

incidental expenses of some schools being higher than the rate of £2 10s. per head allowed for; it is found that the cost ranged from £1·63 to £3·88, the average cost being £2·66. In some cases the cost is considered to be too high. The large expenditure on buildings is due to the purchase of sites and the erection of new and supplementary schools in several instances; there was also considerable expenditure on hostel buildings.

Several Boards have raised loans on the security of their income from endowments in order to finance necessary building operations; these loans will gradually be repaid out of the income from endowments. The total amount owing by the Boards at the end of the year by way of loans and bank overdrafts was £89,000; in addition there were other liabilities of £62,000, making a total of £151,000. Against this indebtedness credit bank balances and moneys due to the Boards amounted to £90,000, leaving a net debit balance of £61,000—£19,000 more than it was at the end of 1919.

The fact that any expenditure unauthorized by the Department made out of a Board's income from endowments results in a corresponding sum being deducted from the Government's payment to meet the cost of salaries, which are now defined by regulation, places the expenditure of secondary-school Boards to a great extent under the control of the Department, and results in a more uniform treatment of all secondary schools—richly endowed schools having little or no advantage over schools possessing no endowments. The new arrangement for the payment of salaries and incidental expenses came into force during the year 1920, the amending Act not being passed until towards the close of the year. It will therefore be possible to get a better idea of how the arrangement will work financially when the figures for one complete year are available.

LOWER DEPARTMENTS OF SECONDARY SCHOOLS.

(Table K 11 in E.-6.)

Lower departments for pupils who have not passed S6 may be held in connection with secondary schools, provided that no part of the cost of instruction or of the maintenance of the department is met out of income from the endowments of the school or from Government grants. Fourteen secondary schools (including Christ's College, Christchurch) have lower departments attached to them, the total number of pupils in 1920 being 815, as compared with 686 in 1919. The roll number included 454 boys and 361 girls, and the total number of teachers was twenty-nine (nine males and twenty females). A large number of the pupils board at the school hostels, indicating that these departments are used by the children of country residents able to afford to send their children away from home to attend school. The tuition fees charged range in the various schools from £6 15s. to £13 10s. per annum, the boarding-fees ranging from £36 to £59 per annum.

TECHNICAL EDUCATION.

(See also E.-5, Technical Education.)

GENERAL.

The year 1920 has been marked mainly by changes of an administrative character. Up till last year the main source of revenue of technical schools and classes was derived from capitation payments made by Government on the hour attendances of pupils. This method had already broken down to some extent, since in the case of technical high schools, distinguished from day technical schools by no real difference or purpose or organization, a method of capitation payments was adopted based on the year as an attendance unit, and similar to that obtaining in the case of secondary schools. The capitation system, which doubtless has considerable advantages in countries where a substantial proportion of the total cost is provided locally, is not well suited to the case of this Dominion, in which practically the whole of the net cost is borne by the Government. As in the case of secondary schools, one result of the system was that each Board of Managers or controlling authority had its own method of fixing the salaries of instructors, and made its own conditions as to their employment. There was in consequence some variety of treatment under different Boards. For this variety there has been substituted a Dominion system of classification of technical-school teachers