Public Libraries.—The distribution of the Government subsidy, and of sums placed in deposit by library committees, is made in books supplied from Great Britain. They are strongly and uniformly bound, and are selected from catalogues by the various committees, or by purchase of those kept in stock by the Board. The details of income and expenditure are given in the appendix.

DISTRICT HIGH SCHOOL.—There is only one district high school under the Board—namely, Invercargill. The rate of fees payable is 10s. a quarter for one subject, and 5s. a quarter for each additional subject. The fees are collected quarterly, and paid through the Committee to the Board. They are then handed back to the Committee, and distributed among the teachers of the higher branches according to a certain scale. At present the headmaster receives $\frac{1}{2}$, and each of two assistants $\frac{1}{12}$, of the whole fees collected. The number of pupils learning the special subjects for the quarter ending 31st December, 1880, was 85, and the total amount of fees collected for the same period was £76 3s.

SCHOLARSHIPS.—Four scholarships of the value of £40 (if pupil resides at home £20), and tenable for two years, were competed for in December last. The schools from which the successful competitors were sent up are the North and South Schools, Invercargill, North Invercargill, and Limestone Plains Schools. There are thus eight holders of scholarships at present, four of which lapse at the end of this year. Now that the Invercargill Boys' and Girls' High Schools are in operation, it is imperative that all holders of scholarships should pursue their studies either at one of the High Schools or at the District High School. The account for scholarships, the report of the Inspector, and copies of the examination-papers are appended hereto.

GOVERNMENT LIFE ASSURANCE.—On the application of the Commissioner for Government Life Insurance, the Board agreed to encourage teachers to insure their lives, by deducting the premiums by instalments from their monthly salaries. A circular was also issued to the teachers recommending the

scheme, but as yet only two have taken advantage of it.

SCHOOL FURNITURE.—In all the new schools, and in the old buildings where the furniture has been renewed, the arrangement preferred by the Board is that in which the desks are placed longitudinally in parallel rows, divided into three or more groups, according to the size of the building. Each group contains three or four rows of desks, and in larger schools there is also a gallery for the infant

Inspection .-- Almost all the schools of the district have received two visits from the Inspector during the year: one a surprise visit, in which every assistance is given to the teachers in the work of organization and improvement in their methods of instruction, and another for result examination. An exhaustive and interesting report by the Inspector on the state of education in the district, and the results attained in each school, will be found in the appendix.

GENERAL.—The Board desires to point out that the relative duties of the Board and School Committees, especially as regards the appointment of teachers, are not well defined in the Education Act; that the compulsory clauses are a dead-letter, owing to the difficulty and expense of bringing them into force; and that the cumulative system of voting in the election of School Committees is far from satisfactory; and that the Act might be advantageously amended in these respects.

The Hon. the Minister of Education.

I have, &c., John G. Smith, Secretary.

GENERAL STATEMENT of RECEIPTS and EXPENDITURE for the Year ending 31st December, 1880.

O DE LES	0	***************************************			Total and the second change service			
$oldsymbol{Receipts.}$		£	8.	d.	Expenditure.	£	s.	d.
To Balance, 1st January, 1880—					By Office and Board—			
Maintenance Account	•••	281		6	Office staff salaries	293	0	0
Libraries		37	. 9	0	Clerical assistance	2	17	6
Special Buildings Grant		2 ,328	17	4	Departmental contingencies	387	14	0
Grants from Government-					School Inspection—Salaries	498	3	4
Statutory capitation (£3 15s.)		11,173	5	9	Teachers' salaries and allowances	12,060	7	11
Grants to Committees (10s.)		1,776		0	School Committees, for educational pur-			
Scholarships (1s. 6d.)		77	6	0	poses	1;487	14	5
Inspection subsidy		300	0	0	Scholarships—Paid to holders	82	5	9
Training of teachers		11	6	11	Insurance of school-buildings	112	15	0
Specially for buildings		4,200	0	0	School-Buildings—			
Payments by School Commission	ers from				New buildings	4,046	11	4
education reserves		1,390	0	11	Enlargement, improvement, and re-	•		
Fees for district high schools		76	3	0	pairs	618	10	6
From Public Libraries Vote		260	1	0	School furniture and appliances (not			
Sale of library books		4	17	0	included in preceding)	351	8	11
Deposits by Library Committees		70	10	6	Rents, temporary schools, &c	250	5	0
Rent of reserve		7	0	0	Library Committees, out of Public Li-			
Sale of old building		17	10	0	braries vote	350	6	10
ü					Drillmaster	9	15	0
					Science lectures	11	6	11
					Balance, 31st December, 1880-			
					Maintenance account	164	8	3
•					Libraries	22	10	8
					Building grant	1,262	ĩ	7
						_,		
		£22.012	2	11		£22,012	2	11
		2-3,012						==

THOS. M. MACDONALD, Chairman. JOHN G. SMITH, Secretary.

AUDITOR'S CERTIFICATE.—I have examined this account, and compared it with the Treasurer's books and vouchers, and with the bank pass-book, and I certify it to be correct.—H. LIVINGSTON, Auditor,