

- (c.) That, in order to ensure that the best technical methods and devices applicable to New Zealand shall be used in the collection and presentation of the Dominion's statistics, the Government Statistician should be allowed a period abroad in which to study the statistical methods employed in countries like the United States of America, which have long recognized their importance.
- (d.) That, in order to ensure that the statistical inquiries shall be directed into those channels which specially require investigation, and that the results shall be presented to the public in such a way as to make them most useful in all social and economic studies, there should be created an Advisory Board of Statistics, consisting of say, five members representing (a) agricultural and pastoral interests, (b) industrial interests, (c) commercial interests, (d) the labour interest, and (e) the lecturers and professors of economics in the University colleges respectively. This Board should meet about four times a year, to advise the Government Statistician and to map out the lines of investigation necessary for completing a statistical survey of the Dominion that may be regarded as authoritative.
- (e.) That the more responsible offices in the Statistical Department should be filled only by men who have gone through a recognized course of training in statistical method and economics in the University colleges.
- (f.) That the Government should offer a scholarship for post-graduate research in social economics, similar to the scholarships now awarded for research in industrial sciences. New Zealand offers a vast and promising field for economic research, but hitherto it has been worked chiefly by occasional visitors from abroad; and as no political or social policy can be regarded as enlightened which is not in harmony with principles deduced from a scientific study of the facts, and as the main questions in New Zealand are and must continue to be chiefly economic, we feel it is time that the Government took steps to encourage the growth of a sound economic study of the facts bearing upon our national development.

Supply of
money.

2. Perhaps the most general cause of the increased level of prices, and therefore of the increased cost of living, is the fact that the supply of money has been outstripping the volume of trade.* The Commissioners are fully alive to the disadvantages that result from the instability in the present standard of value, and are aware of proposals to reform it; but the problem is so vast, the dangers of ill-considered experiments have been exemplified so often in history, and the money-standard of one country is so intimately connected with that of the others with which it trades, that we are not prepared with the time and evidence at our disposal to make any recommendation on this subject further than to advise that steps should be taken to secure the representation of New Zealand on the proposed International Commission on the Cost of Living, one of whose chief functions will be to consider the influence of money-systems on the level of prices, and to advise if possible a better medium of exchange.

Education.

3. There is a close connection between education and the cost of living. We must educate ourselves to produce at the lowest cost in human effort, and to consume only those things that tend to increase the healthy pleasures of life. Most important of all is the character of the general education given in the primary schools—first, because it is given at the most impressionable age, and, secondly, because the great majority of the people never receive any other formal education. It is therefore a matter of regret that at this stage more attention is not devoted to a description of the chief facts of social and economic life. In our system of government we proceed on the assumption that every adult man and woman is an expert in politics, and political questions are and must ever become more and more

*See reservation by Mr. Fairbairn, p. xovi.