Regulations made in 1920 provide for the annual classification by the Department of all full-time assistants employed in secondary schools, and the first classification has been made, assistants being classified, according to teaching ability, academic attainments, and length of service, into four grades, A, B, C, and D. Teachers not having both academic status and five years' teaching service are classed in the lowest grade, D. The following figures show the number of assistants placed in the various grades: Men—Grade A, 39; Grade B, 45; Grade C, 53<sup>°</sup>; Grade D, 78: total 215. Women—Grade A, 33; Grade B, 48; Grade C, 57; Grade D, 64: total, 202.

It will be observed that a large proportion of the assistants are in the lowest grade, being either young or unqualified teachers. The necessity for more adequate provision for the special training of secondary-school teachers is fully realized; unfortunately, it has been necessary, owing to the expenditure involved, to postpone for the present the carrying into operation of a scheme to meet this requirement. The Inspectors of Secondary Schools report that the younger teachers, owing, no doubt, to the classification scheme, are showing a greater desire to complete their university courses. Owing to the return to duty of many men teachers who were on active service, a considerable improvement in the quality of the teaching and the standard of work accomplished is reported as having taken place during the year. The supply of qualified male teachers is not yet, however, by any means excessive, and in non-university centres difficulty is frequently experienced in obtaining suitable men teachers for the secondary-school staffs.

Of the 110 assistants in district high schools, fifty-seven were University graduates and held teachers' certificates, one was a graduate only, forty-three held teachers' certificates only, and nine held neither qualification.

## FINANCES OF SECONDARY SCHOOLS.

(See also Tables K7-K9.)

The income of secondary schools is derived from the following sources :----

- (i.) Rents from special reserves allocated to them by statute :
- (ii.) Statutory grant given in lieu of special reserves (in one case) :
- (iii.) Interest upon moneys derived from the sale of reserves and invested in accordance with the Education Reserves Act :
- (iv.) Income from the secondary-school reserves controlled by the Land Boards divided among the secondary schools in the several land districts in proportion to the number of pupils in average attendance, lower departments excluded :
- (v.) Government payments—(a) For teachers' salaries and incidental expenses;
  (b) subsidies on voluntary contributions;
  (c) capitation for manual-instruction classes:
- (vi.) Special Government grants for buildings and apparatus :
- (vii.) Tuition fees of pupils :
- (viii.) Boarding-fees of pupils :
- (ix.) Miscellaneous sources, such as interest on moneys (other than those obtained by the sale of reserves), donations, and income from special endowments (for scholarships, prizes, &c.), rent of premises, &c.

The revenue derived from sources (i) to (iv) is the income from endowments, "net annual income derived from endowments" being this sum less the  $\mathbf{the}$ expenditure incurred in connection with the endowments and school property Under the provisions and upon building purposes approved by the Minister. of the Education Amendment Act, 1920, instead of a capitation payment being made by the Government on account of free pupils, the Boards are now paid the actual amounts expended upon full-time teachers' salaries, together with a grant of £2 10s. per annum per pupil on the roll for incidental expenses and a grant not exceeding  $\pounds 1$  per pupil for the payment of part-time teachers. In making the payment for salaries a Board's "net annual income from endowments" In and receipts from tuition fees are taken into account and deducted from the total amount payable by the Government. The amount chargeable for tuition fees is now prescribed by regulation, being at the rate of £4 per term, reducible to £3 10s. for prompt payment.

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