

It is unnecessary to recapitulate the reasons that led to the passing of the Public-School Teachers' Salaries Act of last session or to call attention to its provisions; but in this connection it may be remarked that, considering the radical nature of the change introduced by the Act, the large amount of work entailed in reducing to order the details of staffs and salaries of nearly four thousand teachers in over seventeen hundred schools, working hitherto under thirteen separate sets of regulations and paid under thirteen different scales of salary, considering also the number of new questions arising and the number of cases of apparent hardship or difficulty to be considered and decided, the Education Boards and the Department are to be congratulated upon the fact that the new system has been brought in with almost perfect smoothness.

Not only were the salaries of most teachers to be raised, but the salaries to those to whom the new scale allowed less than they were entitled to before were to be maintained for two years. Again, to enable an easy transition to be made from the old system to the new, some discretion was allowed by the Act to the Minister in regard to the staffing of the schools, and this power has been interpreted liberally, with a view to avoiding hardship to individual teachers. While endeavour has been made to prevent such liberality from degenerating into extravagance, yet the unavoidable items referred to have caused a considerable increase in the total expenditure.

Further, as no provision was made in the Public-School Teachers' Salaries Act for the cost of relieving teachers or substitutes in cases of sickness, an item has been placed on the estimates which, being at the rate of 6d. per head per annum on the average school attendance, will, it is considered, amply meet the case.

FINANCES OF EDUCATION BOARDS.

Table N is an abstract of the accounts of the receipts and expenditure of the Boards of Education for the year 1901. These are given in full on pages 4-5 of the Appendix, where are also the annual reports of the several Boards.

The principal item showing an increase is that of Teachers' Salaries and Allowances, £382,061 for 1901 as against £357,249 for 1900, the increase being due to the distribution of the special sum voted by Parliament for increases to teachers' salaries, which was allotted in accordance with the provisions of "The Public-School Teachers' Salaries Act, 1900."

TABLE N.—ABSTRACT OF RECEIPTS AND EXPENDITURE OF BOARDS.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Balance, 1st January, 1901 ..	11,565	8	8	By Boards' administration ..	15,127	5	1
Government grants—				Inspection and examination ..	14,690	9	11
Rents from reserves £40,969 0 2				Teachers' salaries and allowances ..	382,061	4	9
Balance of capital ..	413,381	2	11	Incidental expenses of schools ..	33,045	12	8
				Scholarships ..	8,549	11	3
Total for maintenance ..	454,350	3	1	Training of teachers ..	4,003	4	9
Buildings ..	55,049	7	3	Buildings, sites, plans, &c. ..	60,102	13	0
Technical ..	4,948	0	7	Manual and technical instruction ..	7,610	13	10
Local receipts—				Interest and exchanges ..	241	11	9
Fees, donations, &c. ..	4,989	19	3	Refunds and sundries ..	746	4	2
Rents, &c. ..	1,552	17	11	Balance 31st December, 1901 ..	6,923	0	3
Refunds, deposits, &c. ..	645	14	8				
	<u>£533,101</u>	<u>11</u>	<u>5</u>		<u>£533,101</u>	<u>11</u>	<u>5</u>

As in the preceding year, a portion of the votes for scholarships and for manual and technical instruction, as well as most of the building vote for the year, was not received by the Boards until after the 31st December, 1901. The amounts payable thereunder to the several Boards are, however, included in the assets of the Boards shown in Table O.

Tables O and P show the financial position of the Boards, as regards the General and Building Accounts respectively, on the 31st December, 1901. In