The payments made to Education Boards out of the proceeds from education reserves in 1902 amounted to £43,325 19s. 4d. The revenues of the Boards are not, however, increased thereby, as equal amounts are deducted from the grants for teachers' salaries due to the Boards. The payments for secondary education from reserves under the control of the School Commissioners amounted to £4,048 12s. 1d. The payments for primary education were distributed amongst the several Education Boards, as follows: Auckland, £2,625; Taranaki, £1,757 7s. 2d.; Wanganui, £2,140 19s. 1d.; Wellington, £2,401 13s. 9d.; Hawke's Bay, £3,075; Marlborough, £150; Nelson, £635 4s.; Grey, £88; North Canterbury, £13,382 18s. 5d.; South Canterbury, £3,143 17s. 7d.; Otago, £9,863 12s. 3d.; Southland, £4,062 7s. 1d.

NATIVE SCHOOLS.

At the beginning of the year 1902 there were 99 Maori schools of various kinds; at the end of that year the number was 107. The total number of schools has thus been increased by eight. In the course of the year nine schools had been opened or reopened, and one had been closed. Among the 107 schools above referred to were four boarding institutions and four other schools that the Department has been asked to inspect and examine. These eight schools being deducted from the total; there were available for work 99 Native village schools at the end of 1902, as against 91 at the end of 1901. Of course, neither this enumeration nor any other in this report takes account of the Maoris attending schools under the Boards, where the education is in

the main identical with that given to European children.

Of the eight new schools opened in the course of 1902 it may be said that they all, with one seeming exception, break new ground. That exception is the school at Whakarewarewa; but even this school has not really been esta blished on ground already taken up. Any one who visits Whakarewarewa to-day and carefully observes the children attending it, taking full account of the birth and inherited tendency of such pupils, and of the nature of their home training, will at once perceive that an ordinary Board school is not the place for them. About the other new schools there can be no doubt; they are all on what is really or virtually unoccupied territory, although it is possible that one or two of the schools will soon be surrounded by European dwellings. Of this kind is the Hauaroa School, near Taumarunui, far up the Wanganui River. When the question of establishing a school there was first raised there seemed little chance of there being any European settlement near at hand; now, population is fast increasing, and a railway is within easy reach. Te Kerepehi, in the Thames district, is remote; the moderate-sized school there is likely to do good work. Rangiawhia, in the far North, is the scene of an interesting experiment, which is successful and likely to continue so; the school is Maori through and through, even to the teachers, who appear to be taking up the work without much difficulty, and to require only practice. Parawera has an interesting school also; it is not very far from the scene of the famous battle of Orakau, in which Rewi, the Maniapoto chieftain, expressed his determination to fight "for ever and ever." Takahiwai School takes up new ground near Point Marsden, Whangarei Harbour. Tangoio, some miles from Petane, also has a new school. The remaining school is at Whangara, near a small coastal projection of that name between Gisborne and Tolago Bay. This is many miles from other schools. After a rather poor beginning, it is doing very fairly well. It seems that if all the Maoris connected with the district would remain at or near their own homes there could be a large school there, but Gisborne, less than twenty miles away, has an unsettling influence on them.

The scheme for the establishment of a model Maori-school village has advanced several stages since the date of last year's report. The settlement of preliminaries in regard to the land took rather more time than was anticipated; but the site given by the Maoris has now been surveyed and formally handed over to the Department. A technical instructor has been appointed who, with the help of the Maoris, youths and adults, has put up a carpenter's workshop,