

1935.

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, 1935. The Revenue Account, Balance-sheet, and statements in connection therewith will be found appended.

The expenditure for the year exceeded the income by £1,006 12s. 2d. The improvement as compared with the previous year is mainly due to the special subsidy received from the Treasury in accordance with the provisions of section 17 of Finance Act (No. 2), 1934.

*Members' Contributions.*—The income under this heading showed an increase of £3,831 8s. 10d. The number of contributors at 5 per cent. increased by 63, while contributors at 3, 4, 6, 7, and 8 per cent. decreased by 68, 22, 1, 2, and 3 respectively. The increase in amount of contributions is due to the partial restoration of salary and wages reductions and appointments to the permanent staff.

*Contingent Contributors.*—During the year 86 casual employees elected to contribute to the fund, so that in the event of their subsequently being permanently appointed they would not be faced with a liability in respect of service prior to permanent appointment. The total number of employees so contributing at the end of the year under review was 241, and the amount standing to their credit £10,507 16s. 5d.

*Subsidy.*—In addition to the sum of £170,000 paid into the fund by the Working Railways Department, a subsidy of £87,000 as mentioned above was received from the Treasury.

*Interest.*—The interest earned amounted to £67,993 17s. 4d., a decrease of £7,226 4s. as compared with the previous year. Table D, Statement of Investments, shows that the average rate of interest on securities held at the 31st March, 1935, was 4·672 per cent., and the average rate earned on the mean funds for the year 5·697 per cent., as against 4·716 per cent. and 5·75 per cent. respectively for the previous year.

*Life Allowances.*—The expenditure on account of life allowances to members amounted to £422,477 11s. 10d., a decrease of £2,715 13s. as compared with the figures for the previous year. Year ended 31st March, 1934, showed an increase under this heading of £1,625 5s. Table A, Statement of Allowances, shows that the average amount of the eighty allowances granted during the year was £142 12s. 1d., and the average amount of ninety-one allowances discontinued was £139 2s. 9d.

*Allowances to Widows and Children.*—The expenditure under the heading of allowances to widows and children showed an increase of £39 18s. 11d. The sum of £12,999 8s. 3d. was received 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 £80, the amount of bonus granted being sufficient to bring the allowance up to £80, 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, 1935, there were 2,336 members, 620 widows, and 372 children, making a total of 3,328 persons actually on the fund, involving an annual liability of £439,031 11s. 10d.

*Investment of the Fund.*—As the result of the operation of the Local Authorities Interest Reduction and Loans Conversion Act, 1932-33, the Investment Account has been credited with the sum of £1,342 10s. 4d., premiums on conversion.

JAMES H. GUNSON,  
Acting-Chairman, Government Railways Superannuation  
Fund Board.

TABLE A.—STATEMENT OF ALLOWANCES FOR THE YEAR ENDED 31ST MARCH, 1935.

	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.	£	s.	d.			M.	F.		Total.	M.		F.	Total.																						
Retiring and other allowances—																																						
Existing at beginning of year	1,850	1	1,851	366,796	16	4	496	18,786	0	0	193	205	398	10,348	0	0	2,539	812	3,351	453,422	11	5																
Granted during year	39	..	39	5,747	15	0	41	868	0	0	22	21	43	1,118	0	0	102	49	151	13,394	7	0																
Total	1,889	1	1,890	372,544	11	4	537	19,654	0	0	215	226	441	11,466	0	0	2,641	861	3,502	466,816	18	5																
Discontinued during year	72	..	72	10,538	13	7	19	434	0	0	35	34	69	1,794	0	0	126	48	174	14,889	6	7																
Existing at end of year	1,817	1	1,818	362,005	17	9	518	19,220	0	0	180	192	372	9,672	0	0	2,515	813	3,328	451,927	11	10																
<i>Particulars of Retiring and other Allowances discontinued during the Year.</i>																																						
How discontinued—																																						
By death	72	..	72	10,538	13	7	19	217	0	0	2	..	2	52	0	0	93	7	100	12,930	6	7																
By expiry	..	..	..	..	..	..	..	217	0	0	33	34	67	1,742	0	0	33	41	74	1,959	0	0																
Total	72	..	72	10,538	13	7	19	434	0	0	35	34	69	1,794	0	0	126	48	174	14,889	6	7																
<i>Progress of Retiring and other Allowances since Establishment of the Fund to 31st March, 1935.</i>																																						
Total granted**	3,142	2	3,144	505,960	8	2	838	88,364	8	3	881	873	1,754	36,595	0	0	4,861	1852	6,713	658,575	16	5																
Total discontinued*	1,325	1	1,326	143,954	10	5	320	27,334	14	2	701	681	1,382	26,923	0	0	2,346	1039	3,385	206,648	4	7																
Total existing at 31st March, 1935..	1,817	1	1,818	362,005	17	9	518	61,029	14	1	180	192	372	9,672	0	0	2,515	813	3,328	451,927	11	10																
Less amount receivable from the Working Railways Account on account of increased payments to widows and children .. .. .																																						
£439,031 11 10																																						

\* Total allowances granted and discontinued include 200 widows at £18 only, and 693 children at £13 only, exempt prior to increase of allowances.  
 † These figures include 134 allowances totalling £15,620 11s. per annum granted under section 14, Finance Act, 1931.

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	1,536	69	8,707	1,323	214	12	4	11,865
New contributors during year ..	..	..	361	51	5	1	..	418
Total .. .. .	1,536	69	9,068	1,374	219	13	4	12,283
Contributors discontinued during year	68	22	298	52	7	4	..	451
Total contributors at 31st March, 1935	1,468	47	8,770	1,322	212	9	4	11,832

TABLE C.—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
1929 .. .. .	1,238,673	11	8	23,006	11	0
1930 .. .. .	1,371,918	12	3	27,986	14	0
1931 .. .. .	1,488,565	18	3	40,573	13	0
1932 .. .. .	1,454,173	8	4	143,807	12	0
1933 .. .. .	1,333,245	8	1	26,199	19	0
1934 .. .. .	1,240,830	15	8	12,970	9	0
1935 .. .. .	1,239,705	5	0	13,394	7	0
	£	s.	d.	658,575	16	5
Less members died, &c. .. .. .	206,648	4	7			
Less liability of Working Railways Account on account increased payments to widows and children .. .. .	12,896	0	0			
Annual liability at 31st March, 1935 .. .. .				219,544	4	7
				£439,031	11	10

TABLE D.—STATEMENT OF INVESTMENTS.

Funds invested at 31st March.						1935.		1934.	
						£	s. d.	£	s. d.
At 3*	per cent.	..	..	..	..	5,446	9 4	5,000	0 0
„ 3.5*	„	..	..	..	..	2,600	0 0	2,800	0 0
„ 4	„	..	..	..	..	233,965	5 0	232,149	16 3
„ 4.25	„	..	..	..	..	146,468	19 10	148,360	0 0
„ 4.4	„	..	..	..	..	655	0 0	5,130	0 0
„ 4.5	„	..	..	..	..	43,248	16 3	..	..
„ 4.6	„	..	..	..	..	..	..	250	0 0
„ 4.8	„	..	..	..	..	..	..	27,613	16 11
„ 5.0	„	..	..	..	..	717,589	5 8	806,516	10 7
„ 5.2	„	..	..	..	..	120	0 0	2,630	0 0
„ 6.0	„	..	..	..	..	3,295	15 0	3,334	0 0
Cash in hand	..	..	..	..	..	64,876	2 11	5,999	3 1
						1,218,265	14 0	1,239,783	6 10

\* Under Court orders.

Average rate of interest on securities held at 31st March	..	4.672	Per Cent.	4.716	Per Cent.
Average rate of interest earned on the mean funds, including reimbursements made by the Treasury in respect of reduction of interest	.. .. .	5.697	Per Cent.	5.75	Per Cent.

## STATEMENT OF ACCOUNTS IN ACCORDANCE WITH SECTION 123, GOVERNMENT RAILWAYS ACT, 1926.

*Receipts and Payments Account for the Year ended 31st March, 1935.*

<i>Receipts.</i>			<i>Payments.</i>						
<i>Dr.</i>	£	s. d.	<i>Cr.</i>	£	s. d.				
To Balance in hands of Public Trustee on 31st March, 1934	.. .. .	5,717	10	1	By Retiring-allowances paid to members	..	422,380	3	0
Contributions by staff	.. .. .	136,535	17	5	Allowances to widows and children	..	29,059	3	0
Contributions by contingent contributors	.. .. .	2,469	1	6	Contributions refunded to members who have left the Service	.. .. .	20,994	4	2
Fines	.. .. .	126	10	0	Contributions refunded to contingent members who have left the Service	.. .. .	1,297	3	4
Working Railways Account—					Rebates of contributions	.. .. .	153	10	1
Subsidy	.. .. .	170,000	0	0	Refunds to legal representatives of deceased beneficiaries under section 120 (c) of Government Railways Act, 1926	.. .. .	480	11	10
Increased allowances to widows and children	.. .. .	12,979	2	0	Contributions transferred to other funds	.. .. .	183	13	6
Cost-of-living bonus to annuitants	.. .. .	773	10	10	Travelling-expenses of Board members	.. .. .	77	1	0
Subsidies from—					Public Trust charges (legal costs)	.. .. .	62	18	11
New Zealand Railway Officers' Institute on account of Richard Hampton	.. .. .	18	11	5	Public Trust commission	.. .. .	1,861	13	5
Railway Tradesmen's Association on account of Samuel Ingram	.. .. .	24	15	3	Rates and fees paid on account of mortgagors (recoverable)	.. .. .	77	18	3
New Zealand Engine-drivers, Firemen, and Cleaners' Association on account of Thomas H. Stephenson	.. .. .	60	5	5	Audit Office fee	.. .. .	50	0	0
Consolidated Fund	.. .. .	87,000	0	0	Insurance premiums (recoverable)	.. .. .	0	8	11
Interest—					Salaries	.. .. .	1,154	7	0
Investments	.. .. .	63,608	11	2	Postages	.. .. .	194	2	6
Treasury Department	.. .. .	12,138	0	0	Printing and stationery	.. .. .	33	12	0
		75,746	11	2	Cost-of-living bonus to annuitants	.. .. .	775	7	11
Investments	.. .. .	16,595	16	4	Balance in hands of Public Trustee at 31st March, 1935	.. .. .	29,259	16	5
Commission on collection of Government Life Insurance premiums	.. .. .	48	3	10			£508,095	15	3
		£508,095	15	3					

STATEMENT OF ACCOUNTS, ETC.—continued.  
Revenue Account for the Year ended 31st March, 1935.

EXPENDITURE.	1934-35.			1933-34.			INCOME.			1934-35.			1933-34.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
To Retiring-allowances to members	422,477	11	10	425,193	4	10	..	..	..	134,886	11	11	133,560	5	5
Allowances to widows and children	29,020	2	11	28,980	4	0	..	..	..	2,505	2	4	..	..	..
Refund of total contributions	20,785	2	1	24,539	1	7	..	..	..	135	10	0	127	12	6
Refund of contributions in excess of allowance drawn by deceased beneficiaries	480	11	10	529	1	4	..	..	..	..	..	..	..	..	..
Refund of casual-service contributions	..	..	..	..	..	..	..	..	..	87,000	0	0	..	..	..
Transfers to other funds	183	13	6	19	19	7	..	..	..	170,000	0	0	170,000	0	0
Reserve for bad and doubtful debts	1,891	1	3	43	13	7	..	..	..	12,999	8	3	13,005	10	4
Administration charges—	..	..	..	4,556	0	0	..	..	..	..	..	..	..	..	..
Travelling-expenses of Board members	77	1	0	77	1	0	..	..	..	18	11	2	19	1	10
Public Trust Office commission	1,581	18	3	1,606	19	3	..	..	..	24	15	0	25	9	1
Public Trust charges (legal costs)	62	18	11	72	7	10	..	..	..	31	0	9	29	10	5
Audit Office fee	50	0	0	50	0	0	..	..	..	..	..	..	..	..	..
Salaries	1,154	7	0	1,069	2	0	..	..	..	..	..	..	..	..	..
Postages	194	2	6	149	4	4	..	..	..	..	..	..	..	..	..
Printing and stationery	33	12	0	44	3	3	..	..	..	..	..	..	..	..	..
	477,992	3	1	486,930	2	7	..	..	..	477,992	3	1	486,930	2	7
To Balance brought down	1,006	12	2	92,449	6	5	..	..	..	1,240,830	15	8	1,333,245	8	1
Amounts previously written off now claimed: Refund of contributions	118	18	6	..	..	..	..	..	..	..	..	..	..	..	..
Balance accumulated funds as at 31st March	1,239,705	5	0	1,240,830	15	8	..	..	..	..	..	..	28	19	11
	1,240,830	15	8	1,333,280	2	1	..	..	..	1,240,830	15	8	1,333,280	2	1

STATEMENT OF ACCOUNTS, ETC.—continued.  
Balance-sheet as at 31st March, 1935.

LIABILITIES.	1934-35.		1933-34.		ASSETS.		1934-35.		1933-34.		
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	
Accumulated funds as per Revenue Account	1,239,705	5 0	1,240,830	15 8	Investment Account—	..	..	1,153,389	11 1	..	..
Casual employees' contingent contributions	10,507	16 5	8,566	16 8	Investments	..	..	64,876	2 11	..	..
Retiring and other allowances due (not paid)—					Cash in hand	..	..			1,239,783	6 10
Members	254	8 11	506	19 5	Current Account—	..	..			29,259	16 5
Widows and children	113	17 10	152	13 3	Cash in hand	..	..			10,799	10 11
Refund of contributions authorized (not paid)	346	9 1	299	8 9	Contributions and fines in transit	..	..			674	9 8
Transfers to other funds authorized (not paid)	17	14 3	17	14 3	Contributions outstanding	..	..			2,688	8 0
Interest paid in advance	284	15 4	489	12 2	Contributions due by members in respect of casual service	..	..			65	11 5
Public Trust Office	1,230	2 0	4,068	4 9	Working Railways—	..	..			1,037	0 11
Reserve for bad and doubtful debts	5,000	0 0	6,500	0 0	On account of cost-of-living bonus	..	..			24,109	6 8
Rebates of contributions (National Expenditure Adjustment Act, 1932)	43,016	3 6	43,968	7 0	On account of additional allowance to widows and children	..	..			13,203	16 10
					Interest due not paid	..	..			350	0 1
					Rates and fees paid	..	..			12	6 6
					Insurance premium	..	..			0	10 11
					Sundry debtors	..	..			1,300,466	12 4
										1,305,400	11 11

H. VALENTINE,  
Chief Accountant, New Zealand Railways.

JAMES H. GUNSON,  
Acting-Chairman of the Government Railways  
Superannuation Fund Board.

I hereby certify that the Statements 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.—J. H. FOWLER, Deputy Controller and Auditor-General.

## LIFE ALLOWANCES GRANTED, YEAR ENDED 31ST MARCH, 1935.

Name.	Amount.		Name.	Amount.		Name.	Amount.	
	£	s. d.		£	s. d.		£	s. d.
Andrews, J. ..	98	19 0	Gregory, G. W. ..	133	5 0	Park, W. ..	155	1 0
Bailey, R. J. ..	214	0 0	Hayward, D. A. ..	145	1 0	Patterson, J. S. ..	108	1 0
Bartrop, F. ..	169	6 0	Hazlehurst, W. M. ..	149	1 0	Pearce, P. ..	154	13 0
Barron, T. ..	141	8 0	Henderson, G. ..	149	6 0	Pettit, W. H. ..	126	7 0
Bennett, J. W. R. ..	131	13 0	Henderson, R. F. ..	114	3 0	Porter, S. ..	127	12 0
Bishop, H. C. ..	192	5 0	Herron, J. ..	143	14 0	Prendergast, T. ..	125	0 0
Bower, J. M. ..	91	18 0	Highet, W. ..	198	4 0	Reid, J. K. ..	146	17 0
Bowman, J. ..	120	15 0	Hughes, J. W. ..	150	14 0	Reynolds, W. J. ..	152	15 0
Boyle, T. ..	127	10 0	Kelly, D. ..	104	17 0	Rogers, A. ..	295	12 0
Brady, J. ..	131	14 0	Klempel, J. ..	101	14 0	Rose, J. ..	158	17 0
Broberg, W. G. ..	141	9 0	Knuth, F. J. ..	41	13 0	Ross, A. R. ..	166	9 0
Brown, W. ..	209	1 0	Laffy, P. ..	135	12 0	Saunders, F. C. ..	124	12 0
Callaghan, J. ..	100	0 0	Lawrence, G. D. ..	138	18 0	Schruffer, J. ..	129	13 0
Callander, C. W. B. ..	149	19 0	Lec, B. C. ..	59	8 0	Scofield, T. W. ..	168	18 0
Charteris, D. J. ..	70	10 0	Marriner, P. F. ..	144	12 0	Simpson, J. ..	121	3 0
Clode, W. ..	99	10 0	Miller, P. A. ..	150	11 0	Slater, J. ..	126	11 0
Coard, A. J. ..	166	7 0	Mills, D. C. ..	109	9 0	Snowdon, T. E. ..	195	16 0
Collett, A. G. ..	190	1 0	Moodie, J. ..	131	1 0	Strong, E. H. ..	155	0 0
Craig, D. ..	136	4 0	Morgan, T. G. ..	241	17 0	Tanner, D. ..	109	2 0
Davis, W. S. ..	114	7 0	Moyle, H. A. ..	42	8 0	Tempero, C. J. ..	100	13 0
Dennison, C. ..	144	13 0	McDonald, F. ..	69	4 0	Terry, W. ..	117	4 0
Drew, W. G. ..	135	5 0	McGill, J. ..	100	19 0	Turley, G. W. ..	161	9 0
Ferguson, T. G. ..	137	11 0	McIntosh, W. J. ..	128	5 0	Turnbull, E. J. ..	218	15 0
Fletcher, J. ..	189	16 0	McNeil, J. D. ..	139	19 0	Walworth, A. E. P. ..	417	15 0
Fox, W. J. ..	56	0 0	McPherson, G. ..	119	16 0	Watt, R. ..	154	3 0
Freeborn, W. G. ..	284	5 0	Norquay, G. ..	119	18 0	Wilson, G. H. J. ..	87	16 0
Gibson, A. D. ..	136	18 0	O'Brien, M. F. ..	158	0 0			

## ALLOWANCES TO WIDOWS AND CHILDREN.

Widows, £31 per annum; children, £26 per annum.

Allison, I. M. V., and six children.	Hilliard, C., and two children.
Anderson, A. B., and seven children.	Hobson, E. M., and one child.
Burton, E. A.	Hollis, P. E., and one child.
Clifford, J. D., and one child.	Leslie, L. J., and three children.
Crawford, E.	Lippitt, D., and one child.
Dawson, E. E.	Lock, V. H. F., and two children.
Dougherty, M. B., and five children.	Meade, C., and one child.
Dunsmuir, F. M.	Moroney, E. M. I., and two children.
Gibson, M. A. F.	Polglase, M. M. D., and one child.
Gubbins, J. H.	Robson, E. M., and two children.
Hall, C.	Scelly, L. E.
Hamilton, B. R.	Soper, I. M. A. I. M., and one child.
Hay, E. M., and four children.	Wilson, E. A., and two children.
Henson, E. A.	Wood, M., and one child.

Approximate Cost of Paper.—Preparation not given; printing (1,160 copies), £11 10s.

By Authority: G. H. LONEY, Government Printer, Wellington.—1935.

Price 6d.]

