PROVINCE OF BRITISH COLUMBIA

Twenty-eighth Annual Report

of the Business Done in Pursuance of the

Teachers' Pensions Act

for the Year Ended

DECEMBER 31

1968

Printed by A. SUTTON, Printer to the Queen's Most Excellent Majesty
in right of the Province of British Columbia.
1970

To Colonel the Honourable JOHN R. NICHOLSON, P.C., O.B.E., Q.C., LL.D.,
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 fiscal year ended December 31, 1968.

WESLEY D. BLACK,
Provincial Secretary.

Provincial Secretary's Office,
Victoria, British Columbia, December 30, 1969.

The Honourable Wesley D. Black,
Provincial Secretary, Victoria, British Columbia.

SIR,—I have the honour to lay before you the Report of the business done in pursuance of the *Teachers' Pensions Act* during the fiscal year ended December 31, 1968.

I have the honour to be,

Sir,

Your obedient servant,

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

December 30, 1969.

TEACHERS' PENSIONS ACT

ANNUAL REPORT

Report of the Business Done in Pursuance of the Teachers' Pensions Act during the Period January 1, 1968, to December 31, 1968

Sections 6 and 7.—Contributions received from teachers totalled $8,301,880, consisting of basic contributions of $7,726,366, extra and voluntary contributions of $516,253, individual repayment of refunds for reinstatement of $23,262, and individual contributions for approved periods of leave of absence of $35,999.

As at December 31, 1968, there were 20,649 teachers making current contributions, of whom 122 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	2,687
Teachers with deferred vested pension rights	216
	2,903
Teachers out of service more than two years	2,128

Section 8 (1).—Employer basic contributions received from the Minister of Finance based on 18,876 teachers contributing in December, 1967, amounted to $5,309,080.

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 $61,126. As at December 31, 1968, there were 122 teachers in this category.

Section 8 (5) and (6).—The net rate of interest earned during 1968 after charging administration expenses was 5.59 per cent.

After distributing interest for 1968, to the Basic Account at the guaranteed rate of 4 per cent, amounting to $4,335,051, and to the Retirement Annuity Account at the net earned rate of 5.59 per cent, amounting to $1,518,274, the balance of interest earned during 1968, amounting to $1,821,363, was transferred to the Interest Reserve Account.

As of December 31, 1968, the balance in the Interest Reserve Account was transferred into the Basic Account. A statement of the Interest Reserve Account is shown below:—

Balance at credit, January 1, 1968		$1,727,904
Interest earned during 1968 over minimum statutory requirements		1,821,363
		$3,549,267
Charges during year under section 8 (*b*)—		
Portion of monthly medical premiums in respect of eligible pensioners, amounting to $2.25 in the case of a single member or $4 in the case of a member with dependents	$38,336	
Transferred to the Basic Account toward providing the benefits under the Act, as determined by the Fund actuary	3,510,931	
		3,549,267
Balance at credit, December 31, 1968		*Nil*

Section 8 (7).—Reimbursement to employers of Canada Pension Plan employer contributions paid by them, in respect of employees to whom the *Teachers' Pensions Act* applies, amounted to $1,675,357.

Section 11.—Superannuation allowances were granted 190 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 11 teachers who died while still in service, and refunds totalling $61,576 were made in the case of 25 teachers who died while still in service.

Section 16.—Refunds totalling $1,414,669 were made to 1,516 teachers who left the service of their employers.

Section 12 of the Teachers' Pensions (Amendment) Act, 1968.—During the period August to December, 1968, refunds totalling $128,280 were made in respect of 196 active teachers who applied under this section. The refunds consisted of extra compulsory contributions made during the period January 1, 1961, to June 30, 1968.

Section 20. — Actuarial and administration expenses paid from the Fund amounted to $128,473.

Section 25.—The securities held by the trustees on December 31, 1968, are set out in Schedule No. 1 of this Report. During the year $20,882,000 par value bonds were purchased, the average yield being 7.13 per cent, and $7,934,100 par value bonds were redeemed, resulting in a net increase of $12,947,900 par value bonds held by the trustees between December 31, 1967, and December 31, 1968. 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 the Teachers' Pensions Board held two meetings, during which 147 cases were dealt with in accord with Board policy, in respect to: Reinstatement of previous teaching service; the granting of disability allowances; the recognition of a period of military service, pursuant to section 10 (*d*), and the approval, or rejection, of applications to pay employee-employer contributions for periods of absence in order that such absence would be countable for pension purposes. Approval was also granted to the inclusion of the British Columbia Hydro and Power Authority as an approved employer under section 11 (3) (*c*) of the *Teachers' Pensions Act.*

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

TEACHERS' PENSIONS FUND

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED DECEMBER 31, 1968

Revenue

Contributions per requirements of the *Teachers' Pensions Act*—			
Employee contributions—			
Basic contributions	$7,726,366		
Extra and voluntary contributions	516,253		
Repayment of refunds for reinstatement	23,262		
Contributions for approved periods of leave of absence	35,999		
		$8,301,880	
Employer contributions—			
Basic contributions	$5,309,080		
Contributions paid by employers other than school districts for teachers on loan, etc.	61,126		
		5,370,206	
Interest—			
Net on investments	$7,801,189		
On bank deposits	1,681		
		7,802,870	
			$21,474,956

Expenditure

Superannuation allowance payments		$4,842,058	
Refund of contributions—			
Resignation, etc.	$1,414,669		
Death in service	61,576		
Extra contributions pursuant to section 12 of *Teachers' Pensions (Amendment) Act, 1968*	128,280		
Miscellaneous — contributions in error, etc.	797		
		1,605,322	
Transfer to Civil Service Superannuation Fund of present value of seven allowances granted		204,122	
Portion of medical premiums in respect of eligible recipients of a superannuation allowance		38,336	
Reimbursement to employers of Canada Pension Plan employer contributions paid by them in respect of employees to whom the *Teachers' Pensions Act* applies		1,675,357	
Actuarial and administration expenses		128,473	
			8,493,668
Net increase of ledger assets			$12,981,288

TEACHERS' PENSIONS FUND

BALANCE-SHEET AS AT DECEMBER 31, 1968

Assets

Cash in bank		$70,205
Accounts receivable—		
Employee contributions, etc.	$871,947	
Employer contributions	7,104	
		879,051
Investments at cost or par—net after amortization of discounts (*see* Schedule No. 1) (par value, $148,294,150)		145,102,674
Accrued interest on investments		1,808,318
		$147,860,248

Liabilities

Teachers' Pensions Fund Basic Account	$119,588,950
Employees' Retirement Annuity Account	27,974,405
Sundry accounts payable	296,893
	$147,860,248

Approved.

W. H. FORREST,
Superannuation Commissioner.

G. S. SOUTAR,
Accountant.

The accounts of the Teachers' Pensions Fund for the year ended December 31, 1968, have been examined under my direction.

The *Teachers' Pensions Act* provides for an actuarial valuation of the Fund every three years. The last such valuation was made in an actuarial report dated March 12, 1969. Neither the books of the Fund nor the above balance-sheet reflect computations of the kind made by an actuary in preparing his report.

Subject to the above, the balance-sheet as at December 31, 1968, 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 me and as shown by the books of the Fund.

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

Victoria, British Columbia, December 30, 1969.

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, 1968

	Par Value	Book Value
Government of Canada guaranty — Canadian National Railway Company	$50,000	$49,713
Province of British Columbia guaranty—		
British Columbia Hydro and Power Authority	75,649,000	74,221,269
British Columbia Electric Company	1,450,750	1,359,164
British Columbia Power Commission	6,256,000	6,202,109
Pacific Great Eastern Railway	5,336,000	5,245,091
Greater Vancouver Water District	1,528,000	1,524,383
Greater Vancouver Sewerage and Drainage District	980,000	979,758
Vancouver and District Joint Sewerage and Drainage Board	19,000	19,000
British Columbia school districts serials	28,306,400	27,252,551
British Columbia School Districts Capital Financing Authority serials	5,983,000	5,932,117
British Columbia School Districts Capital Financing Authority	17,287,000	16,997,242
British Columbia municipal serials	2,090,000	2,008,916
Nechako Improvement District serial	802,000	794,381
British Columbia hospital improvement districts serials	1,167,000	1,153,424
British Columbia irrigation districts serials	319,000	315,500
Saltair Water Works District	28,000	27,524
Greater Vancouver Water District serial	500,000	483,000
Greater Vancouver Sewerage and Drainage District serial	529,000	523,789
Province of Alberta guaranty — Alberta Municipal Financing Corporation	14,000	13,743
	$148,294,150	$145,102,674

SCHEDULE No. 2.—TEACHERS' PENSIONS FUND

MAIN COMPARATIVE STATISTICS, JANUARY 1, 1941, to DECEMBER 31, 1968

Fiscal Year	Number of Contributors at End of Fiscal Year	Contributions			Employer C.P.P. Abatements	Withdrawals		Allowances			
		Employer, Including Sec. 4 to 1959	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	591,966	317,305	$64,170	.....	272	62,590	39	10	397	190,496
1945	4,609	656,777	369,607	75,958	.....	489	93,984	57	13	463	225,230
1947	5,942	869,302	525,893	108,538	.....	622	125,937	57	14	541	273,593
1949	6,645	1,131,057	677,367	147,537	.....	433	115,542	46	13	603	319,158
1951	7,581	1,413,943	908,236	189,091	.....	497	134,231	54	16	672	440,312
1953	8,644	1,650,635	1,384,581	262,420	.....	528	165,874	39	32	725	752,134
1955	10,009	2,031,862	1,749,336	328,681	.....	554	208,845	51	23	769	848,082
1957	10,327 1,400[1] 1,002[2]	2,611,895	2,243,943	425,782	.....	604	299,930	63	25	828	939,787
1959	11,622 1,730[1] 973[2]	3,341,764	3,170,828	593,735	.....	627	367,236	58	25	875	1,191,586
1961	12,844 1,820[1] 1,646[2]	3,435,686	4,539,264	.....	.....	767	513,719	91	23	990	1,866,428
1963	14,473 1,748[1] 1,256[2]	3,844,244	5,262,358	.....	.....	928	728,689	116	39	1,130	2,088,061
1964	15,216 1,805[1] 1,415[2]	4,083,014	5,745,580	.....	.....	1,058	890,882	106	36	1,200	2,285,112
1965	16,143 1,846[1] 1,745[2]	4,287,785	6,417,059	.....	.....	1,191	1,022,385	125	36	1,289	2,476,242
1966	17,462 2,118[1] 1,696[2]	4,556,024	6,093,197	.....	$1,353,095	1,122	1,161,569	203	31	1,461	3,193,632
1967	18,994 2,586[1] 1,814[2]	4,937,996	7,178,000	.....	1,503,260	1,214	1,203,347	185	42	1,604	3,965,122
1968	20,649 2,903[1] 2,128[2]	5,369,104	8,302,982	.....	1,675,357	1,541 196[3]	1,477,042 128,280[3]	207	40	1,771	4,842,058

[1] Non-active open accounts of teachers who have been out of service less than two years.
[2] Non-active open accounts of teachers who have been out of service over two years.
[3] Refund of extra compulsory contributions under section 12 of *Teachers' Pensions (Amendment) Act, 1968.*

SCHEDULE No. 3.—TEACHERS' PENSIONS FUND

COMPARATIVE STATISTICS, JANUARY 1, 1959, TO DECEMBER 31, 1968, 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
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
1965—												
Normal retirement	10	9	4	93	8	5	----	11	137	129	60	774
Disability	----	3	2	----	2	2	1	----	44	33	17	----
Death	3	----	----	1	6	----	----	1	86	----	----	9
Totals	13	12	6	94	16	7	1	12	267	162	77	783
1966—												
Normal retirement	7	35	5	144	6	3	5	12	138	161	60	906
Disability	----	6	----	----	1	3	1	----	43	36	16	----
Death	3	----	----	3	----	----	----	----	89	----	----	12
Totals	10	41	5	147	7	6	6	12	270	197	76	918
1967—												
Normal retirement	2	30	2	138	12	5	1	16	128	186	61	1,028
Disability	----	3	1	----	4	2	----	----	39	37	17	----
Death	----	----	7	2	1	----	1	----	88	----	6	14
Totals	2	33	10	140	17	7	2	16	255	223	84	1,042
1968—												
Normal retirement	2	54	10	124	9	8	2	13	121	232	69	1,139
Disability	1	4	1	----	2	3	----	----	38	38	18	----
Death	----	----	5	6	2	----	1	----	86	----	10	20
Totals	3	58	16	130	13	11	3	13	245	270	97	1,159

SCHEDULE No. 4.—TEACHERS' PENSIONS FUND

COMPARATIVE STATISTICS, JANUARY 1, 1957, TO DECEMCER 31, 1968, 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
1957	4,305	6,022	103	501	23	40	12	13	383	445
Non-active[1]	330	1,070	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	201	801	-----	-----	-----	-----	-----	-----	-----	-----
1958	4,629	6,338	96	483	21	21	14	14	390	452
Non-active[1]	330	1,305	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	234	879	-----	-----	-----	-----	-----	-----	-----	-----
1959	4,982	6,640	103	524	19	39	12	13	397	478
Non-active[1]	409	1,321	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	169	810	-----	-----	-----	-----	-----	-----	-----	-----
1960	5,291	6,890	123	601	18	49	11	9	404	518
Non-active[1]	473	1,407	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	233	1,036	-----	-----	-----	-----	-----	-----	-----	-----
1961	5,638	7,206	131	636	30	61	9	14	425	565
Non-active[1]	479	1,341	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	325	1,321	-----	-----	-----	-----	-----	-----	-----	-----
1962	5,998	7,613	166	691	25	63	12	13	438	615
Non-active[1]	490	1,264	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	422	1,594	-----	-----	-----	-----	-----	-----	-----	-----
1963	6,446	8,027	199	729	39	77	16	23	461	669
Non-active[1]	493	1,255	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	222	1,034	-----	-----	-----	-----	-----	-----	-----	-----
1964	6,706	8,510	258	800	29	77	20	16	470	730
Non-active[1]	610	1,195	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	293	1,122	-----	-----	-----	-----	-----	-----	-----	-----
1965	7,123	9,020	261	930	33	92	16	20	487	802
Non-active[1]	607	1,239	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	323	1,422	-----	-----	-----	-----	-----	-----	-----	-----
1966	7,673	9,789	271	851	64	139	15	16	536	925
Non-active[1]	604	1,514	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	355	1,341	-----	-----	-----	-----	-----	-----	-----	-----
1967	8,329	10,665	316	898	73	112	8	34	601	1,003
Non-active[1]	704	1,882	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	404	1,410	-----	-----	-----	-----	-----	-----	-----	-----
1968	9,163	11,486	520	1,217	80	127	14	26	667	1,104
Non-active[1]	802	2,101	-----	-----	-----	-----	-----	-----	-----	-----
Non-active[2]	317	1,811	-----	-----	-----	-----	-----	-----	-----	-----

[1] Non-active open accounts of teachers who have been out of service less than two years.
[2] Non-active open accounts of teachers who have been out of service over two years.

Printed by A. SUTTON, Printer to the Queen's Most Excellent Majesty
in right of the Province of British Columbia.
1970