

machinery available must be installed, and for this purpose a substantial vote is asked. Very little new machinery has been installed since the outbreak of war.

The total value of printing for the year (exclusive of stamps) was £159,990, and the value of the stationery supplied was £32,391.

EDUCATION.

In the year 1914 the Education Act was consolidated and the New Zealand University Act amended. Both those Acts had been prepared before the outbreak of war in August, 1914, and the Government in its present proposals to Parliament has been forced to take into consideration the changes in conditions caused by the war, especially with regard to the purchasing-power of money. The provisions of the Education Act for grades of salaries of teachers enacted in 1914 cannot fairly be continued under the altered circumstances. Similar considerations apply to the measure of annual grants from the Consolidated Fund for secondary schools and technical schools; and it is also felt that the claims of the New Zealand University and of the four University colleges to increased grants must be recognized. During the second session of last year the Hon. J. A. Hanan, then Minister of Education, obtained from Parliament, under section 37 of the Appropriation Act, authority to expend an additional sum of £118,000 for the purpose of increasing the salaries and allowances of public-school teachers, Native-school teachers, pupil-teachers, probationers, and training-college students beyond the amounts authorized by the tables to the Education Act. Only one-fourth of that additional amount of £118,000 came to account during the financial year ending 31st March, 1919, and the expenditure for that year was therefore not greatly increased. But the whole of the £118,000 necessarily comes into the expenditure for the present year, and the Government has found it necessary to make provision on this year's estimates for a further sum of £200,000, thus rendering available during the present year for increases of salaries and allowances to teachers employed and others engaged in primary education a total of £318,000. This addition, together with the increase due to the natural growth of population and the greater cost of services and commodities, results in the annual charge on the Consolidated Fund for primary education showing an increase in the present estimates of £331,000 in excess of the estimates of last year. Special increments of the rates of annual grants to secondary schools and technical schools involve a further sum of £39,000 on the present estimates. Authority for such special increments will be provided by the Education Amendment Act to be introduced this session. With respect, however, to the increases of salaries and allowances to those engaged in primary education, it has been found impossible, within the time available, to amend the provisions of the Education Act, 1914, relating to staffing and salaries, and therefore the precedent created by the late Minister of Education in section 37 of the Appropriation Act of last year has been followed, and power will be sought to make the necessary additions by regulation instead of by statute. The increases will all take effect retrospectively as from the 1st April, 1919. To provide an adequate number of trained teachers inducements to enter and continue in the Education service should not be substantially inferior to those offered in the Public Service, and an effort has been made to bring the salaries and allowances of men and women engaged in the teaching profession up to approximately that scale. The number of trained teachers now engaged in education is insufficient for the present needs, and such reforms as reduction in size of classes cannot be effected without increase in those numbers. Accordingly this year provision is made not only for higher salaries, but also for the training of a greater number of students at the training colleges and increased allowances to such students.

A Bill amending the New Zealand University Act is also proposed, by which the annual grant to the University is increased by £1,000, the annual grants to each of the University colleges by £2,500, with a further £2,500 to the Otago University for its Medical School, and a grant of £2,000 for workers' extension lectures. The increased grants to the Universities and colleges will not commence until the 1st April, 1920, and therefore provision in those respects does not appear upon the present estimates.

I have now to turn from the charges for educational purposes upon the Consolidated Fund to the subject of grants from loan funds for capital expenditure on land and buildings. The method which has been adopted up to the present time for provision of grants for such purposes has been to appropriate out of the