

110. With regard to clause 13, you got what you regarded as a satisfactory answer from Mr. Hogben. I should like you to let the Committee know what your doubts were about clause 13?—I was not at all clear that an original member who had given fifteen years or more service to the State would be able to retire on an annuity calculated at the same rate as though he had reached the retiring-age.

111. Will you explain that?—Suppose a teacher has twenty years' service and retires medically unfit he ought to be able to retire on a pension of £52, or upon an annuity calculated in the same way as though he had reached the retiring-age.

112. What was the answer you got?—Mr. Hogben satisfied me that that was so.

113. *Mr. T. Mackenzie.*] You will remember, Mr. Davidson, that when the No. 2 scale of staffs and salaries for teachers was submitted to Parliament, it was thought that the half-crown difference in the capitation allowance might go as a basis for a superannuation fund. You will perhaps have noticed now that the Government purpose increasing salaries this year by £25,000 or £26,000. If your suggested scheme—not the conference scheme—requires funds to supplement it, do you think the teachers would be prepared to give the whole or a portion of the contemplated increases of salary in order to make the superannuation fund stronger?—I think that the teachers as a body would be quite prepared to forego one year's increase of salary. I mean to say that if the amended Bill were brought into operation on the 1st January, 1907, instead of 1906, the £26,000 which would have formed the increases during the coming year should be placed to the credit of the superannuation fund. I think that would be acceptable to the great majority of the teachers.

114. *Mr. Hall.*] With regard to clause 14, there is provision made there that the whole of a person's contributions shall be returned without interest if that teacher retires voluntarily from the service before attaining pension-age. Do you not think it is sufficient for the teachers so retiring to sacrifice the interest on their contributions?—No, I do not. I think they might well leave a percentage of their contributions in the fund, particularly as the cost to the State of training and educating teachers is so very great now, and in the near future will be much greater.

115. With regard to the women teachers, do you not think that the sacrifice would be unequal, seeing that 85 per cent. of them would retire before coming to the pension-age? The money would go into the general fund, and the sacrifice would be unequal, seeing that only 15 per cent. of them would remain till they came to the age for receiving a pension?—If the sacrifice is not sufficient to meet the increased benefits given to the women, then the women lose nothing.

116. Then you would have two schemes?—No, but I say that if the sacrifice of leaving 25 per cent. of their contributions in the fund by women who retire before having given ten years' service—if the amount so sacrificed is not sufficient to make up for the additional benefit of allowing women to retire at an earlier age, then the men receive no benefit from that money. It is entirely the women.

117. *Hon. Sir W. J. Steward.*] I would like to ask you whether your suggestions for the modification of the scheme, or any suggestions like them, were laid before the teachers' conference at the time they made their recommendations?—No. I think we discussed the matter from many points of view. These very suggested modifications were discussed, but there was no definite decision arrived at regarding them. Our final decision is really embodied in the recommendations of the conference.

118. What I want to get at is this: your proposals were not specifically made to the teachers' conference and rejected, were they?—No.

119. I think that in answer to the Minister you gave us to understand that you had had the opportunity of consulting a number of teachers—in Otago, you said, did you not?—Yes, and also outside of Otago.

120. Have you any idea as to the views of teachers outside of your own education district on this subject?—Yes, I have heard the views of men in Southland, Otago, and South Canterbury.

121. Then you have reason to think that if we were able to adopt your suggestions the scheme as proposed to be amended by you, would meet with the approval of teachers generally throughout the colony?—That is so. That is my belief.

122. *Mr. Buddo.*] In drawing attention to some matters which you take exception to in the scheme, you stated that it was a good scheme for the new entrants, a good scheme for younger members of the profession generally, and a good scheme for female teachers of fifty and male teachers of fifty-five. Would you specifically state in what way the interests of those teachers between the two periods would be affected by the scheme?—Yes, Sir. I shall take the case of a man forty-five years of age with twenty years' service and receiving a salary of £200 a year. A man of sixty, when the Act came into operation, could retire immediately on £52 a year. The man of forty-five would require to pay contributions on his £200—£16 a year—for fifteen years. At the end of that time he would receive fifteen-sixtieths of £200, or, if the amount did not come to £52, he would simply receive £52. He would have paid £16 a year for fifteen years, and he would receive an annuity of £52, the same as the man who went out immediately on the coming into operation of the Act.

123. Do you consider this the weakest part of the scheme?—Certainly. I think it is the weakest part of the scheme.

124. Have you any proposal whereby that could be remedied?—I have given you the suggestion I have to make.

125. *Mr. Major.*] I think you realise that the question is first of all a financial one, and secondly, one of equitable adjustment, so far as the teachers are concerned?—That is so.

126. When Mr. Gill was giving evidence I think he said that so far as he was concerned, and so far as the knowledge he possessed led him to believe, the great majority of the teachers, in order to help the scheme financially, would be prepared, if the proposed advance in salaries was contemporaneous with the passing of this Act, to forego the increase in their salaries for a period of three years, say, for the purpose of strengthening the fund. Has that matter come under your knowledge, Mr. Davidson?