

moneys to be raised in each year by loan for public works a certain limited part for education purposes, with the result that annually the demands for general public works such as railways, roads and bridges, and post and telegraph offices, have been brought into competition with the demands for educational lands, buildings, and improvements. The total amounts available for all public works during the past five years have been necessarily limited, and the supply of money for educational grants has been thereby reduced to a far less sum than was necessary for normal expansion. The country has therefore to meet an accumulation of unfulfilled past demands for such education purposes as well as the normal requirements of the present and of the immediate future. New buildings are required throughout the Dominion, and additions to a large proportion of the existing buildings are absolutely necessary. To attempt building operations on such a scale as would be necessary to meet all the demands immediately would be to court failure. The Government has decided to ask Parliament to enable specific loans to be raised, for education lands and buildings only, to the amount of half a million during the present year, and three-quarters of a million during each of the four following years. The analogy of the loans for land-settlement has been followed in the Bill which will be submitted to the House, so that the moneys will be raised as required and as the operations proceed. By this means and without conflict with the activities of the other Departments of State in respect of public works the Government hopes that full provision can be made for the acquisition of lands and the erection of buildings to be commenced immediately and to be proceeded with as rapidly as the conditions of supply of labour and of material will permit. Out of the Consolidated Fund provision will continue to be made for maintenance and upkeep, but it is not proposed to continue the present system of grants to the Education Boards to be held as reserves for restoration of buildings.

#### PUBLIC SERVICE SUPERANNUATION FUND.

The total number of contributors to the fund on 31st December last was 14,071, an increase of 287 during the year. The total revenue for the year was £254,860, including members' contributions, £150,899; interest, £55,704; Government subsidy, £48,000. The total amount expended during the year was £144,758, which comprised retiring and other allowances, £102,900; refunds of contributions, £39,316; cost of administration, £2,542. The total number of allowances existing at the end of the year was 1,584, representing an aggregate annual payment of £110,171. The amount of the total fund invested on the 31st December last was £1,125,706.

#### TEACHERS' SUPERANNUATION FUND.

The fund amounted on the 31st December, 1918, to £458,056, as compared with £420,225 on the 31st December, 1917. During the year 1918 allowances totalling £4,571 were granted, the total annual rate at the end of the year being £51,049. The Teachers' Superannuation Board, with the approval of the Government, concluded very satisfactory arrangements with the Public Trustee for the investment of the fund. On the 31st December, 1918, the amount invested totalled £446,421; of this sum £59,600 was invested at  $4\frac{1}{2}$  per cent., £26,161 at 5 per cent., £38,460 at  $5\frac{1}{4}$  per cent., and £322,200 at  $5\frac{1}{2}$  per cent. The amount held by the Public Trustee uninvested was £2,003.

#### RAILWAYS SUPERANNUATION FUND.

In my last Budget, presented on the 6th August, 1914, the Committee was informed that as a result of an investigation the Actuary reported it was necessary to provide an additional £25,000 per annum for the next three years to make the Railways Superannuation Fund sound, and that at the expiration of three years a further investigation should be made.

In accordance with the recommendation of the Actuary, an extra £25,000, making in all £50,000, was provided on the estimates for the year 1914-15, and this sum was duly paid.

Shortly after taking over the duty of Finance Minister on the 1st September last the General Manager of Railways reported that the accumulated funds had