

you will be asked to provide an additional amount for this purpose. Advantage has been taken of the opportunity to improve to some extent the system of providing the salaries of public-school teachers, so as to give recognition of the principle of reserving the greater increases for the more efficient and deserving teachers. At the same time, in the case of secondary schools, it is proposed to abolish payments by way of capitation for free-place holders, from which each Board has hitherto provided salaries according to circumstances, and to substitute a Dominion scale of salaries applicable to all the schools, under which, within certain limits, regular increments will be provided as experience and efficiency increase.

While the teachers' claims are thus being met in as liberal a spirit as possible, those of the Inspectors are not being overlooked, and steps are being taken to increase the number of these officers and to improve their emoluments.

Though the allowances to School Committees have been repeatedly increased since the beginning of the war, the total increases so far authorized amounting to 60 per cent., many committees still find it difficult to meet their financial obligations, and further additions have accordingly been made to the vote for incidental allowances this year.

For some time it has been recognized that, in order to overtake the arrears of building-work which accrued during the war, and to meet the insistent demands for better educational buildings of all kinds, specially liberal financial provisions are demanded. But, further, owing to the shortsighted policy of the past, the plans of many of the existing buildings are so unsuitable for school purposes, and their construction is so faulty, that they must now be either remodelled or renewed. Many of our city schools, too, have been placed on such inadequate and unsuitable sites that new or additional areas have now to be purchased at enormous cost. The Education Purposes Loans Act of last session, which provides a sum of three and a half million pounds in five years for school buildings and sites, has materially relieved the position, enabling the Department to take up a building programme that has hitherto been found altogether impossible. In addition to the amounts actually paid for new buildings during the past financial year, the present commitments amount to about three-quarters of a million for primary schools, secondary schools, technical schools, University colleges, and for hostels for these institutions, and applications for further very large sums are under consideration. The difficulties in the way, however, of making satisfactory progress on the lines desired are great—building material is high-priced and scarce, and the supply of labour is limited—and any systematic treatment of the position must be the work of a series of years.

During the past year further provisions have been made in the direction of promoting the physical welfare of children, both before and during school age. The Government has in contemplation important proposals with the view of creating a bureau of infant welfare, whose functions will include the supervision of the health and well-being of the children from birth till they enter school. The number of school medical inspectors and nurses who deal with the ailments of school-children is being gradually increased and their functions extended. A Director of School Dental Services having been appointed some months ago, a beginning will shortly be made in treating dental defects and in training the children how to preserve their teeth. Some better system of administering the medical and dental branches of educational work is desirable, one which while preserving the identity and special character of these services would secure the co-operation and influence of the Health Department. Action is being taken accordingly.

PUBLIC SERVICE SUPERANNUATION FUND.

The total number of contributors to the fund on the 31st December last was 14,229, and the total revenue for the year was £327,297, including members' contributions, £176,806; interest, £63,749; Government subsidy, £86,000. The total amount expended during the year was £160,705, which comprised retiring and other allowances, £111,345; refunds of contributions, £45,611; cost of administration, £3,692. The total number of allowances existing at the end of the year was 1,685, representing an aggregate annual payment of £120,470. The amount of the total fund invested on the 31st December last was £1,203,408.