

The receipts from the primary education reserves show a considerable increase over former years, owing mainly to the renewal of a number of leases, under which increased rents are paid. The total receipts were £37,703 13s. 1d., of which the sum of £23,984 2s. 6d. was paid over to Education Boards during the year. There is not a corresponding increase in the Commissioners' revenue from the secondary education reserves, because in Canterbury the whole of this class of reserves is now vested in High School Boards, and nearly all the Otago secondary education reserves have been similarly disposed of.

The proceeds of the reserves applicable to secondary education in Cook and Wairoa Counties are being funded by the Auckland Commissioners for the benefit of any public secondary school that may be established at Gisborne. There is now a sum of £94 1s. 10d., at deposit in the savings-bank, available for this purpose. The Nelson Commissioners had similarly accumulated the proceeds of their secondary education reserves, and were able last year to pay the sum of £950 towards the Nelson Girls' High School.

The Wellington Commissioners represent the desirableness of securing reserves for school sites in private townships, and recommend that steps be taken to render compulsory the making of such reserves when private townships are surveyed.

The Canterbury Commissioners have arranged with the Crown Lands Department for the subdivision into small farms of two large reserves of agricultural land, the leases of which will expire shortly.

At the request of the Otago Commissioners, the Lands Department, under the provisions conferred by "The Land Act 1877 Amendment Act, 1882," has sold 7,238 acres of agricultural land for cash, at an average price of £2 6s. 6d. per acre, 14,538 acres on deferred payment, at an average of 6s. 3d. per acre per annum, and 11,825 acres on perpetual lease, at a rental averaging about 2s. 5d. per acre per annum. The lands so disposed of were primary education reserves. As the greater part of the land was not disposed of until the end of December, 1883, the total proceeds were not handed over to the Commissioners till after the close of the year, and therefore do not appear in the accounts for 1883. After deduction of the necessary cost of survey, advertising, roads, &c., the sum of £3,505 2s. 2d. was received within the year from land sales, and is at present in the Bank of New Zealand on fixed deposit, bearing interest at 6 per cent. Fuller particulars concerning these land sales are given in the Commissioners' Report, Appendix, pp. 103-4.

UNIVERSITY RESERVES.

The proceeds of the lands reserved under "The University Endowment Act, 1868," for the purposes of the higher education now amount to £677 18s. 8d., made up as follows: Auckland reserves, £75, Taranaki, £32 17s. 4d., Canterbury, £521 1s. 4d., and Westland, £49. The money is at present held by the Treasury, for appropriation as may be determined hereafter by the General Assembly. Full information concerning the locality, area, yearly rental, &c., of the University and also of the secondary-education reserves is given in Returns E.-10 and E.-11, prepared by order of the House of Representatives, and printed in the Appendix to the Journals of the House, 1883.

It is desirable that an Act of the General Assembly should be passed conferring larger discretionary powers as regards the leasing of the University reserves, and regulating the distribution of the annual proceeds.

NATIVE SCHOOLS.

In December, 1882, there were 63 Native village schools in operation; at the close of last year the number had increased to 66. Besides these village schools, which are wholly under the control of the department, there were six boarding-schools last year at which Maori children were educated. They are connected with religious denominations, and are in receipt of capitation grants from the Government on account of the children placed in them by authority of the Minister. The Native children in these boarding-schools are statedly examined by the Inspector of Native Schools.

During the past year new buildings of a suitable character have been erected in several localities, and numerous improvements and repairs have been made in