

Total accumulated funds as at 31st March, 1946, show a reduction from £10,016 (at 31st March, 1945) to £8,147, and are now represented by "investments" of £3,059; fixed assets, £3,241; and cash, £1,847.

#### (7) INDUSTRIAL REST PERIOD FUND

(Appendix, page 71)

These are the final accounts for this fund. The unexpended balance of £5,840 has now been transferred to the credit of Annual Holidays Act Fund (see Section 2).

#### (8) NATIONAL PAY OFFICE FUND

(Appendix, page 72)

The effect of the reduction or cessation of wartime activities on the waterfront, which has been referred to in Sections (5) and (6), is particularly noticeable in regard to the accounts of the National Pay Office Fund. Income from direct levies at the rate of 2 per cent. on co-operative contracts, non-contracts, supervision, and Annual Holidays Act income produced £49,811 during 1945-46, a reduction of £4,022 on the 1944-45 figure. This drop was partly offset by the increase of £1,425 in "Reimbursements from General Fund," which stand at £13,058 for 1945-46, as compared with £11,633 for 1944-45. "Total income" at £63,933 is £2,543 less than for 1944-45.

There are two factors mainly responsible for the increase of £6,975 in "Total Working Expenses" which amounted to £68,475 for 1945-46:—

- (a) *Increased Work in connection with Retrospective Pay granted to Waterside Workers in Terms of Commission's Order No. 128 and finalizing of First Year's Annual Holiday Pay.*—This work came together at the end of July, 1945, and coincided with a rush of shipping. In order to avoid delay in making retrospective and annual holiday payments it was necessary not only for considerable overtime to be worked by pay office staffs, but also to employ several casual pay clerks, especially at main ports. The cost of this extra work is reflected in the expenditure items of "Casual pay clerks" and "Overtime," which show increases of £912 and £2,225 respectively as compared with 1944-45.
- (b) *Award Salary Adjustments as from 1st April, 1945.*—The item "Salaries" shows an increase of £4,575 as compared with 1944-45.

The cumulative effect of reduced income and increased expenditure is reflected in the adverse balance in Revenue Account for 1945-46 of £4,542, as against a surplus of £4,976 in 1944-45. To offset this loss, and in order to provide for the National Pay Office Fund contribution of £5,000 to Buildings Fund (see Section 3), it has been necessary to transfer back £9,692 from Accumulated Funds Account to Appropriation Account. The balance of Accumulated Funds Account as at 31st March, 1946, now stands at only £88. As the trend towards reduced income from direct levies is likely to continue in 1946-47 it will be necessary to reconsider the structure of National Pay Office Fund finance in order to provide for normal peacetime services.

The increase of £4,563 in "Unclaimed" liability as per balance-sheet as at 31st March, 1946, as compared with the previous year is chiefly due to the large volume of amounts due for retrospective pay, particularly to non-union workers, which have not yet been collected.

As from 3rd September, 1945, the Commission assumed responsibility for the central pay office at Timaru previously operated by the Timaru Waterside Employers' Association. It was not possible to commence the projected central pay office at Greymouth owing to non-completion of the building being erected at the port for the Commission. It is expected, however, that this pay office will definitely be in operation before the end of 1946. As from 1st August, 1945, the Commission also established