

## NEWSLETTER NO. 33 : OCTOBER 1995

### CONTENTS

1. Annual Report to Minister of Finance
2. Pensioner Mortality

#### 1. ANNUAL REPORT TO MINISTER OF FINANCE

- 1.1 A copy of my annual report under section 28 of the Superannuation Schemes Act 1989 for the year ended 30 June 1995 to the Minister of Finance is enclosed.
- 1.2 The report follows the same format as last year, except for three differences:
  - (a) The Appendix on "Legislation", Appendix 2, does not contain a section on "Contributions to/Establishment of superannuation schemes made permissible by or on behalf of relevant entity".

The reason for this omission is to keep the length of the report within reasonable bounds.

- (b) Two new Appendices have been added:

Appendix 11 provides an analysis of schemes by nature of scheme and size of scheme assets.

Appendix 12 provides an "industry" analysis of employer-sponsored schemes.

Section 10 of the report contains further information on this analysis. Please note that the phrase "bona fide researchers" used in section 10.3 of the report is not intended to exclude persons whose interest in the data is "commercial" rather than "academic".

#### 2. PENSIONER MORTALITY

- 2.1 With the permission of the Chief Executive of the Government Superannuation Fund, I enclose two graphs which show the results of an investigation into the mortality of GSF pensioners.
- 2.2 The following notes may be of assistance when considering these graphs:
  - (1) The period of the analysis is from 1 April 1989 to 31 March 1994.
  - (2) The analysis is on a "lives" and not "amounts" basis.
  - (3) Approximate total exposure is:

160,000 years, male lives

85,000 years, female lives

(4) The analysis includes all GSF pensioners.

In particular, you should note that there has been no exclusion according to:

(a) nature of retirement:

The analysis includes "ill health" as well as "normal" and "late" retirement pensioners;

(b) nature of pre-retirement occupation:

The analysis includes those whose occupational stress may have been higher than the general population average, as well as those for whom such stress may have been "average" or "less than average";

(c) type of pensioner:

The analysis includes "surviving spouses of pensioners" as well as "pensioners"; the analysis also includes persons who were entitled to receive a deferred pension on retirement, and are now in receipt of that deferred pension.

(d) place of residence of pensioner:

Some pensioners reside in countries other than New Zealand.

(5) The only differentiating factors used in the analysis are sex and attained age.

This should not be interpreted as implying that these are the only two factors which should be considered.

2.3 The Government Actuary's reports on the actuarial valuation of the Government Superannuation Fund as at 31 March 1989 and 1994 provide a statistical analysis of members and pensioners.

2.4 This pensioner mortality analysis is provided because it is understood that:

1. there is no other large scale analysis of New Zealand pensioner mortality currently available;
2. there is an increasing interest in demographic factors such as pensioner mortality.

2.5 Neither the Chief Executive of the Government Superannuation Fund nor the Government Actuary is making any representation, warranty or undertaking, express or implied, as to the relevance of this information to the particular circumstances of any superannuation scheme, life insurance company, or other entity or person. The determination of what mortality rates (if any) should be used in any particular case is solely the responsibility of those concerned, who should seek their own actuarial advice; and neither the Chief Executive of the Government Superannuation Fund nor the Government Actuary accept any liability resulting from the use of this information.