The new scale does not, like the former scale, proceed by jumps, but is a true sliding scale, increasing the rate of capitation for even the smallest decrease of the net annual income per pupil. The words of the schedule are, for this and other reasons, at first sight somewhat complicated, but their meaning may be clearly seen by the following statement of their effect at certain stages of the net annual income per head, which is found by dividing the net annual income from endowments, defined above, by the total number of pupils excluding the lower department, the latter being required to be self-supporting.

Rate of Capitation payable on Free Pupils for certain Stages of the Net Annual Income per Head.

Net Annual Income per Head.		Capitation			Total Income	
			per Free Pupil.		per Pupil.	
£17 an	d over		£4 (or £6)		£21 and over.	
£15			£4/10 (or £6)		£19/10 at least	
£13			£5 (or £6)		£18 ,,	
£11			£5/10 (or £6)		£16/10 ,,	
£9			£6		£15	
£7			£7		£14	
$\pounds 5$			£8 .		£13	
£4			£8/18		£12/18	
£3		•	£9/16		£ $12/16$	
£2			£10/14		£ $12/14$	
£1			£11/12		£ $12/12$	
Nil			£12/10		£12/10	

There is the further proviso that in no case shall the capitation be less than £€ for every free place given in excess of the number of scholarships which a secondary school would be bound to give if it did not provide free places. Table J4 shows the operation of the former scale, in which the maximum rate of capitation was £10 15s., upon the finances of the secondary schools: it will be seen at once that, allowing the same rate of expenditure, the amended scale will place the poorly endowed schools in a far more favourable position—it will enable them to increase their efficiency by adding to their staffs, and, what is at least equally important, by raising the salaries paid to assistants, which are now in many cases far too low.

For the whole Dominion, if there are taken into account only the secondary schools that admit free pupils under the Act, we find from Table J4 the following state of things:—

Total number of pupils, excluding lower departments		 3,614
Total net income from endowments (average of three years)		 £11,105
Net income from endowments per head		 £3.07
Approximate annual rate of capitation*		 £9·16
Total available net income per head for salaries and managem	ent*	 £12·23
•		
Total expenditure on salaries of staff		 £42,929
,, management		 £2,798
,, staff salaries, and management		 £45,727
Expenditure per head on staff salaries		 £11.88
,, on management		 £0.77
Total expenditure per head on staff salaries, and management		 £12·65

The last figure given shows as nearly as may be the actual cost per annum for each pupil, exclusive of those in lower departments. If we include all the secondary schools this average becomes £13.43 per head. Further details of the income and expenditure of the secondary schools will be found in Tables J5 and J; and H7 shows the several lower departments in operation at the close of the year with the number of pupils, the proportionate expenditure on salaries, and the fees received for the pupils therein.

General Remarks.

Length of Time spent at Secondary Schools.—The average time spent at a New Zealand secondary school by each pupil who enters is about two and a half years. This is greater than the average duration of a pupil's stay at a high school in New York (2.04 years) or in Chicago (2.09 years); but less than the corresponding period in England (about 3½ years), Scotland (about 3 years), or Germany (about 4½ years). On the other hand the proportion of the population receiving secondary education at any one time in New Zealand is considerably larger than in Great Britain, although

[•] Exclusive of capitation and subsidies for manual instruction.