical issue; in the legal area, whether the emphasis should be on experience in Parliamentary law drafting, litigation, or a detailed knowledge of superannuation law.

Appropriate external private sector professional advice is also sought in order to provide an external quality assurance process. In addition, the quality and range of advice sought by the office has had a trickle-down effect on the range and quality of advice sought by superannuation scheme trustees, which is to the benefit of members of superannuation schemes.

9.3 Appreciation.

I record my appreciation of the advice and assistance provided by -

Mr H B Rennie QC
 Mr I Millard
 Ms M Brien
 Bell Gully Buddle Weir
 Chapman Tripp Sheffield Young
 Crown Law
 Izard Weston
 Kensington Swan
 Alexander Consulting Group
 Jacques Martin Hewitt (Consulting)
 Melville Jessup Weaver
 William M Mercer

9.4 Staff dedication.

The staff of the Government Actuary's Office have shown a continuing dedication and commitment, for which I am extremely grateful. I would wish to acknowledge the specific contributions of June Blackett, Steve Bryant, Lesley Carrig, Pam Christensen, Karen Fergusson, Paula Gillespie, Alan Leahey, Gavin Quigan and Warren Sloan.

APPENDIX 1

SUPERANNUATION SCHEMES ACT 1989 AND AMENDMENTS

1. SUPERANNUATION SCHEMES ACT 1989

1.1 General

The Act came into force on 22 March 1989. The Act replaced the old regime defined by the Superannuation Schemes Act 1976 and its accompanying Regulations.

1.2 Parts I and II of the Act

These set out the new regime governing all superannuation schemes registered under the Act. The role and responsibilities of scheme trustees is emphasized. In comparison with the previous regime, trustees have a greater freedom of action, but trustees activities are required to be more transparent.

1.3 Part III of the Act

This stated the conditions whereby the benefits payable under an approved New Zealand scheme could be reduced as a result of the Income Tax Amendment Act 1989.

This Part of the Act referred to a problem arising on the transition from the previous regime for superannuation schemes to the new regime, and was repealed by the Superannuation Schemes Amendment Act 1992 as the time limit stated in the Act had expired.

The Government Actuary reported on the implementation of this Part of the Act in his report for the year ended 30 June 1990.

1.4 Part IV of the Act

This stated transitional provisions relating to schemes approved under the Superannuation Schemes Act 1976.

Sections 48 to 54 and section 57 were repealed by the Superannuation Schemes Amendment Act 1992 as they were no longer required.

1.5 Part V of the Act

This stated the conditions whereby annuities paid by life insurance companies could be reduced as a result of the Income Tax Amendment Act 1989.

This Part of the Act referred to a problem arising on the transition from the previous taxation regime to the new regime, and was repealed by the Superannuation Schemes Amendment Act 1992 as the time limit stated in the Act had expired.

The Government Actuary reported on the implementation of this Part of the Act in his report for the year ended 30 June 1990.

2. *SUPERANNUATION SCHEMES AMENDMENT ACT 1990*

2.1 **Amendment Act.**

This Amendment Act came into force on 1 August 1990.

The purpose of this amendment was to enable life insurance companies to be in a neutral competitive position for their existing superannuation schemes business.

This was a transitional matter, and the relevant legislation was repealed by the Superannuation Schemes Amendment Act 1992 as the time limit stated in the Act had expired.

The Government Actuary reported on the implementation of this in his report for the year ended 30 June 1992.

3. *SUPERANNUATION SCHEMES AMENDMENT ACT (NO. 2) 1990*

3.1 **Amendment Act (No. 2).**

This Amendment Act came into force on 1 August 1990.

The purpose of this amendment was to reinforce the "member protection" aspects of the 1989 Act, by requiring -

- (a) an alteration to a superannuation scheme to be made by amending the trust deed in accordance with the procedure stated in the 1989 Act.
- (b) that scheme members and beneficiaries cannot be transferred between superannuation schemes without their knowledge and consent.

4. *SUPERANNUATION SCHEMES AMENDMENT ACT 1992*

4.1 **Amendment Act.**

This Amendment Act came into force on 18 December 1992.

The purpose of this amendment was to provide for the amalgamation of two particular types of superannuation scheme. A number of life insurance companies and other promoters of superannuation schemes had neglected to use the facility provided by the transitional provisions of section 54(b) of the 1989 Act. It was decided to re-open that facility for a short time, in order to solve some administration problems and reduce the costs borne by the members of the schemes.

The Government Actuary reported on the implementation of this in his report for the year ended 30 June 1993.

5. *HUMAN RIGHTS COMMISSION AMENDMENT ACT 1992*

5.1 **Amendment Act.**

This Amendment Act, which came into force on 1 April 1992, inserted a new section 9C into the Superannuation Schemes Act 1989.

The purpose of this amendment was to enable a superannuation scheme beneficiary who continues to be employed after the beneficiary's expected retirement age to elect to

defer receipt of any benefit which the beneficiary is eligible to receive until the beneficiary ceases employment with the employer.

6. *SUPERANNUATION SCHEMES AMENDMENT ACT 1994*

6.1 **Amendment Act.**

This Amendment Act came into force on 15 December 1994.

The purpose of this amendment was to correct changes made inadvertently to section 23 of the 1989 Act by the Judicature Amendment Act 1991.

7. *SUPERANNUATION SCHEMES AMENDMENT ACT 1996*

7.1 **Amendment Act.**

This Amendment Act will come into force on 1 October 1997, or such earlier date as is appointed by the Governor-General by Order in Council.

7.2 **Purpose of amendment.**

The purpose of the amendment is to provide that section 16 of the 1989 Act (members' rights to information before becoming members) will not apply where prospective members are provided with investment statements that comply with the requirements of the new disclosure regime.

8. *SUPERANNUATION SCHEMES AMENDMENT ACT (NO. 2) 1996*

8.1 **Amendment Act.**

This Amendment Act came into force on 2 September 1996.

8.2 **Purpose of amendment.**

The purpose of the amendment was:

- (a) to give members the right, in certain circumstances, to receive copies of the actuarial assumptions and bases of calculation used in triennial actuarial examinations (if required) and in determining their benefits;
- (b) to require disclosure to the Government Actuary of any "serious problems" with schemes (with corresponding protection for those who disclose such information in good faith); and
- (c) in certain circumstances, to require at least one trustee of an employer-sponsored scheme to be an independent person.

APPENDIX 2

ACTUARIAL REPORTS UNDER SECTION 15 OF THE ACT FOR CALENDAR YEAR 1995

1. INTRODUCTION

1.1 *Private/government schemes.*

A number of employer sponsored superannuation schemes in the private sector are similar to the schemes operated by the Government Superannuation Fund - the amount payable on retirement is determined by reference to a formula stated in the trust deed which governs the scheme, and not by reference to contributions which have been allocated to specific members of the scheme.

1.2 *Type of scheme.*

This type of superannuation scheme is commonly called a "defined benefit" scheme. An actuary will recommend to the scheme trustees what contributions should be paid by the employer in order to provide the benefits.

1.3 *Changes.*

Changes in the general economic and business environment have led to many of these schemes being "overfunded" - the value of the assets held by the trustees exceeds the actuarially-assessed present value of the members accrued benefits.

In some cases, the sponsoring employer has decided not to admit new employees to membership of the scheme, and this has increased the degree of overfunding.

2. STATISTICAL ANALYSIS

2.1 *Basis of analysis.*

In order to assess the position of these "defined benefit" superannuation schemes, I have analysed all the actuarial reports received in my office where the date of the actuary's investigation was in calendar year 1995.

The analysis covered 72 schemes with 22,937 contributing members and pensioners, and total assets of \$1.7 billion.

The results of this analysis are very similar to the results of the corresponding analysis carried out in respect of calendar year 1994 actuarial reports and contained in Appendix 3 of the Government Actuary's report last year.

2.2 *Results of analysis.*

The analysis shows the following matters of interest -

64 of 72 schemes have an actuarially-assessed surplus of assets over accrued liabilities; 6 schemes had an actuarial deficit; and 2 schemes had neither surplus nor deficit.

5 of the schemes have surplus assets in excess of \$30 million;

investment yields have generally been ahead of rates of salary increase;

37 of the 72 schemes show a decrease in membership over the last three years;

members of these schemes are generally middle-aged and earn above-average incomes;

the average pensions currently being paid by these schemes are generally less than \$10,000 p.a. This is probably due to two factors -

- the schemes have not been in existence long enough for retired members to have become entitled to higher pensions;
- some schemes have recently permitted, if not encouraged, retired members to cash-in their pension for a lump sum.

Size of Scheme Total Assets are	Total Number of Schemes	Average Number of Members & Pensioners	Average Total Assets \$m	Average Surplus Assets \$m	Average Investment Yield % p.a.	Average Salary Increase Rate % p.a.
less than \$1m	8	9	0.5	0.1	4.8	3.9
\$1m to \$4.9m	34	57	2.3	0.4	6.3	4.8
\$5m to \$19.9m	16	190	9.4	2.2	6.4	4.6
\$20m to \$49.9 m	7	483	28.7	10.1	5.6	5.5
\$50m and over	7	2277	184.7	24.4	7.6	4.6
TOTALS	72	339	24.3	4.0	6.2	4.8

Total Assets	Total Number of Schemes	Average Age (Years)	Average Membership (Years)	Average Salary \$	Average Pension pa \$
less than \$1m	8	43	8.4	49,573	N/A
\$1m to \$4.9m	34	45	9.8	53,035	5,671
\$5m to \$19.9m	16	42	8.1	44,028	3,752
\$20m to \$49.9 m	7	44	10.0	38,614	4,180
\$50m and over	7	40	10.0	42,427	6,707
TOTALS	72	44	9.3	48,499	5,126

Notes

1. The data is in respect of "defined benefit" superannuation schemes where an actuarial report was made under section 15 of the Superannuation Schemes Act 1989. The date as at which the actuarial investigation was carried out is in calendar year 1995, although most investigations were carried out as at 31 March 1995 or 1 April 1995.
2. "Total Assets" have been determined as follows: Market Value for 69 schemes; 95% Market Value for 1 scheme; Book Value for 2 schemes.
3. "Surplus Assets" is the amount by which "Total Assets" exceed "the actuarial present value of accrued benefits after allowing for future salary increases".
4. "Investment yield" is the actual average annual investment earning yield, net of tax and expenses, for the three year period ending on the date "as at" which the actuarial investigation was carried out.
5. "Salary Increase Rate" is the actual average annual rate of salary increase for the three year period ending on the date "as at" which the actuarial investigation was carried out, for persons who were members of the scheme at the beginning and at the end of that investigation period.
6. Where the actuarial investigation did not cover a three year period -
 - the "investment yield" for the three years ending on the actuarial investigation date has been determined from other data held by the Government Actuary's office and
 - the "salary increase rate" for the scheme for the three year period is not known to the Government Actuary's office and is therefore not included in the average salary increase rates shown above.
7. In determining the above averages, the "investment yield" has not been weighted by the size of the assets; and the "salary increase rate" has not been weighted by total salaries.
8. In the actuarial bases used in assessing the present value of the liabilities to pay benefits:
 - the average assumed future rate of investment earnings net of tax was 5.8% p.a. (96% were in the range of 4.5% to 6.5% p.a.).
 - the average difference between the assumed future rates of investment earnings net of tax and the assumed future rates of salary increase was 1.1% p.a. (86% were in the range 0% to 1.75%).
9. In the corresponding analysis for section 15 reports carried out in calendar year 1994:
 - the average assumed future rate of investment earnings net of tax was 5.7% p.a. (94% were in the range 4.5% to 6.5% p.a.)
 - the average difference between the assumed future rates of investment earnings net of tax and the assumed future rates of salary increase was 1.1% p.a. (89% were in the range of 0% to 1.75% p.a.)

APPENDIX 3
REGISTERED SUPERANNUATION SCHEMES:
ACCOUNTS SUMMARY AND MEMBERSHIP ANALYSIS

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 1995 (b)	Prior period reports (c)	Terminating schemes (d)
Number of Schemes	2,863	1,583	31	153
ACCOUNTS SUMMARY				
(\$millions)				
Opening Balance	11,044	14,188	94	149
<i>Add:</i> Contributions	908	2,258	5	10
Investment Accrual	578	519	-1	3
Transfers In	0	259	0	5
Other Income	330	5	0	0
<i>Less:</i> Pension Payments	227	211	1	3
Retirement Lump Sums	481	621	13	2
Deaths/Disablements	49	57	0	1
Redundancies	0	46	0	0
Transfers Out	0	226	1	33
Other Exits	764	1,124	24	19
Administration	112	151	1	1
Expenses				
Insurance Premiums	106	32	0	0
Taxation	90	28	-1	0
Closing Balance	11,032	14,734	59	109
CURRENT MEMBERS				
At start of year	511,940	626,264	1,263	3,750
<i>Add:</i> New members	62,406	106,890	331	4933
Transfers In	6,765	4,419	5	93
<i>Less:</i> Retirements	13,684	17,906	13	40
Deaths/Disablements	2,132	2,550	0	10
Transfers Out	14,171	9,235	53	1,098
Redundancies	0	1,438	1	23
Other Exits	42,929	46,598	129	842
At end of year	508,195	659,846	1,403	2,323
OTHER MEMBERS with preserved benefits	3,411	2,008	4	81
CURRENT PENSIONERS	35,747	41,584	99	378
TOTAL MEMBERS AND PENSIONERS	547,353	703,438	1,506	2,782

Notes

1. The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date falling in the 12 months ending 31/12/95; refer column (c).
2. The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date falling in the 12 months ending 31/12/95; refer column (d), which may include some cases in column (c).

3. The data has been obtained from annual reports made by the trustees of superannuation schemes “registered” under the Superannuation Schemes Act 1989 to the members and pensioners of those schemes. Data in respect of the Government Superannuation Fund is not included.
4. Some registered superannuation schemes are “master” schemes, whose members are trustees of other registered superannuation schemes. To avoid double counting, master schemes are excluded from this data.
5. Some registered superannuation schemes are “multiple class” schemes, whose members may be trustees of other registered superannuation schemes. Some double counting may therefore exist.
6. ACCOUNTS SUMMARY

The figures for Investment Accrual, Administration Expenses and Taxation are understated: for many schemes the investment figure has been reported net of some expense charge and/or taxation.

Beginning in November 1994, amounts transferred in or out from other superannuation schemes, and amounts paid out on redundancy, have been recorded by the Office separately from the amounts paid on resignation, to the extent that reporting by scheme trustees makes the distinction. The figure of “Other Exits” comprises amounts paid on resignation, and in respect of reports filed before November 1994, amounts paid on redundancy and amounts transferred to other superannuation schemes. Similarly, the figure for “Other Income” includes amounts transferred in from other superannuation schemes in respect of reports filed before November 1994.

7. MEMBERSHIP

Some double counting may exist in the figures for numbers of members and pensioners: some persons may contribute to, and draw pensions from, different schemes.

“Transfers In” and “Transfers Out” refer to persons transferring membership between schemes. These figures do not seem to have been reported correctly. “Other Exits” includes resignation and, in respect of reports filed before November 1994, redundancy.

APPENDIX 4
REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES
IN 1995:
ANALYSIS BY REGION

All schemes except master schemes

	Assets \$ million	Number of members	Number of schemes
AUCKLAND	3,723	150,179	670
HAMILTON	103	3,228	6
* WELLINGTON	9,707	484,944	695
OTHER NORTH ISLAND	101	1,725	18
CHRISTCHURCH	809	56,791	92
DUNEDIN	195	4,866	59
INVERCARGILL	62	1,183	18
OTHER SOUTH ISLAND	33	521	24
TOTAL, all regions:	14,734	703,437	1,582

* The WELLINGTON figures include the following amounts in respect of the National Provident Fund	2,892	163,192	17
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Retail schemes, excluding master schemes and the NPF

	Assets \$ million	Number of members	Number of schemes
AUCKLAND	918	89,035	49
HAMILTON	30	971	3
WELLINGTON	2,821	225,305	73
OTHER NORTH ISLAND	1	289	1
CHRISTCHURCH	574	51,811	5
DUNEDIN	153	4,084	1
INVERCARGILL	0	0	0
OTHER SOUTH ISLAND	1	33	2
TOTAL, all regions:	4,498	371,528	134

NOTES

1. The basis for determining "region" is the city (or town) of the address to which trustees have directed that official correspondence be sent. It follows that figures for the major centres of superannuation administration - for example, Wellington and Auckland - will include data for a substantial number of persons who live and work outside of those centres. Any scheme for which the address is overseas is excluded from this analysis.
2. Retail schemes are those schemes where membership is made available to the general public.
3. Refer Appendix 3, Notes 3 and 7.
4. Some totals may not add exactly, due to rounding.
5. Some registered superannuation schemes are "multiple class" schemes, whose members may be trustees of other registered superannuation schemes. Some double counting of assets and members may therefore exist.

APPENDIX 5.1
REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995:
ANALYSIS ACCORDING TO SIZE OF SCHEME ASSETS

(All registered schemes except master schemes)

<i>Assets grouping</i>	NUMBER OF SCHEMES		TOTAL ASSETS		TOTAL MEMBERSHIP	
	<u>1995</u>	<u>1990</u>	<u>1995</u> \$m	<u>1990</u> \$m	<u>1995</u>	<u>1990</u>
1. Under \$0.5m	656	1,881	107	227	7,329	16,607
2. \$0.5m to under \$1m	228	314	169	225	7,960	12,929
3. \$1m to under \$5m	414	415	909	943	48,560	58,582
4. \$5m to under \$20m	162	166	1,542	1,524	74,202	63,595
5. \$20m to under \$50m	62	44	1,930	1,312	95,964	77,023
6. \$50m and over	61	43	10,077	6,801	469,423	318,617
TOTAL	1,583	2,863	14,734	11,032	703,438	547,353

NOTES

1. The data has been obtained from annual reports made by the trustees of superannuation schemes "registered" under the Superannuation Schemes Act 1989 to the members and beneficiaries of those schemes. Data in respect of the Government Superannuation Fund is not included.
2. Some registered superannuation schemes are "master" schemes, whose members are trustees of other registered superannuation schemes. To avoid double counting, master schemes are excluded from this data.
3. Some registered superannuation schemes are "multiple class" schemes, whose members may be trustees of other registered superannuation schemes. Some double counting of assets and members may therefore exist.
4. Some totals may not add exactly, due to rounding.
5. Appendix 5.1 summarises some of the data in Appendices 5.2 to 5.6

APPENDIX 5.2

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: NUMBER OF SCHEMES - cross tabulation by asset size and number of members

(All registered schemes except master schemes)

		<i>Total number of members in scheme</i>							
		None	Between 1 and 5	Between 6 and 50	Between 51 and 250	Between 251 and 500	Between 501 and 5000	Over 5000	Total over all member groups
Assets grouping									
1. Under \$0.5m	1995	72	305	260	16	2	1	0	656
	1990	296	973	573	34	3	2	0	1,881
2. \$0.5m to under \$1m	1995	1	25	165	34	2	1	0	228
	1990	2	29	226	50	4	3	0	314
3. \$1m to under \$5m	1995	1	13	193	158	29	20	0	414
	1990	6	19	195	149	19	26	1	415
4. \$5m to under \$20m	1995	0	2	10	75	37	37	1	162
	1990	1	0	11	93	33	27	1	166
5. \$20m to under \$50m	1995	0	0	0	8	12	36	6	62
	1990	0	0	0	5	14	20	5	44
6. \$50m and over	1995	0	1	0	0	3	35	22	61
	1990	0	0	0	0	2	28	13	43
Total for all asset groups:	1995	74	346	628	291	85	130	29	1,583
	1990	305	1,021	1,005	331	75	106	20	2,863

NOTES:

1. Refer to Notes to Appendix 5.1.
2. For example: on their balance dates in the 12 months to 31/12/95, 305 schemes had between 1 and 5 members, and assets of less than \$0.5 million.

APPENDIX 5.3

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: TOTAL ASSETS IN \$MILLION AT BALANCE DATE - cross tabulation by asset size and number of members

(All registered schemes except master schemes)

		<i>Total number of members in scheme</i>							Total over all member groups
		None	Between 1 and 5	Between 6 and 50	Between 51 and 250	Between 251 and 500	Between 501 and 5000	Over 5000	
Assets grouping									
1. Under \$0.5m	1995	0	38	64	4	0	0	0	107
	1990	2	80	132	11	1	1	0	227
2. \$0.5m to under \$1m	1995	1	19	120	27	2	1	0	169
	1990	1	19	160	38	3	2	0	225
3. \$1m to under \$5m	1995	2	26	351	395	71	63	0	909
	1990	14	33	373	392	55	71	5	943
4. \$5m to under \$20m	1995	0	34	60	616	401	424	7	1,542
	1990	9	0	69	780	369	281	14	1,524
5. \$20m to under \$50m	1995	0	0	0	234	356	1,139	202	1,930
	1990	0	0	0	131	366	617	198	1,312
6. \$50m and over	1995	0	77	0	0	158	4,825	5,016	10,077
	1990	0	0	0	0	122	3,082	3,598	6,801
Total for all asset groups:	1995	3	194	595	1,275	989	6,453	5,224	14,734
	1990	28	132	735	1,353	917	4,054	3,814	11,032

NOTES:

1. Refer to Notes to Appendix 5.1
2. For example: on their balance dates in the 12 months to 31/12/95, the schemes which had between 1 and 5 members, and assets of less than \$0.5 million, had assets totalling \$38 million

APPENDIX 5.4

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: TOTAL NUMBER OF MEMBERS INCLUDING DEFERRED AND CURRENT PENSIONERS - cross tabulation by asset size and number of members

(All registered schemes except master schemes)

		<i>Total number of members in scheme</i>							Total over all member groups
		None	Between 1 and 5	Between 6 and 50	Between 51 and 250	Between 251 and 500	Between 501 and 5000	Over 5000	
Assets grouping									
1. Under \$0.5m	1995	0	671	4,202	1,194	611	651	0	7,329
	1990	0	2,020	8,008	3,091	971	2,517	0	16,607
2. \$0.5m to under \$1m	1995	0	67	3,303	3,148	593	849	0	7,960
	1990	0	67	4,796	4,598	1,391	2,077	0	12,929
3. \$1m to under \$5m	1995	0	24	5,347	16,030	9,946	17,213	0	48,560
	1990	0	46	5,579	16,016	6,593	24,787	5,561	58,582
4. \$5m to under \$20m	1995	0	6	372	11,186	11,765	42,443	8,430	74,202
	1990	0	0	377	13,466	10,829	33,176	5,747	63,595
5. \$20m to under \$50m	1995	0	0	0	1,458	4,660	50,644	39,202	95,964
	1990	0	0	0	943	4,960	20,643	50,477	77,023
6. \$50m and over	1995	0	2	0	0	1,122	80,681	387,618	469,423
	1990	0	0	0	0	813	46,526	271,278	318,617
Total for all asset groups:	1995	0	770	13,224	33,016	28,697	192,481	435,250	703,438
	1990	0	2,133	18,760	38,114	25,557	129,726	333,063	547,353

NOTES:

1. Refer to Notes to Appendix 5.1
2. For example: on their balance dates in the 12 months to 31/12/95, the schemes which had between 1 and 5 members, and assets of less than \$0.5 million, had 671 members in total.

APPENDIX 5.5

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: NUMBER OF MEMBERS IN RESPECT OF WHOM CONTRIBUTIONS ARE BEING PAID - cross tabulation by asset size and number of members

(All registered schemes except master schemes)

		<i>Total number of members in scheme</i>							Total over all member groups
		None	Between 1 and 5	Between 6 and 50	Between 51 and 250	Between 251 and 500	Between 501 and 5000	Over 5000	
<i>Assets grouping</i>									
1. Under \$0.5m	1995	0	664	4,182	1,194	611	651	0	7,302
	1990	0	1,988	7,959	2,920	971	2,517	0	16,355
2. \$0.5m to under \$1m	1995	0	63	3,272	3,147	593	849	0	7,924
	1990	0	61	4,683	4,585	1,020	2,077	0	12,426
3. \$1m to under \$5m	1995	0	24	4,861	15,198	9,660	17,192	0	46,935
	1990	0	37	4,974	15,515	6,533	24,760	5,561	57,380
4. \$5m to under \$20m	1995	0	6	340	10,187	10,492	39,271	8,430	68,726
	1990	0	0	334	11,791	9,125	32,533	5,747	59,530
5. \$20m to under \$50m	1995	0	0	0	874	3,278	48,299	37,664	90,115
	1990	0	0	0	615	3,883	17,442	49,374	71,314
6. \$50m and over	1995	0	0	0	0	964	72,302	365,578	438,844
	1990	0	0	0	0	525	36,015	254,650	291,190
Total for all asset groups:	1995	0	757	12,655	30,600	25,598	178,564	411,672	659,846
	1990	0	2,086	17,950	35,426	22,057	115,344	315,332	508,195

NOTES:

1. Refer to Notes to Appendix 5.1
2. For example: on their balance dates in the 12 months to 31/12/95, the schemes which had between 1 and 5 members, and assets of less than \$0.5 million, had 664 current members in total.

APPENDIX 5.6

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: NUMBER OF PENSIONERS AND PERSONS ENTITLED TO DEFERRED BENEFITS - cross tabulation by asset size and number of members

(All registered schemes except master schemes)

		<i>Total number of members in scheme</i>							Total over all member groups	
		None	Between 1 and 5	Between 6 and 50	Between 51 and 250	Between 251 and 500	Between 501 and 5000	Over 5000		
Assets grouping										
1.	Under \$0.5m	1995	0	7	20	0	0	0	0	27
		1990	0	32	49	171	0	0	0	252
2.	\$0.5m to under \$1m	1995	0	4	31	1	0	0	0	36
		1990	0	6	113	13	371	0	0	503
3.	\$1m to under \$5m	1995	0	0	486	832	286	21	0	1,625
		1990	0	9	605	501	60	27	0	1,202
4.	\$5m to under \$20m	1995	0	0	32	999	1,273	3,172	0	5,476
		1990	0	0	43	1,675	1,704	643	0	4,065
5.	\$20m to under \$50m	1995	0	0	0	584	1,382	2,345	1,538	5,849
		1990	0	0	0	328	1,077	3,201	1,103	5,709
6.	\$50m and over	1995	0	2	0	0	158	8,379	22,040	30,579
		1990	0	0	0	0	288	10,511	16,628	27,427
Total for all asset groups:		1995	0	13	569	2,416	3,099	13,917	23,578	43,592
		1990	0	47	810	2,688	3,500	14,382	17,731	39,158

NOTES:

1. Refer to Notes to Appendix 5.1
2. For example: on their balance dates in the 12 months to 31/12/95, the schemes which had between 1 and 5 members, and assets of less than \$0.5 million, had 7 deferred and pensioner members in total.

APPENDIX 6.1**REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995:
ANALYSIS BY NATURE OF SCHEME**

Nature of scheme	NUMBER OF SCHEMES		TOTAL ASSETS		TOTAL MEMBERSHIP	
	1995	1990	1995 \$m	1990 \$m	1995	1990
Private	132	508	33	58	695	550
Employer (1)	1,302	2,242	9,843	9,508	289,252	310,741
Employer (2)	9	0	48	0	8,767	0
Retail	140	113	4,811	1,466	404,724	236,062
Total	1,583	2,863	14,734	11,032	703,438	547,353
Master Schemes	15	2	5,346	55	8,615	100

NOTES:

1. "Private" schemes are schemes set up by individuals for themselves and their immediate family.

"Employer (1)" schemes are schemes sponsored by private sector employers and all NPF employer sponsored schemes.

"Employer (2)" schemes provide superannuation arrangements as alternatives to the Government Superannuation Fund, which are sponsored by public sector employers and approved under section 84C of the State Sector Act 1988.

"Retail" schemes are schemes where membership is made available to the general public.

"Master schemes" are schemes whose members are trustees of other registered superannuation schemes.

2. The data has been obtained from annual reports made by the trustees of superannuation schemes "registered" under the Superannuation Schemes Act 1989 to the members and beneficiaries of those schemes.
3. Some totals may not add exactly, due to rounding.
4. Appendix 6.1 summarises some of the data in Appendices 6.2 to 6.4.

APPENDIX 6.2

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: ANALYSIS BY NATURE OF SCHEME

Private Sector Employer sponsored schemes and all NPF employer sponsored schemes

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	2,242	1,302	24	135
<i>Membership:</i>				
Actives	273,065	254,112	1,371	2,270
Deferreds	3,032	2,008	4	81
Pensioners	34,644	33,132	99	378
Total members	310,741	289,252	1,474	2,729
<i>Accounts Summary (\$millions):</i>				
Opening balance	9,624.8	9,815.6	93.0	146.3
Contributions	646.6	714.1	5.3	9.7
Net Investment	571.9	236.5	- 1.5	1.8
Income				
Benefit Payments	1,334.9	923.5	38.7	50.1
Closing balance	9,508.4	9,842.6	58.1	107.7

Public Service Schemes approved by Government Actuary under section 84C State Sector Act 1988

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	0	9	0	0
<i>Membership:</i>				
Actives	0	8,767	0	0
Deferreds	0	0	0	0
Pensioners	0	0	0	0
Total members	0	8,767	0	0
<i>Accounts Summary (\$millions):</i>				
Opening balance	0.0	21.7	0.0	0.0
Contributions	0.0	26.4	0.0	0.0
Net Investment	0.0	0.9	0.0	0.0
Income				
Benefit Payments	0.0	1.5	0.0	0.0
Closing balance	0.0	47.5	0.0	0.0

Notes:

1. The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date in the 12 months to 31/12/95; refer column (c).
2. The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date in the 12 months to 31/12/95; refer column (d), which may include some cases in column (c).
3. "Net Investment Income" consists of investment income and realised and unrealised capital gains as recorded in the revenue accounts, less expenses (including the cost of insurance if any) and taxation.
4. "Benefit Payments" consists of amounts paid by way of pensions, lump sums on retirement, death, disablement, redundancy and withdrawal, and transfers to other schemes less transfers received from other schemes.
5. Some totals may not add exactly, due to rounding.

APPENDIX 6.3

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: ANALYSIS BY NATURE OF SCHEME

Private Schemes (schemes set up by individuals for themselves and their immediate families)

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	508	132	6	13
<i>Membership:</i>				
Actives	540	692	6	12
Deferreds	10	0	0	0
Pensioners	0	3	0	0
Total members	550	695	6	12
<i>Accounts Summary (\$millions):</i>				
Opening balance	76.5	30.3	0.7	1.4
Contributions	8.9	2.5	0.0	0.1
Net Investment	3.5	2.1	0.0	0.1
Income				
Benefit Payments	30.9	1.8	0.0	0.7
Closing balance	58.0	33.2	0.7	1.0

Retail Schemes (schemes where membership is made available to the general public)

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	113	140	1	5
<i>Membership:</i>				
Actives	234,590	396,275	26	41
Deferreds	369	0	0	0
Pensioners	1,103	8,449	0	0
Total members	236,062	404,724	26	41
<i>Accounts Summary (\$millions):</i>				
Opening balance	1,343.1	4,320.8	0.0	1.7
Contributions	252.9	1,514.8	0.0	0.0
Net Investment	24.5	73.8	0.0	0.0
Income				
Benefit Payments	154.7	1,098.7	0.0	1.5
Closing balance	1,465.7	4,810.6	0.0	0.3

Notes:

- The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date in the 12 months to 31/12/95; refer column (c).
- The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date in the 12 months to 31/12/95; refer column (d), which may include some cases in column (c).
- "Net Investment Income" consists of investment income and realised and unrealised capital gains as recorded in the revenue accounts, less expenses (including the cost of insurance if any) and taxation.
- "Benefit Payments" consists of amounts paid by way of pensions, lump sums on retirement, death, disablement, redundancy and withdrawal, and transfers to other schemes less transfers, received from other schemes.
- Some totals may not add exactly, due to rounding.

APPENDIX 6.4

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: ANALYSIS BY NATURE OF SCHEME

All Schemes excluding master schemes

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	2,863	1,583	31	153
<i>Membership:</i>				
Actives	508,195	659,846	1,403	2,323
Deferreds	3,411	2,008	4	81
Pensioners	35,747	41,584	99	378
Total members	547,353	703,438	1,506	2,782
<i>Accounts Summary (\$millions):</i>				
Opening balance	11,044.4	14,188.4	93.6	149.4
Contributions	908.4	2,257.8	5.4	9.9
Net Investment	599.8	313.3	- 1.5	1.9
Income				
Benefit Payments	1,520.5	2,025.5	38.8	52.2
Closing balance	11,032.1	14,734.0	58.8	109.0

Master Schemes

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of schemes	2	15	0	0
<i>Membership:</i>				
Actives	100	8,615	0	0
Deferreds	0	0	0	0
Pensioners	0	0	0	0
Total members	100	8,615	0	0
<i>Accounts Summary (\$millions):</i>				
Opening balance	51.3	4,969.6	0.0	0.0
Contributions	11.2	1,273.7	0.0	0.0
Net Investment	- 1.7	226.4	0.0	0.0
Income				
Benefit Payments	5.5	1,124.0	0.0	0.0
Closing balance	55.3	5,345.6	0.0	0.0

Notes:

1. The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date in the 12 months to 31/12/95; refer column (c).
2. The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date in the 12 months to 31/12/95; refer column (d), which may include some cases in column (c).
3. "Net Investment Income" consists of investment income and realised and unrealised capital gains as recorded in the revenue accounts, less expenses (including the cost of insurance if any) and taxation.
4. "Benefit Payments" consists of amounts paid by way of pensions, lump sums on retirement, death, disablement, redundancy and withdrawal, and transfers to other schemes less transfers received from other schemes.
5. Some totals may not add exactly, due to rounding.

APPENDIX 7.1

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: PRIVATE SECTOR EMPLOYER SPONSORED SCHEMES AND ALL NPF EMPLOYER SPONSORED SCHEMES - ANALYSIS BY ADMINISTRATION MANAGER

	Type of Scheme					
	Defined Benefit		Defined Contribution		TOTAL	
	1995	1990	1995	1990	1995	1990
NUMBER OF SCHEMES						
Self Managed	99	143	131	240	230	383
Life Office	116	244	671	1,273	787	1,517
Consulting Actuary	72	47	101	93	173	140
Other	14	18	98	184	112	202
TOTAL	301	452	1,001	1,790	1,302	2,242
TOTAL ASSETS (\$millions)						
Self Managed	3,375	4,011	788	483	4,164	4,494
Life Office	622	888	970	1,057	1,592	1,945
Consulting Actuary	632	321	604	292	1,237	614
Other	1,412	1,470	1,438	986	2,850	2,456
TOTAL	6,041	6,691	3,801	2,817	9,843	9,508
TOTAL MEMBERS						
Self Managed	43,085	59,666	24,088	18,662	67,173	78,328
Life Office	8,520	18,235	35,307	41,132	43,827	59,367
Consulting Actuary	15,001	6,561	26,150	10,859	41,151	17,420
Other	15,033	16,755	122,068	138,871	137,101	155,626
TOTAL	81,639	101,217	207,613	209,524	289,252	310,741

Notes:

1. Refer to the notes for Appendix 8.
2. All NPF employer sponsored schemes are included in Administration Manager category "Other".

APPENDIX 7.2

**REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995:
PRIVATE SECTOR EMPLOYER SPONSORED SCHEMES -
ANALYSIS BY ADMINISTRATION MANAGER**

In force on scheme balance dates in the 12 months:
To 31 Dec 1990 To 31 Dec 1995
(a) (b)

Included in (b):
Prior period reports Terminating Schemes
(c) (d)

Administration Manager: Self Managed

Total				
Number of schemes	383	230	3	17
<i>Membership:</i>				
Actives	61,652	54,605	102	216
Deferreds	1,923	1,130	4	0
Pensioners	14,753	11,438	99	326
Total members	78,328	67,173	205	542
<i>Accounts Summary (\$millions):</i>				
Opening balance	4,750.9	4,197.8	70.6	58.4
Contributions	190.1	232.1	0.1	1.7
Net Investment	210.6	132.7	- 1.9	0.4
Income				
Benefit Payments	657.7	398.7	36.6	12.0
Closing balance	4,493.9	4,163.9	32.3	48.5
Defined Benefit Schemes				
Total Schemes	143	99	2	5
<i>Membership:</i>				
Actives	43,153	30,517	101	125
Deferreds	1,811	1,130	4	0
Pensioners	14,702	11,438	99	326
Total members	59,666	43,085	204	451
<i>Accounts Summary (\$millions):</i>				
Opening balance	4,260.5	3,455.2	70.4	42.7
Contributions	134.5	112.7	0.1	0.4
Net Investment	162.6	109.9	- 1.9	0.1
Income				
Benefit Payments	546.3	302.3	36.6	3.5
Closing balance	4,011.3	3,375.5	32.1	39.7
Defined Contribution Schemes				
Total Schemes	240	131	1	12
<i>Membership:</i>				
Actives	18,499	24,088	1	91
Deferreds	112	0	0	0
Pensioners	51	0	0	0
Total members	18,662	24,088	1	91
<i>Accounts Summary (\$millions):</i>				
Opening balance	490.4	742.6	0.2	15.7
Contributions	55.5	119.4	0.0	1.3
Net Investment	48.0	22.8	0.0	0.3
Income				
Benefit Payments	111.3	96.3	0.0	8.5
Closing balance	482.6	788.4	0.2	8.8

Notes: Refer to the notes for Appendix 8.

APPENDIX 7.3

**REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995:
PRIVATE SECTOR EMPLOYER SPONSORED SCHEMES -
ANALYSIS BY ADMINISTRATION MANAGER**

	In force on scheme balance dates in the 12 months:		Included in (b):	
	To 31 Dec 1990 (a)	To 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Administration Manager-Life Offices				
Total				
Number of schemes	1,517	787	15	100
<i>Membership:</i>				
Actives	56,614	42,205,	713	1,923
Deferreds	326	209	0	81
Pensioners	2,427	1,413	0	48
Total members	59,367	43,827	713	2,052
<i>Accounts Summary (\$millions):</i>				
Opening balance	1,942.2	1,520.1	16.3	59.0
Contributions	232.7	185.7	2.6	6.4
Net Investment	131.4	47.8	- 0.2	0.9
Income				
Benefit Payments	361.7	161.3	1.7	11.2
Closing balance	1,944.6	1,592.3	17.0	55.1
Defined Benefit Schemes				
Total Schemes	244	116	2	5
<i>Membership:</i>				
Actives	15,799	6,916	372	71
Deferreds	145	192	0	81
Pensioners	2,291	1,412	0	48
Total members	18,235	8,520	372	200
<i>Accounts Summary (\$millions):</i>				
Opening balance	932.7	627.0	10.2	10.0
Contributions	62.0	31.8	1.2	0.3
Net Investment	29.3	19.8	- 0.2	0.3
Income				
Benefit Payments	136.0	56.7	0.5	0.9
Closing balance	888.0	621.9	10.6	9.7
Defined Contribution Schemes				
Total Schemes	1,273	671	13	95
<i>Membership:</i>				
Actives	40,815	35,289	341	1,852
Deferreds	181	17	0	0
Pensioners	136	1	0	0
Total members	41,132	35,307	341	1,852
<i>Accounts Summary (\$millions):</i>				
Opening balance	1,009.5	893.1	6.1	49.0
Contributions	170.7	153.9	1.4	6.0
Net Investment	102.1	28.0	0.0	0.6
Income				
Benefit Payments	225.7	104.6	1.1	10.3
Closing balance	1,056.6	970.3	6.3	45.4

Notes:

Refer to the notes for Appendix 8.

APPENDIX 7.4

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: PRIVATE SECTOR EMPLOYER SPONSORED SCHEMES - ANALYSIS BY ADMINISTRATION MANAGER

	In force on scheme balance dates in the 12 months:		Included in (b):	
	To 31 Dec 1990 (a)	To 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Administration Manager-Consulting Actuaries				
Total				
Number of schemes	140	173	3	6
<i>Membership:</i>				
Actives	15,228	39,110	554	3
Deferreds	72	658	0	0
Pensioners	2,120	1,383	0	0
Total members	17,420	41,151	554	3
<i>Accounts Summary (\$millions):</i>				
Opening balance	537.4	1,197.4	8.8	20.7
Contributions	46.9	147.8	2.6	0.9
Net Investment	127.8	6.1	1.2	0.3
Income				
Benefit Payments	98.5	114.8	0.5	21.7
Closing balance	613.5	1,236.6	12.2	0.2
Defined Benefit Schemes				
Total Schemes	47	72	0	3
<i>Membership:</i>				
Actives	4,775	13,430	0	1
Deferreds	17	296	0	0
Pensioners	1,769	1,275	0	0
Total members	6,561	15,001	0	1
<i>Accounts Summary (\$millions):</i>				
Opening balance	309.8	641.1	0.0	6.8
Contributions	11.4	45.4	0.0	0.8
Net Investment	25.0	1.6	0.0	0.3
Income				
Benefit Payments	24.7	55.8	0.0	7.9
Closing balance	321.5	632.3	0.0	0.0
Defined Contribution Schemes				
Total Schemes	93	101	3	3
<i>Membership:</i>				
Actives	10,453	25,680	554	2
Deferreds	55	362	0	0
Pensioners	351	108	0	0
Total members	10,859	26,150	554	2
<i>Accounts Summary (\$millions):</i>				
Opening balance	227.6	556.3	8.8	13.9
Contributions	35.5	102.4	2.6	0.0
Net Investment	102.8	4.5	1.2	0.0
Income				
Benefit Payments	73.9	59.0	0.5	13.8
Closing balance	292.1	604.2	12.2	0.2

Notes:

Refer to the notes for Appendix 8.

APPENDIX 7.5

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: PRIVATE SECTOR EMPLOYER SPONSORED SCHEMES AND ALL NPF SPONSORED SCHEMES - ANALYSIS BY ADMINISTRATION MANAGER

	In force on scheme balance dates in the 12 months:		Included in (b):	
	To 31 Dec 1990 (a)	To 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Administration Manager: Other consultants (eg solicitors, accountants, superannuation managers etc)				
Total Number of schemes	202	112	3	12
<i>Membership:</i>				
Actives	139,571	118,192	2	128
Deferreds	711	11	0	0
Pensioners	15,344	18,898	0	4
Total members	155,626	137,101	2	132
<i>Accounts Summary (\$millions):</i>				
Opening balance	2,394.4	2,900.3	- 2.8	8.2
Contributions	177.0	148.5	0.0	0.8
Net Investment Income	102.1	49.9	- 0.6	0.2
Benefit Payments	217.0	248.7	0.0	5.2
Closing balance	2,456.4	2,849.9	- 3.4	4.0
Defined Benefit Schemes				
Total Schemes	18	14	0	0
<i>Membership:</i>				
Actives	8,630	6,142	0	0
Deferreds	657	7	0	0
Pensioners	7,468	8,884	0	0
Total members	16,755	15,033	0	0
<i>Accounts Summary (\$millions):</i>				
Opening balance	1,494.8	1,453.6	0.0	0.0
Contributions	76.3	42.5	0.0	0.0
Net Investment Income	20.4	20.8	0.0	0.0
Benefit Payments	121.2	105.3	0.0	0.0
Closing balance	1,470.4	1,411.6	0.0	0.0
Defined Contribution Schemes				
Total Schemes	184	98	3	12
<i>Membership:</i>				
Actives	130,941	112,050	2	128
Deferreds	54	4	0	0
Pensioners	7,876	10,014	0	4
Total members	138,871	122,068	2	132
<i>Accounts Summary (\$millions):</i>				
Opening balance	899.6	1,446.7	- 2.8	8.2
Contributions	100.7	106.0	0.0	0.8
Net Investment Income	81.6	29.1	- 0.6	0.2
Benefit Payments	95.8	143.4	0.0	5.2
Closing balance	986.0	1,438.3	- 3.4	4.0

Notes:

Refer to the notes for Appendix 8.

APPENDIX 8

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: RETAIL SCHEMES (ie available to the general public) - ANALYSIS BY ADMINISTRATION MANAGER

Administration Manager Group: Life Offices

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of Schemes	72	88	0	4
<i>Membership:</i>				
Actives	128,897	194,699	0	15
Deferreds	0	0	0	0
Pensioners	0	0	0	0
Total members	128,897	194,699	0	15
<i>Accounts Summary (\$millions):</i>				
Opening balance	457.8	1,568.6	0.0	1.7
Contributions	165.1	500.0	0.0	0.0
Net Investment Income	- 8.6	53.6	0.0	0.0
Benefit Payments	44.8	230.5	0.0	1.5
Closing balance	569.6	1,891.8	0.0	0.3

Administration Manager Group: Managed other than by Life Offices

	In force on scheme balance dates in the 12 months:		Included in (b):	
	to 31 Dec 1990 (a)	to 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of Schemes	41	52	1	1
<i>Membership:</i>				
Actives	105,693	201,576	26	26
Deferreds	369	0	0	0
Pensioners	1,103	8,449	0	0
Total members	107,165	210,025	26	26
<i>Accounts Summary (\$millions):</i>				
Opening balance	885.2	2,752.2	0.0	0.0
Contributions	87.7	1,014.7	0.0	0.0
Net Investment Income	33.0	20.2	0.0	0.0
Benefit Payments	109.9	868.3	0.0	0.0
Closing balance	896.1	2,918.8	0.0	0.0

Notes:

- The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date in the 12 months ending 31/12/95; refer column (c).
- The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date in the 12 months ending 31/12/95; refer column (d), which may include some cases in column (c).
- The data has been obtained from annual reports made by the trustees of superannuation schemes "registered" under the Superannuation Schemes Act 1989 to the members and pensioners of those schemes.
- "Administration Manager" is as defined in the Superannuation Schemes Act 1989 and notified to the Government Actuary.
- "Net Investment Income" consists of investment income and realised and unrealised capital gains as recorded in the revenue accounts, less expenses (including the cost of insurance if any) and taxation.
- "Benefit Payments" consists of amounts paid by way of pensions, lump sums on retirement, death, disablement, redundancy and withdrawal, and transfers to other schemes less transfers received from other schemes.
- Some double counting may exist in the "Membership" figures; some persons may contribute to, and draw pensions from, different schemes.
- Some totals may not add exactly, due to rounding.

APPENDIX 9

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: MASTER SCHEMES - ANALYSIS BY ADMINISTRATION MANAGER

Administration Manager Group: Life Offices

	In force on scheme balance dates in the 12 months:		Included in (b):	
	To 31 Dec 1990 (a)	To 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of Schemes	1	8	0	0
<i>Membership:</i>				
Actives	63	1,956	0	0
Deferreds	0	0	0	0
Pensioners	0	0	0	0
Total members	63	1,956	0	0
<i>Accounts Summary (\$millions):</i>				
Opening balance	50.8	1,268.3	0.0	0.0
Contributions	10.7	257.4	0.0	0.0
Net Investment Income	- 1.7	66.8	0.0	0.0
Benefit Payments	5.3	313.5	0.0	0.0
Closing balance	54.5	1,279.1	0.0	0.0

Administration Manager Group: Managed other than by Life Offices

	In force on scheme balance dates in the 12 months:		Included in (b):	
	To 31 Dec 1990 (a)	To 31 Dec 1995 (b)	Prior period reports (c)	Terminating Schemes (d)
Number of Schemes	1	7	0	0
<i>Membership:</i>				
Actives	37	6,659	0	0
Deferreds	0	0	0	0
Pensioners	0	0	0	0
Total members	37	6,659	0	0
<i>Accounts Summary (\$millions):</i>				
Opening balance	0.5	3,701.2	0.0	0.0
Contributions	0.5	1,016.3	0.0	0.0
Net Investment Income	0.0	159.5	0.0	0.0
Benefit Payments	0.2	810.5	0.0	0.0
Closing balance	0.8	4,066.5	0.0	0.0

Notes:

- The data in column (b) includes data for schemes which are presumed current but which have not forwarded their annual reports for the balance date in the 12 months ending 31/12/95; refer column (c).
- The data in column (b) includes the latest data for schemes which we have been informed will terminate after the balance date in the 12 months ending 31/12/95; refer column (d), which may include some cases in column (c).
- The data has been obtained from annual reports made by the trustees of superannuation schemes "registered" under the Superannuation Schemes Act 1989 to the members and pensioners of those schemes.
- "Administration Manager" is as defined in the Superannuation Schemes Act 1989 and notified to the Government Actuary.
- "Net Investment Income" consists of investment income and realised and unrealised capital gains as recorded in the revenue accounts, less expenses (including the cost of insurance if any) and taxation.
- "Benefit Payments" consists of amounts paid by way of pensions, lump sums on retirement, death, disablement, redundancy and withdrawal, and transfers to other schemes less transfers received from other schemes.
- Some double counting may exist in the "Membership" figures; some persons may contribute to, and draw pensions from, different schemes.
- Some totals may not add exactly, due to rounding.

APPENDIX 10

REGISTERED SUPERANNUATION SCHEMES IN FORCE ON SCHEME BALANCE DATES IN 1995: ANALYSIS ACCORDING TO NATURE OF SCHEME AND SIZE OF SCHEME ASSETS (excluding master schemes)

Schemes set up by individuals for themselves and their immediate family

	NUMBER OF SCHEMES		TOTAL ASSETS		TOTAL MEMBERSHIP		
	Period to:	31 Dec 1995	31 Dec 1990	31 Dec 1995	31 Dec 1990	31 Dec 1995	31 Dec 1990
				\$m	\$m		
Asset grouping							
Under \$0.5m		119	486	16	30	166	505
\$0.5m-\$0.9m		6	15	4	10	13	29
\$1m-\$4.9m		7	7	13	18	516	16
\$5m-\$19.9m		0	0	0	0	0	0
\$20m-\$49.9m		0	0	0	0	0	0
Over \$50m		0	0	0	0	0	0
Total over all groups		132	508	33	58	695	550
Includes schemes with nil assets:		4	118				

Schemes sponsored by private sector employers and all NPF employer sponsored schemes

	NUMBER OF SCHEMES		TOTAL ASSETS		TOTAL MEMBERSHIP		
	Period to:	31 Dec 1995	31 Dec 1990	31 Dec 1995	31 Dec 1990	31 Dec 1995	31 Dec 1990
				\$m	\$m		
Asset grouping							
Under \$0.5m		507	1,357	86	189	6,367	11,949
\$0.5m-\$0.9m		211	289	156	207	5,610	10,128
\$1m-\$4.9m		371	374	808	843	30,638	32,689
\$5m-\$19.9m		133	149	1,219	1,365	32,331	34,145
\$20m-\$49.9m		43	38	1,334	1,106	31,077	41,666
Over \$50m		37	35	6,240	5,798	183,229	180,164
Total over all groups		1,302	2,242	9,843	9,508	289,252	310,741
Includes schemes with nil assets:		62	154				

APPENDIX 10 (CONTINUED)

Schemes provided as alternative arrangements to the Government Superannuation Fund

Period to:	NUMBER OF SCHEMES		TOTAL ASSETS		TOTAL MEMBERSHIP	
	31 Dec 1995	31 Dec 1990	31 Dec 1995	31 Dec 1990	31 Dec 1995	31 Dec 1990
			\$m	\$m		
Asset grouping						
Under \$0.5m	2	0	0	0	334	0
\$0.5m-\$0.9m	0	0	0	0	0	0
\$1m-\$4.9m	4	0	7	0	2,348	0
\$5m-\$19.9m	2	0	20	0	3,628	0
\$20m-\$49.9m	1	0	20	0	2,457	0
Over \$50m	0	0	0	0	0	0
Total over all groups	9	0	48	0	8,767	0
Includes schemes with nil assets:	0	0				

Schemes where membership is made available to the general public

Period to:	NUMBER OF SCHEMES		TOTAL ASSETS		TOTAL MEMBERSHIP	
	31 Dec 1995	31 Dec 1990	31 Dec 1995	31 Dec 1990	31 Dec 1995	31 Dec 1990
			\$m	\$m		
Asset grouping						
Under \$0.5m	28	38	4	7	462	4,153
\$0.5m-\$0.9m	11	10	9	8	2,337	2,772
\$1m-\$4.9m	32	34	82	82	15,058	25,877
\$5m-\$19.9m	27	17	304	159	38,243	29,450
\$20m-\$49.9m	18	6	575	206	62,430	35,357
Over \$50m	24	8	3,837	1,003	286,194	138,453
Total over all groups	140	113	4,811	1,466	404,724	236,062
Includes schemes with nil assets:	2	1				