

Optional Retiring-age : Males, 60 ; Females, 50 after Thirty Years' Service and 55 without Limitation.

The capital value of the total subsidy necessary for the following benefits:—

<ol style="list-style-type: none"> 1. One-sixtieths pensions for future service 2. One-sixtieths pensions for back service (for males only), with maximum varying according to your schedule 3. Minimum pension, £60 4. Return of contributions at death or withdrawal before pension age 5. Balance of three years' pensions at death within three years of entering on pension 6. Allowance of £200 to widows 	} is £409,544,
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on which $3\frac{1}{2}$ per cent. annual interest is £14,334.

If only half of the contributions are returned on voluntary retirement within ten years the above liability will be reduced to £401,565, on which $3\frac{1}{2}$ per cent. interest is £14,055.

The present value of £26,000 per annum for three years is £72,843, and of £10,000 per annum for five years £45,150 ; total present value, £117,993.

I have, &c.,
MORRIS FOX,
Government Actuary.

F. E. Baume, Esq., M.H.R., Chairman of Education Committee.

SIR,—

Wellington, 13th September, 1905.

Since the last meeting of your Committee I have estimated the additional liability involved in the Bill if amended in accordance with the resolutions passed at that meeting ; and, working upon the basis of the 1903 staff with interest at $3\frac{1}{2}$ per cent. as before, the following is the result :—

	Men.	Women.	Total.
	£	£	£
Capital value of liability according to the Bill ...	191,853	78,395	270,248
Additional to make female pension age 50	75,389	75,389
Additional to provide half back service since 1877 ...	58,477	440	58,917
Total ...	250,330	154,224	404,554

Optional Retiring-age : Males, 60 ; Females, 50.

The capital value of the total subsidy necessary for the following benefits:—

<ol style="list-style-type: none"> 1. One-sixtieths pensions for future service 2. One-hundred-and-twentieths pensions for back service since "The Education Act, 1877" 3. Minimum pension, £52 4. Return of contributions at death or withdrawal before pension age 5. Balance of three-years pensions at death within three years of entering on pension 6. Allowance of £200 to widows 	} is £404,554,
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on which $3\frac{1}{2}$ per cent. annual interest is £14,159.

I have, &c.,
MORRIS FOX,
Government Actuary.

F. E. Baume, Esq., M.H.R., Chairman of Education Committee.

SIR,—

Education Department, Wellington, 14th September, 1905.

Mr. Morris Fox has shown me a copy of a letter he has sent to you, in which he gives £58,917 as the additional capital liability to provide half back service, whereas my estimate is about £40,000. I may be allowed to point out that there is no real conflict between these figures, as they are founded upon different data—the salaries actually paid to the persons concerned during the years of back service which I have employed being much lower than those of the corresponding teachers at the present time, upon which Mr. Fox has based his calculations. He had no other figures to go upon, I may say.

The net difference in the totals of our estimates of the capital liability for all benefits for the 1903 staff is, at $3\frac{1}{2}$ per cent., about £14,000 or £15,000, his total being £404,554, and mine not quite £390,000.

I have, &c.,
G. HOGGEN,
Inspector-General of Schools.

The Chairman of the Education Committee,
House of Representatives, Wellington.