

1996 - 97

annual report



TO MEMBERS

HIGHLIGHTS

Fund Performance

2

Global economic conditions allowed for excellent share-market returns—but write-downs on retail property values held back the Fund's overall return.

Fund Management

4

We have over 20 specialist managers investing in all major asset sectors. These investments are underpinned by a solid foundation of core assets.

The 1997 Budget

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Changes to preservation rules; restricted access to your member component; and stricter guidelines on the early release of your employer component.

Scheme Statistics

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PSS membership dropped slightly to 114,123 following large-scale APS-wide redundancy programs.

PSS members earn 14.0% in 1996-97

OUR INVESTMENTS NET 17.8%; THE RESERVE ACCOUNT IS FULLY TOPPED UP; AND THE FUND GROWS TO OVER \$2.4B

The 1996-97 PSS crediting rate—the rate of interest applied to your superannuation account—is 14.0%. This represents a real (above-inflation) return of 13.7%.

The crediting rate is derived from the earnings on Fund investments, and 1996-97 was a very good year for the Fund. We earned 17.8% over the year, (after tax and fees), and at 30 June 1997 the value of funds under management had increased to over \$2.4b.

This was the result of a timely increase in our share holdings. We made that move as a consequence of our decision in April 1996 to implement a more aggressive investment policy.

Following a major review of our investment strategy in 1995-96, we increased our exposure to interna-

tional shares from 25% of the portfolio to 40%, and reduced our fixed-interest and indexed bond holdings.

As a result, we were well positioned to take advantage of the excellent returns achieved by all major share markets in the second half of 1996-97.

TRANSFER OF FUNDS TO THE RESERVE

The difference between the Fund earning rate (17.8%) and the crediting rate (14.0%) is mainly attributable to the transfer of \$114.6m to the Reserve. This transfer brings the Reserve up to its maximum level of 5% of total Fund value.

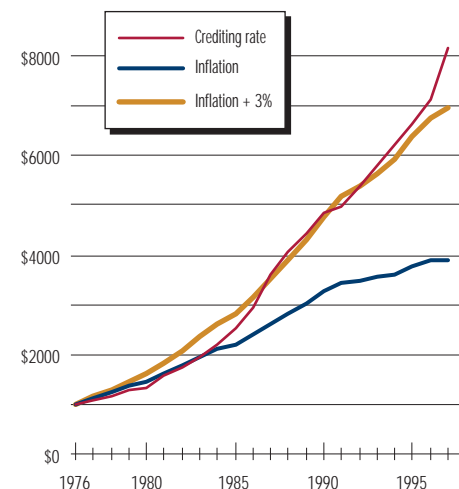
The Reserve was set up as a smoothing mechanism to help us to comply with legislation preventing us from declaring a negative crediting rate (see the PSS *Investment Policy* booklet, p.7).

As far as transferring assets to and from the Reserve goes, the long-term effect on your superannuation account is minimal. Basically it's a swings and roundabouts thing—in good years you may lose a bit, but in not-so-good years you gain.

IN SUMMARY. . .

Despite the large-scale withdrawal of funds to meet redundancy payments (see *Public Sector Redundancies*, p.2), and the continuing poor performance of the property market, the Fund's investment return of 17.8% is a very satisfying result.

And for PSS members, the 14.0% crediting rate more than meets our primary objective of providing returns that exceed inflation by 3% over the long term (see graph at left).



▲ This graph tracks the growth of \$1000 since 1976 at the Fund's crediting rate; at the rate of inflation; and at inflation plus 3%. The crediting rates used before 1990 are those of the CSS Fund.

THE PSS BOARD

PUBLIC SECTOR SUPERANNUATION SCHEME

Public Sector Redundancies

During 1996-97, over 8,000 PSS members left the scheme as a result of APS-wide redundancy programs. They took with them almost \$350m of Fund assets in the form of redundancy benefits.

However, through careful forward planning we were able to manage the Fund's cash-flow needs to meet our commitments to exiting members without impacting on our investment performance.

With the possibility of continuing large-scale redundancy programs next year, we will continue to follow strategies aimed at managing the cash-flow needs of redundancy payments.

Transfers from the CSS

The option for CSS members to elect to join the PSS was re-opened between March and August 1996. It came about as a result of consultations between the government and public sector unions. More than 9,000 CSS members elected to transfer across to our scheme.

Although these transfers largely offset the loss of members through redundancies and natural attrition, the slowdown in public sector recruitment reduced the population of the PSS to 114,123 members at 30 June 1997, a decrease of 5.5% over the year.

Share holdings lead the way

WORLD SHARE MARKETS BOOMED IN THE JUNE QUARTER, MAKING 1996-97 A REWARDING YEAR FOR THE FUND. OUR AUSTRALIAN SHARE PORTFOLIO RETURNED 27.2%, MORE THAN 2.5% ABOVE ITS BENCHMARK.

The table below gives details of the Fund's performance in 1996-97. The summaries that follow describe the highs and lows of the year.

AUSTRALIAN SHARES

A growing economy, falling interest rates, low inflation and generally strong overseas markets helped push the Australian share market to a record high at the end of the year. The ASX All-Ordinaries Accumulation Index rose by 24.6% (after tax) over the year, with industrials outperforming resource stocks by a wide margin, and large capitalisation stocks outperforming smaller capitalisation stocks. The bulk of the returns came in the June quarter.

The Fund outperformed the benchmark return by more than 2.5%, mainly due to the performance of our active managers (see *Fund Management*, p.4). The increase in our strategic asset allocation to this sector during the June quarter helped boost the absolute return of the Fund.

INTERNATIONAL SHARES

We invest primarily in mature share markets (such as the US, Japan and Western Europe), but we also participate in the so-called emerging markets (such as Asia, Africa, Eastern Europe and Latin America).

Mature Markets

World share markets (with the exception of Japan) had strong returns over the year, particularly in the June quarter. The MSCI (ex. Australia) Index returned 25.7% after tax in Australian dollar terms.

Many economies experienced moderate to strong growth and low inflation. Under these conditions, central banks were able to lower interest rates without risking unsustainable economic growth. With the expectation that these conditions would continue, share markets attracted increased funds from investors. In June, share markets reached record levels in all G7 countries except Japan.

The increase in the Fund's long-term allocation to international shares in 1997 helped increase

the overall return. While the core component of the portfolio outperformed its benchmark, some active managers failed to exceed their benchmarks, which led to an underperformance in this sector.

Emerging Markets

The returns from the emerging markets were lower than those from Australian and international shares, but still exceeded 15% after tax in Australian dollar terms.

While the Asian component of the index was negative, Latin America posted returns of over 40% in local currency terms. The Fund's managers generally outperformed their respective benchmarks.

DEBT

The Reserve Bank of Australia cut interest rates four times during 1996-97, taking two percentage points off official interest rates. This flowed through to longer-term interest rates, and the SBCWA Composite Bond Index rose 14.1% after tax during the year. By compar-

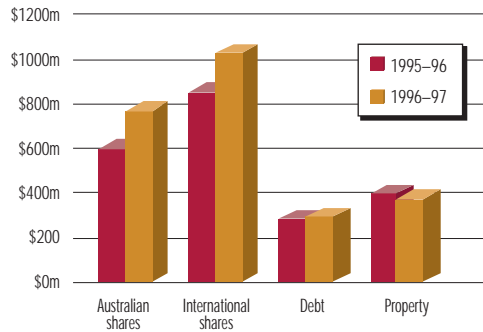
PSS FUND PERFORMANCE 1996-97 (AFTER TAX AND FEES)

Asset Class	Holdings at 30 June 1997 \$m	Proportion of Fund %	One-year performance		Three-year performance	
			Portfolio %	Benchmark %	Portfolio %	Benchmark %
SHARES						
Australian	763.9	31.2	26.6	24.6	14.3	14.0
International	1022.6	41.8	23.1	24.8	12.4	13.8
DEBT						
Australian	290.3	11.5	11.2	12.6	9.4	9.8
International	0.0	0.0	—	—	—	—
PROPERTY						
Australian	875.1	15.8	0.5	5.0	4.3	6.5
International	4.2	0.1	6.7	5.0	—	—
TOTAL FUND	2 448.0	100.0	17.8	19.0	11.1	11.5

The Year at a Glance

INDEX PERFORMANCE, 1996-97 (BEFORE TAX AND FEES)

PSS FUND ASSET ALLOCATION, 1995-96 & 1996-97



ison, the benchmark for the cash sector, the SBCWA Bank Bill Index, returned 5.7%. Over the year, the Fund marginally underperformed its benchmark return.

CURRENCY

The Australian dollar depreciated against the US dollar (by 5%) and pound sterling (by 11%) during the year, and appreciated strongly against the German deutschemark (by 9%). While it appreciated strongly against the Japanese yen in the first three quarters, an 11% depreciation in the June quarter meant that there was a slight net depreciation for the year.

The Fund's policy is to hedge half of its offshore exposures to protect the portfolio against significant appreciation of the Australian dollar. That policy reduced the Fund's return by approximately 0.5%.

PROPERTY

There was little capital appreciation in commercial property in Australia in 1996-97. Most of the returns achieved in this market were the result of rental income. Sydney remains the strongest commercial market, with vacancy rates dropping and rental growth increasing.

The performance of the retail property sector was mixed, with returns depending to a large extent on factors such as regional competition and falling consumer confidence.

Industrial property enjoyed

solid demand, with some evidence that yields were firming.

Our property portfolio produced a disappointing result of 0.5%—nearly 5% below the property index—due to the write-down of the value of several retail centres.

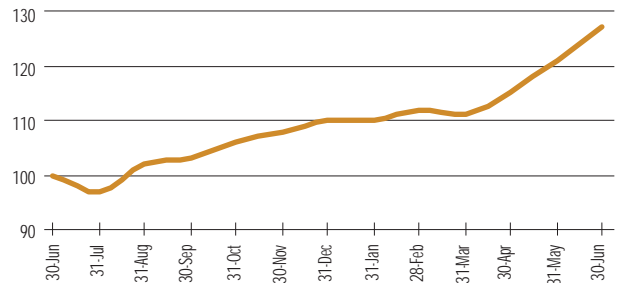
ALTERNATIVE INVESTMENTS

In 1996-97, we began investing in 'alternative investments'. These are investments outside the traditional asset sectors of shares, debt and property. They include investments in infrastructure assets, buy-out funds, and venture capital (capital provided to small and medium-sized companies to finance their growth and development). At 30 June 1997, the Fund had committed \$36 million across seven investments.

IN SUMMARY ...

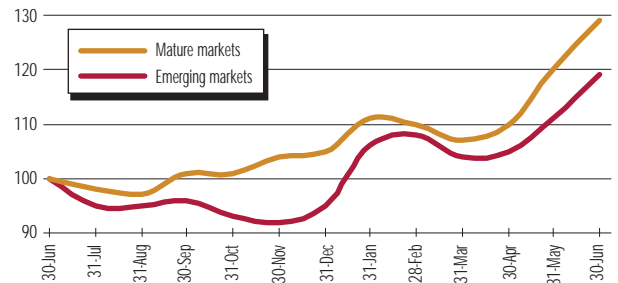
The economic conditions that prevailed generally throughout the world in 1996-97—low inflation, falling interest rates, steady growth and booming share markets—made it a good year for investors. The PSS Fund's return of 17.8% was 17.5% above inflation. But remember, 1996-97 was an extraordinary year, and we cannot reasonably expect a similar investment performance in future years. Our objective is to exceed inflation over the long term by more than 3%, and we are pleased that our rolling return for the five years to 30 June 1997 was 9.9% p.a., which is 7.6% p.a. higher than inflation over that period.

AUSTRALIAN SHARES



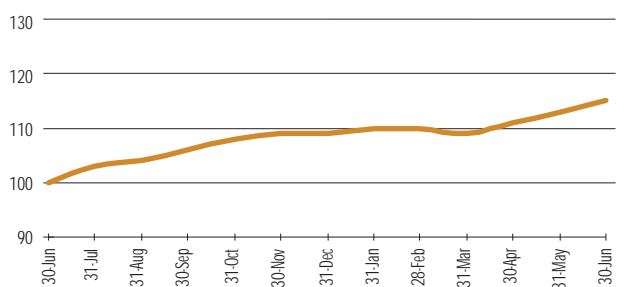
INDEX: ASX ALL-ORDINARIES ACCUMULATION INDEX

INTERNATIONAL SHARES



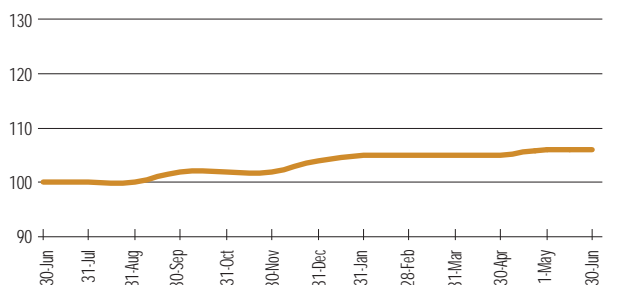
INDEXES: MATURE—MSCI WORLD INDEX (EX. AUST.) WITH NET DIVIDENDS REINVESTED
EMERGING—MSCI EMERGING MARKETS FREE (EX. MALAYSIA) IN AUD WITH GROSS DIVIDENDS REINVESTED

AUSTRALIAN DEBT



INDEX: SBCWA COMPOSITE BOND INDEX (83.3%) & SBCWA BANK BILL INDEX (16.7%)

AUSTRALIAN PROPERTY



INDEX: MERCER AUSTRALIAN UNLISTED PROPERTY INDEX

Sale of CFM and TRM

Up until 1995, CFM (Commonwealth Funds Management Limited) was our sole fund manager.

When legislation was passed allowing us to employ other fund managers, we used a CFM subsidiary, TRM (Total Risk Management Ltd) to manage the transfer of assets to specialist managers, and to act as our investment adviser.

In December 1996, the government sold CFM to Commonwealth Financial Services (CFS; a division of the Commonwealth Bank), and TRM was sold to Towers Perrin, a global employee and investment advisory firm.

TRM'S ROLE

Key personnel within TRM have been retained by Towers Perrin, and TRM maintains its role as our adviser on investment matters. Those matters include implementation of our investment strategy, risk management, and selection and monitoring of specialist fund managers.

Another of TRM's services is to advise and assist us in meeting our obligations under SIS (the Superannuation Industry (Supervision) legislation), and to comply with our public accountability obligations as a Commonwealth-established body.

TRM liaises with our scheme administrator, ComSuper, in the management of the Fund's cash flow and financial accounting needs, and on the implementation of our member communication strategy.

CFM'S ROLE

CFM currently has responsibility for the passive management of most of our core assets (approximately 70% of the Fund). A review of our core mandates is due for completion in late 1997.

The PSS portfolio & its managers

In 1995 we began to implement a new and innovative approach to the management and investment of the Fund. This involved a move away from the traditional balanced structure to a modular structure, under which each asset class consists of both core and active (specialist) components.

As we adopted our new approach, we began to move large blocks of assets away from CFM (see *Sale of CFM and TRM*, at left) to some twenty or so active specialist managers.

The table below lists the fund managers, their investment style (core or specialist) and their holdings at 30 June 1997.

REVIEW OF CORE MANAGEMENT

We were reviewing our management arrangements for the Fund's core assets at the time the government announced its intention to sell CFM. To ensure the sale process went as smoothly as possible, we agreed to delay the completion of our review until the sale had gone through. We are now scheduled to complete that review by the end of 1997.

PSS FUND MANAGERS AND THEIR HOLDINGS AT 30 JUNE 1997

Sector Type of activity	Investment manager	Holdings at 30/6/97	
		\$m	%
AUSTRALIAN SHARES			
Core	Commonwealth Funds Management Limited (CFM)	452.3	18.5
Specialist	AMP Investments Australia Limited	77.3	3.2
	Balanced Equity Management Pty Ltd	50.1	2.0
	First State Fund Managers Limited	56.6	2.3
	HSBC Asset Management Australia Limited	89.3	3.6
Strategic	AMP/CFM	28.4	1.2
Alternative	Various	9.8	0.4
INTERNATIONAL SHARES			
Core	CFM	588.1	24.0
Specialist (US)	Brinson Partners Inc	62.4	2.5
	American Express Asset Management Ltd	65.1	2.7
	Sasco Capital Inc	15.3	0.6
	Westpeak Investment Advisors	25.5	1.0
Specialist (Japan)	Acadian Asset Management Inc	15.7	0.5
	JP Morgan Investment Management Inc	23.5	1.0
	Schroder Investment Management (Australasia) Limited	17.1	0.7
Specialist (UK/ Continental Europe)	Dresdner Bank AG	9.2	0.4
	Mercury Asset Management plc	32.9	1.3
	Schroder Investment Management (Australasia) Limited	25.3	1.0
Specialist (Hong Kong/ Malaysia/Singapore)	American Express Asset Management Ltd	14.4	0.6
Specialist (emerging markets)	Blairlogie Capital Management	28.2	1.2
	Emerging Markets Management	30.4	1.2
	Morgan Grenfell International Funds Management Limited	33.2	1.4
	Paribas Asset Management Limited	36.4	1.5
DEBT (INCL. CASH)			
Core	CFM	136.2	5.6
Specialist	BT Funds Management Limited	37.9	1.5
	Citicorp Investment Ltd	37.9	1.5
Core (indexed bonds)	CFM	17.8	0.7
Cash	CFM	60.5	2.5
PROPERTY			
Australian	CFM	367.0	15.0
International	Various	4.2	0.2
CURRENCY			
Currency Overlay	Pareto Partners	—	—
Total Funds under management		2 448.0	100.0

The 1997 Budget

NO MAJOR CHANGES TO SUPERANNUATION POLICIES, BUT A FEW MINOR ONES THAT MAY AFFECT YOU.

INCREASE IN PRESERVATION AGE

If you were born after 1 July 1960 your preservation age (the age at which you can access your employer component) will increase incrementally to age 60, as per the following table. The process will be fully phased-in by 2025.

Date of Birth	Preservation age
Between 1/7/60 and 30/6/61	56
Between 1/7/61 and 30/6/62	57
Between 1/7/62 and 30/6/63	58
Between 1/7/63 and 30/6/64	59
After 30/6/64	60

If you were born before 1 July 1960, your preservation age remains at age 55.

ACCESS TO MEMBER COMPONENT

As from 1 July 1999, when you leave the PSS you will not be able to take your member component *in full* as a lump sum.

From then on, all contributions you make (and any interest accrued) must remain in the Fund until preservation age.

Contributions made and interest accrued before that date will still be available as a lump sum on exit.

CHOICE OF FUND

From 1 July 1998, employers will be required to give new employees 28 days to choose between five (or more) complying super funds or Retirement Savings Accounts (RSAs) nominated by the employer.

For existing employees, employers must provide a similar choice within two years of the date of effect of the legislation.

This requirement only applies to funded schemes (i.e., those where the employer contributions are

paid at the same time as the member contributions). The Government is yet to advise how this arrangement will apply to the largely unfunded PSS.

TAX REBATE ON SUPER CONTRIBUTIONS

The Government announced a tax rebate on savings, which also applies to super contributions.

The rebate will be available to people who make personal (undeducted) member superannuation contributions and/or who earn net personal income from savings and investments. It will be available in respect of super contributions and/or income, up to an annual cap of \$3000. It will be phased in at a rate of 7.5% on income earned from 1 July 1998 (maximum \$225), rising to 15% from 1 July 1999 (maximum \$450).

For more details, call the Tax Office on 13 10 20.

EARLY RELEASE OF BENEFITS

The rules on early release of employer-component benefits have changed.

- **Going overseas permanently**

If you resign and go overseas to live, you cannot withdraw your employer component before reaching your preservation age.

- **Release on financial hardship grounds**

The test for financial hardship will be a simple, objective one, based on evidence that you have received specified Commonwealth income support payments for a continuous period of 12 months (or five months if you're aged 55 or over). For the PSS, this will be administered by ComSuper under delegation from the Board.

- **Release on compassionate grounds**

Defined criteria for the release of benefits on compassionate grounds will also be introduced. This will be administered by the Insurance and Superannuation Commission (ISC).

We're here to serve you

The Scheme's principal objective is to make an equitable and appropriate contribution to the retirement living standards of PSS members. As Trustees, we strive to put policies and procedures in place that will ensure that we can achieve that objective.

On the investment side, we try to make decisions that give you the best possible return on your super investments over the course of your membership.

And on the administrative side, we want to ensure that if you have any concerns about your super, or about the way the scheme is run, you can get quick, accurate and up-to-date service and advice.

Through our administrator, ComSuper, we have set up procedures and systems that support this aim. But we know we can't please everyone all the time, and inevitably a few members may feel let down.

If you are unhappy with any decision or action by the Board or ComSuper, please write to:

**The Complaints Officer
ComSuper
PO Box 22
Belconnen ACT 2616**

The *Superannuation Industry (Supervision) Act 1993* requires us to resolve your complaint within 90 days of receiving it.

Generally, if we can't sort out your complaint within 90 days you can lodge a complaint (free of charge) with the Superannuation Complaints Tribunal (SCT), an independent arbitrator set up by the Commonwealth Government. Its address is:

**Locked Bag 3060
GPO
Melbourne VIC 3001**

**Phone 13 14 34
Fax (03) 9248 5170**

PSS Board members at 30 June 1997



RON BROWN (Chairperson)

**Appointed 25 July 1990,
reappointed to 30 June 1998**

Mr Brown was a Commonwealth Department Secretary, and is currently a consultant to both State and Federal governments. He is also a member of a number of government and semi-government boards and commissions. He is also Chairperson of the CSS Board.



WINSOME HALL (Employee representative)

**Appointed 1 July 1996,
reappointed to 30 June 1998**

Ms Hall is a CPSU member, and is a policy adviser with the Office of the Status of Women in the Department of Prime Minister & Cabinet. She is also a member of the CSS Board. Her alternate is Mr David Irons, of the Communications Workers Union.



MICHAEL HUTCHINSON (Employer representative)

**Appointed 22 June 1995,
ceased on 30 June 1997**

Mr Hutchinson is CEO of the Office of Asset Sales. His appointment ceased on 30 June 1997, and on 25 July 1997, Mr Graham Kelly was appointed to fill the vacant position.



JOHN FLITCROFT (Employee representative)

**Appointed 1 July 1990,
reappointed to 30 June 1998**

Mr Flitcroft is a member of the CPSU, and is Manager, Compensation Reviews (NSW), at the Department of Veterans' Affairs. He is also a member of the CSS Board. His alternate is Mr John Murphy, Public Service & Merit Protection Commission.



PETER REYNOLDS (Employer representative)

Appointed 7 May 1997 to 6 May 2000

Mr Reynolds is a director of a number of local and state government bodies in NSW. He was chairman of the NSW State Authorities Superannuation Board and has wide experience in business and financial management through various appointments and positions in the public and private sectors. He is also a member of the CSS Board.

Mr Reynolds was appointed to replace Mr Ken Searson, who retired from the Board in February 1997.

THE PSS BOARD

The PSS Scheme was established under the *Superannuation Act 1990* (the PSS Act).

The PSS Board is responsible for the management and investment of the PSS Fund and for the general administration of the PSS (formerly the responsibility of the Commissioner for Superannuation).

The Board consists of five members (two employer representatives, two employee representatives, and an independent chairperson) appointed by the Minister for Finance.

The chairperson and the employee representatives are appointed for a period not exceeding three years (but are eligible for reappointment), and the employer representatives hold office 'at the Minister's pleasure'.

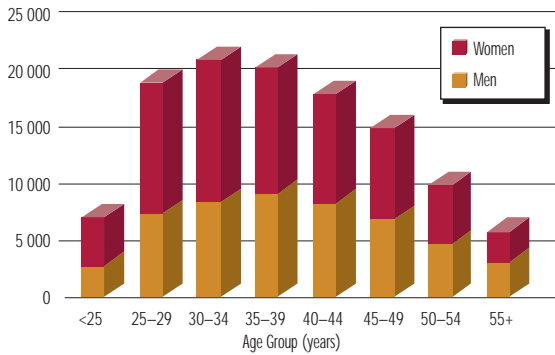
OUR OPERATING PRINCIPLES

In the operation of the PSS, our aims are:

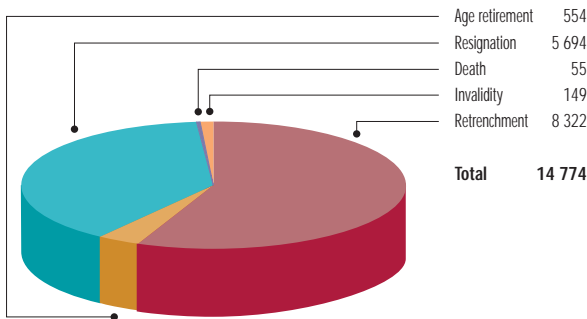
- to identify and capture the best investment opportunities for increasing the real value of the Scheme's assets, keeping in mind the need to protect their future integrity;
- to ensure that all our administrative transactions are carried out in accordance with relevant legislation;
- to provide our clients with appropriate services, so that their interaction with the Scheme will be as satisfactory as the best of their experiences as a client elsewhere;
- to continuously seek ways to improve the efficiency and effectiveness of our activities and those of our delegates;
- to ensure the assets of the Scheme and the interests of its beneficiaries are properly safeguarded at all times;
- to keep all relevant parties informed of the condition, conduct, benefits and services of the PSS, according to the interests of each party; and
- to maintain proper records and accounts in respect of our operational and financial activities.

Scheme statistics

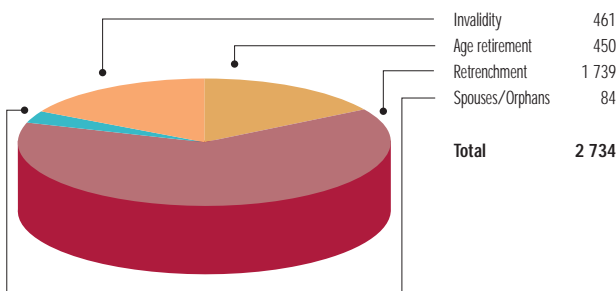
PSS MEMBERSHIP AT 30 JUNE 1997



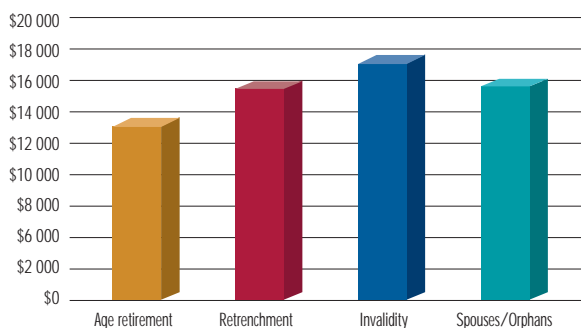
PSS EXITS 1996-97



PSS PENSIONS IN FORCE AT 30 JUNE 1997



AVERAGE ANNUAL PENSION



Annual Financial Statements

Our annual financial statements are summarised below. If you want a copy of the complete statement, along with the Auditor-General's report, contact ComSuper (see back page for address details).

Value of the Fund at 1 July 1996 **\$2 076.4m**

Inflows

Investment income	\$385.3m
Transfers from CSS	\$434.8m
Employee contributions	\$229.0m
Employer contributions	\$112.4m

Outflows

Investment expenses ¹	(\$4.3m)
Benefits paid	(\$344.9m)
Taxation	(\$31.2m)
Administration expenses	(\$0.7m)

Value of the Fund² at 30 June 1997 **\$2 856.8m**

Assets and Liabilities at 30 June 1997

Assets

Investments ³	\$2 465.6m
Other	\$450.3m

Liabilities

Benefits payable	(\$22.0m)
Other ⁴	(\$37.1m)

Net **\$2 856.8m**

Notes:

- Management fees and charges amounted to \$4.2m in 1996-97, or 0.2% of Fund value.
- The difference between this figure and the *Total Fund* figure in the Fund Performance table on page 2 represents administrative and taxation transactions not included by the Master Custodian, and is reconciled as follows:

Total Fund (page 2)	\$2448.0m
<i>Plus</i>	
Transfers from CSS	\$434.8m
<i>Less</i>	
Tax on employer contributions	(\$16.8m)
Investment expenses (TRM)	(\$1.8m)
Net other transactions	(\$7.4m)
Value of Fund at 30 June 1997	\$2856.8m

- At 30 June 1997 there were no single investments comprising more than 5% of total Fund assets; nor did any combination of investments in a single entity comprise more than 5% of Fund assets.
- Other liabilities consist of:

Provision for taxation	\$33.9m
Net outstanding trade settlements	\$0.7m
Other creditors	\$2.5m
Total	\$37.1m

INDEMNITY INSURANCE

The PSS Board is insured with AMP General Insurance Ltd against losses, liabilities, claims or demands, arising from the performance of its functions.

Need to know more?

If you want to know more about the PSS, one of the following publications might help:

- Summary of the Scheme
- Preservation of Benefits
- Invalidity Benefits
- Death Benefits
- Transfer of other entitlements into the Scheme
- Temporary, Casual and Part-time Workers
- Changing from Permanent Full-time to Permanent Part-time
- Taxation of Benefits
- Maximum Benefit Limits
- About to Leave your Job?

If you would like any of these, you can download them from our website (see below). Or send a fax to:

Schemes Promotion Section
ComSuper
fax (02) 6252 7838

INTERNET

To get the most up-to-date information on all PSS matters, check out our website:

<http://www.comsuper.gov.au>

MEMBERS' HOTLINE

If you need specific information about your super entitlements, call:

(02) 6252 7708

or fax

(02) 6252 5223

(02) 6252 6878

THE PSS BOARD

If you want more information on investment matters, or on other aspects of scheme policy, write to:

The Secretary
PSS Board
PO Box 22
Belconnen ACT 2616
phone (02) 6252 5268
fax (02) 6252 7965

The year in brief

SIGNIFICANT STATISTICS FOR 1996-97

INTEREST RATES 1996-97

Rate	What it means	Result
Earning rate	The Fund's investment earnings (after taxes and management fees)	17.8%
Crediting rate	The interest rate applied to your superannuation account	14.0%
Inflation rate	The increase in the CPI in 1996-97	0.3%

INTEREST RATES SINCE 1992-93

Year	Earning rate	Crediting rate	Inflation rate
1992-93	9.1%	8.3%	1.9%
1993-94	6.9%	6.2%	1.7%
1994-95	7.4%	7.2%	4.5%
1995-96	8.5%	7.2%	3.1%
1996-97	17.8%	14.0%	0.3%
5-year ave.	9.9% p.a.	8.5% p.a.	2.3% p.a.

FUND PERFORMANCE (AFTER TAX & FEES) 1996-97

Asset Sector	Value of Investments		Performance	
	at 30/6/96 \$m	at 30/6/97 \$m	Fund %	Benchmark %
Australian shares	593.9	763.9	26.6	24.6
International shares	850.8	1 022.6	22.9	24.8
Debt (including cash)	278.8	290.3	10.8	12.6
Australian property	394.8	367.0	0.5	5.0
International property	0.0	4.2	6.7	5.0
Total Fund	2 118.3	2 448.0	17.8	19.0

SCHEME MEMBERSHIP SINCE 1992-93

