

were told that about £9,000, if you estimate there are 3,000 teachers on the fund at £3 each, would be required—annually, I understand now from Mr. Hogben; but for the first twenty-five years, if I am right in understanding it in that way, no contribution further than the £5,000 would be made.

151. No contribution would be required because the £32,000 a year coming in by way of payments from the teachers in the service would be more than sufficient to pay for the annuities of those going on the fund. That is the reason, and it would go on accumulating probably till the amount was three-quarters of a million. At the end of the twenty-five years the annuities paid out in the year would exceed the contributions coming in, and it would require this £3 per teacher then in the service to make it up. What I want to get at is this: I do not like this unlimited liability on the part of the State with reference to these funds. Do you think it would be satisfactory to the teachers if, instead of having that unlimited liability, we made an annual contribution of a given sum—say, £10,000 a year—to this scheme?—I certainly think it would be highly satisfactory.

152. You know the clause in the Bill providing that any deficiency is to be made up without further appropriation than this Act?—Just so.

153. It would be satisfactory to the teachers if we put in a proviso that on no account was this amount to be more than £10,000 a year?—Yes, I think so.

154. *Mr. Lewis.*] With regard to the case of a woman which you took at the beginning of your evidence—you took the case of a woman at forty-five years of age with thirty years' service?—With twenty-five years' service. She was forty-five, with twenty-five years' service—that is, supposing she had entered at twenty.

155. The case you took, I think, was that of a woman of forty-five with thirty years' service, and you presumed she became medically unfit at forty-nine. At all events, the main point is this: If she becomes medically unfit at forty-nine do you presume she has been contributing for four years?—Oh, yes.

156. *Mr. Ell.*] What is your reason for disagreeing with the suggestion made by Mr. Gill, that the contributions should be tied up for three years?—I think that teachers between the ages of sixty-five and seventy have been looking forward to the coming into operation of this Act, and if the scheme were tied up for three years it would delay the benefits that have been looked forward to. We feel that promotion is being blocked for the younger and middle-aged men by the older men not being able to retire, and I think it would be a pity to delay the coming into operation of the scheme for three years. But if it cannot be managed without delaying the scheme for three years, I shall be prepared to fall in with that view in order that this Bill may not be dropped.

157. That is, if that would be a means of improving the position of the teachers under the superannuation scheme, you think than the teachers as a whole would be prepared to accept the suggestion?—I should not like to say that, but I myself would be willing to accept it. I can only speak for myself on that point.

158. Can you give me any idea as to the number of teachers in the service between sixty-five and seventy years of age?—No. Mr. Hogben probably has that information at hand.

159. (To Mr. Hogben.) How many are there, Mr. Hogben?—There were twelve over sixty-five in 1903.

160. (To witness.) Well, that is a very small number of teachers. I think you yourself suggested in your evidence that they should not be allowed to retire at sixty, but should be required to continue to contribute till they were sixty-five?—That is why I asked for the number over sixty-five.

161. Well, now, what is the difference between compelling them to continue in the service till they are sixty-five and the suggestion Mr. Gill made?—What material difference is there?—There is this difference: those twelve aged men could retire at once. But so far as the men under sixty-five are concerned there is very little difference.

162. That is what occurred to me—that there is not much difference between Mr. Gill's suggestion and yours?—There is not much.

163. You do not suggest that the twelve would make any material difference in staying the course of promotion of twelve other men for a time?—It seems to me that it would be a very distinct hardship for these old men. They would probably be obliged to retire before the expiration of three years. If they are to be obliged to retire, then it is not in the interests of education that they should be allowed to remain in the service. And even for that small number I think it would be a pity if the scheme had to be delayed.

164. You recognise that we are dealing with a scheme that is here perhaps for all time—that it is a permanent scheme?—That is so.

165. *Mr. J. Allen.*] I would like to ask whether you can tell us the opinion of the teachers upon this point: You are aware that there is £26,000 proposed to be given in increases of salaries, and you are also aware that to make the scheme not actually actuarially sound, but comparatively actuarially sound, will cost £10,000 a year to the State for all time, I understand?—Might I ask the actuary whether I am right in understanding that for the first year £5,000 would be contributed by the State and for the next twenty-five years, at any rate, nothing would be contributed? Is that correct, Mr. Fox?

*Mr. Fox:* I read the Bill in the same way as you do; but I have nothing whatever to do with that point—what is in the Bill.

*The Chairman:* Let us get this matter made clear. You must understand, Mr. Davidson, that it is not a question of what is in the Bill or how the State is going to contribute the money. In order to make the scheme actuarially sound £10,000 a year ought to be contributed from the coming into operation of the scheme.

166. *Mr. J. Allen.*] My question is this: You are aware of the £26,000 proposed to be given in increased salaries; you are now aware of the charge of £10,000 annually upon the State in order to make this scheme, let me say, partially sound?—I accept that.