CANTERBURY.

Within the year sixteen new leases have been granted of reserves applicable to primary education, comprising 5,636 acres. The total area now under lease of this class of reserves is 36,343½ acres, and the present rental is £8,045 7s. 10d. per annum. There are unlet—nine reserves containing 2,870 acres which are not yet surveyed, and eighteen reserves containing 5,957 acres, the survey of which has been lately completed, and which will be offered for tender in about two months. These lands consist for the most part of either hill country or stony plains, and are generally of little value except as sheep-walks. The leases of reserves Nos. 1113 and 1139 have become vacated. In the former case the lessee absconded, and in the latter case he became insolvent; the lease had not been signed, and the trustees of the insolvent's estate declined to take it up; half-a-year's rent then due on each holding was lost. These two reserves, comprising 743 acres, are included amongst those mentioned above as unlet.

The drain referred to in last year's report as being in progress in connection with reserve at Orari has been completed and the land let. The area is 1,404 acres, and the present annual rental £680 14s. 6d. The claim by the Road Board, Temuka, for part of the cost of the drain has not yet been presented.

In the early part of the year portions of the reserves constituting the secondary, education estate, amounting together to seventeen-twentieths of the whole, were, pursuant to statute, allocated as under: One half in value to the Canterbury College for the Christchurch Boys' High School; one-fourth to the Timaru High School; and one-tenth to the Ashburton High School. The remaining three-twentieths are held by the School Commissioners.

The Board distributed amongst the governing bodies of those establishments the sum then at the credit of the secondary estate, in the proportion in which the estate itself had been divided amongst them.

The accounts for the year ended 31st December, 1879, show a balance at the credit of the secondary estate of £824 5s. 4d. This sum is by law directed to be allocated to the several education districts within the provincial district, on the basis of population; and the sum so allocated to each education district is divisible among the secondary schools (if any) existing within the district. Within North Canterbury there are no schools that are entitled to participate in the distribution of these moneys, other than the Boys' High School and the Girls' High School, Christchurch; and, in South Canterbury, the High School at Timaru. Both the high schools at Christchurch possess a liberal land endowment, and are, presumably, not in need of assistance. The Timaru High School has but a comparatively moderate endowment, but it has scarcely got into working order. Upon the question of the appropriation of the funds now in hand the Board were of opinion that, possibly at a future time, opportunity might offer for using those funds with better effect, and so as to produce a larger total of useful results than could be obtained by any application of them that could be made now—e.g., in aiding the high school at Ashburton, if it should be established; and, as to South Canterbury, a grant to the Timaru High School when it shall have got into working, or in assisting any other school of a similar character within the respective education districts if any such should be hereafter established.

Of the secondary estate remaining to the Commissioners 1,7221 acres are leased, yielding a present

annual rental of £491 0s. 6d., and there are unlet about 70 acres.

Arrears (supplementary) on cash account, £29 1s. Certain persons were bidders at auction in September, 1878, for township lots at Opawa, Timaru District. Up to the end of 1878 they had not paid rent or taken up the leases, and it was not at that time known whether they would do so.

Referring to the funds in hand on account of the secondary estate, the Board decided not to make any distribution of them at present, and directed the treasurer to place £750 with their bankers on fixed

deposit for twelve months. This has been done.

The cash account shows the following amounts written off as not recoverable:-

1. 17s. 6d., twice. The reserve referred to was actually unlet, and was included in the rental in

2. 9s. 9d. The land has passed to the Canterbury College, and the lessee holds a receipt from them for rent subsequently paid.

3. £59 8s. 3d. Reserves 1113 and 1139. (See above.)

For the School Commissioners, John Marshman,

Christchurch, 5th January, 1880.

Chairman.

GENERAL STATEMENT of the RECEIPTS and Expenditure of the School Commissioners for the Year ended 31st December, 1879.

Receipts.

				Secondary Edu- cation Reserves.			Total.		
To Balance brought down from 31st December, 1878— Arrears due in 1878 collected in 1879 Moneys payable within the year 1879, and collected—viz.	572	s. d 15 9 1 8)	£ 1,395 232	10	4	£ 1,968 460	6	d. 1 5
On account of half-year's rent, payable in advance, on the 1st May, 1879 On account of half-year's rent payable in advance on the 1st November, 1879—	3,519 3,169		1	235 245		3	3,754 3,414		
Moneys not payable until 1880— On account of half-year's rent becoming payable on the 1st May, 1880, consisting of sundry small sums remitted by lessees in excess of amounts due for				240	10	v	·		
November rent; 1879	7,490	14 9 7 7	_ -	2,108	2	7	9,598	10	