modation of boys from a distance. I have asked the headmaster to supply me with a report on this matter, which is available for the College Committee. If such a scheme were entered upon, it is probable that boys would be sent from out-districts of Canterbury, and also from the West Coast when the Midland Railway is completed. The want of a good boarding establishment under the control of this Board no doubt handicaps the school in competition with similar institutions.

In order to give the Board a complete grasp of the financial working of the free-place system (which began in 1905) I append a table which shows, taking the total fees for the year and dividing the amount by the number of pupils at the end of the year, the average fee paid has fallen from £8 10s. 10d. in 1903 to £4 15s. 4d. in 1908. The table is as follows:—

		Roll Number at End of Year.	Fees.	Government Payments for Capitation and Technical Classes.	Total.	Average Fee paid.
1903	 	 229	1,956	51	2,007	8 10 10
1904	 	 219	1,684	34	1,713	7 13 10
1905	 	 190	1,363	. 23	1,386	7 3 5
1906	 	 209	1,204	243	1,447	5 15 3
1907	 	 228	1,091	423	1.514	4 15 8
1908	 	 203	968	54 0	1,508	4 15 4

End of 1908-Junior free places, 51; Senior free places, 44: total, 95.

It will be seen that 95 out of the total school roll of 203 were free-place pupils,

GIRLS' HIGH SCHOOL.

The Girls' High School opened the year with a credit balance of £138, and closed with a debit balance of £572, a total debit on the working of the account of £710, but as during the year the balance of the school additions was charged to the account, amounting to £753, it will be seen that the actual profit on the working of the institution for the year was £43. I cannot too highly commend the economy with which this institution is administered by the lady principal. The capitation for free places in this institution is steadily rising, having gone up during the year £71. The Board has incurred a large obligation in the purchase of the adjoining section, in providing increased accommodation for the Girls' High School, but I believe the new scheme of payment by the Government, which came into force on the 1st January of this year, will largely increase the revenue of the School under the free-place system, and have the effect of paying off the difference on the recent additions to the buildings, as well as of clearing within three or four years the cost of the adjoining property, which has just been purchased. We shall not, however, receive the benefit of this enlarged income until next year.

I append a similar statement of the working of the free-place system to that just given regarding the Boys' High School. It will be seen that the average fee at this school has fallen from £11 16s. in 1903 to £1 12s. 2d. in 1908. In fact, out of the total of 202 pupils at the end of the year there were only 29 whose parents were paying fees.

The total cost of the School was £2,549, of which salaries absorbed £2,082. The net attendance for the year was 207, and the salaries thus cost £10 ls. ld. per pupil for the year.

•	 	Roll Number at End of Year.	Fees.	Government Payments for Capitation and Technical Classes.	Total.	Average Fee paid.	
			£	£	£	£ s. d.	
1903	 	130	1,534	35	1,569	11 16 0	
1904*	 	145	1,170	344	1,514	8 1 4	
1905	 	166	726	842	1,568	4 7 5	
1906	 	189	398	1,163	1,561	2 2 1	
$1907 \dots$	 	217	413	1,690	2,103	1 18 0	
1908	 	202	325	1,716	2,041	1 12 2	

* Free-place system introduced.

End of 1908-Junior free places, 121; senior free places, 46: total, 167.

It will be seen that 167 out of the total school roll of 202 were free-place pupils.

School of Engineering.

The School of Engineering is a national concern, and it is one of which I think this Board may be justly proud. During my recent visit to Australia I had the pleasure of being shown over the schools of engineering in both Melbourne and Sydney. Without indulging in comparisons, which are always