Present Staff.		v.	Proposed Staff.		
Manager (no food allowance)		£240	Manager	•••	£240
Sub-Manager (and found)		150	First Seaman Instructor		120
Schoolmaster (and found)		120	Schoolmaster		130
Sewing Instructress (and found)		40	Sewing Instructress		40
Seaman Instructor (and found)		84	Seaman Instructor		84
Seaman Instructor (and found)	•••	84	Seaman Instructor		84
Cook (male)	• • •	<b>7</b> 8	Cook (male)	• • •	78
			Total		£776
		-	First Seaman Instructor (in lieu	ı of	
		Ì	board, fuel, &c.)		20
Total		£796	Total		£796

The saving of £30 from the Sub-Manager's salary enables me to add £10 to the schoolmaster's salary, and £20 to be paid to the first seaman-instructor in lieu of board, fuel, &c., without adding to the aggregate cost of the staff. But there would really be a saving of the cost of Mr. Thompson's

food, &c., which he would have to provide for himself.

Storekeeper.—The Manager and all the officers are employed during the whole of the day, with very short intervals, from the time they rise till late in the evening. The schoolmaster, as such, would only be employed, at the most, for six hours a day, including the two half-hours in supervising the boys' recreation. It is not likely that a certificated schoolmaster would be found willing to undertake the oversight of any of the manual work performed by the boys, as the seaman-instructors do; and I therefore propose to fill up some of the schoolmaster's time by devolving upon him the duties of storekeeper and clerk. This would place him in a position of greater equality with the other officers, as regards hours of employment, and would thus remove a grievance which might be felt by them as to one officer of the establishment having a very great deal of time on his hands. It would also set the Manager free for a longer period to superintend the affairs of the school.

Selection of Schoolmaster, and Inspection of School Department.—I quite agree with Mr. Habens that the Auckland Education Board could render valuable assistance, and I suggest that the Board be asked to recommend to you for appointment a suitable certificated teacher as schoolmaster, and to give the services of their Chief Inspector as Inspector of the school department, under section 6 of the Act. The Chief Inspector might be invited to visit the school soon, and make himself acquainted with its circumstances and requirements as regards school instruction and training. This would render it unnecessary to indicate the special qualifications essential to the successful holding of the office of schoolmaster, for I have every confidence that the Chief Inspector, from his large experience, would readily take in all the requirements of the case, and be able, of his own personal knowledge, to select a schoolmaster who would be likely to suit the position. It is extremely desirable that the schoolmaster should be able to teach singing well; and it would certainly prove a source of attraction if a fife-and-drum band could be organized, as has been done with such good results at Caversham. It is evident that, in addition to high character and professional skill, the schoolmaster should be possessed of much prudence and tact.

Residences for Married Officers.—The Manager in his last and former reports points out how desirable it would be to have cottages for the accommodation of married officers. There can be no doubt that the prospect held out to Mr. Thompson of obtaining quarters at the school for his wife and child has been the means of retaining his services. I am of opinion that the presence of one or two sensible motherly women around the school would exercise a beneficial influence on the boys. From what I noticed, and from what the Manager said, I have reason to think that Mrs. Rose, the work instructress, does the boys a great deal of good by her kindly and motherly intercourse with them outside the hours of formal instruction. I believe, therefore, that the erection of one, or, if possible, two cottages for married couples would greatly increase the attractiveness of the place to suitable assistants, and even to the boys. The cost of a cottage would probably be from £150 to £175.

Terms of Appointment and Dismissal.—After discussing the matter with the Manager, I think Mr. Habens's proposal, that three months' notice to and from officers, before dismissal and resignation, might be advantageous and practicable in the case of the schoolmaster, the first seaman-instructor, and the work mistress, but that, in the case of the two ordinary seamen and the cook, the necessity for more than, say, one month's notice might be attended with inconvenience. In all engagements it should be stipulated that in case of gross misconduct the master should have the power to suspend, pending a reference to the Minister, whose decision should be binding on all parties. But it may occasionally happen that the Manager is obliged to accept the services of a person respecting whose character and competency he is unable to satisfy himself without a short trial. He might have, however, in such a case, to engage the person on trial for a few weeks. If such trial should prove satisfactory, an engage-

ment might be entered into.

Cart, Horse, and Implements.—There are about thirty acres of very good land connected with the school. A large portion is in excellent pasture, and supports four or five cows, which yield a fair supply of milk for the establishment. The boys raise from the other portions of the land a supply of vegetables sufficient for all the year round, potatoes for nine months out of the twelve, and a good deal of green food for the cows and pigs. I quite agree with Mr. Habens as to the advisability and profitableness of supplying a horse, spring cart, light plough, and harrows to the school. There ought to be ready means of communication with Auckland by land, in case of accident, serious illness, &c., at times when passage by water is impracticable. The manager showed me that, by removing the necessity for the occasional hiring of a horse, cart, plough and harrows, a saving would be effected sufficient to pay interest on the cost of such articles and also to recoup the original outlay in a very few years. The horse's food would be all raised on the land. The horse and implements would aid in training the boys to farm work, and the animal would be a source of interest and attraction to them.