1926.

NEW ZEALAND.

GOVERNMENT RAILWAYS SUPERANNUATION FUND.

REPORT OF BOARD.

Laid before Parliament in pursuance of Section 91 of the Government Railways Act, 1908.

The Board has the honour to transmit, for the information of Parliament, the following report upon the transactions in connection with the Government Railways Superannuation Fund for the year ended 31st March, 1926.

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 £127,758 5s. 4d., as compared with £62,285 2s. 5d. for the previous year. The increase is due almost entirely to the increased subsidy paid to the fund by the Working Railways Department, £145,000 being received, against £80,000 for the previous year.

The expenditure on account of life allowances to members amounts to £198,889 15s. 9d., an increase of £17,286 4s. 9d. as compared with the figures for the previous year. The increase is due to the all-round increase in the scale of salaries and wages, and the corresponding increase in the retiring-allowances granted. On referring to Table A, Statement of Allowances, it will be seen that the average amount of the ninety-four allowances granted during the year is £219 11s. 6d., and that the average amount of the sixty allowances discontinued is £108 4s. 10d.

The increase on account of payments to widows and children, £12,577 9s., is due to the increase of the amount of allowance from £18 per annum for each widow, and £13 for each child, to £31 and £26 per annum respectively. As section 27, Part II, of the Finance Act, 1925, which made provision for the increase in the allowances, also provided for a payment to the Superannuation Fund from the Consolidated Fund of an amount equal to the additional expenditure, no extra burden was placed on the fund. The amount received from the Consolidated Fund on the foregoing account was £12,464 16s. 9d.

Members' contributions for the year were £153,902 19s. 9d., against £144,767 9s. 8d., an increase of £9,135 10s. 1d. On referring to Table B, Statement of Contributors, it will be seen that there is a net increase of 743 members, of whom 731 are contributing at 5 per cent., 70 at 6 per cent., and 34 at 7 per cent., and that contributors at 3 per cent. and 4 per cent. have decreased by fifty-three and thirty-seven respectively.

Investment of the Fund.—The Investment Account has been increased during the year to the extent of £145,500. Loans maturing at the lower rates of interest have been promptly reinvested on more advantageous terms, and all moneys not required in the Current Account have been transferred to the Investment Account without delay.

The interest amounts to £43,750 12s. 8d., an increase of £6,809 16s. 8d., as compared with the figures for the previous year. Reference to Table C, Statement of Investments, shows the average rate of interest on securities held at the 31st March, 1926, as 5.76 per cent., and the average rate earned on the mean funds for the year 5.684 per cent., as against 5.59 per cent. and 5.522 per cent. respectively for the previous year.

The expenditure under the heading "Public Trust Charges" is based on the interest-collections, and is consequently £380 3s. 11d. in excess of the figures for the previous year.

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 Consolidated Fund and is not a charge on the Superannuation Fund.

At the 31st March, 1926, there were 1,367 members, 444 widows, and 521 children, making a total of 2,332 persons actually on the fund, involving an annual liability of £220,093 4s. 9d.

J. G. COATES, Chairman of the Government Railways Superannuation Fund Board.

TABLE A.—Statement of Allowances for the Year ended 31st March, 1926.

	O	Attainme Lei	Section 80. nment of Retiring . Length of Service.	Section 80. On Attainment of Retiring Age or for Length of Service.		×	Section edically	Section 81. Medically Unfit.		Section 82. Widows.			Sec	Section 82. Children.			Total	Retiring and Allowances.	Total Retiring and other Allowances.	
•		Number.		-		Number.			Num	Annual Amount,	unt,	Nan	Number.	Annu	Annual Amount,	4.5	Number.	:		
	M.	ei -	Total.	Annual Amount.	M.	ж.	Total.	Annual Amount.	per.	-62		M.	F. Total.	-65	at £26 per Annum	m. M.	£.	Total.	Annual Amount.	ount.
Retiring and other allowances— Existing at beginning of year Granted during year at retirement	$\begin{bmatrix} 1,061\\ 68 \end{bmatrix}$::	1,061	1,061 165,710 4 3 68 17,356 17 0	$\begin{vmatrix} 271 \\ 26 \end{vmatrix}$	7:	272 26	£ s. d. 25,472 6 6 3,283 9 0	430	£ s. 13,330 0 1,023 0	400	258 28	254 512 41 71	12 £ 13,312 71 1,846	ú 0 0	d. 0 1,590 0 124	685 74	2,275 198	$\begin{bmatrix} & & & \\ 217,824 & \\ 23,509 & \\ \end{bmatrix}$	s. d. 10 9 6 0
Total Discontinued during year	1,129	::	1,129	1,129 183,067 1 3 46 5,389 8 5	297	-:	298	28,755 15 6 1,105 3 7	463	14,353 0 589 0	00	35 29	295 583 27 62	62 15,158 62 1,612	00	0 1,714 0 95	759 46	2,473	241,333 1 8,695 1	16 9 12 0
Existing at end of year	1,083	:	1,083	1,083 177,677 12 10	283		284	27,650 11 11	444	13,764 0	•	253 20	268 52	521 13,546	0	0 1,619	713	2,332	232,638	4 9
There discontinued	-		7	particulars of	Retiri	uv ba	d oth	Particulars of Retiring and other Allowances discontinued during the Year.	discon	tinued dus	ing th	e Yea	٠.	-		_				
By death By expiry	. 46	::	46.	5,389 8 5	13	::	13	$1,056 4 7 \\ 48 19 0$	13	186 0 403 0	00	34	27 6	$\begin{bmatrix} 1 & 26 \\ 61 & 1,586 \end{bmatrix}$	26 0 6 86 0 0	92 60	6 40 40	66	6,657 1 2,037 1	13 0 19 0
Total	46	:	46	5,389 8 5	41	<u>:</u>	14	1,105 3 7	119	589 0	0	35	27 6	62 1,612	0	0 95	5 46	14]	8,695 1	12 0
		Prog	rress of	Progress of Retiring and	~	· Allo	wanc	other Allowances since establishment of the Fund to 31st March, 1926.	shmen	t of the F	und to	31st	Marci	, 1926.						
Total granted Total discontinued	1,794 711		1,795	1 1,795 238,338 14 2 1 712 60,661 1 4	$\parallel \frac{473}{190}$	- :	474 190	$\begin{vmatrix} 40,776 & 1 & 3 \\ 13,125 & 9 & 4 \end{vmatrix}$	663 219	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	00	647 6: 394 34	629 1276 361 755	$\begin{array}{c c} 6 & 24, 167 \\ 5 & 10, 621 \end{array}$	67 0 (21 0 ($\begin{array}{ccc} 0 & 2,914 \\ 0 & 1,295 \end{array}$		$\begin{array}{c c} 1294 & 4,208 \\ 581 & 1,876 \end{array}$	321,234 1 88,596 1	15 5 10 8
Total existing at 31st March, 1926. 1,083	1,083	:	1,083	1,083 177,677 12 10	283	-	284	27,650 11 11	444	13,764 0	0	253 20	268 521	13,546	0	0 1,619	9 713	1,619 713 2,332	232,638	4 9
Less amount receivable from the Consolidated Fund on account of increased	solidate	d Fund	on acc	ount of increase		nents t	o wide	payments to widows and children	:	:	:	:	:	•	•	•	:	:	12,545	0 0

TABLE B .-- STATEMENT OF CONTRIBUTORS

		TA	BLE B	-Ѕтатем	ENT OF	CONTR	BUTORS	•			
				3 per Cent.	4 per Cent.	5 per Cent.	6 per Cent.	7 per Cent.	8 per Cent.	9 per Cent.	Total.
ontributors at Tew contributo			of year	2,499	661	7,969 1,277	1,289 155	187 38	18	5	$\begin{vmatrix} 12,62\\1,47 \end{vmatrix}$
T	otal			2,499	661	9,246	1,444	225	18	5	14,09
Contributors di Cotal contribut				53 $2,446$	37 624	546 8,700	85 1,359	4 221	2 16	5	$72 \\ 13,37$
		Т.	able C	-Statem	IENT O	F Inves	MENTS.	J	1		1
unds invested	at 31st M	Iarch			*		£	.926. s. d		£	1925.
At $4\frac{1}{2}$ per 6	eent						7,000	0 0		7,00	0 0
	,	•	• •	• •	• •		300 17 591				00 0
5.1	, .	•	• •	• •	• •	• •	17,53 $152,04$			67,53 $152,04$	
51	, .						80,12			137,87	
⊼3	, .						22,70		ı		25 19 1
e -	, .						503,23	5 0 0		260,88	
$,, 6\frac{1}{2}$,	,				• •		17,52	5 19 11		1,94	4 0 0
epayments di 1st April	ırıng Maı 	ch and.	held for	nvestn	nent as 	from	1,10	0 0	1	3,96	35 O
		÷				-	£801,560			£656,06	
						•	Per Co		:	Per C	
verage rate of verage rate of	interest of	on secur earned o	ities held in the me	l at 31st an funds	March s		5·70 5·6			5·5 5·5	
C			Table I			тик Т	PITN D				
			IABLE I	,.—I KOO	rniisis C		e forwar d s. d		Allowano £	es grant s. d.	ed.
1903	• •					7,0	56 11 9)			
1904	• •		• •	• •	• •				12,010		
1905	• •	• •	• •	• •	• •	68,6	70 7 8 8 4 11 10		8,519 6,348		
$1906 \\ 1907$		• •		• •	• •	110,73				14 11	
1908				• • •			42 18 13		7,332		
1909						157,18			6,359		
1910						173,8'	76 1 8	3	11,828		
1911						207, 24			8,064		
1912				• •		233,49			7,065		
1913	• •	• •	• •	• •	• •	264,48 $295,40$		1 3	8,568 $9,865$		
1914 1915	• •	• •	• •			346,18			11,871		
1916	• •		• •	• • •		362,8		2	9,662		
1917						377,58			11,733		
1918						373,09	97 12		8,386		
1919			• •			363,80		<u> </u>	9,252		
1920		• •	• •	• •		408,23			20,341	7 3	
1921	• •	• •	• •	• •	• •	464,49 $543,53$			20,346 23,050		
$\begin{array}{c} 1922 \\ 1923 \end{array}$	• •	• •	• •	• •	• • •	584,2			$23,030 \\ 22,791$	$egin{array}{ccc} 2 & 0 \ 1 & 0 \end{array}$	
1923 1924			• •	• •	• •	671,8			21,272		
1924 1925	• •	• • •				734,1			36,409		
1925 (increased	allow	ances to		s and				12,246		
1926	dren)		• •	• •		862,13	39 3 6		23,509		
.	1	1:.1 0	•			90			21,234	15 5	
Less 1	nembers iability o	of Cons	olidated	Fund of	n acco	unt	596 10			,	
incr	eased pay	ments t	o widows	s and chi	ıaren	12,	545 0		01,141	10 8	
Annua	l liability	at 31st	March 1	1926				£2	20,093	4 9	
	r maiomity	0100									

STATEMENT OF ACCOUNTS IN ACCORDANCE WITH SECTION 90, GOVERNMENT RAILWAYS ACT, 1908.

Revenue Account for the Year ended 31st March, 1926.

EXPENDITURE.	1925–26.	1924–25.	INCOME.	1925–26.	1924-25.
To Retiring-allowances to members Allowances to widows and children Refunds of total contributions Refunds of contributions in excess of allowances drawn by deceased beneficiaries Componentation under the Civil Service Act of 1866 Travelling-expenses of Board members Travelling-expenses of Board members Audit fees Transfers to other funds Transfers to other funds Transfers to other funds Postages Balance carried down, being excess of income over expendi- 127,758 fure for the year	23,552 17 8 27,064 19 9 27,064 19 9 23,552 17 8 342 10 8 17 2 10 19 0 8 1,044 10 2 50 0 0 200 13 11 1,391 12 2 129 16 8 80 8 0	\$\begin{align*} \begin{align*} \begi	By Members' contributions Members' contributions on account of casual service Fines Subsidies— Consolidated Fund Working Railways Department Treasury, on account of increased allowances to widows and children Amalgamated Society of Railway Servants, on account M. J. Mack Donations Interest Commission on Government Life Insurance collections	25,000 0 0 12,464 16 9 1 2 2 19 14 19 14 1	£ 8. d. 139,332 13 9 5,434 15 11 425 15 0 25,000 0 0 80,000 0 0
	380,541 13 7	287,144 0 8		380,541 13 7	287,144 0 8
To Balance accumulated funds at 31st March, 1926	862,139 3 6	734,112 8 11	By Accumulated funds brought forward on 1st April, 1925 Refunds of contributions unclaimed (written off) Retiring-allowances unclaimed (written off) Widows' allowances unclaimed (written off) Balance brought down	734,112 8 11 263 19 11 1 19 4 2 10 0 127,758 5 4 862,139 3 6	671,827 6 6 62,285 2 5 734,112 8 11

BALANCE-SHEET AS AT 31ST MARCH, 1926.

LIABILITIBS.		1925-26.	1924-25.	ASSETS.	1925-26.	1924-25.
Accumulated funds as per Revenue Account Returng and other allowances due (not paid)— Members	: :		£ 8. d. 734,112 8 11 692 0 10	Investment Account— £ s. d. Investments 800,460 19 11 Cash in hand 1,100 0 0	er S	£ s. d.
Widows and children Refunds of contributions Transfers to other funds	:::	1,182 3 5 4 13 10	161 17 11 1,728 15 7 4 13 1	Current Account—Cash in hand Contributions and fines in transit	801,560 19 11 17,679 3 7 13,590 4 8	656,060 19 11 40,685 6 5 12,168 10 0
Interest paid in advance Commission due to Public Trustee	:::	132 2 9 160 3 2	. 53 2 6	Contributions outstanding Contributions due by members in respect of casual service Allowance recoverable	1,438 7 4 10,643 15 5 28 0 0	2,239 2 6 8,651 1 0 52 0 0
				Cost-of-living bonus Treasury subsidy on account of widows and children Amalgamated Society of Railway Servants—Subsidy Interest outstanding	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	1,447 12 10
				Interest accrued but not due Sundry Dr. (insurance premium)	10,275 19 9	8,822 10 1 2 10 5
	:	864,560 4 7	7 736,893 0 0		864,560 4 7	736,893 0 0

Cost-of-living Bonus Account: Disbursements and Recoveries during the Year ended 31st March, 1926.

DISBURSEMENTS.	1925–26.	1924-25.	RECOVERIES.	1925–26.	1924-25.
Balance due 31st March, 1925 Disbursements to annuitants	£ s. d. 1,447 12 10 5,451 5 4 6,898 18 2	18,178 4 0	By Cash received	6,458 11 2	£ s. d. 18,204 5 9 1,447 12 10 19,651 16 7

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST MARCH, 1926.

Dr.	Receipt					. Cr. Payments. £ s	d
To Balance in h	ands of Public Tru	istee on 31st	£	s.	d.	By Retiring-allowances to members 198,741 0	0
	5			6	5	Allowances to widows and children 27,077 17	11
	by staff				7	Payments to legal representatives of deceased	
			255		0	beneficiaries under section 86 (c) of Govern-	
	n Consolidated Fun					ment Railways Act, 1908 342 10	8
	of the Public Servi						0
	uperannuation Anie					Travelling-expenses of Board members 19 0	8
	*		25,000	0	0	Fines remitted and refunded 1 10	0
	n Working Railways		145,000	0	0	Compensation under Civil Service Act, 1866 17 2	10
	n Consolidated Fun				ı	Payments to annuitants on account of Treasury	
	Part II, of the Final		11.349	5	8	by way of cost-of-living bonus 5,451 5	4
	m the Amalgamate		,			Public Trust Commission 1,024 8	2
	ervants on account					Audit Office charges 50 0	0
	ek including contr					Contributions refunded to members who have	
	subsidy		887	5	6	left the Service 23,835 9	11
			41.064	6	1	Contributions transferred to other funds 200 13	2
	st-of-living bonus i		,		- 1	Salaries 1,391 12	2
Treasury fo	or disbursement to	annuitants of				Postages 129 16	8
	tion Fund		6,458	11	2	Printing and stationery 80 8	0
	mium			10	5	Balance of receipts over disbursements 17,679 3	7
Commission	on collections of	Government				<u>'</u>	
	nce premiums		4	10	3		
	1					W	
			£421,541	19	1	£421,541 19	1
							

J. G. COATES, Chairman of the Government Railways Superannuation Fund Board.

H. VALENTINE, Chief Accountant, New Zealand Railways.

I hereby certify that the Statement of Receipts and Payments, Revenue Account, and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—G. F. C. CAMPBELL, Controller and Auditor-General.

Approximate Cost of Paper.—Preparation, not given; printing (1,500 copies), £16.

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