For the Buller Scholarship there were seven candidates, six of whom were pupils of St. Stephen's School, Auckland, the remaining one being a pupil of Te Aute College. The questions set for examination were fairly difficult, and we consider that the results were very creditable. We were able to take nearly the whole of the examination on the occasion of our annual visit to the secondary schools, and we were well satisfied with the work done. Of the English subjects the reading was exceptionally good; the composition was in many cases spoiled by lack of originality. Makarini T. Ngata, of Te Aute College, who obtained 1,026 marks out of a possible 1,400, was highest, and the scholarship was therefore awarded to him.

INCREASE OF EXPENDITURE.

During the past twenty years there has been a considerable increase in the yearly expenditure on Native schools, and the following table, prepared originally for the Royal Commission on Education, and showing the increases for each period of five years from 1891 to 1911, is given here to explain how this has been brought about:—

Table	of .	Increases	for	each	Period	of	Five	Years,	1891–1911	
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Period.	In Number of Schools.	In Cost of Building and Maintenance.	In Teachers' Salaries.	In Inspectors' Salaries and Expenses.	In Secondary Education, Nursing and Industrial Scholarships.	Instruction.	In School Requisites and Con- veyance.	In Total Expenditure.
		£	£	£	£	£	£	£
1891-1896	 8	2,185	722	25 9	25 9	Nil	-142	3,283
1896-1901	 15	1,348	2,126	35 8	99	720	156	4,807
1901-1906	 9	1,617	4,235	-31	487	-384	348	6,272
1906-1911	 6	-894	7,087	58	484	67	-33 0	6,472
Totals	 38	4,256	14,170	644	1,329	403	32	20,834

The information above set forth may be summarized as follows: In the twenty years under consideration the number of schools increased by thirty-eight, although many schools in pursuance of the Department's policy have been transferred to Education Boards in various districts. The increase in the cost of buildings has amounted to £4,256. Better buildings are now provided for schools, and the teachers' residences are larger and more convenient, and in many instances increased accommodation has been provided. Building is also more expensive: in 1872, for instance, six schools and residences combined were built on the east coast for a total cost of £948 10s. Further, with a larger number of buildings there is the increase in the cost of maintenance, especially in the case of the older schools. The increase of £14,170 in salaries paid to teachers shows that they have received the greater part of the total increase. This is due in part, of course, to the increased average attendance, but the new scale of salaries introduced in the last five-yearly period led to a considerable rise in the expenditure under this heading.

In the early part of the period under review there was only one officer, whose duties were confined solely to the inspection of Native schools. It would be impossible for one man to cope with the work under present conditions. An increase in the amount of travelling has also been brought about; in some years, for instance, the distance covered by an Inspector has amourted to between eight and nine thousand miles.

With the progress of the schools it has become necessary to make fuller provision for secondary training in the case of those who had completed the primary course, and the increase of £1,329 for this purpose, which includes industrial and nursing scholarships, does not seem to be unusually high when the period of time and the increased demands are considered

unusually high when the period of time and the increased demands are considered.

Manual training was first introduced in 1901, and the cost of its inception was £720. The self-supporting character of the workshops brings the present expenditure on their account to a comparatively small amount, and the increase of £403 in ten years does not seem to show extravagance for such a laudable purpose.

Though the attendance during the period mentioned increased by 268 per cent., there was practically no increase in the cost of school-supplies, a fact which bears testimony in no small degree to the care exercised by the teachers over the Department's property. Included under this heading also is the expenditure on conveyance, ferrying, &c., which has been found necessary in certain instances, and which is comparatively new in connection with Native schools.

Conclusion.

During the past few years the efficiency of the schools has increased in a very marked degree: the appreciation and interest shown by the parents have become much keener, while the large number of well-founded applications for new schools show that the Maoris realize more fully the benefits to be derived from the establishment of a school in their midst. We believe that the Native school constitutes an essential feature of human life in the neighbourhood, more so, we think, than any other school with which we are acquainted. We again feel, therefore, that we should place on record our appreciation of the earnestness and devotion to duty of the teachers and their efforts in promoting the welfare of the people amongst whom they are placed.

WILLIAM W. BIRD,
JOHN PORTEOUS,
Inspectors of Native Schools.