

PROVINCE OF BRITISH COLUMBIA

Twenty-fourth Annual Report

of the Business Done in Pursuance of the

TEACHERS' PENSIONS ACT

for the Period

JANUARY 1 TO DECEMBER 31

1964



Printed by A. SUTTON, Printer to the Queen's Most Excellent Majesty
in right of the Province of British Columbia.
1966

*To Major-General the Honourable GEORGE RANDOLPH PEARKES,
V.C., P.C., C.B., D.S.O., M.C.,
Lieutenant-Governor of the Province of British Columbia.*

MAY IT PLEASE YOUR HONOUR:

The undersigned respectfully submits the Report of the business done in pursuance of the *Teachers' Pensions Act* during the period January 1, 1964, to December 31, 1964.

WESLEY D. BLACK,
Provincial Secretary.

*Provincial Secretary's Office,
Victoria, B.C., October 27, 1965.*

The Honourable Wesley D. Black,
Provincial Secretary, Victoria, B.C.

SIR,—I have the honour to lay before you the Report of the business done in pursuance of the *Teachers' Pensions Act* during the period January 1, 1964, to December 31, 1964.

I have the honour to be,

Sir,

Your obedient servant,

W. H. FORREST,
Commissioner of Teachers' Pensions.

October 26, 1965.

TEACHERS' PENSIONS ACT

ANNUAL REPORT

Report of the Business Done in Pursuance of the Teachers' Pensions Act during the Period January 1, 1964, to December 31, 1964

Sections 6 and 7.—Contributions received from teachers totalled \$5,745,579.50, consisting of basic 6-per-cent contributions of \$5,435,880.07, extra and voluntary contributions of \$263,821.70, individual repayment of refunds for reinstatement of \$36,007.91, and individual 12-per-cent contributions for approved periods of leave of absence of \$9,869.82.

As at December 31, 1964, there were 15,216 teachers making current contributions, of whom 100 were employed by other than school districts. In addition there were open accounts in the following categories:—

Teachers out of service less than two years.....	1,670
Teachers with deferred vested pension rights.....	135

	1,805
Teachers out of service more than two years.....	1,415

Section 8 (1).—Employer basic contributions received from the Minister of Finance based on 14,380 teachers contributing in December, 1963, amounted to \$4,044,531.10.

Section 8 (3).—Employer contributions received from the British Columbia Teachers' Federation and employers other than school districts for teachers on loan, etc., amounted to \$38,482.66. As at December 31, 1964, there were 100 teachers in this category.

Section 8 (5) and (6).—The net rate of interest earnings of the Fund after charging administration expenses was 4.938 per cent. After crediting the Basic Account and the Employees Retirement Annuity Account with the required interest at the rate of 4 per cent, amounting to \$3,601,251.26, the excess of the net interest earnings, amounting to \$844,628.45, was transferred to the Investment Adjustment and Interest Reserve Account, which totalled \$1,975,316.06 as at December 31, 1964.

Section 11.—Superannuation allowances were granted to 93 teachers who attained retirement age. For analysis see statements of comparative statistics appended.

Section 14.—Superannuation allowances were granted to six teachers who had become totally and permanently disabled.

Section 15.—Superannuation allowances were granted to the dependent in the case of seven teachers who died while still in service, and refunds totalling \$76,654.59 were made in the case of 17 teachers who died while still in service.

Section 16.—Refunds totalling \$814,227.51 were made to 1,041 teachers who left the service of their employers.

Section 20.—Actuarial and administration expenses paid from the Fund amounted to \$62,706.97.

Section 25.—The securities held by the trustees on December 31, 1964, are set out in Schedule No. 1 of this Report. During the year \$14,914,000 par value bonds were purchased, the average yield being 5.403 per cent; \$1,569,000 par value bonds were sold at an average yield of 5.087 per cent; and \$2,238,900 par value bonds were redeemed, resulting in a net increase of \$11,116,100 par value bonds held by the trustees between December 31, 1963, and December 31, 1964. Prices paid for securities bought or sold are determined by market conditions at the time of transfer. Every effort is made to invest the funds as soon as they become available and at the maximum yield possible at the time of purchase.

Section 37.—During the year three meetings of the Teachers' Pensions Board were held, at which cases involving approximately 212 individuals were dealt with, and Board policy was established for guidance in the administration of the Act in respect of reinstatement of past teaching service, periods of absence, and applications to be exempt from contributing to the Fund.

PORTABILITY—RECIPROCAL ARRANGEMENTS BETWEEN BRITISH COLUMBIA AND SASKATCHEWAN

On June 9, 1964, a reciprocal arrangement was completed with the Province of Saskatchewan whereby teachers are able to transfer between the Provinces of Saskatchewan and British Columbia without loss of accrued pension benefits, subject to the limitations described in the arrangement.

This is the third reciprocal arrangement made at the Provincial level governing teachers' retirement benefits, similar reciprocal arrangements having been completed with the Provinces of Alberta and Ontario in December, 1962 (*see* 1962 Report).

A description of the reciprocal arrangement with the Province of Saskatchewan follows:—

The Commissioner of Teachers' Pensions and the Teachers' Pensions Board, appointed under the provisions of the Teachers' Pensions Act, declare that, the employers of employees to whom the Saskatchewan Teachers' Superannuation Act applies are "approved employers" for the purposes of the B.C. Teachers' Pensions Act, under section 11 (3) (e).

Under the present provisions of the B.C. Teachers' Pensions Act, this declaration has the following effects and limitations.

A. TRANSFERS FROM BRITISH COLUMBIA TO SASKATCHEWAN

If a teacher who has had service in British Columbia becomes engaged as a teacher in Saskatchewan, he will be granted a superannuation allowance from the British Columbia Teachers' Pensions Fund, if

- i) he contributes to the Teachers' Superannuation Fund of Saskatchewan within five months after making his last contribution to the British Columbia Teachers' Pensions Fund; and
- ii) if he becomes qualified to receive an allowance from the Saskatchewan Teachers' Superannuation Fund; and
- iii) if he makes application (to the Commissioner of Teachers' Pensions of British Columbia) following his retirement from service.

The amount of his superannuation allowance will be based on the amount of his service in British Columbia after attaining age thirty, and will be calculated in accordance with the provisions of the British Columbia Teachers' Pensions Act.

B. TRANSFERS FROM SASKATCHEWAN TO BRITISH COLUMBIA

If a teacher who has had service in Saskatchewan becomes engaged as a teacher in British Columbia, within the meaning of the British Columbia Teachers' Pensions Act, he will be granted a superannuation allowance from the British Columbia Teachers' Pensions Fund, if

- i) having attained the age of sixty years, and having completed at least ten years of pensionable service in British Columbia, he retires or is retired from service; or
- ii) having completed at least ten years of pensionable service in British Columbia, he is totally and permanently disabled from performing his duties as a teacher within the meaning of section 14, and is retired from service; or
- iii) having made a contribution to the Teachers' Pensions Fund of British Columbia, and having attained the age of fifty-five years, and having completed at least twenty years of pensionable service in British Columbia, he retires, or is retired from service; or
- iv) within five months after making his last contribution to the Teachers' Pensions Fund of British Columbia, he enters the service of an "approved employer" and becomes qualified to receive a pension or superannuation allowance as a result of that service.

By Order of the Lieutenant-Governor in Council of Saskatchewan, the following regulation under the *Teachers' Superannuation Act* was approved:—

- A. A teacher (or his dependents) shall be eligible for an allowance from Saskatchewan when he has previously taught in British Columbia and retires following a period of service in Saskatchewan if the following conditions are met:
 - 1) A teacher has served a total of ten years in Saskatchewan including at least three years subsequent to June 30, 1960; or
The teacher becomes disabled "in service" in Saskatchewan subsequent to April 1, 1963, following service in British Columbia; or
The teacher dies "in service" in Saskatchewan subsequent to April 1, 1963, following service in British Columbia.
 - 2) The teacher's service credited in Saskatchewan and in British Columbia meets the requirements of the Act which would entitle him to an allowance had all the service been rendered in Saskatchewan.
 - 3) The teacher has contributions in the Teachers' Superannuation Fund for all service rendered in Saskatchewan.
 - 4) The Teachers' Superannuation Commission of British Columbia will pay its share of the teacher's total pension based on the service in both Saskatchewan and British Columbia in accordance with the legislation in effect in British Columbia.
 - 5) The allowance provided under this agreement to a teacher who subsequently returns to teaching in Saskatchewan or British Columbia shall be reduced in accordance with section 56 of the Act.
 - 6) The teacher does not receive a pension from British Columbia for any period of service for which an allowance is payable from Saskatchewan.
- B. A teacher (or his dependents) shall be eligible for an allowance from Saskatchewan when he has taught in Saskatchewan and subsequently teaches in British Columbia and retires following his service in British Columbia if the following conditions are met:
 - 1) The teacher has contributions in the Saskatchewan Teachers' Superannuation Fund for service rendered in Saskatchewan.
 - 2) The teacher's service credited in Saskatchewan and in British Columbia meets the requirements of the Act which would entitle him to an allowance if all his service had been rendered in Saskatchewan.
 - 3) The teacher shall be allowed credit for service in Saskatchewan prior to April 1, 1963, only if he has contributions in the Saskatchewan Teachers' Superannuation Fund for at least three years of teaching service after June 30, 1960.
 - 4) The Teachers' Superannuation Commission of British Columbia will pay its share of the teacher's total allowance based on the service in British Columbia and in Saskatchewan in accordance with the legislation in effect in British Columbia.
 - 5) The teacher is not in receipt of a salary for teaching in British Columbia.
 - 6) The teacher does not receive an allowance from Saskatchewan for any period of service for which a pension is payable from British Columbia.

W. H. FORREST,
Commissioner of Teachers' Pensions.

TEACHERS' PENSIONS FUND

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED
DECEMBER 31, 1964

Revenue

Contributions as per requirements of the *Teachers' Pensions Act*—

Employee contributions—

Basic 6-per-cent contributions .. \$5,435,880.07

Extra and voluntary contribu-
tions 263,821.70Repayment of refunds for rein-
statement 36,007.91Contributions for approved pe-
riods of leave of absence 9,869.82

\$5,745,579.50

Employer contributions—

Basic contributions \$4,044,531.10

6-per-cent contributions paid by
employers other than school
districts for teachers on loan,
etc. 38,482.66

4,083,013.76

Interest—

Net on investments \$4,506,027.08

On bank deposits 2,559.60

4,508,586.68

\$14,337,179.94

Expenditure

Superannuation allowance payments \$2,285,111.96

Refunds of employee contributions—

Resignation, etc. \$814,227.51

Death in service 76,654.59

890,882.10Transfers to Civil Service Superannuation Fund of
present value of two allowances granted 50,194.87

Actuarial and administration expenses 62,706.97

3,288,895.90

Net increase of ledger assets \$11,048,284.04W. H. TORRIST
Commissioner of Teachers' Pensions

TEACHERS' PENSIONS FUND
BALANCE-SHEET AS AT DECEMBER 31, 1964

<i>Assets</i>	
Cash in bank	\$39,044.70
Accounts receivable—	
Due from employees, etc.	\$570,623.47
Due from employers	4,528.43
	575,151.90
Investments at cost or par—net after amortization of premiums and discounts (<i>see</i> Schedule No. 1) (par value, \$100,424,050)	97,773,777.47
Accrued interest on investments	1,063,248.33
	\$99,451,222.40
<i>Liabilities</i>	
Teachers' Pensions Fund Basic Account	\$71,095,255.47
Employees' Retirement Annuity Account	26,308,861.62
Investment Adjustment and Interest Reserve Account	1,975,316.06
Sundry accounts payable	71,789.25
	\$99,451,222.40

Approved.

W. H. FORREST,
Superannuation Commissioner.

G. S. SOUTAR,
Accountant.

The accounts of the Teachers' Pensions Fund for the year ended December 31, 1964, have been examined under my direction.

Subject to the actuarial sufficiency of the Fund and the adequacy of the prescribed tables, the above balance-sheet is, in my opinion, properly drawn up so as to exhibit a true and correct statement of the affairs of the Fund, according to the best of my information and the explanations given to me and as shown by the books of the Fund.

C. J. FERBER, C.A.,
Comptroller-General, Province of British Columbia.

Victoria, B.C., October 12, 1965.

**SCHEDULE No. 1.—TRUSTEES OF THE TEACHERS' PENSIONS FUND
AND THE MINISTER OF FINANCE FOR THE PROVINCE OF
BRITISH COLUMBIA.**

SECURITIES HELD AS AT DECEMBER 31, 1964

	Par Value	Book Value
Government of Canada guaranty—Canadian		
National Railway Company	\$50,000.00	\$49,151.18
Province of British Columbia	56,000.00	55,701.96
Province of British Columbia guaranty—		
British Columbia Power Commission	7,175,500.00	7,104,497.07
British Columbia Electric Company Limited	1,450,750.00	1,338,703.33
British Columbia Hydro and Power Authority	35,244,000.00	34,392,986.73
Pacific Great Eastern Railway Company	4,906,000.00	4,795,821.42
Greater Vancouver Water District	1,528,000.00	1,523,379.74
Greater Vancouver Sewerage and Drainage District	1,009,000.00	1,009,610.48
British Columbia School Districts Capital Financing Authority	2,109,000.00	2,077,365.00
British Columbia school districts serials	38,456,800.00	37,078,956.64
British Columbia municipal serials	2,482,000.00	2,390,950.38
British Columbia hospital improvement districts serials	834,000.00	821,712.00
Naramata Irrigation District serial	193,000.00	192,614.00
Saltair Waterworks District serial	49,000.00	48,167.00
Greater Vancouver Water District serial	500,000.00	483,000.00
Greater Vancouver Sewerage and Drainage District serial	588,000.00	582,208.20
Province of Alberta guaranty—Alberta Municipal Financing Corporation	14,000.00	13,656.50
Province of Manitoba	553,000.00	553,000.00
Province of Ontario	30,000.00	30,120.27
Province of Ontario guaranty—Ontario Municipal Improvement Corporation	3,196,000.00	3,232,175.57
	<u>\$100,424,050.00</u>	<u>\$97,773,777.47</u>

TEACHERS' PENSIONS ACT—ANNUAL REPORT

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SCHEDULE No. 2.—TEACHERS' PENSIONS FUND
COMPARATIVE STATISTICS, JANUARY 1, 1941, TO DECEMBER 31, 1964

Fiscal Year	Number of Contributors at End of Fiscal Year	Contributions				Withdrawals		Allowances			
		Minister of Finance (Sec. 4)	Employer	Employees	Employees' Special 1%	Number	Amount Refunded	Number Granted during Year	Deaths and Expirations during Year	Number in Force at End of Year	Amount Paid
1941	4,198	\$141,514	—	\$297,852	—	302	\$92,849	61	10	340	\$158,452
1943	4,544	130,494	\$461,472	317,305	\$64,170	272	62,590	39	10	397	190,496
1945	4,609	121,304	535,473	369,607	75,958	489	93,984	57	13	463	225,230
1947	5,942	109,796	759,506	525,893	108,538	622	125,937	57	14	541	273,593
1949	6,645	97,958	1,033,099	677,367	147,537	433	115,542	46	13	603	319,158
1951	7,581	88,810	1,325,133	908,236	189,091	497	134,231	54	16	672	440,312
1953	8,644	77,029	1,573,606	1,384,581	262,420	528	165,874	39	32 ¹	725	752,134
1955	10,009	66,086	1,965,776	1,749,336	328,681	554	208,845	51	23	769	848,082
1956	10,871	61,195	2,165,528	1,915,977	360,987	593	281,237	47	26	790	894,177
1957	10,327	56,840	2,555,055	2,243,943	425,782	604	299,930	63	25	828	939,787
	1,400 ²										
1958	10,967	52,504	2,836,071	2,734,155	513,928	579	327,072	42	28	842	1,207,393
	1,635 ²										
1959	11,133	48,875	3,292,889	3,170,828	593,735	627	367,236	58	25	875	1,191,586
	1,622										
1960	12,181	46,300	3,480,676	3,581,528	672,691	724	410,682	67	20	922	1,286,831
	1,880 ²										
1961	12,844	—	3,435,686	4,539,264	—	767	513,719	91	23	990	1,866,428
	1,269 ³										
1962	13,611	—	3,623,714	4,820,116	—	857	594,097	88	25	1,053	1,899,974
	1,820 ²										
1963	14,473	—	3,844,244	5,262,358	—	928	728,689	116	39	1,130	2,088,061
	1,748 ²										
1964	15,216	—	4,083,014	5,745,580	—	1,058	890,882	106	36	1,200	2,285,112
	1,256 ³										
	1,805 ²										
	1,415 ³										

¹ Expirations include allowances rescinded: 1953, 13; 1954, 1.² Non-active open accounts of teachers who have been out of service less than two years.³ Non-active open accounts of teachers who have been out of service over two years.

SCHEDULE No. 3.—TEACHERS' PENSIONS FUND

COMPARATIVE STATISTICS, JANUARY 1, 1955, TO DECEMBER 31, 1964—ALLOWANCES GRANTED AND IN FORCE, SUBDIVIDED BY TYPE AND PLAN OF ALLOWANCE

Fiscal Year	Granted during Year				Expired during Year				In Force at End of Year			
	Single Life	Guaranteed	Joint Life and Modified	Temporary Annuity	Single Life	Guaranteed	Joint Life and Modified	Temporary Annuity	Single Life	Guaranteed	Joint Life and Modified	Temporary Annuity
1955—												
Normal retirement	—	4	1	39	11	5	—	—	126	114	58	286
Disability	2	—	—	—	3	3	1	—	69	25	15	—
Death	3	—	—	2	—	—	—	—	72	—	2	2
Totals	5	4	1	41	14	8	1	—	267	139	75	288
1956—												
Normal retirement	3	4	1	35	10	3	2	3	119	115	57	318
Disability	3	—	—	—	6	2	—	—	66	23	15	—
Death	1	—	—	—	—	—	—	—	73	—	2	2
Totals	7	4	1	35	16	5	2	3	258	138	74	320
1957—												
Normal retirement	4	2	1	46	7	4	3	6	116	113	55	358
Disability	4	—	—	—	5	—	—	—	65	23	15	—
Death	5	—	—	1	—	—	—	—	78	—	2	3
Totals	13	2	1	47	12	4	3	6	259	136	72	361
1958—												
Normal retirement	5	4	1	27	6	8	—	4	115	109	56	381
Disability	2	—	—	—	5	2	1	—	62	21	14	—
Death	3	—	—	—	1	—	—	1	80	—	2	2
Totals	10	4	1	27	12	10	1	5	257	130	72	383
1959—												
Normal retirement	4	3	1	49	5	8	—	6	114	104	57	424
Disability	—	—	—	—	3	—	1	—	59	21	13	—
Death	1	—	—	—	2	—	—	—	79	—	2	2
Totals	5	3	1	49	10	8	1	6	252	125	72	426
1960—												
Normal retirement	10	7	2	45	4	8	—	5	120	103	59	464
Disability	—	—	—	—	—	2	—	—	59	19	13	—
Death	2	—	—	1	1	—	—	—	80	—	2	3
Totals	12	7	2	46	5	10	—	5	259	122	74	467
1961—												
Normal retirement	11	13	3	50	5	8	—	5	126	108	62	509
Disability	—	6	2	—	1	1	—	—	58	24	15	—
Death	—	—	5	1	3	—	—	—	77	—	7	4
Totals	11	19	10	51	9	9	—	5	261	132	84	513
1962—												
Normal retirement	13	7	3	59	8	3	3	2	131	112	62	566
Disability	—	3	—	—	3	1	—	—	55	26	15	—
Death	—	—	3	—	5	—	—	—	72	—	10	4
Totals	13	10	6	59	16	4	3	2	258	138	87	570
1963—												
Normal retirement	8	14	1	77	5	4	3	18	134	122	60	625
Disability	—	5	2	—	3	2	1	—	52	29	16	—
Death	—	—	7	2	3	—	—	—	69	—	17	6
Totals	8	19	10	79	11	6	4	18	255	151	93	631
1964—												
Normal retirement	9	8	1	75	8	5	5	8	135	125	56	692
Disability	—	4	2	—	6	1	2	—	46	32	16	—
Death	4	—	—	3	1	—	—	—	89	—	—	9
Totals	13	12	3	78	15	6	7	8	270	157	72	701

SCHEDULE No. 4.—TEACHERS' PENSIONS FUND

COMPARATIVE STATISTICS, JANUARY 1, 1948, TO DECEMBER 31, 1964,
SUBDIVIDED ACCORDING TO SEX OF CONTRIBUTOR

Fiscal Year	Number of Contributors		Number of Refunds Granted		Allowances					
					Number of Allowances Granted		Number of Deaths and Expirations		Number of Allowances in Force at End of Year	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
1948	2,135	4,012	111	444	25	19	11	4	236	334
Non-active	170	532	—	—	—	—	—	—	—	—
1949	2,385	4,260	71	362	21	25	5	8	252	351
Non-active	129	711	—	—	—	—	—	—	—	—
1950	2,724	4,561	52	359	24	25	5	13	271	363
Non-active	105	630	—	—	—	—	—	—	—	—
1951	2,976	4,605	85	412	25	29	6	10	289	383
Non-active	148	898	—	—	—	—	—	—	—	—
1952	3,159	4,856	70	376	28	36	9	9	308	410
Non-active	174	972	—	—	—	—	—	—	—	—
1953	3,384	5,260	59	469	27	12	10	22 ¹	325	400
Non-active	93	622	—	—	—	—	—	—	—	—
1954	3,668	5,593	54	436	27	17	10	18 ¹	342	399
Non-active	146	777	—	—	—	—	—	—	—	—
1955	4,055	5,954	76	478	28	23	14	9	357	412
Non-active ²	148	466	—	—	—	—	—	—	—	—
1956	4,397	6,474	93	500	21	26	9	17	369	421
Non-active ³	147	668	—	—	—	—	—	—	—	—
1957	4,305	6,022	103	501	23	40	12	13	383	445
Non-active ²	330	1,070	—	—	—	—	—	—	—	—
Non-active ³	201	801	—	—	—	—	—	—	—	—
1958	4,629	6,338	96	483	21	21	14	14	390	452
Non-active ²	330	1,305	—	—	—	—	—	—	—	—
Non-active ³	234	879	—	—	—	—	—	—	—	—
1959	4,982	6,640	103	524	19	39	12	13	397	478
Non-active ²	409	1,321	—	—	—	—	—	—	—	—
Non-active ³	169	810	—	—	—	—	—	—	—	—
1960	5,291	6,890	123	601	18	49	11	9	404	518
Non-active ²	473	1,407	—	—	—	—	—	—	—	—
Non-active ³	233	1,036	—	—	—	—	—	—	—	—
1961	5,638	7,206	131	636	30	61	9	14	425	565
Non-active ²	479	1,341	—	—	—	—	—	—	—	—
Non-active ³	325	1,321	—	—	—	—	—	—	—	—
1962	5,998	7,613	166	691	25	63	12	13	438	615
Non-active ²	490	1,264	—	—	—	—	—	—	—	—
Non-active ³	422	1,594	—	—	—	—	—	—	—	—
1963	6,446	8,027	199	729	39	77	16	23	461	669
Non-active ²	493	1,255	—	—	—	—	—	—	—	—
Non-active ³	222	1,034	—	—	—	—	—	—	—	—
1964	6,706	8,510	258	800	29	77	20	16	470	730
Non-active ²	610	1,195	—	—	—	—	—	—	—	—
Non-active ³	293	1,122	—	—	—	—	—	—	—	—

¹ Expirations include allowances rescinded: 1953, 13; 1954, 1.² Non-active open accounts of teachers out of service less than two years.³ Non-active open accounts of teachers out of service more than two years.

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1966