

HOSPITALS SUPERANNUATION BOARD



SHB



Annual Report



1982

For the Year Ended 30th June

VICTORIA

Report

of

**HOSPITALS SUPERANNUATION
BOARD**

for the

Year ended 30 June 1982

Ordered by the Legislative Assembly to be printed

MELBOURNE
F D ATKINSON GOVERNMENT PRINTER
1982

HOSPITALS SUPERANNUATION BOARD

Mr. J.M. Ryder - Chairman
Mr. H.J. Hopkins - Deputy Chairman
Mr. J.A.S. McNair
Mr. R.A. Campbell
Miss M.H. Peters
Mr. R.W. Shepherd

DEPUTY REPRESENTATIVES OF CONTRIBUTORS

Dr. I. Horacek
Mrs. A.M. Phillips

MANAGER

Mr. A. Rackemann, A.A.S.A.

CONSULTING ACTUARY

Mr. V.H. Arnold, F.I.A., A.S.A.

ACTUARY

Messrs. E.S. Knight and Co.

AUDITOR

Messrs. Ernest Fookes and Co.

OFFICE

555 Collins Street, Melbourne 3000.

HOSPITALS SUPERANNUATION FUND

SIXTEENTH ANNUAL REPORT

YEAR ENDED 30TH JUNE, 1982

The Honourable the Treasurer, Melbourne

Sir,

Section 9 of the Hospitals Superannuation Act 1965 provides that:
"The Board shall in each year submit to the Minister, to be laid before both Houses of Parliament, a report dealing with the general administration and working of this Act."

In accordance with the provisions of this Section the Board has pleasure in submitting its sixteenth annual report to be laid before both Houses of Parliament, in respect of the year ended 30th June, 1982.

HOSPITALS SUPERANNUATION BOARD

Members of the Board are:-

Mr. J.M. Ryder, F.I.A., F.I.A.A., A.S.A., F.S.S. (Chairman)
(Government Statist and Actuary)

Mr. H.J. Hopkins, B. Com., A.A.S.A., D.P.A., R.C.A. (Deputy Chairman)

Mr. J.A.S. McNair, F.C.A.

Mr. R.A. Campbell, J.P., F.H.A., A.C.I.S., A.A.S.A. (Sen.), R.C.A.

Miss M.H. Peters, S.R.N., S.R.M., I.W.C., Dip. N. Admin.

Mr. R.W. Shepherd

Deputy Representatives of Contributors

Dr. Ivan Horacek, M.B., B.S. (Melb.), F.R.C.P.A.

Mrs. Adele Mary Phillips

HOSPITALS SUPERANNUATION

(GENERAL AMENDMENT)

ACT 1981

This Act was proclaimed on the 11th February, 1982 and introduced a number of important changes to the Fund. These changes included the following:-

1. Commutation of Pensions

Subject to certain conditions pensioners may now elect to convert part of their pension to a lump sum.

Option 1 - When the pensioner is under age 68.

The pensioner can apply to the Board to receive a lower pension for a specified period, and to receive a single lump sum in exchange for the reduction in pension.

The Board can grant the application subject to the following conditions:

- (i) the period during which the lower pension is paid must be between 2 and 5 years;
- (ii) the reduced pension cannot extend beyond the pensioner's 70th birthday; and
- (iii) the Board must observe the terms and conditions approved by the Treasurer of Victoria at the time.

Only one application can be made before age 68 to exchange part of the pension for a lump sum in this way. However, another application can be made under Option 2, during the 3 months before the 70th birthday.

Generally these provisions were designed to assist pensioners to obtain the Pensioner Health Card and other fringe benefits.

Option 2 - 3 months before age 70.

During the 3 months before the 70th birthday a pensioner can apply to the Board to receive a lower pension for the rest of his or her lifetime and to receive a single lump sum in exchange for the reduction in the pension.

A pension contributor who retires after age 70, can make application to the Board during the 3 months before the retirement date.

2. Twice yearly updates of pension

All pensions will now be updated in both June and December according to the change in the Consumer Price Index.

3. Increased pensions in respect of children

The amount of the payment has been increased from \$17.00 to \$25.00 per week where the child is orphaned of both parents, or the surviving spouse is divorced.

4. Improved resignation benefits under the Pension Scheme

Provision has now been made for the addition of interest to the pension contributions refunded.

5. A second deferred pension option

Under this second option the resigning pension contributor must be aged 30 or more when he or she resigns. In this case the deferred pension will be payable only on attainment of age 65 or to the surviving spouse in the event of earlier death. Subsequent employment will not affect the entitlement to a deferred pension.

6. Options for payment of contributions whilst on leave without pay

- (i) Where the Board regards a contributor as being on leave because of ill-health, the normal rate of contribution will be payable by the contributor. However, the contributor can apply to the Board to defer contribution payments during the leave period.

When contributions are deferred in this way, the period of leave without pay will not affect the contributor's entitlement to benefits under the Fund.

The employing institution also continues to pay its contribution for the contributor during leave without pay due to ill-health.

- (ii) When a contributor is granted a period of leave of absence without pay by the employing institution, otherwise than for ill-health, the contributor can elect one of these 3 contribution options during the period of leave:

- . not to contribute to the Fund
- . pay 1/2 the normal contribution rate, or
- . pay 3 1/2 times the normal contribution rate

The employing institution is no longer required to pay contributions in respect of a contributor on leave of absence without pay in these instances.

Where a contributor is on leave of absence, other than on the grounds of ill-health, the period of leave will not be taken into account in determining the total period of service for the purpose of calculating a benefit.

7. A Review Panel for medical classifications

Where a contributor is dissatisfied with a medical classification given by the Board he or she may have the question of the classification referred to a review panel on payment of a \$25 fee. The fee is refunded if the review panel revises the medical classification.

The review panel will consist of a Board member appointed by the Board, an independent actuary and an independent medical practitioner both mutually agreed by the member and the Board. If the member and the Board cannot agree, these 2 appointments will be made by the Minister.

The review panel's decision is final. The panel cannot reduce a medical classification.

8. Additional member of the Board

Provision was made for a sixth member to represent the Victorian Hospitals' Association.

Mr. R.W. Shepherd was appointed to serve in this capacity effective from the 11th February, 1982.

ADMINISTRATION OF SUPERANNUATION SCHEMES UNDER PART IVA

As at the 30th June, 1982, 9 institutions had elected to have their superannuation schemes administered under these provisions.

HOSPITALS SUPERANNUATION FUND

There were 9184 members as at the 30th June, 1982, compared with 9226 members as at 30th June, 1981. The number of members making supplementary contributions decreased from 1635 as at the 30th June, 1981, to 1597 as at the 30th June, 1982. There were 7922 pension contributors as at the 30th June, 1982, compared with 7838 pension contributors as at the 30th June, 1981.

The number of participating institutions as at the 30th June, 1982 was 320 comprising 243 "A" class institutions, and 77 "B" class institutions. Corresponding figures as at 30th June, 1981 were 311, 233 and 78.

Financial statements, membership details, a list of participating institutions and a table containing statistical and financial details for the period from the 1st July, 1966 to the 30th June, 1982, are set out in the accompanying schedules.

CONTRIBUTIONS AND LEVY

Contributions and levy received were:-

	1981/82		1980/81	
	\$	\$	\$	\$
(LUMP SUM SCHEME)				
Ordinary Contributions	10,133,677		9,073,800	
Additional Payments				
Fund Levy	618,573			
Supplementary Contributions	802,161		743,209	
" "(Lump sum)	131,550	11,685,961	147,570	9,964,579
(PENSION SCHEME)				
Contributions	3,319,555		2,889,635	
Levy	3,015,542	6,335,097	2,667,790	5,557,425
		<u>\$18,021,058</u>		<u>\$15,522,004</u>

BENEFITS

Details of benefit payments are:-

	<u>Lump Sum Scheme</u>		<u>Pension Scheme</u>	
	<u>1981/82</u>	<u>1980/81</u>	<u>1981/82</u>	<u>1980/81</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Death	413,848	770,665	161,291	100,163
Disability	2,235,089	1,677,484	688,621	438,760
Retrenchment	99,619	32,150		
Retirement				
(including early retirement)	6,079,881	4,715,091	2,414,424	1,702,573
Resignation	2,667,432	1,835,950	419,745	316,864
Children's Allowances	12,653	9,627	28,998	18,994
Supplementary Contributions	787,768	582,420		
	<u>12,296,290</u>	<u>9,623,387</u>	<u>3,713,079</u>	<u>2,577,354</u>
	<u>No.</u>	<u>No.</u>	<u>No.</u>	<u>No.</u>
Death	21	26	105	74
Disability	119	100	283	207
Retrenchment	4	4		
Retirement				
(including early retirement)	310	305	1,191	979
Resignation	553	489	514	463
Children's Allowances	110	127	59	44
Supplementary Contributions	226	210		
	<u>1,343</u>	<u>1,261</u>	<u>2,152</u>	<u>1,767</u>

(in respect of many former contributors, benefits were paid from both the lump sum and pension schemes.)

WELFARE PAYMENTS

The following payments were made from the Welfare Account:-

	<u>1981/82</u>	<u>1980/81</u>
	\$	\$
Loss of pay	10,621	4,012
Superannuation contributions	3,196	3,154
Funeral	4,190	3,600
Hospital, medical and dental expenses	615	765
Other	95	150
	<u>18,717</u>	<u>11,681</u>

Payments were made in respect of 32 members or former members for the year ended 30th June, 1982.

MEMBERS' DEATH AND DISABILITY COVER

(LUMP SUM SCHEME)

The total death and disability cover of members under the Approved Scheme (subject to reduction where a member is ineligible for full cover) was \$342,282,611 as at the 30th June, 1982, compared with \$300,475,110 as at the 30th June, 1981.

INVESTMENTS

The total investments of the Fund as at the 30th June, 1982 amounted to \$122,177,277 of which \$6,560,008 was invested with the Australian Mutual Provident Society and its associated Life Offices under the deposit administration policy and \$60,406,750 under the equity linked policy. An amount of \$55,210,519 was invested directly by the Board.

Corresponding figures as at the 30th June, 1981, were \$110,896,947, \$7,859,799, \$56,930,191 and \$46,106,957.

As at the 30th June, 1982, the investment of new monies under the equity linked policy was apportioned between the various Life Offices on the following basis:-

Australian Mutual Provident Society	35%
National Mutual Life Association of Australasia Ltd.	15%
T. & G. Mutual Life Society Ltd.	25%
Colonial Mutual Life Assurance Society Ltd.	25%

DISTRIBUTION

Amounts distributed to members' accounts and other accounts maintained in the Fund were:-

	1981/82		1980/81	
	\$	\$	\$	\$
Earnings (plus appreciation less depreciation in market value of Fund's investments.)	7,092,721		13,322,599	
Surplus available for distribution	<u>1,086,409</u>	8,179,130	<u>774,034</u>	14,096,633
Transfer from reserves -				
Income stabilization		2,636,511		1,496,531
		<u>10,815,641</u>		<u>15,593,164</u>

Distribution was made at the following rates:-

<u>ORDINARY CONTRIBUTIONS</u>	<u>1981/82</u>	<u>1980/81</u>
Earnings	9.0	15.9
Surplus	1.0	1.1
	<u>10.0</u>	<u>17.0</u>
<u>SUPPLEMENTARY CONTRIBUTIONS</u>	9.0	15.9

Surplus is not distributed to members' accounts for supplementary contributions.

MANAGEMENT EXPENSES

Administrative expenses for the year totalled \$1,040,161 or 5.77 per cent of contribution and levy income. An amount of \$515,920 was transferred from the Pensions Fund to the credit of Management Administration Account.

COMMUNICATION

Because of the rapidity of changes in recent years and the increasing complexity of the Fund, the Board has been concerned to improve its communications with contributors, prospective members, employing institutions and professional associations.

Some of the initiatives taken in this area include:

(a) Computerisation

As a result of the installation of the Board's own computer system it is hoped to increase the flow of information to members.

It is planned to distribute comprehensive Personal Benefit Reports giving details of Fund entitlements as at the 30th June, 1982 and annually thereafter.

(b) Seminars

Regular seminars have been commenced. These have been primarily for the benefit of those working in Personnel and Pay Offices but it is planned to expand this programme.

(c) Fund Representatives

The Board's Fund Representatives made 416 visits to 269 participating institutions during the year to encourage non-members to join the Fund, and to provide information concerning the Fund to existing members.

A demographic survey by the Board indicated a low participation rate in the larger institutions. Accordingly the Board has reviewed the activities of its Representatives with a view to arranging more frequent visits to the large hospitals.

As on average each Representative is responsible for more than 100 institutions, the Board has requested approval for additional staff. This will enable an improved service to be provided to the field.

(d) Publicity material

The Board has continued to produce periodical newsletters with items of general interest to members.

Introductory Leaflets for prospective members have been successfully introduced and the first in a series of Information Bulletins has been produced.

Production of a new Member Booklet and an audio-visual has been commissioned.

APPRECIATION

The Board records its appreciation to members of the Staff who have been faced with implementing the extensive changes which have resulted from recent amendments to the Act and Regulations.

The Board also expresses its appreciation to its professional advisers for their services during the year.

J.M. RYDER, Chairman
H.J. HOPKINS, Deputy Chairman
J.A.S. McNAIR, Member
R.A. CAMPBELL, Member
M.H. PETERS, Member
R.W. SHEPHERD, Member

A. RACKEMANN, Manager.
555 Collins Street,
MELBOURNE 3000

TABLE A
HOSPITALS SUPERANNUATION FUND
BALANCE SHEET AS AT 30TH JUNE, 1982

		<u>1982</u>		<u>1981</u>
	\$	\$	\$	\$
CONTRIBUTORS' FUNDS				
Members' Accounts (Note 2)		98,848,628		89,572,440
Pension Scheme (Note 3)		14,959,596		11,688,354
Other Funds (Note 4)		2,836,189		2,464,156
Reserves (Note 5)		998,738		3,363,174
		<u>117,643,151</u>		<u>107,088,124</u>
Represented by:				
FIXED ASSETS				
Office Equipment, Furniture, Fittings and Motor Vehicles (Note 6)		135,497		142,818
INVESTMENTS (Note 1)				
Life Assurance Companies' Schemes	66,966,758		64,789,990	
Trustee Company's Scheme	500,000		500,000	
Government and Semi- Government Stock	25,465,077		24,525,817	
Mortgage Loans (Note 7)	22,575,951		18,131,140	
Short Term Money Market and Bank Deposits	<u>6,669,491</u>		<u>2,950,000</u>	
		122,177,277		110,896,947
NON CURRENT ASSET				
Deferred Expenditure (Note 8)		110,625		48,694
CURRENT ASSETS				
Cash at Bank and on Hand (Note 9)	65,126		30,127	
Sundry Debtors (Note 10)	333,515		437,445	
Income Accrued	952,338		786,647	
Benefits and Prepaid Expenses	<u>27,192</u>		<u>355</u>	
		<u>1,378,171</u>		<u>1,254,574</u>
		123,801,570		112,343,033
Less:				
CURRENT LIABILITIES				
Bank Overdraft	32,903		37,523	
Sundry Creditors and Accrued Expenses	273,336		200,403	
Contributions Received In Advance	754,939		550,533	
Provision for Long Service Leave	80,000		69,000	
Benefits Payable (Note 11)	<u>5,017,241</u>	<u>6,158,419</u>	<u>4,397,450</u>	<u>5,254,909</u>
		<u>117,643,151</u>		<u>107,088,124</u>

TABLE B
HOSPITALS SUPERANNUATION FUND
INCOME STATEMENT
YEAR ENDED 30TH JUNE, 1982

	<u>1982</u>	<u>1981</u>
	\$	\$
Income from:		
Life Assurance Companies' Schemes	974,111	8,482,132
Trustee Company's Scheme	64,844	45,816
Interest Received:		
Government and Semi-Government Stock	2,680,181	2,478,453
Mortgage Loans:		
Commercial Loans	2,078,241	1,446,562
Members' Loans	741,887	599,624
Short Term Money Market and Bank Deposits	477,787	208,046
Increase to Book Value of Government and Semi-Government Stock (Note 1)	<u>75,670</u>	<u>61,966</u>
INCOME	7,092,721	13,322,599
Transfer from Income Stabilization Reserve	<u>2,921,323</u>	<u>1,519,970</u>
AVAILABLE FOR DISTRIBUTION	<u><u>10,014,044</u></u>	<u><u>14,842,569</u></u>
<u>DISTRIBUTION OF INCOME</u>		
Members' Accounts	7,952,638	11,920,847
Pension Scheme	1,164,816	1,432,979
Other Funds	158,292	270,710
Reserves	273,312	626,391
Benefits Payable:		
Deferred Benefits	111,734	148,018
Disability Benefits	269,118	299,239
Annuities	8,234	10,862
Management Administration Account	71,204	111,411
Insurance Proceeds held temporarily	<u>4,696</u>	<u>22,112</u>
	<u><u>10,014,044</u></u>	<u><u>14,842,569</u></u>

TABLE C
HOSPITALS SUPERANNUATION FUND
WITHDRAWAL SURPLUS ACCOUNT
YEAR ENDED 30TH JUNE, 1982

	<u>1982</u>	<u>1981</u>
	\$	\$
Surplus on Withdrawal of Members	1,086,409	762,735
Surplus on Payment of Deferred and Disability Benefits		11,299
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	1,086,409	774,034
Transfer to Income Stabilization Reserve	284,812	23,439
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
DISTRIBUTED TO MEMBERS' ACCOUNTS	<u>801,597</u>	<u>750,595</u>

TABLE D
HOSPITALS SUPERANNUATION FUND
MANAGEMENT ADMINISTRATION ACCOUNT
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30TH JUNE, 1982

	<u>1982</u>	<u>1981</u>
	\$	\$
Management Charges:		
Members' Accounts	521,030	474,829
Deferred and Disability Accounts and Annuities Account	21,450	25,088
Distribution of Fund Income	71,204	111,411
Commission and Other Income	<u>19,142</u>	<u>24,087</u>
	<u>632,826</u>	<u>635,415</u>
Less:		
Salaries	563,587	476,393
Long Service Leave	19,599	17,944
Staff Superannuation	31,274	21,612
Actuarial Fees	66,540	60,816
Audit Fees	19,500	14,740
Board Members' Fees	12,381	10,918
Depreciation	27,859	28,769
Legal Fees	2,660	440
Medical Fees	45,906	32,911
Rent	62,900	46,230
Other Expenses	<u>187,955</u>	<u>135,363</u>
	1,040,161	846,136
Less:		
Pension Scheme Portion of Management Expenses	<u>515,920</u>	<u>257,416</u>
	<u>524,241</u>	<u>588,720</u>
NET INCOME transferred to Management Accumulated Fund	<u>108,585</u>	<u>46,695</u>

TABLE E (1)

HOSPITALS SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE ACCOUNTS AT 30TH JUNE, 1982

1. STATEMENT OF ACCOUNTING POLICIES

Basis of Accounting: The accounts have been prepared on the basis of historical cost principles and, except where stated, do not take into account changing money values or current valuations of non-current assets. The accrual basis and the going concern basis have also been applied in preparing the accounts.

Valuation of Investments: Investments in Life Assurance and Trustee Companies' Schemes have been included in the balance sheet at market values determined by those companies as at balance date.

Investments in Government and Semi-Government Stock have been included at cost plus a portion of the difference between cost and face value relating to the number of years to maturity so that the book value at maturity will be equal to the face value. The face value of Government and Semi-Government Stock held at balance date amounted to \$25,568,544 (1981 \$24,678,546). It is the Board's policy to hold these investments until maturity.

Loans and deposits have been included at the amount of principal outstanding plus interest charged but unpaid. Interest from the last due date to balance date has been included as Income Accrued.

Depreciation of Fixed Assets: Depreciation has been provided on all fixed assets and has been calculated on the straight line basis.

	<u>1982</u>	<u>1981</u>
	\$	\$
2. MEMBERS' ACCOUNTS		
Approved Scheme	88,929,577	80,249,072
Provident Account	2,963,649	2,879,506
Supplementary Contributions	6,553,721	5,916,268
Non-Contributing	<u>401,681</u>	<u>527,594</u>
	<u>98,848,628</u>	<u>89,572,440</u>
3. PENSION SCHEME		
Pension Contributors' Fund	16,515,913	12,469,575
Institutions' Fund	<u>(1,556,317)</u>	<u>(781,221)</u>
	<u>14,959,596</u>	<u>11,688,354</u>

TABLE E (2)

HOSPITALS SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE ACCOUNTS AT 30TH JUNE, 1982

	<u>1982</u>	<u>1981</u>
	\$	\$
4. OTHER FUNDS		
Insurance	412,164	208,427
Mortgage Indemnity	16,019	14,696
Terminal Benefits: Class "B" Institutions	2,410,159	2,174,985
Additional Payments Fund	(467,300)	(307,994)
Management Accumulated Fund	<u>465,147</u>	<u>374,042</u>
	<u>2,836,189</u>	<u>2,464,156</u>
5. RESERVES		
Welfare Reserve	200,000	200,000
Income Stabilization Reserve	463,201	2,843,772
Management Capital Account	226,575	209,095
Management Reserve	<u>108,962</u>	<u>110,307</u>
	<u>998,738</u>	<u>3,363,174</u>
6. OFFICE EQUIPMENT, FURNITURE, FITTINGS AND MOTOR VEHICLES		
At Cost	226,575	209,095
Less: Provision for Depreciation	<u>91,078</u>	<u>66,277</u>
	<u>135,497</u>	<u>142,818</u>
7. MORTGAGE LOANS		
Commercial Loans	16,217,506	12,173,521
Members' Loans	<u>6,358,445</u>	<u>5,957,619</u>
	<u>22,575,951</u>	<u>18,131,140</u>
8. DEFERRED EXPENDITURE		
Computer System Development Costs	136,698	53,239
Less: Amount written off	<u>26,073</u>	<u>4,545</u>
	<u>110,625</u>	<u>48,694</u>

TABLE E (3)

HOSPITALS SUPERANNUATION FUND

NOTES TO AND FORMING PART OF THE ACCOUNTS AT 30TH JUNE, 1982

	<u>1982</u>	<u>1981</u>
	\$	\$
9. CASH AT BANK AND ON HAND		
Secretary's Advance Account	60,000	25,000
Pension Fund Account	4,826	4,827
Cash on Hand	<u>300</u>	<u>300</u>
	<u>65,126</u>	<u>30,127</u>
10. SUNDRY DEBTORS		
Contributions Due	117,084	139,227
Health Commission of Victoria: Terminal Benefits paid or payable to employees of Class "A" Institutions	216,224	297,716
Other	<u>207</u>	<u>502</u>
	<u>333,515</u>	<u>437,445</u>
11. BENEFITS PAYABLE		
Benefits Payable	848,580	1,175,678
Deferred Benefits	1,499,623	1,127,198
Disability Benefits	2,589,938	2,017,782
Annuities	<u>79,100</u>	<u>76,792</u>
	<u>5,017,241</u>	<u>4,397,450</u>

TABLE F

HOSPITALS SUPERANNUATION FUND

MEMBERS' ACCOUNTS
30TH JUNE, 1982

	<u>Total</u>	<u>Approved Scheme</u>	<u>Provident Account</u>	<u>Supplementary Contributions</u>	<u>Non-Contributing</u>
	\$	\$	\$	\$	\$
Balance at 1st July, 1981	89,572,440	80,249,072	2,879,506	5,916,268	527,594
Add:					
Contributions Received	11,067,042	10,032,597	100,734	933,711	
Transfers under Part IVA	202,657	202,657			
Distribution of:					
Fund Income	7,952,638	7,163,561	243,562	522,936	22,579
Withdrawal Surplus	801,597	775,078	26,519		
	<u>109,596,374</u>	<u>98,422,965</u>	<u>3,250,321</u>	<u>7,372,915</u>	<u>550,173</u>
Less:					
Management Charge	521,030	465,780	3,896	51,354	
Insurance Charge	1,056,854	1,056,854			
	<u>1,577,884</u>	<u>1,522,634</u>	<u>3,896</u>	<u>51,354</u>	
Less:					
Benefits Paid or Credited to Benefits Payable	8,083,453	6,511,390	282,776	737,367	551,920
Transfer to Withdrawal Surplus Account	1,086,409	1,086,409			
Transfers		372,955		30,473	(403,428)
	<u>9,169,862</u>	<u>7,970,754</u>	<u>282,776</u>	<u>767,840</u>	<u>148,492</u>
Balance at 30th June, 1982	<u>98,848,628</u>	<u>88,929,577</u>	<u>2,963,649</u>	<u>6,553,721</u>	<u>401,681</u>

TABLE G

HOSPITALS SUPERANNUATION FUND

PENSION SCHEME
30TH JUNE, 1982

	<u>Total</u>	<u>Pension Contributors'</u>	<u>Institutions'</u>
	\$	Fund	Fund
Balance at 1st July, 1981	11,688,354	12,469,575	(781,221)
Add:			
Contributions Received	3,319,555	3,319,555	
Levy Received	3,015,542		3,015,542
Distribution of Fund Income	1,164,816	1,247,028	(82,212)
	<u>19,188,267</u>	<u>17,036,158</u>	<u>2,152,109</u>
Less:			
Management Expenses	515,920		515,920
Pensions Paid	3,287,882	95,376	3,192,506
Benefits Paid	424,869	424,869	
	<u>4,228,671</u>	<u>520,245</u>	<u>3,708,426</u>
Balance at 30th June, 1982	<u>14,959,596</u>	<u>16,515,913</u>	<u>(1,556,317)</u>

TABLE H

HOSPITALS SUPERANNUATION FUND

OTHER FUNDS
30TH JUNE, 1982

	Total	Insurance	Mortgage Indemnity	Terminal Benefits Class "B" Institutions	Additional Payments Fund	Management Accumulated Fund
	\$	\$	\$	\$	\$	\$
Balance at 1st July, 1981	2,464,156	208,427	14,696	2,174,985	(307,994)	374,042
Add:						
Contributions Received	145,772			145,772		
Levy Received	618,573				618,573	
Insurance Charges Received	1,056,854	1,056,854				
Benefit Adjustment Surplus	1,787				1,787	
Premiums Received for Additional Cover	1,060	1,060				
Management Administration Account Net Income Transferred	108,585					108,585
Distribution of Fund Income	158,292	(3,908)	1,323	197,915	(37,038)	
	4,555,079	1,262,433	16,019	2,518,672	275,328	482,627
Less:						
Transfer to Management Capital Account	17,480					17,480
Benefits Paid	1,701,410	850,269		108,513	742,628	
	1,718,890	850,269		108,513	742,628	17,480
Balance at 30th June, 1982	2,836,189	412,164	16,019	2,410,159	(467,300)	465,147

TABLE I

HOSPITALS SUPERANNUATION FUND

RESERVES
30TH JUNE, 1982

	<u>Total</u>	<u>Welfare Reserve</u>	<u>Income Stabilization Reserve</u>	<u>Management Capital Account</u>	<u>Management Reserve</u>
	\$	\$	\$	\$	\$
Balance at 1st July, 1981	3,363,174	200,000	2,843,772	209,095	110,307
Add:					
Distribution of Fund Income	273,312	17,372	255,940		
Transfers from:					
Withdrawal Surplus Account	284,812		284,812		
Management Accumulated Fund	17,480			17,480	
Transfer		1,345			(1,345)
	<u>3,938,778</u>	<u>218,717</u>	<u>3,384,524</u>	<u>226,575</u>	<u>108,962</u>
Less:					
Grants to Members	18,717	18,717			
Transfer to Income Account	<u>2,921,323</u>		<u>2,921,323</u>		
	<u>2,940,040</u>	<u>18,717</u>	<u>2,921,323</u>		
Balance at 30th June, 1982	<u>998,738</u>	<u>200,000</u>	<u>463,201</u>	<u>226,575</u>	<u>108,962</u>

24th November, 1982

To the best of our knowledge and belief the accompanying Balance Sheet and Financial Statements of the Hospitals Superannuation Fund, set out in Tables A to I, are drawn up so as to give a true and fair view of the state of affairs of the Fund as at 30 June, 1982, and a true and fair view of the results of the Fund, for the year then ended.

HOSPITALS SUPERANNUATION BOARD

J.M. Ryder, Chairman

A. Rackemann, Manager

NOTE:- At the time of printing, the Board's private Auditors had completed their audit for the year ended 30 June, 1982 but the accounts are still subject to audit and approval by the Auditor-General.

On the 22nd March, 1982 the Auditor-General attached his Certificate to the Balance Sheet and Financial Statements of the Hospitals Superannuation Fund for the year ended 30 June, 1981 as published in the Board's last report.

TABLE J
MEMBERSHIP DETAILS FOR YEAR ENDED 30TH JUNE, 1982
(LUMP SUM SCHEME)

	APPROVED SCHEME	PROVIDENT ACCOUNT	NON-CONTRIBUTING MEMBERS	TOTAL
NEW ADMISSIONS AND TRANSFERS				
New Admissions	936	-	-	936
Transfers	2	-	27	29
	<u>938</u>	<u>-</u>	<u>27</u>	<u>965</u>
EXITS AND TRANSFERS				
Exits	940	10	28	978
Transfers	27	2	-	29
	<u>967</u>	<u>12</u>	<u>28</u>	<u>1,007</u>
Number as at 1st July, 1981	9,098	97	31	9,226
<u>Plus</u> New Admissions and Transfers	938	-	27	965
	<u>10,036</u>	<u>97</u>	<u>58</u>	<u>10,191</u>
<u>Less</u> Exits and Transfers	967	12	28	1,007
Number as at 30 June, 1982	<u>9,069(a)</u>	<u>85(b)</u>	<u>30(c)</u>	<u>9,184(d)</u>

- (a) 64 Members who have accounts in both the Approved Scheme and Provident Account are included in this figure.
- (b) One of these is also a policy holder.
- (c) In addition, the Board administers superannuation on behalf of 5 members of Part IVA Institutions who have not transferred to the Hospitals Superannuation Fund.
- (d) 7922 members are also contributors to the Pension Scheme.

TABLE K
DETAILS OF CONTRIBUTORS, CONTRIBUTIONS, LEVY
BENEFIT PAYMENTS AND ASSETS 1966-1982
CONTRIBUTORS

	Lump Sum Scheme		Pension Scheme*
	Ordinary	Supplementary	
1st July, 1966	3,436		
30th June, 1967	3,658	522	
30th June, 1968	4,043	776	
30th June, 1969	4,841	1,092	
30th June, 1970	5,298	1,293	
30th June, 1971	5,794	1,476	
30th June, 1972	6,424	1,757	
30th June, 1973	7,009	1,982	
30th June, 1974	7,625	2,207	
30th June, 1975	8,162	2,260	
30th June, 1976	8,744	2,235	
30th June, 1977	9,189	2,147	4,220
30th June, 1978	9,284	1,942	7,033
30th June, 1979	9,203	1,830	7,203
30th June, 1980	9,206	1,742	7,396
30th June, 1981	9,195	1,635	7,838
30th June, 1982	9,154	1,597	7,922

* Contributors to the Pension Scheme are also contributors to the Lump Sum Scheme.

CONTRIBUTIONS AND LEVY

	<u>Lump Sum Scheme</u>		<u>Pension Scheme</u>	
	Ordinary Contributions	Supplementary Contributions	Contributions	Levy
	\$	\$	\$	\$
1966-67	1,040,445	27,601		
1967-68	1,225,929	54,876		
1968-69	1,441,668	77,486		
1969-70	1,743,276	104,434		
1970-71	2,124,802	137,518		
1971-72	2,759,115	191,716		
1972-73	3,335,141	246,976*		
1973-74	4,257,024	382,951*		
1974-75	5,742,895	534,669*		
1975-76	7,401,101	656,862*		
1976-77	8,450,148	736,396*	173,567	48,357
1977-78	7,079,675**	741,438* **	2,159,465	621,913
1978-79	7,650,238**	709,825* **	2,380,554	711,611
1979-80	8,267,419**	812,072* **	2,593,621	2,034,283***
1980-81	9,073,800**	890,779* **	2,889,635	2,667,790***
1981-82	10,133,367**	933,711* **	3,319,555	3,015,542***

* Includes Lump Sum Contributions

** The method of determination of these figures has been altered in that refunds of contributions in respect of previous years have been deducted, whereas this was not done in previous years.

*** The Levy was increased from .78% to 2.37% of pension contributors' Fund salary from the 7th September, 1979.

An Additional Payments Fund Levy was introduced effective from the 7th August, 1981. The payment required to be made by institutions is currently .5% of contributor's Fund salaries and the amount received for the year ended 30th June, 1982 was \$618,573.

BENEFIT PAYMENTS

	Lump Sum Scheme \$	Pension Scheme \$
1966-67	421,690	
1967-68	404,673	
1968-69	586,946	
1969-70	756,023	
1970-71	995,579	
1971-72	1,175,230	
1972-73	1,410,505	
1973-74	2,094,126	
1974-75	2,782,543	
1975-76	3,376,853	
1976-77	4,744,268	14,668
1977-78*	7,365,037	670,250
1978-79*	7,024,876	1,202,734
1979-80*	8,018,709	1,834,451
1980-81*	9,623,387	2,577,354
1981-82*	12,296,290	3,713,079

*The method of determination of benefits for the last five years under the Lump Sum Scheme has been altered from the method adopted in previous years. Prior to the year ended 30th June, 1978, benefit statistics related to actual payments during the year, whereas for subsequent years they relate to payments approved irrespective of the actual payment made during the year. In all cases applications for benefits which have been received, but not processed, are included in the totals.

ASSETS

\$

1st July, 1966	5,527,861
30th June, 1967	6,679,055
30th June, 1968	8,086,186
30th June, 1969	9,869,828
30th June, 1970	11,933,338
30th June, 1971	14,325,592
30th June, 1972	17,568,744
30th June, 1973	21,326,356
30th June, 1974	25,236,813
30th June, 1975	31,499,110
30th June, 1976	41,213,606
30th June, 1977	51,186,484
30th June, 1978*	59,614,912
30th June, 1979*	70,925,132
30th June, 1980*	89,642,008
30th June, 1981*	107,088,124
30th June, 1982*	117,643,151

*The method of determination of this figure has been altered in that current liabilities have been deducted from total assets, whereas this was not done in previous years.

TABLE I.

PARTICIPATING INSTITUTIONS - CLASS A

As at 1st July, 1981 -

Adult Deaf Society of Victoria
After Care Hospital
Airlie Maternity Hospital
Alexander
Alexandra District Hospital
Alfred Hospital
Altona District Hospital
Ambulance Officers' Training Centre
Ambulance Service - Melbourne
Apollo Bay and District Memorial Hospital
Ararat and District Hospital
Association for the Blind
Austin Hospital
Bacchus Marsh and District War Memorial Hospital
Ballarat and District Ambulance Service
Ballarat Base Hospital
Barwon Regional Association for Alcohol and Drug Dependence
Beac and District Hospital
Benalla and District Memorial Hospital
The Bendigo and Northern District Base Hospital
Bendigo Home and Hospital for the Aged
Bethlehem Public Hospital
Birregurra and District Community Hospital
Boort District Hospital
Box Hill Hospital
Brighton Community Hospital (Southern Memorial)
Broadford and District Community Health Centre Society
Broadmeadows Community Health Services
Brunswick Community Health Service
Burwood and District Community Hospital
The Camperdown District Hospital
Caritas Christi Hospice
Carlton Community Health Service Society
Caroline Chisholm Society
Casterton Memorial Hospital
Castlemaine District Community Hospital
Caulfield Hospital
Central Gippsland Hospital
Central Victoria District Ambulance Service
Chelsea Community Health Centre
Churchill Community Health Centre
The Clunes District Hospital
Cobram District Hospital
Cohuna District Hospital
Colac District Hospital
Coleraine and District Hospital
Collingwood Community Health Centre
Corio Community Health Centre
Corryong District Hospital
Council to Homeless Persons
Craigieburn Community Health Centre
The Creswick District Hospital
Dandenong and District Hospital
Daylesford District Hospital
Deer Park Community Health Services
Dimboola District Hospital

Donald District Hospital
Doveton-Hallam Community Health Centre
The Dunolly District Hospital
Eaglehawk and Long Gully Community Health Centre
East Bentleigh Community Health Centre Society
East Gippsland Ambulance Service
East Gippsland Hospital
East Preston Community Health and Welfare Centre
Echuca District Hospital
Edenhope and District Memorial Hospital
Eildon and District Community Hospital
Elmore District Hospital
Essendon and District Memorial Hospital
Fairfield Hospital
Fawkner Park Community Health Centre
Frankston Community Hospital
Geelong and District Ambulance Service
The Geelong Hospital
Gippsland Base Hospital
The Gippsland Geriatric Centre
Gippsland School of Nursing
Glenelg District Ambulance Service
Golden Square-Kangaroo Flat Community Health Centre Society
Goulburn Valley Ambulance Service
Goulburn Valley Base Hospital
Grace McKellar House
Greenvale Geriatric Centre
Hamilton Base Hospital
Hampton Hospital
Healesville and District Hospital
Health Commission of Victoria
Health Computing Services - Victoria Limited
Heathcote District Hospital
Heywood and District Memorial Hospital
Hospitals Superannuation Board
The Inglewood Hospital
Inglewood, Wedderburn and Districts Community Health Centre
Kaniva District Hospital
Kensington Community Health Centre
Kerang and District Hospital
The Kilmore Hospital
King Valley Community Health Service Society
Kingston Centre
Koroit and District Memorial Hospital
Korumburra District Hospital
Kyabram and District Memorial Community Hospital
Kyneton District Hospital
Lakes Entrance Community Health Centre
Latrobe Valley District Ambulance Service
Latrobe Valley Hospital
Lismore and District Hospital
Lorne Community Hospital
Lyndoch, Warrnambool
Macarthur and District Memorial Hospital
Maffra District Hospital
Maldon Hospital
Manangatang and District Hospital
Mansfield District Hospital
Manvantara

Maroondah Hospital
Maroondah Social Health Centre
Maryborough and District Hospital
Marysville and District Community Care Centre
Mayfield Centre
Melbourne School for Enrolled Nurses
Merbein Community Health Centre
Mercy Maternity Hospital
Mid-Murray District Ambulance Service
Mildura Base Hospital
Minyip and District Hospital
Moe and District Community Health Centre
Moorabbin Hospital
Mordialloc-Cheltenham Community Hospital
The Mortlake District Hospital
Morwell and District Community Hospital
Morwell Community Health Centre
The Mount Eliza Geriatric Centre
Mount Royal Hospital
Mountain District Community Health Service
Multiple Sclerosis Society of Victoria
Myrtleford District War Memorial Hospital
Nathalia District Hospital
The Nhill Hospital
North Richmond Family Care Centre
North-Eastern Victoria District Ambulance Service
Northern District Ambulance Service
Northern District School of Nursing
North-West Victorian Ambulance Service
Numurkah and District War Memorial Hospital
Oakleigh District Community Hospital
Omeo District Hospital
Orbost and District Hospital
Ouyen and District Hospital
Ovens and Murray Hospital for the Aged
Ovens District Hospital
Peninsula Ambulance Service
Penshurst and District Memorial Hospital
Port Fairy Hospital
Portarlington and District Community Health Centre Society
Portland and District Hospital
Preston and Northcote Community Hospital
Prince Henry's Hospital
Quambatook Community Care Centre Society
The Queen Elizabeth Geriatric Centre
Queen Victoria Medical Centre
Queenscliff and District Community Health Centre
Richmond Community Health Centre
Ripon Peace Memorial Hospital
Robinvale and District Hospital
Rochester and District War Memorial Hospital
Royal Children's Hospital
The Royal Dental Hospital of Melbourne
Royal District Nursing Service
The Royal Melbourne Hospital
The Royal Southern Memorial Hospital
Royal Talbot General Rehabilitation Hospital
The Royal Victorian Eye and Ear Hospital
The Royal Women's Hospital

Rupanyup and District Hospital
 Rutherglen District Hospital
 St. Albans Community Health and Resources Centre
 St. Arnaud District Hospital
 St. George's Hospital
 St. Vincent's Hospital
 Sandringham and District Memorial Hospital
 Sebastopol Community Health Service Society
 Seymour District Memorial Hospital
 Shelley Memorial Hospital
 Shire of Werribee Community Health Service Society
 Skipton and District Memorial Hospital
 South Gippsland District Ambulance Service
 South Gippsland Hospital
 Southern Family Life Service Association
 Southern Peninsula Hospital
 South-Western Victoria Ambulance Service
 Spastic Society of Victoria Ltd.
 Springvale and District Community Hospital
 Stanhope and District Community Care Centre Society
 Stawell District Hospital
 Sunbury Community Health Centre
 Sunshine and District Community Hospital
 Swan Hill District Hospital
 Tallangatta Hospital
 Tawonga District General Hospital
 Terang and District (Norah Cosgrave) Community Hospital
 Timboon and District Hospital
 Traralgon Community Health Service
 The Tweddle Baby Hospital
 The Upper Goulburn District Hospital
 Victorian Baby Health Centres Association (The Queen Elizabeth Hospital for
 Mothers and Babies)
 Victorian Cytology (Gynaecological) Service
 Wangaratta District Base Hospital
 Waranga Memorial Hospital
 The Warracknabeal District Hospital
 The Warrnambool and District Base Hospital
 Werribee District Hospital
 West Gippsland Hospital
 West Heidelberg Community Health and Welfare Centre Society
 Westadd
 Western General Hospital
 Westernport Memorial Hospital
 Whittlesea Health Centre Society
 Willaura and District Hospital
 William Angliss Hospital
 The Williamstown Hospital
 Wimmera Base Hospital
 Wimmera District Ambulance Service
 Winchelsea and District Hospital
 Wodonga District Hospital
 Wonthaggi and District Hospital
 Woorayl District Memorial Hospital
 The Wycheproof Hospital
 Yarram and District Hospital
 Yarrawonga Community Health Centre
 Yarrawonga District Hospital
 Yea and District Memorial Hospital
 Yooralla Society of Victoria

Addition during the year 1981/82

Ensay Community Health Centre

The following institutions were reclassified from participating institutions Class "B" -

Bethany
Braille and Talking Book Library
Claremont Home
Gladswood Home
Paraplegic and Quadriplegic Association of Victoria
Royal Victorian Institute for the Blind
St. John's Homes for Boys and Girls
The Victorian Academy for General Practice Limited
Victorian School for Deaf Children
Western Region Health Centre Ltd.

The following institution was reclassified to participating institution Class "B" -

Health Computing Services - Victoria Limited

TOTAL AS AT 30TH JUNE, 1982 - 243

PARTICIPATING INSTITUTIONS - CLASS B

As at 1st July, 1981 -

Alcheringa Home Society
Alkira
Ballarat Children's Home
The Baptist Union of Victoria Social Service Department
Berry Street - Child and Family Care
Bethany
Braille and Talking Book Library
Bundoora Geriatric Centre
Cancer Institute Board
Church of England Homes for Elderly People
Churches of Christ Department of Community Care
Claremont Home
Cobden and District Bush Nursing Hospital
College of Nursing, Australia
Coinda Retarded Children's Centre
The Copelen Street Family Centre of the Uniting Church
Deafness Foundation (Victoria)
Doncaster Community Care and Counselling Centre
Epworth Hospital
Fairview Homes for the Aged
The Family Planning Association of Victoria
Freemasons Hospital
Gladswood Home
Glastonbury Children's Home
The Gordon Homes for Boys and Girls
Helping Hand Association for Mentally Retarded Children
of Coburg and Districts
Helping Hand Association for Mentally Retarded Children, Ivanhoe Branch
Helping Hand Association for Mentally Retarded Children,
Prahran-South Yarra Branch
Karingal
Kindilan School Society
King George V. Memorial Bush Nursing Hospital
Lilydale and District Bush Nursing Hospital
Lincoln Institute
Melbourne City Mission
Melbourne Family Care Organization
Melbourne Newsboys' Club
Mentally Retarded Citizens' Welfare Association
The Menzies Homes for Children
Mercy Family Care Centre
Mercy Private Hospital
Mildura Homes for the Aged
Mission of St. James and St. John
Moorabbin Association for the Intellectually Handicapped
Noah's Ark Toy Library for Handicapped Children
The Onemda Association
Orana - The Peace Memorial Homes for Children
Palm Lodge Rehabilitation Centre for Alcohol and Drug Dependent Persons
Paraplegic and Quadriplegic Association of Victoria
The R.S.L. War Veterans' Homes Trust of Victoria
Returned Services League
Royal Australian Nursing Federation
Royal Australian Nursing Federation (Victorian Branch)

Royal Freemasons' Homes of Victoria
 Royal Victorian Institute for the Blind
 Sacred Heart Hospital
 St. Andrew's Hospital
 St. Arnaud and District Intellectually Handicapped Persons'
 Welfare Association
 St. John of God Hospital Ballarat
 St. John's Homes for Boys and Girls
 St. Joseph's Tower Private Nursing Home
 St. Vincent de Paul's Children's Home
 St. Vincent's Private Hospital
 Sale Elderly Citizens' Village
 South Port Community Nursing Home Society
 Sutherland Homes for Children
 Tabulam Nursing Home
 The Templar Homes for the Aged, Bayswater
 Tramways Benefit Society
 Vermont Elderly People's Homes
 The Victorian Academy for General Practice Limited
 Victorian Bush Nursing Association (Incorporated)
 Victorian Hospitals' Association
 Victorian Medical Postgraduate Foundation
 Victorian Nursing Council
 Victorian School for Deaf Children
 Western Region Health Centre Ltd.
 Wonthaggi and District Elderly Citizens' Homes
 Woodbine Centre

Additions during year 1981-82

Bethesda Hospital
 Euroa Bush Nursing Hospital
 Lumeah
 Moorfields Community for Adult Care
 Murchison Bush Nursing Hospital
 Phillip Institute of Technology
 Upper Yarra Bush Nursing Hospital
 Western Region Committee for the Disabled

The following institution was reclassified from participating institution
 Class "A" -

Health Computing Services - Victoria Limited

The following institutions were reclassified to participating institutions
 Class "A" -

Bethany
 Braille and Talking Book Library
 Claremont Home
 Gladswood Home
 Paraplegic and Quadriplegic Association of Victoria
 Royal Victorian Institute for the Blind
 St. John's Homes for Boys and Girls
 The Victorian Academy for General Practice Limited
 Victorian School for Deaf Children
 Western Region Health Centre Ltd.

TOTAL AS AT 30TH JUNE, 1982 - 77

GRAND TOTAL OF ALL INSTITUTIONS
AS AT 30TH JUNE, 1982 - 320

PART IVA INSTITUTIONS

As at 1st July, 1981 -

Cancer Institute Board
Epworth Hospital
Fairfield Hospital
Freemasons Hospital
Mission of St. James and St. John
Royal Freemason's Homes of Victoria
St. Andrew's Hospital
Woodbine Centre
Yooralla Society of Victoria

TOTAL AS AT 30TH JUNE, 1982 - 9