cent.; weak or very weak, 1 per cent. Compared with that of 1906, this grouping shows a decline of 7 per cent. in the first grade and a rise of 5 per cent. in the second, and of 2 per cent. in the third. The percentage in the last grade is the same as that for 1906. The majority of the large schools of the district are in the first group, and therefore the majority of the pupils are in schools of good efficiency. This is satisfactory. The Inspectors' report implies that, but for the prevailing epidemics, the efficiency of the schools would have been higher. The majority of the school-children were unaffected directly or indirectly by the epidemics; but to safeguard the staffing and revenues of the schools they were closed by resolution of the Committee. The Inspectors say, "It is a thousand pities that it should be possible for the invasion of an epidemic to deprive of any of their education those who are able to attend school." The Committee of one of the larger schools, when scarlet fever broke out in their district, declined, under the advice of the local Health Officer, to close their school, and the result was anything but adverse to the educational interests of the children. From the sanitary standpoint it is questionable policy to turn the children into the streets to play all day long with contacts, and even with convalescents whose skins and clothing are still loaded with disease-germs. The unavoidable employment of untrained uncertificated teachers is still adverse to the efficiency of the schools. The Inspectors still report that promotion in the upper standards is too easy, and that in large schools such promotion presses unfairly on the teachers of Standards V and VI. The Inspectors' remarks on the subjects of instruction are well worthy of the earnest attention of every teacher, especially the remarks on the value of a well-defined and worthy aim in the work of both teacher and pupil. They condemn emphatically the waste of time in mechanical spelling drill, and deplore the effect on English composition of the growing neglect of formal grammar, and the fact that it is possible for pupils to pass through the schools and leave them ignorant of the grammar of their own tongue. During the last year too many of the schools have been reported weak in grammar. Such report should not be necessary a second time. There is but little formal grammar prescribed in the syllabus of composition, and teachers should accept that as the irreducible minimum, and endeavour to the utmost of their power to have it mastered. The Inspectors report favourably on the work done in most of the school gardens, in elementary science, in nature-study, and in the various branches of handwork.

Truancy.—From the following statement an estimate may be formed of the work undertaken during the year for the suppression of truancy and irregular attendance: 1,147 notices were served on parents and guardians for infringements of "The Education Act, 1904," section 141; seventeen notices were served on parents whose children were not attending any school; 147 cases of irregular attendance were investigated; 118 penalty summonses were issued under section 145. Under the 118 summonses, 114 convictions were obtained, two cases were dismissed on production of a doctor's certificate, two cases were withdrawn. The total fines inflicted for the year amounted to £21 4s. The compulsory clauses of the Education Act were practically suspended during half of the year, owing to the epidemics of measles, influenza, &c. Transfer certificates should be more freely used than they have been in the past. Whenever a head teacher is informed that a pupil is leaving his school he should furnish him with a transfer certificate, and instruct him to present it to the head teacher of the school which he enters. In some cases too long a period elapses between leaving one school and entering another. It would be well were the date of last attendance inserted in the certificate, and the production of the certificate made compulsory.

Drill and Physical Exercises.—Exercises have been regularly practised in all the schools in the district. A series of breathing exercises drawn up by Mr. Hanna, the Board's gymnastic instructor, and approved by Dr. Ogston, the District Health Officer, has been circulated among the schools, and the teachers have been notified that these exercises are to form part of the course of physical instruction imparted in their schools. The number of cadet corps in connection with the public schools of the district is forty-three.

Technical Instruction.—The number of schools in which instruction in one or other of the manual and technical subjects was given was 122, and in 104 of these schools the time devoted to the instruction was sufficient to entitle them to claim capitation under the Department's regulations. This is an increase of eleven schools for the year. During the December quarter of 1907 the number of pupils receiving instruction in handwork subjects was 13,823, or 72 per cent., being an increase over the previous year of 2,374 pupils, or 12 per cent. Instruction in elementary agriculture was given in 61 schools, botany in 2, bricklaying in 9, brushwork in 44, carton-work in 15, cardboard-work in 17, cookery in 22, cane-weaving in 1, elementary design and colour-work in 2, free-arm drawing in 4, advanced needlework in 2, painting from the flat in 1, paper-work in 69, perspective in 1, physics in 1, physiology and first aid in 3, physical measurements in 18, plasticine in 16, stick-laying in 13, swimming in 4, wood-carving in 1, woodwork in 21. During the past three or four years pupil-teachers and students in training have undergone a course of instruction in swimming and life-saving, under the Board's instructor. The beneficial results of this are now appearing in our schools. During the year classes for instruction in swimming have been established at several rural schools, and in one the mistress has taken up the subject with the girls of the senior classes. It is reasonable to expect that during the current year this subject will be taken up more generally than it now is. Saturday classes in drawing, elementary design, brushwork, and carboard and clay modelling were held at the Dunedin School of Art, and were attended by 121 country teachers and pupil-teachers. Special teachers of needlework were employed in twenty-four schools having an average attendance below forty-one and taught by male teachers.

Finance.—The sum expended in teachers' salaries, including house and lodging allowances, was £64,598 4s. 4d.; the amount paid to School Committees for incidental expenses was £5,755 0s. 9d.: the amount expended in the erection, enlargement, and improvement of school buildings and the purchase of sites was £14,241 14s. 11d.

The receipts for school buildings include grant for maintenance, £7,318 14s.; special grants for new buildings, £4,395; house allowances to teachers, £404 15s.; local contributions, £189 12s. 8d.; deposits on contracts, £566 13s. 6d.; special grants for Technical School buildings, and furni-