allowance for results attained in English instruction; and no allowance should be made for any pupil who, after a certain stay, did not at the periodical inspection exhibit a corresponding proficiency in the English language. If, however, the Natives in any district ceded land for the purpose of establishing a public school of this class, further assistance might be given, as in the case of Primary Schools, for

permanent improvements.

I submit, however, that it is wrong in principle that public funds should be expended in improving property of private religious bodies, the control over which rests entirely with these bodies.

If young persons of either sex were admitted into any of these schools for the purpose of being trained who would afterwards be available as teachers in Primary Schools when required by the

Government, an allowance for board and lodging might be given from public funds.

(4.) Diocesan Colleges as such should not be recognized by the Government, but an allowance might be made in the case of Natives really qualified to teach English, who are resident in them and

have been pupils in Central Schools.

The allowance in the case of Diocesan Colleges and Central Schools should, I think, be liberal where the results attained are satisfactory. The present allowance to Central Schools has been in many cases wholly insufficient to maintain them in a satisfactory condition; the result has been that the managers have crowded numbers in their schools, as the only means of obtaining a sufficient grant, and the capitation allowance has been claimed even in respect of aged and decrepit men and of women who receive no instruction.

It would be far better in most instances to double the amount of capitation allowance and diminish by one half the numbers. In several cases it will be seen that the managers have not attempted to keep up what is understood by a Boarding-school, and part of the capitation allowance of the schools in the outlying districts has been taken to subsidize the schools in the more populous towns, which are rather European than Native institutions. I have omitted in this report any notice of the Native Boarding-school at Kaiapoi, as it has been so recently reported upon by Mr. Tancred. I have, &c., W. Rolleston, (Report enclosed.)

The Hon. J. C. Richmond, Wellington.

Under Secretary.

Enclosure 1 in No. 1.

Report on St. Stephen's School, Auckland.—Visited 14th December, 1866.

This Institution contains inmates of three classes:-

1. Students who are candidates for the office of Native Teacher or Clergyman.

2. Associates who are following some industrial occupation.

3. Children who are placed at the school under special arrangement.

There are four inmates of the first class (one of them married), in respect of whom the Government under a special arrangement pay at the rate of thirty pounds per annum. An annual allowance of twelve pounds is made for the women. These receive their instruction exclusively in the institution. The men are of mature age, varying, so far as I could judge from their appearance, from

twenty-five to thirty years.

There are three of the second class, in respect of whom the same annual payment of thirty pounds is made by the Government. Their ages are fifteen, sixteen, and eighteen. One of these receives his English instruction in a school in Parnell; the other two, one of whom is a half-caste, follow their occupation of printer and carpenter during the daytime, and receive instruction at St. Stephen's in the evening. There are six others of this class, five whose industrial work renders them self supportingtwo are printers, two carpenters, and one a tailor; and one (G. Swanson) who goes to an English school during the day, and boards at St. Stephen's at his father's expense.

Two children, Charles and Sarah Brown, receive their instruction in the English school at Parnell, but are boarders with the Rev. Mr. Chapman, the Government paying twenty-five pounds per annum

for each of them.

One hundred pounds per annum is given by the Government to provide for English teaching and for other special objects. A teacher attends daily from 6:30 p.m. to 8:30 p.m., and gives instruction in reading, writing, and arithmetic. He receives forty pounds per annum, and ten pounds per annum are expended in candles, copy books, and other requisites.

The prayers and daily reading of the Bible are conducted in the Maori language.

Of those who are qualifying themselves for the office of teacher, none are sufficiently acquainted

with the English language to render them capable of teaching it. One was unable to attempt English reading at all.

The writing was generally neat and creditable.

In arithmetic the knowledge of the best pupils did not extend beyond the multiplication and division of money

Charles and Sarah Brown, the only children in the institution, were evidently well cared for and

The principal industrial work carried on is that of printing. This is done very successfully. The "New Zealand Church Almanac," and various pamphlets and papers which are printed upon the premises, are very good specimens of the character of the work executed.

The general arrangements as to sleeping apartments, dietary, &c., and the cleanliness of the

buildings, appears to be all that could be desired.

I cannot regard the present working of this institution as satisfactory, or as carrying out in any but a very imperfect and partial manner the objects contemplated by the trust and by the Government, as laid down in the terms of the trust-deed, bearing date September 23rd, 1850, and of the Memorandum which accompanied Sir George Grey's letter to the Bishop of New Zealand, on the 11th May, 1853.* The terms of the trust were similar to those in the cases of other industrial schools: "For

^{*} Printed with Votes and Proceedings of the House of Representatives, 1856.