

1937.
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, 1937. The Revenue Account, Balance-sheet, and statements in connection therewith will be found appended.

The income for the year exceeded the expenditure by £3,866 14s.

Members' Contributions.—The income under this heading showed an increase of £15,500 0s. 1d. The number of contributors at 5 and 6 per cent. increased by 1,389 and 10, while contributors at 3, 4, 7, and 8 per cent. decreased by 64, 7, 8, and 1 respectively. The increase in amount of contributions is due to the restoration of salary and wages and to a large number of appointments to the permanent staff.

Contingent Contributors.—During the year 296 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 469, and the amount standing to their credit £15,624 8s. 5d.

Subsidy.—In addition to the sum of £170,000 paid into the fund by the Working Railways Department, a subsidy of £65,000 was received from the Treasury in accordance with the provisions of section 17 of Finance Act (No. 2), 1934.

Interest.—The interest earned amounted to £64,610 17s. 6d., a decrease of £1,266 6s. 7d. 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, 1937, was 4·415 per cent., and the average rate earned on the mean funds for the year 5·259 per cent., as against 4·577 per cent. and 5·484 per cent. respectively for the previous year.

Life Allowances.—The expenditure on account of life allowances to members amounted to £420,208 14s. 3d., an increase of £639 5s. 7d. as compared with the figures for the previous year. Year ended 31st March, 1936, showed a decrease under this heading of £2,908 3s. 2d. The increased expenditure on account of life allowances is mainly due to the actuarial revaluation of the allowances of 108 members who were retired under the provisions of section 14 of the Finance Act, 1931. As from 1st April, 1937, the additional amount involved by the revaluation is being met by the Working Railways Department. Table A, Statement of Allowances, shows that the average amount of the eighty-seven allowances granted during the year was £139 10s. 2d. and the average amount of ninety-one allowances discontinued was £144 10s. 8d.

Allowances to Widows and Children.—The expenditure under the heading of allowances to widows and children showed a decrease of £410 6s. 10d. The sum of £12,704 6s. 9d. 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 £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, 1937, there were 2,310 members, 634 widows, and 326 children, making a total of 3,270 persons actually on the fund, involving an annual liability of £437,986 18s. 10d.

D. G. SULLIVAN,
Chairman, Government Railways Superannuation
Fund Board.

TABLE A.—STATEMENT OF ALLOWANCES FOR THE YEAR ENDED 31ST MARCH, 1937.

	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.	Num- ber.	Annual Amount, at £31 per Annum.	Number.		Annual Amount, at £26 per Annum.	Number.		Annual Amount.
	M.	F.		M.	F.				M.	F.		M.	F.	
			£ s. d.			£ s. d.		£ s. d.	M.	F.	£ s. d.	M.	F.	£ s. d.
Retiring and other allowances—														
Existing at beginning of year ..	1,776	1	1,777 355 407 7 1	537	..	537 64 391 15 2	631	19,561 0 0	177	186	9,438 0 0	2,490	818 3,308	448,798 2 3
Granted during year ..	..	50	.. 7,780 10 0	37	..	.. 4,356 12 0	23	868 0 0	17	16	33 858 0 0	104	44 148	13,863 2 0
Total ..	1,826	1	1,827 363 187 17 1	574	..	574 68 748 7 2	659	20,429 0 0	194	202	396 10 290 0 0	2,594	862 3,456	462,661 4 3
Discontinued during year ..	74	..	74 11,126 4 6	17	..	.. 2,026 8 11	25	775 0 0	40	30	70 1,820 0 0	131	55 186	15,747 13 5
Increased allowances granted under provisions of section 27, Statutes Amendment Act, 1936, to 108 members who were retired under provisions of section 14, Finance Act, 1931	1,752	1	1,753 352,061 12 7	557	..	557 66,721 18 3	634	19,654 0 0	154	172	326 8,476 0 0	2,463	807 3,270	446,913 10 10
Existing at end of year ..	1,752	1	1,753 355,615 0 7	557	..	557 66,721 18 3	634	19,654 0 0	154	172	326 8,476 0 0	2,463	807 3,270	450,466 18 10

Particulars of Retiring and other Allowances discontinued during the Year.

How discontinued—														
By death ..	74	..	74 11,126 4 6	17	..	17 2,026 8 11	14	434 0 0	..	..	..	91	14 105	13,586 13 5
By expiry ..	..	..	.. ..	..	..	.. ..	11	341 0 0	40	30	70 1,820 0 0	40	41 81	2,161 0 0
Total ..	74	..	74 11,126 4 6	17	..	17 2,026 8 11	25	775 0 0	40	30	70 1,820 0 0	131	55 186	15,747 13 5

Progress of Retiring and other Allowances since Establishment of the Fund to 31st March, 1937.

Total granted*†	3,229	2	3,231 523,667 13 2	919	1	920 98,750 0 3	1,035	29,485 0 0	921	915	1,836 38,727 0 0	5,069	1953 7,022	690,629 13 5
Total discontinued*	1,477	1	1,478 168,052 12 7	362	1	363 32,028 2 0	401	9,831 0 0	767	743	1,510 30,251 0 0	2,606	1146 3,752	240,162 14 7
Total existing at 31st March, 1937..	1,752	1	1,753 355,615 0 7	557	..	557 66,721 18 3	634	19,654 0 0	154	172	326 8,476 0 0	2,463	807 3,270	450,466 18 10

Less amount receivable from the Working Railways Account on account of increased payments to widows and children ..	..	..	.. ..	..	..	.. ..	..	.. ..	..	..	.. ..	..	..	12,480 0 0
														£437,986 18 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 184 allowances totalling £15,620 11s. per annum granted under section 14, Finance Act, 1931. Of these allowances, 108 were, as provided for by section 27, Statutes Amendment Act, 1936, increased by £3,553 8s.

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	1,405	39	8,949	1,328	219	9	5	11,954
New contributors during year ..	..	..	1,554	45	6	1	..	1,606
Total	1,405	39	10,503	1,373	225	10	5	13,560
Contributors discontinued during year	64	7	165	35	14	2	..	287
Total contributors at 31st March, 1937	1,341	32	10,338	1,338	211	8	5	13,273

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
1936 .. .. .	..	..	..	..	1,246,984	7	11	14,637	7	0
1937 .. .. .	..	..	..	..	1,250,860	10	2	13,863	2	0
1937 (increased allowances, section 27, Statutes Amendment Act, 1936 .. .. .	..	..	..	..	..	..	..	3,553	8	0
					£	s.	d.	690,629	13	5
Less members died, &c. .. .. .	..	..	..	..	240,162	14	7			
Less liability of Working Railways Account on account increased payments to widows and children .. .. .	..	..	..	..	12,480	0	0	252,642	14	7
Annual liability at 31st March, 1937 .. .. .	..	..	..	..				£437,986	18	10

TABLE D.—STATEMENT OF INVESTMENTS.

Funds invested at 31st March.						1937.		1936.	
						£	s. d.	£	s. d.
At	per cent.	..	..	..	..	..	..	..	..
„ 3·375	„	..	..	..	..	25,000	0 0	25,000	0 0
„ 3·5	„	..	..	..	..	81,838	2 5	13,121	7 6
„ 4	„	..	..	..	..	227,145	10 0	232,145	10 0
„ 4·25	„	..	..	..	..	290,457	10 11	188,120	1 3
„ 4·4	„	..	..	..	..	335	0 0	335	0 0
„ 4·5	„	..	..	..	..	189,255	19 9	117,354	11 2
„ 5·0	„	..	..	..	..	382,989	3 11	576,038	7 10
„ 5·2	„	..	..	..	..	..	..	90	0 0
„ 6·0	„	..	..	..	..	1,842	5 0	3,255	5 0
Cash in hand	..	..	..	..	..	35,711	5 4	68,272	12 6
						1,234,574	17 4	1,223,732	15 3

Average rate of interest on securities held at 31st March	Per Cent.	4·415	Per Cent.	4·577
Average rate of interest earned on the mean funds, including reimbursements made by the Treasury in respect of reduction of interest	..	5·259	..	5·484

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

Receipts and Payments Account for the Year ended 31st March, 1937.

Receipts.			Payments.		
Dr.	£	s. d.	Cr.	£	s. d.
Balance in hands of Public Trustee on 31st March, 1936	30,785	14 6	Retiring-allowances paid to members	419,552	14 0
Contributions by staff	155,798	8 6	Allowances to widows and children	28,558	11 8
Contributions by contingent contributors	5,463	11 6	Contributions refunded to members who have left the Service	14,273	13 9
Fines	111	15 0	Contributions refunded to contingent members who have left the Service	1,614	2 6
Working Railways Account—			Rebates of contributions	218	4 10
Subsidy	170,000	0 0	Refund to legal representatives of deceased beneficiaries under section 120 (c) of Government Railways Act, 1926	1,041	7 3
Increased allowances to widows and children	12,748	16 9	Contributions transferred to other funds	245	5 2
Cost-of-living bonus to annuitants	1,802	14 9	Travelling-expenses of Board members	74	2 6
Subsidies from—			Public Trust charges (legal costs)	20	13 7
New Zealand Railway Officers' Institute	26	8 4	Public Trust commission	1,583	5 0
Railway Tradesmen's Association	21	9 10	Audit Office fee	50	0 0
New Zealand Engine-drivers, Firemen, and Cleaners' Association	31	15 3	Insurance premiums (recoverable)	2	3 6
Consolidated Fund	65,000	0 0	Salaries	1,290	15 5
Interest—			Postage	197	11 0
Investments	56,997	7 6	Printing and stationery	37	9 2
Treasury Department	11,362	0 0	Cost-of-living bonus to annuitants	1,791	4 5
	68,359	7 6	Investments	10,842	2 1
Rates and fees (recovered)	130	0 8	Balance in hands of Public Trustee at 31st March, 1937	28,933	15 7
Commission on collection of Government Life Insurance premiums	46	18 10			
	£510,327	1 5		£510,327	1 5

STATEMENT OF ACCOUNTS, ETC.—continued.
Revenue Account for the Year ended 31st March, 1937.

EXPENDITURE.	1936-37.			1935-36.			INCOME.			1936-37.			1935-36.		
	£	s.	d.	£	s.	d.				£	s.	d.	£	s.	d.
Retiring-allowances to members ..	420,208	14	3	419,569	8	8	Members' contributions ..	..	..	156,324	17	0	142,098	14	2
Allowances to widows and children ..	28,618	7	5	29,028	14	3	Members' contributions on account of casual service ..	..	..	4,011	7	11	2,737	10	8
Refund of total contributions ..	14,120	10	0	14,863	2	5	Fines ..	..	..	107	15	0	139	5	0
Refund of contributions in excess of allowance drawn by deceased beneficiaries ..	1,041	7	3	624	14	5	Subsidies—	..	..	..	..	..	..	..	..
Transfers to other funds ..	..	..	..	..	..	..	Consolidated Fund ..	..	..	65,000	0	0	82,200	0	0
Reserve for bad and doubtful debts ..	..	..	..	..	..	..	Working Railways ..	..	..	170,000	0	0	170,000	0	0
Cost of actuarial investigation of the fund ..	1,368	3	7	1,086	7	3	Working Railways, on account of increased allowances to widows and children ..	..	..	12,704	6	9	12,962	18	9
Administration charges—	380	0	0	..	..	..	New Zealand Railway Officers' Institute ..	..	..	..	..	..	..	..	..
Travelling-expenses of Board members ..	74	2	6	78	17	0	New Zealand Railway Tradesmen's Association ..	..	..	17	18	10	13	3	9
Public Trust Office commission ..	1,367	8	3	1,519	13	5	New Zealand Engine-drivers, Firemen, and Cleaners' Association ..	..	..	21	15	0	23	19	0
Public Trust charges (legal costs) ..	21	18	1	24	18	6	Interest—	..	..	32	2	8	32	19	8
Audit Office fee ..	..	..	..	..	..	..	Investments ..	..	..	..	..	..	..	..	..
Salaries ..	50	0	0	50	0	0	Treasury Department ..	..	..	..	..	..	..	..	..
Postages ..	1,290	15	5	1,177	14	2	Premium on securities converted ..	..	..	64,610	17	6	65,877	4	1
Printing and stationery ..	197	11	0	151	18	11	Commission on Government Life Insurance collections ..	..	..	..	..	..	..	..	..
Balance carried down, being excess of income over expenditure for the year ..	37	9	2	45	9	2				46	18	10	5	5	9
	3,866	14	0	7,306	8	10				..	..	..	47	15	4
	472,877	19	6	476,138	16	2				472,877	19	6	476,138	16	2
Amounts previously written off now claimed: Refund of contributions ..	..	..	..	27	5	11	Accumulated funds brought forward on 1st April ..	..	..	1,246,984	7	11	1,239,705	5	0
Balance accumulated funds as at 31st March ..	1,250,860	10	2	1,246,984	7	11	Balance brought down ..	..	..	3,866	14	0	7,306	8	10
	1,250,860	10	2	1,247,011	13	10	Amounts unclaimed written off—	..	..	..	..	..	..	..	..
							Life allowances ..	..	..	4	18	5	..	..	..
							Widows' allowances ..	..	..	3	1	5	..	..	..
							Refund of contributions ..	..	..	1	8	5	..	..	..
	1,250,860	10	2	1,247,011	13	10				1,250,860	10	2	1,247,011	13	10

STATEMENT OF ACCOUNTS, ETC.—continued.
Balance-sheet as at 31st March, 1937.

LIABILITIES.	1936-37.			1935-36.			ASSETS.			1936-37.			1935-36.			
	£	s.	d.	£	s.	d.	Investment Account—	£	s.	d.	£	s.	d.	£	s.	d.
Accumulated funds as per Revenue Account	1,250,860	10	2	Investments	..	..	..	1,198,863	12	0	..	..	..
Casual employees' contingent contributions	15,624	8	5	Cash in hand	..	..	..	35,711	5	4	..	..	..
Retiring and other allowances due (not paid)—	Current Account—	..	..	..	..	..	..	1,234,574	17	4
Members	859	18	2	Cash in hand	..	..	..	..	..	..	28,933	15	7
Widows and children	138	3	3	Contributions and fines in transit	..	..	..	..	..	..	14,831	13	8
Refund of contributions authorized (not paid)	218	1	8	Contributions outstanding	..	..	..	..	..	..	629	7	7
Transfers to other funds authorized (not paid)	18	14	1	Contributions due by members in respect of casual service	..	..	..	..	..	..	4,225	12	10
Interest paid in advance	228	4	6	Working Railways—	..	..	..	..	..	..	..	..	..
Public Trust Office	1,006	7	3	On account of cost-of-living bonus	..	..	..	..	..	..	144	4	8
Reserve for bad and doubtful debts	6,000	0	0	On account of additional allowance to widows and children	..	..	..	..	..	..	988	13	4
Rebates of contributions (National Expenditure Adjustment Act, 1932)	41,941	14	8	Interest due not paid	..	..	..	..	..	..	19,852	16	2
Subsidy paid in advance..	Interest accrued but not due	..	..	..	..	..	..	12,953	5	4
Sundry creditors	380	0	0	Rates and fees paid	..	..	..	..	..	..	114	5	7
				Insurance premiums	..	..	..	..	..	..	27	3	11
				Sundry debtors	..	..	..	..	..	..	0	6	2
				1,317,276	2	2								1,317,276	2	2
				1,310,263	5	11								1,310,263	5	11

W. BISHOP,
Chief Accountant, New Zealand Railways.

D. G. SULLIVAN,
Chairman of the Government Railways
Superannuation Fund Board.

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.—J. H. FOWLER, Controller and Auditor-General.

LIFE ALLOWANCES GRANTED, YEAR ENDED 31ST MARCH, 1937.

Name.	Amount.	Name.	Amount.	Name.	Amount.
£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Adams, W. C. ..	62 12 0	Hessell, W. P. ..	72 9 0	Parker, W. J. ..	85 12 0
Aitken, J. ..	125 13 0	Hill, R. W. ..	121 13 0	Peek, B. C. ..	179 4 0
Bamford, H. L. ..	117 3 0	Hoare, A. E. ..	41 4 0	Petherick, A. L. R. ..	181 19 0
Barrett, W. ..	141 17 0	Hoare, E. J. ..	146 9 0	Pickett, T. H. G. ..	141 7 0
Blake, N. ..	70 19 0	Hodder, A. ..	150 12 0	Poulter, W. B. ..	43 8 0
Brass, C. P. H. ..	135 18 0	Honeyfield, N. L. ..	151 15 0	Pullar, Wm. ..	187 2 0
Brown, J. M. ..	224 15 0	Johnson, H. ..	167 9 0	Quinn, P. W. ..	213 3 0
Brown, Wm. ..	140 10 0	Knowles, T. W. F. ..	187 16 0	Rae, J. C. ..	184 15 0
Brown, W. N. ..	149 5 0	Lear, E. ..	113 6 0	Reid, W. E. ..	130 12 0
Burgess, W. W. ..	101 18 0	Le Comte, J. ..	95 14 0	Richards, F. ..	128 14 0
Chapman, J. ..	118 7 0	Lee, G. H. ..	145 16 0	Rillstone, A. ..	184 8 0
Chesterman, W. O. ..	225 16 0	Lee, J. H. ..	61 12 0	Rosoman, J. E. ..	136 15 0
Clark, C. D. ..	141 6 0	Ludlow, F. C. ..	71 17 0	Selkirk, W. ..	154 6 0
Clark, H. W. ..	103 0 0	Lynch, M. ..	102 2 0	Shuffill, E. ..	194 9 0
Cook, J. ..	257 13 0	Machen, J. W. ..	147 13 0	Shute, G. E. ..	180 8 0
Everett, H. F. ..	64 5 0	Madden, J. ..	125 10 0	Snell, W. J. ..	208 15 0
Ewbank, E. ..	75 15 0	Mark, D. B. ..	206 3 0	Stalker, M. A. ..	136 16 0
Fitzgerald, M. ..	137 13 0	Meehan, H. ..	105 9 0	Stanton, J. ..	59 7 0
Foster, R. ..	129 6 0	Meehan, T. M. ..	101 14 0	Stark, O. ..	143 0 0
Galbraith, J. P. ..	124 13 0	Milne, F. R. ..	180 17 0	Staunton, W. J. ..	207 9 0
Gentle, A. ..	65 3 0	Morrison, G. ..	129 4 0	Story, R. F. ..	114 6 0
Geraghty, L. ..	150 3 0	McBride, W. F. ..	126 2 0	Stringleman, E. S. ..	224 15 0
Gick, R. L. ..	121 7 0	McCallum, W. A. ..	168 3 0	Sullivan, M. ..	111 2 0
Gillespie, Wm. ..	219 7 0	McDonald, R. ..	150 18 0	Toner, W. ..	165 4 0
Green, T. ..	168 1 0	McKay, D. C. ..	142 7 0	Tregear, E. N. ..	208 5 0
Gregory, E. L. ..	63 13 0	McMurchie, D. ..	231 19 0	Trounce, J. ..	126 15 0
Greig, R. ..	174 18 0	McNickel, A. W. ..	148 18 0	Turner, W. ..	105 3 0
Hawkins, L. W. ..	306 3 0	O'Brien, W. A. ..	121 4 0	Wallace, R. W. ..	76 17 0
Hesp, G. A. A. ..	128 1 0	O'Sullivan, P. ..	135 0 0	Young, I. A. ..	27 11 0

ALLOWANCES TO WIDOWS AND CHILDREN.

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

Adams, E. L., and one child.	Murphy, A. M., and one child.
Butler, L. E.	McGrail, K. H.
Driver, A. I., and four children.	Nolan, M., and two children.
Finlay, child of the late R. E.	O'Brien, N. A., and one child.
Gaskin, G.	O'Reilly, L. M., and two children.
Harding, S. C.	Osborne, A. R.
Hull, L.	Parsons, B., and two children.
King, S., and four children.	Pittaway, M. Y., and two children.
Loader, E. M. A.	Rich, J. L.
MacDonald, A. E. K., and one child.	Roach, I. A.
Mahoney, I. E., and three children.	Roche, I.
Mann, I. L.	Smith, K., and three children.
Milnes, child of the late W. G.	Smith, M.
Middleton, J. C., and one child.	Stent, W. M.
Moore, S. A., and three children.	Waters, A. E., and one child.

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