

194. Yes ?—It would make very little difference, if any. I mean that £120 would make very little difference.

195. If there were a maximum of £120 ?—It would make practically no difference.

196. Would nobody get more than £120, then ?—I am not prepared to say just now whether there would be none ; but I know that the difference would be practically very small, if there were any difference.

197. *The Chairman.*] £120 is practically the maximum ?—I must explain there. On the average salary that is being paid now, for all ages, a pension of £120 would be about the limit ; but of course there are some salaries that would carry a pension of more than £120.

198. If there were no maximum ?—Yes.

199. *Mr. Foulds.*] Can you give us, in one sum, the capital value of the State contribution under the Bill as it stands at the present time ?—Yes. I make the total for males and females £270,248.

200. Does that include the supposed contribution that will be required in 1933 of £3 a head ?—No ; it has nothing whatever to do with that.

201. *Mr. J. Allen.*] This sum makes the scheme sound for all time ?—Well, I would point out that for the present members it does, but every additional member who comes into the service comes in at a loss to the fund unless provision is made for him. It would cost about £3 10s. for every new member if he came in at about the age of twenty-three. [NOTE.—This refers to male teachers only.—M. F.]

202. In addition to the capital value of £270,000 ?—Yes. That is only for the existing staff ; those data are now a good many months old, and the staff is slowly increasing ; and before the Bill comes into operation, if passed, there will be a further small increase.

203. *Mr. Buchanan.*] Every new member would have to contribute ?—Yes. Every young member coming in in future should pay nearly 8 per cent. of his salary.

204. *Mr. Foulds.*] Assuming that the staff doubled by the year 1931, at least double this £270,000 would be required ? That would be the capital value of the State's contribution then ?—No, it would not be that. But I would not like to answer that question straight off.

205. It would be more than that ?—No. If the staff doubles, it is a question to be looked into. For instance, I do not know at what proportionate ages the staff would double. That makes a great difference.

206. Well, leaving that, can you give us any idea as to what benefits could be secured in the direction asked for by the witnesses this afternoon, by the substitution of an annual subsidy of £10,000 from the State ?—I may point out, in reply to that, that nearly £10,000 would be required, as a subsidy on the amount I have just given, to make the scheme under the Bill sound.

207. In other words, it will take £10,000 to make the scheme outlined in the Bill financial ?—Yes ; practically that amount of yearly subsidy, without looking at the future members.

208. Then it would take £25,000 to give what they ask ?—You have had the subsidy that would be necessary to allow for back service, £17,617.

209. This £17,617 does not cover all that they ask for ?—It does not include bringing down the retiring-age for women to fifty, so it does not cover all that the witnesses asked for.

210. *The Chairman.*] Have you taken into consideration the fact of the proposed increase of £26,000 in salaries ?—No ; it would not be necessary from my point of view, because if the salaries are increased the contributions will be increased and the pensions will be increased.

211. *Mr. Foulds.*] It does not make any difference to you who gets the increases in the salaries ?—I cannot say right off. It would probably make some difference to any scheme. The salaries I have based these calculations on are not the exact salaries that are being paid now.

212. This sum of £270,000 would, if you were to take the teachers at the present day, be required to make a pension fund for them solvent. Is that so ?—Yes—for the present teachers.

213. Supposing you were to form a co-operative company, you would require a capital of £270,000 to enable the last man to get a pension ?—You would require at least such a sum.

214. What capital would it take to start another company, to consist of young teachers coming in, who were receiving practically the same salary that they are receiving now ?—A great deal less. That could be easily got out from the results here. An equal number of teachers, all under twenty-five, I understand ?

215. A gradually increasing number of teachers, coming in as young men ?—I do not understand the question.

216. A gradually increasing number of young teachers coming in to form a separate company ?—The effect of that would be to defer the date on which the outgo would exceed the income. It would simply put off that date.

217. What I want to know is, if it is possible to have one scheme for the present teachers, and one for the teachers who are coming on ?—Decidedly. I do not see any reason why there could not be two schemes.

218. Can you give us any idea as to what contribution by the State would be necessary to place each of those schemes on a sound footing ?—I have informed you about the existing staff. As far as the new staff is concerned, I have told you that it would require about £3 10s. a year for each man joining. The sum necessary would depend on the size of the staff. If you had fifty join the first year you would require about £170 each year on account of them ; and so on.

219. Would not the absence of any old teachers from the second lot of teachers considerably alter your estimate of the cost of the new scheme ?—Certainly it would. I have taken that into consideration in making the calculation. There would be a capital value loss of £96 on each man coming in.