

condition. Although the examination results are slightly lower than those of 1897, they consider that the standard of efficiency has been fully maintained, possibly in some subjects even raised. They attribute the apparent falling-off to prevailing sickness both before and during the examination of a considerable number of schools, including the large schools of Dunedin and suburbs. They mention also that the mean of the average ages of the pupils who passed Standards III. to VI. is nearly three months lower than that of the pupils who passed these standards in 1897.

The percentage of passes in Standards I. and II., for which the headmasters are responsible as examiners, is 97·6, the same as that of last year. The percentage of passes from III. to VI., for which Inspectors are responsible as examiners, is 82·7, nearly two less than that of last year. Hitherto the Education Department has required an examination report on each school so far only as the pass-subjects are concerned, but this year the Inspectors were instructed to report also on the class and additional subjects. This they regard as a step in the right direction. Though the Inspectors judge the efficiency of the schools by the percentage of marks gained in the subjects of examination rather than by the percentage of standard passes, they do not regard the latter as valueless, and they repeat the assertion made in last year's report—an assertion well worthy of consideration: "Every well-taught school gains a high standard pass, but not every school that gains a high standard pass is a well-taught school." After long and careful observation of the standard pass examination the Inspectors have come to the conclusion that its abolition would now be conducive to real education.

FINANCE.—A certified statement of the Board's income and expenditure for the year is appended hereunto. The sum expended in teachers' salaries (including bonuses on classification) and bonuses for instructing pupil-teachers was £62,449 1s. 3d.; the amount paid to School Committees for incidental expenses was £5,594 12s. 1d.; the amount expended in the erection, enlargement, and improvement of school buildings and the purchase of sites was £7,108 19s. 9d. The serious falling-off in the attendance, already referred to, has reduced the Board's income on the General Account by over £3,000, without diminishing the expenditure in any appreciable extent, and the Board now finds itself for the first time in the position of being overdrawn on both the General and Building Accounts.

By order of the Board,

P. G. PRYDE, Secretary.

The Hon. the Minister of Education.

GENERAL STATEMENT OF RECEIPTS and EXPENDITURE for the Year ending 31st December, 1898.

<i>Receipts.</i>			<i>Expenditure.</i>		
	£	s. d.		£	s. d.
To Government grant for buildings ..	9,555	0 0	By Balance ..	2,102	11 1
Local contributions for buildings ..	129	11 3	Office staff—Salaries ..	1,103	18 7
Government statutory capitation ..	61,751	1 6	Departmental contingencies ..	463	7 8
Scholarship grant ..	1,385	9 0	Inspectors' salaries ..	1,518	8 10
Inspection subsidy ..	500	0 0	Inspectors' travelling-expenses ..	600	0 0
Grant for training of teachers ..	300	0 0	Examination of pupil-teachers ..	39	0 7
Grant for manual and technical instruction ..	18	11 2	Teachers' salaries and allowances (including rent, bonus, &c.) ..	62,449	1 3
Grant for Pomahaka Downs School ..	25	0 0	Incidental expenses of schools ..	5,594	12 1
Payments by School Commissioners ..	10,046	10 10	Training of teachers ..	1,140	16 6
District High School fees ..	152	19 6	Scholarships—		
School of Art and Design—			Paid to scholars ..	1,314	0 0
Fees (three quarters) ..	258	15 9	Examination expenses ..	51	12 1
Government grant under Manual and Technical Instruction Act ..	198	13 7	School buildings—		
Rents of school sites ..	25	1 0	New buildings ..	2,970	12 5
Sale of school sites ..	673	17 7	Improvements of buildings ..	2,782	8 2
Truancy fines ..	6	4 0	Furniture and appliances ..	632	13 0
Rent of offices ..	21	13 4	Sites ..	226	5 0
Science and art examination fees ..	18	4 0	Plans, supervision, &c. ..	497	1 2
Balance—			Truant Officer ..	81	2 9
Dr. Building Account 3,327 0 11			Truancy fines paid to School Committees ..	4	8 0
Cr. General Account 1,831 18 3			Gymnastic instruction ..	176	8 8
	1,495	2 8	Members' expenses ..	166	7 10
			School of Art and Design ..	768	5 3
			Manual and technical instruction grant ..	93	11 2
			Board's new offices ..	1,616	9 1
			Science and Art examinations ..	32	5 9
			Interest ..	136	8 3
	<u>£86,561</u>	<u>15 2</u>		<u>£86,561</u>	<u>15 2</u>

P. G. PRYDE, Secretary and Treasurer.

Examined and found correct—J. K. WARBURTON, Controller and Auditor-General.

INSPECTORS' REPORT ON THE DISTRICT HIGH SCHOOLS.

SIR,—

We have the honour to submit the following report on the higher work of the District High Schools for the year 1898. The tabular statements show the subjects taught, the number of pupils examined, and the amount of work done in each subject.

13—E. 1.