

custom to grant leases of rural lands for twenty-one years, divided into three septennial periods, and to increase the rent in each successive period in proportion to the prospects of the locality in which the land is situated.

In consequence of defaults in the payments of rents, several reserves have been re-entered and relet, transfers of leases have been permitted, and school sites have been declared.

A block of 14 acres of land situated outside the reduced boundary of the Town of New Plymouth, well adapted for villa sites, and already reported on, is still let as a cattle-run, the Commissioners, owing to the continued depression of trade, not feeling it prudent to offer it on lease for building purposes.

The Public Works Department took for railway purposes a portion of a reserve, for which they paid to the Commissioners the sum of £22. This money has been placed in the Savings Bank, with the intention of ultimately devoting it to the purchase of a school site.

Some doubts have arisen as to the Commissioners' title to certain lands, and their power to deal with them. These doubts appear to be met by the provisions of the Education Reserves Amendment Bill introduced into the House during last session by the Hon. Mr. Rolleston, which Bill the Commissioners trust will become law during the coming session.

The Commissioners have been called upon to contribute to the erection and maintenance of dividing fences between unlet reserves and the lands held by private persons. The Commissioners fear that their liability in this respect will cause considerable demands to be made upon their revenue.

I have, &c.,

The Secretary for Education.

BENJAMIN WELLS, Chairman.

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

Receipts.

	Primary Educa- tion Reserves.	Secondary Educa- tion Reserves.	Total.
	£ s. d.	£ s. d.	£ s. d.
To Balance on 1st January, 1880 ...	54 17 4	4 4 8	59 2 0
Arrears due on 1st January, 1880, collected in 1880—			
(1.) Rents, issues, profits, or receipts of reserves	233 2 3	134 7 6	367 9 9
(2.) Other Receipts—Transfer fees ...	2 0 0	...	2 0 0
Moneys payable and collected within 1880—			
(1.) Rents, &c., of reserves ...	326 12 3	106 2 0	432 14 3
Proceeds of land taken for railway purposes ...	...	...	*22 0 0
	...	...	883 6 0

Expenditure.

	£ s. d.	£ s. d.	£ s. d.
By Office—Salaries, &c. ...	79 4 4	30 17 3	110 1 7
Expenses of leasing, advertising, and other expenses	32 14 1	2 0 8	34 14 9
Expenditure on Reserves—			
Surveying ...	16 1 0	...	16 1 0
Fencing and other expenditure ...	26 16 11	2 10 5	29 7 4
Legal expenses ...	1 3 0	1 0 8	2 3 8
Wanganui Education Board ...	105 7 9	...	105 7 9
Taranaki Education Board ...	314 12 3	...	314 12 3
Wanganui High Schools ...	...	50 0 0	50 0 0
Taranaki High School ...	...	154 19 7	154 19 7
Deposit in Savings Bank ...	...	...	22 0 0
Balance in hand or in bank ...	40 10 5	3 7 3	43 17 8
	...	...	883 6 0

Arrears.

	£ s. d.	£ s. d.	£ s. d.
Arrears due on 31st December, 1880—			
(1.) Arrears at 31st December, 1879, still unpaid ...	188 18 11	74 7 8	263 6 7
(2.) Arrears of payments due within the year 1880	222 8 4	135 19 3	358 7 7
	411 7 3	210 6 11	621 14 2

* This amount is retained for the purpose of purchasing a school site or other land.