At the recent teachers' examination four of the uncertificated teachers and one pupil-teacher were successful, so that there are now twenty-five certificated and thirteen uncertificated teachers. There are also three teachers of needlework.

Buildings.—The new school at Hokitika was completed, and formally opened at the Queen's Jubilee celebration, when it was named "the Victoria School." The building is in every way a credit to the town, and the Board desires to express its thanks to the late and the present Ministers of Education for their wise liberality in replacing a perishable building with so substantial and commodious a structure. The Board has also erected a caretaker's cottage at the Hokitika School. A new school has been completed at Bruce Bay. A teacher's residence has been built at Stafford, and another at Gillespie's. Repairs that were absolutely necessary have been effected at several schools, but the rapid decay of timber in the moist climate of Westland causes constantly-increasing demands upon the Board's funds to preserve the buildings in anything like habitable condition.

Residences are urgently needed at several schools in the district, and until they are provided the Board must continue to pay the teachers an allowance for rent, the amount of which represents

the interest of a sum of money quite sufficient to erect suitable buildings.

STAFFS, SALARIES, AND COMMITTEE ALLOWANCES.—The amended scale of staffs, salaries, and Committee allowances has been found to work well, and has given general satisfaction. The allotment of teachers to the several large schools, though considerably less liberal than those of many other education districts, has not in any way detrimentally affected the results, and the extra work thrown upon the teachers has been zealously and cheerfully performed. The salaries paid by the Board to its teachers, when the cost of living in Westland is taken into consideration, are much below those paid by the majority of Education Boards in the colony. The allowances to School Committees are also on a very moderate scale.

The balance-sheet attached to this report shows that the Board's expenditure has been kept within its income, and it is much to be deplored that the recent decision of Parliament will so injuriously affect the Board's financial position as to make it impossible to carry on the present satisfactory arrangements. Relying, however, on the promise made by the Hon. the Minister of Education when the question was before Parliament, the Board trusts that in an exceptional case like that of Westland such concessions will be granted as will prevent any of the Board's country or small schools being closed. The following statement shows how the decision of Parliament affects the district:—

Table showing Effect of Recent Reductions in Payments to Board for the Year now current, supposing the Attendance to remain the same.

	Attendance.	1887.	1888,	
		£ s. d.	£ s.	d.
Quarter ending the 31st December, 1886,—				
Statutory capitation on working average, at 18s. 9d	1,446	$1,355 \ 12 \ 6$		
Statutory capitation on strict average, at 18s. 9d	1,393	•••	$1,305\ 18$	9
Quarter ending the 31st March, 1887,—				
Statutory capitation on working average, at 18s. 9d	1,562	1,464 7 6	•••	
Statutory capitation on strict average, at 18s. 9d	1,532		1,436 5	0
Quarter ending the 30th June, 1887,—				
Statutory capitation on working average, at 18s. 9d	1,464	1,372 10 0	•••	
Statutory capitation on strict average, at 18s. 9d	1,314		$1,231\ 17$	6
Quarter ending the 30th September, 1887,—				
Statutory capitation on working average, at 18s. 9d	1,545	1,448 8 9		
Statutory capitation of strict average, at 18s. 9d	1,474	_,	1,381 17	6
Special capitation paid during 1887 and to be discontinued	_,_,_			_
during 1888		324 19 0		
Deleves above a loss of income			609 19	0
Datance, snowing loss of income	•••	•••	005,15	
Totals		5,965 17 9	5,965 17	9
			•	

Unless, therefore, some relief can be afforded, the Board will be compelled, most unwillingly, to close eight of the smallest schools, having an aggregate attendance of ninety-two, and costing the Board in salaries alone £460 per annum. It will thus be seen that, to make the necessary reductions, education in Westland must suffer. The Board's administrative expenses, as shown by the balance-sheet, are down to a minimum. The Inspector and Secretary is already considerably underpaid when the nature of his duties and the work he has to perform are taken into consideration, together with the fact that rents and the cost of living are much higher here than in many other parts of the colony. To attempt any further reduction of teachers' salaries would result in driving the best teachers out of the district and discouraging those that remain, and the Board trusts that such a necessity may not be forced upon it. A small reduction is possible in the allowances to Committees, provided that parents and the public generally come to their assistance by voluntary contributions towards providing fuel, &c., during the winter months.

The Board considers that it is quite within the power of the Minister, in the case of Westland, either to make special capitation grants to schools where the attendance is under fifty pupils, or to pay the capitation grant on the "working" instead of the "strict" average. The concessions asked

for are justifiable on the following grounds:—
(1.) That the Board's limited income prior to the adoption of the retrenchment proposals had