

During the past year seven reserves have been let for fourteen years. Of these, one was re-let by arbitration under clause 245 of "The Land Act, 1885," to a tenant who was living on the land with a large family; and the others, which were only suited for pastoral purposes, were let by tender, and brought high rentals.

During the year 1891 the leases of four reserves fall in, three of these on 1st May next, and one on 1st November; but owing to clause 5 of "The Educational Reserves Leasing Act, 1890," it is impossible to say at present how these reserves will be dealt with. Of those falling in on the 1st May, the Board propose to let one of 49½ acres by tender for fourteen years; and the other two, of 508 and 160 acres, after subdivision, into respectively eleven and three farms, by tender, for fourteen years. This proposal was sent to Wellington at the end of November for the Governor's approval, but so far the necessary assent has not been given.

Reserve No. 1329, containing 250 acres, which falls in on 1st November next, ought undoubtedly to be re-let by arbitration to present occupier, who built and is living on the land with his family, for under his old lease he gets no compensation for his buildings, besides which he has been paying an excessive rental, and, if forced to submit to public tender, a great hardship will undoubtedly be inflicted upon him. Clause 5 of "The Educational Reserves Leasing Act, 1890," takes away the power granted to School Commissioners under clause 245 of "The Land Act, 1885," to renew leases by arbitration, which is much to be regretted, as renewals were only being granted to lessees of reserves of small area, who were actually making a home of the land.

I have, &c.,

The Hon. the Minister of Education, Wellington.

H. R. WEBB, Chairman.

GENERAL STATEMENT of RECEIPTS and EXPENDITURE for the Year ending 31st December, 1890.

Receipts.

	Primary Education Estate.	Total.
	£ s. d.	£ s. d.
To Balance brought down from 31st December, 1889 ... ..	...	255 13 5
Arrears due 1st May, 1889, from last account ... ..	...	95 4 3
Arrears due 1st November, 1889, from last account ... ..	...	851 7 11
Moneys payable within the year 1890, and collected, viz.—		
On account of half-year's rent payable in advance on the 1st May, 1890	7,976 15 2	
On account of half-year's rent payable in advance on the 1st November, 1890	6,677 1 2	
		14,653 16 4
Other receipts—		
Bank of New Zealand—Interest on £181 11s. 5d. placed on deposit for one year (see statement of 31st December, 1889) ... ..	...	9 2 0
Total receipts ... ..	...	15,865 3 11

Expenditure.

	£ s. d.	£ s. d.
By Office expenses and management—		
Salary of steward (inclusive of travelling expenses)	540 0 0	
Stationery and postage	9 13 1	
School Commissioners's railage and expenses	10 12 6	
		560 5 7
Expenses of leasing—		
Advertising, printing, and lithograph plans	19 2 3	
Arbitrators' fees, assessing rental of Reserve No. 2006	2 2 0	
Caretaking of Reserve No. 1126	1 1 0	
Subdivisional survey of Reserve No. 1126	26 4 9	
		48 10 0
Special expenditure—		
Cost of professional report on Reserve No. 1208 re flood-water	6 17 4	
Half-share of cost of reducing intake of ditch from creek on Reserve No. 1208	6 10 3	
		13 7 7
Payments to Education Boards—		
North Canterbury	12,204 10 0	
South Canterbury	2,795 10 0	
		15,000 0 0
Balance in Bank of New Zealand 31st December, 1890—		
At credit of current account	61 9 4	
On fixed deposit	181 11 5	
		243 0 9
Total expenditure ... ..	...	15,865 3 11