

at £52. The man who retires at sixty and gets his £52 will have received, certainly a tangible sum ; but the man who retires at forty is in a worse position. He pays for perhaps twenty years at a settled amount in order to get even that sum, and he is, as I say, in a worse position. Now, with regard to the financial aspect of the question, I have no specific in my waistcoat-pocket to enable you to make sixpences into ninepences ; but the financial aspect has not escaped the notice of teachers, and we recognise that there are generous proposals in the Bill. But there is this with regard to the matter : we think that the State's proposals with regard to a subsidy are absolutely necessary. I would say, or instance, that the Government is simply following the precedents of other countries in that respect. In Britain the teacher pays £3 in the case of a male and £2 in the case of a female, as the yearly contribution ; and the normal pension for a male teacher is £64 ; and he retires at sixty-five. The State pays 10s. as a subsidy to each of these amounts. I am simply quoting this as a precedent, and I would also quote as a precedent the fact that in Germany the sum of £420,993 is paid annually as a subsidy to teachers' pensions. I have my authority with me for that statement.

172. What is it—"The Making of Citizens" ?—Yes. I would also like to point out that a private company—the Union Steamship Company—the other day started a superannuation fund for its employees—about four hundred in number—and, as you know, the company gave £10,000 as a nucleus, with a guarantee of £1,000 a year for ten years. I think that if the State does subsidise this scheme it would prove the best investment the State could make, because it would tend to render the education system of the colony efficient. Among the many beneficent gifts of Mr. Carnegie, I do not know that there has been any better than his bequest of the other day, when he gave \$10,000,000 to the education systems of the United States, Canada, and Newfoundland for superannuation of teachers. I am sure that will promote and assist education materially and will be an investment that will pay. With regard to the proposals before us, I think the time is most opportune for a superannuation scheme to be placed on a sound footing. At the present time the teachers are being granted an increase in salaries to the amount of £26,000 a year, and this sum, I think, they are prepared to sacrifice, or part of it, in order to help the scheme, and it gives them the means to do it. As to how much of a subsidy would be given, my opinion is that we might give at least one year's contributions—I mean, allowing for equality of sacrifice. I quite see that to give up this £26,000 will bear hardly on the lower-paid teachers. I thoroughly understand that ; but I think that the teachers in my part of the country would willingly allow this £26,000, or such portion of it as would be adequate and equitable from the various teachers, to go to the fund. And I also would certainly be in favour of tying up the fund for one year. I do not believe in the idea of tying it up for three or four years. I believe that to do that would cripple, in a sense, the efficiency of our teaching for some time. But I do think that we might do it for one year. As to back service being recognised, I thoroughly agree, I think, with the proposals made yesterday that past service should be rewarded in this way, that one-eightieth of the average salary should be allowed as a pension for service up to the time of the passing of the Act, and one-sixtieth of the salary for every year of contribution should be added to that. That seems to me to be a proposal that would probably cost something between the cost of the conference proposals and the cost of the benefits provided for in the Bill. It seems to me, at any rate, a suggestion that we might consider. There is another question that I would like to say a word about, and that is the retiring-age for women. For myself I am quite in sympathy with the idea that women should be allowed to retire optionally at fifty. I know that the strain on some men is great, and I think the strain on women is much greater ; and, in my opinion, if a woman knew that she could retire on a modified pension at fifty, it would make her mind easy and she would do her work better ; there is not the slightest doubt that the State would get more efficient work from her. I am aware that the cost of this would be very great, but I say distinctly that provided the cost is not too great I am in favour of fifty being the limit for the optional retiring-age. In Germany they give a modified pension after ten years of service, and I think that under this scheme a modified pension might be given to women, but I do not think the modified pension should be less than £52. With regard to the clause concerning a person medically unfit after fifteen years' service, I am not clear what that means. As I read it the benefit would be one month's salary for every year of service. If I am assured that that means sixtieths I have nothing further to say on the question.

173. It is supposed to refer to the last preceding section—section 12—dealing with sixtieths ?—Yes. I have one or two calculations here with regard to the bearing of eightieths for years of service, plus sixtieths for years of contribution. I have gone into the matter, and it does not seem to me to affect the cost of the scheme to any great extent, but of course that is a question for the actuaries.

174. What are your calculations ?—In many cases it works out something like this : for instance, if a man gets eightieths for back service, has entered the profession at twenty-eight, and his service is five years and his average salary £120, the back allowance would come to £7 10s. and he would get sixtieths added to that. But I would fix the limit for back service at £52—that is, that no allowance for back service should be more than £52. Then, a man aged thirty-three, whose service had been ten years and whose average salary was £130, would get for back service £16 5s. A man aged thirty-eight, with fifteen years' service and average salary of £140, would get £26 5s. In addition to this, of course, he would get one-sixtieth of his salary for every year of contribution. Generally speaking, of course, the amount is something between the proposals of the conference and those of the Bill. I am simply giving this as a compromise between the two. I do not know that I have anything further to say at the present time.

175. *Mr. J. Allen.*] Was Mr. Davidson's proposal one-eightieth up to the time of the passing of the Act, or one-eightieth from the beginning of service ?

*The Chairman.* Service was not to be counted prior to 1877.

176. *Mr. J. Allen.*] That is what I want to get at. Do you differ from Mr. Davidson, Mr. Hughes ?—No. I think that service prior to 1877 should not be counted.