

1928.

NEW ZEALAND.

GOVERNMENT RAILWAYS SUPERANNUATION FUND.

REPORT OF BOARD.

Laid before Parliament in pursuance of Section 124 of the Government Railways Act, 1926.

THE Board has the honour to transmit, for the information of Parliament, the following report upon the transactions of the Government Railways Superannuation Fund for the year ended 31st March, 1928.

The Revenue Account, Balance-sheet, and statements in connection therewith will be found appended.

The balance of income over expenditure for the year amounts to £125,255 13s. 1d., as compared with £123,689 0s. 6d. for the previous year.

Members' Contributions.—The receipts under the heading of members' contributions show a steady increase, being £158,600 4s. 6d., as compared with £157,784 14s. for the previous year, an increase of £815 10s. 6d. Table B, Statement of Contributors, discloses that there is a net increase of 62 members, that the contributors at 5 per cent. have increased by 138, and that contributors at 3 per cent. and 4 per cent. have decreased by 45 and 37 respectively.

Contingent Contributors.—During the year thirty-six casual employees elected to contribute to the fund, so that in the event of their subsequently becoming permanently appointed they would not be faced with having to pay accumulated arrears on account of service prior to permanent appointment. The total number of employees so contributing at the end of the year under review was 191, and the amount standing to their credit £5,744 6s. 7d.

Subsidy.—During the year the sum of £170,000 was paid into the fund by the Working Railways Department.

Interest.—The interest amounts to £58,293 4s. 11d., an increase of £7,577 10s. 4d. as compared with the previous year. Reference to Table C, Statement of Investments, shows the average rate of interest on securities held at the 31st March, 1928, as 5·82 per cent., and the average rate earned on the mean funds for the year 5·758 per cent., as against 5·79 per cent. and 5·708 per cent. respectively for the previous year.

Owing to the increase in interest collections the expenditure, under the heading "Public Trust charges" is £244 13s. 2d. in excess of the figures for the previous year.

Life Allowances.—The expenditure on account of life allowances to members amounts to £227,860 15s. 5d., an increase of £12,610 13s. 4d. as compared with the figures for the previous year. The increase under this heading is not so marked as in the previous two years, being £3,749 13s. less than the increase shown for the year ended 31st March, 1927, and £4,675 11s. 5d. less than the increase for the year ended 31st March, 1926. On referring to Table A, Statement of Allowances, it will be seen that the average amount of the 108 allowances granted during the year is £176 18s. 8d., and that the average amount of the 79 allowances discontinued is £110 5s. 7d.

Allowances to Widows and Children.—The expenditure under the heading of allowances to widows and children shows a decrease of £336 8s. 10d. The sum of £12,379 16s. 1d., being £229 1s. less than the previous year, was transferred from the Working Railways Account during the year on account of the increased payments to widows and children as provided in section 114, Part III, of the Government Railways Act, 1926.

Approval was received for the continuance of the cost-of-living bonus to annuitants in cases of special hardship where the allowance was less than £100, the amount of bonus granted being sufficient to bring the allowance up to £100, but with a maximum bonus of £26. The bonus is provided for out of the Working Railways Account, and is not a charge on the Superannuation Fund.

At the 31st March, 1928, there were 1,447 members, 467 widows, and 491 children, making a total of 2,405 persons actually on the fund, involving an annual liability of £247,442 6s. 2d.

Investment of the Fund.—The Investment Account has been increased during the year to the extent of £129,000. All moneys not required in the Current Account have been transferred to the Investment Account without delay.

J. G. COATES,

Chairman of the Government Railways
Superannuation Fund Board.

TABLE A.—STATEMENT OF ALLOWANCES FOR THE YEAR ENDED 31ST MARCH, 1928.

	Section 102. On Attainment of Retiring Age or for Length of Service.				Section 111. Medically Unfit.				Section 113. Widows.				Section 113. Children.				Total Retiring and other Allowances.												
	Number.			Annual Amount.	Number.			Annual Amount. at £31 per Annum.	Number.			Annual Amount, at £26 per Annum.	Number.			Annual Amount.													
	M.	F.	Total.		M.	F.	Total.		M.	F.	Total.		M.	F.	Total.														
Retiring and other allowances—				£	s.	d.		£	s.	d.		£	s.	d.		£	s.	d.											
Existing at beginning of year	1,130	..	1,130	193,887	12	9	288	..	288	28,369	1	5	459	14,229	0	0	250	255	505	13,130	0	0	1,668	714	2,382	249,615	14	2	
Granted during year at retirement	87	..	87	16,778	14	0	21	..	21	2,329	18	0	23	868	0	0	17	27	44	1,144	0	0	125	55	180	21,120	12	0	
Total	1,217	..	1,217	210,666	6	9	309	..	309	30,698	19	5	487	15,097	0	0	267	282	549	14,274	0	0	1,793	769	2,562	270,736	6	2	
Discontinued during year	63	..	66	7,525	16	0	13	..	13	1,186	4	0	20	620	0	0	34	24	58	1,508	0	0	113	44	157	10,840	0	0	
Existing at end of year	1,151	..	1,151	203,140	10	9	296	..	296	29,512	15	5	467	14,477	0	0	233	258	491	12,766	0	0	1,680	725	2,405	259,896	6	2	
<i>Particulars of Retiring and other Allowances discontinued during the Year.</i>																													
How discontinued—																													
By death	66	..	66	7,525	16	0	10	..	10	1,086	4	0	8	248	0	0	..	..	..	1,508	0	0	76	8	84	8,860	0	0	
By expiry	..	..	..	..	..	..	3	..	3	100	0	0	12	372	0	0	34	24	58	..	..	..	37	36	73	1,980	0	0	
Total	66	..	66	7,525	16	0	13	..	13	1,186	4	0	20	620	0	0	34	24	58	1,508	0	0	113	44	157	10,840	0	0	
<i>Progress of Retiring and other Allowances since establishment of the Fund to 31st March, 1928.</i>																													
Total granted	2,000	..	1	2,001	278,731	16	2	513	1	514	45,194	15	3	723	22,413	0	0	698	683	1,381	35,906	0	0	3,211	1408	4,619	382,245	11	5
Total discontinued	849	..	1	850	75,591	5	5	217	1	218	15,681	19	10	256	7,936	0	0	465	425	890	23,140	0	0	1,531	683	2,214	122,349	5	3
Total existing at 31st March, 1928..	1,151	..	1,151	203,140	10	9	296	..	296	29,512	15	5	467	14,477	0	0	233	258	491	12,766	0	0	1,680	725	2,405	259,896	6	2	
Less amount receivable from the Working Railways Account on account of increased payments to widows and children																			..	..	..	..	..	..	..	12,454	0	0	
																			..	..	..	..	..	..	..	£247,442	6	2	

TABLE B.—STATEMENT OF CONTRIBUTORS.

—	3 per Cent.	4 per Cent.	5 per Cent.	6 per Cent.	7 per Cent.	8 per Cent.	9 per Cent.	Total.
Contributors at commencement of year	2,386	568	8,942	1,420	229	15	4	13,564
New contributors during year ..	..	..	373	58	4	..	..	435
Total	2,386	568	9,315	1,478	233	15	4	13,999
Contributors discontinued during year	45	37	235	50	6	..	..	373
Total contributors at 31st March, 1928	2,341	531	9,080	1,428	227	15	4	13,626

TABLE C.—STATEMENT OF INVESTMENTS.

		1928.			1927.		
		£	s.	d.	£	s.	d.
Funds invested at 31st March—							
At $4\frac{1}{2}$ per cent.	..	5,500	0	0	5,500	0	0
„ 5 „	..	17,535	0	0	17,535	0	0
„ $5\frac{1}{2}$ „	..	170,045	0	0	152,045	0	0
„ $5\frac{1}{2}$ „	..	80,120	0	0	80,120	0	0
„ 6 „	..	762,025	5	10	658,135	15	8
„ $6\frac{1}{2}$ „	..	10,000	0	0	7,500	0	0
Repayments during March and held for investment as from							
1st April	..	6,335	14	1	1,725	4	3
		£1,051,560	19	11	£922,560	19	11
		Per Cent.			Per Cent.		
Average rate of interest on securities held at 31st March ..	..	5·820			5·790		
Average rate of interest earned on the mean funds ..	..	5·758			5·708		

TABLE D.—PROGRESS OF THE FUND.

		Balance forward.			Allowances granted.		
		£	s.	d.	£	s.	d.
1903	..	7,056	11	9	..	..	..
1904	..	40,357	17	3	12,010	14	8
1905	..	68,670	7	8	8,519	7	8
1906	..	90,984	11	10	6,348	13	7
1907	..	110,736	12	3	4,398	14	11
1908	..	126,642	18	11	7,332	7	11
1909	..	157,151	14	9	6,359	11	0
1910	..	173,876	1	8	11,828	0	6
1911	..	207,242	7	11	8,064	11	5
1912	..	233,457	8	6	7,065	16	4
1913	..	264,455	5	4	8,568	6	6
1914	..	295,469	11	6	9,865	17	8
1915	..	346,155	18	2	11,871	14	3
1916	..	362,810	4	2	9,662	2	5
1917	..	377,585	2	1	11,733	11	11
1918	..	373,097	12	7	8,386	4	0
1919	..	363,804	4	4	9,252	17	8
1920	..	408,232	10	8	20,341	7	3
1921	..	464,490	17	0	20,346	8	9
1922	..	543,531	10	8	23,050	2	0
1923	..	584,219	2	4	22,791	1	0
1924	..	671,827	6	6	21,272	4	0
1925	..	734,112	8	11	36,409	14	0
1925 (increased allowances to widows and children)	..	..	..	..	12,246	0	0
1926	..	862,139	3	6	23,509	6	0
1927	..	985,828	4	0	28,281	4	0
1928	..	1,111,199	11	2	21,120	12	0
		£	s.	d.	370,636	11	5
Less members died, &c.	..	110,740	5	3			
Less liability of Working Railways Account on account increased payments to widows and children	..	12,454	0	0			
					123,194	5	3
Annual liability at 31st March, 1928	..				£247,442	6	2

STATEMENT OF ACCOUNTS IN ACCORDANCE WITH SECTION 123, GOVERNMENT RAILWAYS ACT, 1926.
Revenue Account for the Year ended 31st March, 1928.

EXPENDITURE.	1927-28.			1926-27.			INCOME.	1927-28.			1926-27.		
	£.	s.	d.	£.	s.	d.		£.	s.	d.	£.	s.	d.
To Retiring-allowances to members	227,860	15	5	215,250	2	1	By Members' contributions	156,798	12	7	153,914	15	6
Allowances to widows and children	27,152	13	9	27,489	2	7	Members' contributions on account of casual service	1,801	11	11	3,869	18	6
Refunds of total contributions	14,562	8	4	20,986	5	4	Fines	..	..	..	141	10	0
Refunds of contributions in excess of allowances drawn by deceased beneficiaries	538	1	2	768	2	7	Subsidies—	..	..	..	..	..	..
Compensation under the Government Railways Act of 1887	613	1	1	37	1	3	Working Railways	170,000	0	0	170,000	0	0
Transfers to other funds	105	0	0	108	14	1	Working Railways, on account of increased allowances to widows and children	12,379	16	1	12,608	17	1
Interest remitted	..	..	..	47	9	3	Amalgamated Society of Railway Servants, on account of M. J. Mack	..	..	..	14	19	2
Administration charges—	..	..	..	..	..	..	Interest	58,293	4	11	50,715	14	7
Travelling-expenses of Board members	70	10	0	56	10	0	Commission on Government Life Insurance collections	13	3	2	11	5	3
Public Trust Office commission	1,442	1	5	1,190	12	0	Donation	0	11	3	..	..	..
Public Trust mortgage inspection fees	..	..	..	6	16	3	..	..	..	..	..	..	..
Audit Office fees	50	0	0	50	0	0	..	..	..	..	..	..	..
Salaries	1,401	2	4	1,413	3	2	..	..	..	..	..	..	..
Postages	137	3	2	104	16	1	..	..	..	..	..	..	..
Printing and stationery	98	10	2	79	4	11	..	..	..	..	..	..	..
Balance carried down, being excess of income over expenditure for the year	125,255	13	1	123,689	0	6	..	..	..	..	125,255	13	1
	399,286	19	11	391,277	0	1	By Accumulated funds brought forward on 1st April, 1927	399,286	19	11	391,277	0	1
To Balance accumulated funds at 31st March, 1928	1,111,199	11	2	985,828	4	0	Amounts unclaimed written off—	985,828	4	0	862,139	3	6
	..	..	..	..	..	..	Refunds of contributions	..	..	..	..	..	..
	..	..	..	..	..	..	Retiring-allowances	98	10	11	..	..	..
	..	..	..	..	..	..	Widows allowances	10	16	3	..	..	..
	..	..	..	..	..	..	Balance brought down	6	6	11	123,689	0	6
	£1,111,199	11	2	£985,828	4	0		£1,111,199	11	2	£985,828	4	0

STATEMENT OF ACCOUNTS, ETC.—continued.
Balance-sheet as at 31st March, 1928.

LIABILITIES.	1927-28.			1926-27.			ASSETS.			1927-28.			1926-27.		
	£	s.	d.	£	s.	d.				£	s.	d.	£	s.	d.
Accumulated funds as per Revenue Account	..	..	..	..	..	..	Investment Account—								
Casual employees, contingent contributions	..	..	..	..	..	..	Investments	..	..	1,045,225	5	10	..	..	..
Retiring and other allowances due (not paid)—	..	..	..	..	..	..	Cash in hand	..	..	6,335	14	1	..	..	..
Members	..	..	..	..	..	..							1,051,560	19	11
Widows and children	..	..	..	..	..	..	Current Account—Cash in hand	..	..	..	..	..	25,083	16	10
Refunds of contributions authorized (not paid)	..	..	..	..	..	..	Contributions in transit	..	..	..	..	..	12,630	15	9
Transfers to other funds authorized (not paid)	..	..	..	..	..	..	Contributions outstanding	..	..	..	..	..	976	3	11
Interest paid in advance	..	..	..	..	..	..	Contributions due by members in respect to casual service	..	..	..	..	..	6,820	2	1
Commission due to Public Trustee	..	..	..	..	..	..	Working Railways—						..	..	..
Farm inspection fee due to Public Trustee	..	..	..	..	..	..	On account of cost-of-living bonus	..	..	..	..	..	386	9	1
Sundry creditors (stationery)	..	..	..	..	..	..	On account of additional allowances to widows and children	..	..	..	..	..	949	19	4
	..	..	..	..	..	..	Allowances recoverable	..	..	..	..	..	..	..	..
	..	..	..	..	..	..	Refunds repayable	..	..	..	..	..	123	16	1
	..	..	..	..	..	..	Interest due, not paid	..	..	..	..	..	6,651	10	6
	..	..	..	..	..	..	Interest accrued but not due	..	..	..	..	..	13,591	2	10
	..	..	..	..	..	..	Sundry debtors (insurance premium)	..	..	..	..	..	2	16	5
	..	..	..	..	..	..							£1,118,777	12	9
	..	..	..	..	..	..							£990,495	4	11

