

sufficient here to indicate the notable improvement in classification, and the superiority of the work done in the upper classes of the grammar schools.

NORMAL SCHOOL.

The report of the Rector of the Normal School is appended hereunto. This institution has already proved of great service in providing a supply of teachers trained to their professional work, and acquainted with good methods of management and teaching, and in enabling the Board to restrict greatly the forced employment of persons who, though respectable scholars, had no experience in the management and working of schools. To complete the arrangements and equipment of the training school, two model schools—as recommended by the Rector in his report—are much needed; but the funds at the Board's disposal have been entirely absorbed in meeting more urgent demands; and, though very sensible of the weight and reasonableness of the Rector's recommendations, they have hitherto been unable to meet them.

SCHOOL OF ART AND INSTRUCTION IN DRAWING.

Mr. Hutton's report is hereto appended. The total number that received instruction in drawing during the year 1877 was 3,454, being an increase of 147 upon the number of last year. The School of Art was attended by 234 students—viz., 42 teachers and pupil-teachers, 39 lady students in the afternoon class, and 153 artisans and other students in the evening classes. Of the pupils attending the schools of Dunedin and its suburbs, 3,220 have received instruction in elementary drawing during the year. The amount paid in salaries to the staff of drawing-teachers for the year was £700 8s. 4d.; other expenses, amounting to £38 1s., raised the total expenditure on this important department to £738 9s. 4d. The receipts from fees (ladies' class) amounted to £101 4s.

PUBLIC LIBRARIES.

At the end of the year 1877 there were in connection with the Board 113 libraries, which may be classified as follows:—(1) 23 public circulating libraries, having reading rooms connected with them; (2) 80 district circulating libraries, a number of which are available as school libraries; and (3) 10 purely school circulating libraries. Appended hereto is a table showing the total value of books issued to the different district and school libraries since the establishment of the public-library scheme. Books to the value of £996 18s. 1d. have been distributed among the public libraries during the year. This distribution has been made on the same principle as formerly, namely, that Committees, buying books through the Board or otherwise, receive double the value of the money they have paid, the Board supplementing their contributions pound for pound.

EDUCATION RESERVES.

A balance-sheet of the receipts and expenditure on account of education reserves is hereunto appended. In addition to the reserves which are already Crown-granted and vested in the Education Board, there are extensive portions of runs both in Otago and Southland which have been set aside as education reserves but which are not yet Crown-granted. The rents for these reserves were paid to the Receivers of Land Revenue at Dunedin and Invercargill on the 1st of October, and entered as colonial revenue. The amounts were—Otago, £5,263 0s. 11d.; Southland, £752 4s. 6d.: total, £6,015 5s. 5d.

The amount of rents collected by the Board at the Dunedin and Invercargill offices was—Dunedin, £3,588 7s. 1d.; Invercargill, £1,795 1s. 8d.: total, £5,383 8s. 9d. The cost of management, leasing, &c., was—Dunedin office, £15 18s. 3d.; Invercargill, £83 2s. 6d.: total, £99 0s. 9d.

SCHOLARSHIPS.

No scholarships have been granted for the last three years. The following held scholarships in connection with the Board during the year: Edith J. Little, Mary Montgomery, Alexander Bruce Todd, Alexander Purdie, Alexander Montgomery, and Alfred W. Stohr. The whole of these scholarships expired on the 31st January. At the present time there are no provincial scholarships in connection with the Board. The Board has viewed with deep regret the extinction in this provincial district of the scholarship scheme, which has been in operation for many years with beneficial results, and which the Board took steps last year to revivify and extend; and it desires to commend earnestly to your consideration the desirability of making provision for the establishment and maintenance of a system of scholarships on a liberal scale in future years.

SCHOOL BUILDINGS.

The amount expended on school buildings during the year ended 31st December, 1877, was £15,876 16s. 3d. A large portion of this amount was on account of the two-thirds of the cost of repairs, but by far the larger portion was expended on the erection of new buildings and additional class-rooms. A great many of the original school buildings are now becoming too small for the present attendance of pupils, which has been steadily increasing for some years. The Board has been compelled, through want of funds, to defer consideration of several very urgent claims for aid towards the erection of schoolhouses and residences, and for the enlargement and improvement of schools already provided.*

* March 30th, 1878.—The introduction of free education in the elementary schools has been followed by a very great increase in the attendance at all schools in towns and larger villages. In Dunedin, for example, every available room is crowded to excess, and yet great numbers of applicants have had to be turned from the public schools' doors. An effort has been made to meet the pressure temporarily by leasing rooms or halls in the neighborhood of, and carrying them on in connection with, the present schools. But the provision thus made is both inadequate and unsatisfactory, and nothing short of a large extension of the present schools, and the addition of one or two new ones, can meet the urgent wants of the city. In all the larger towns and villages the state of circumstances as regards increase of attendance and insufficiency of accommodation is more or less the same, and the temporary leasing of halls has had to be resorted to.