

Finance.—The main items of expenditure are shown below in comparison with the figures for the previous year :—

	1920.		1921.		Increase.	
	£	s. d.	£	s. d.	£	s. d.
Teachers' salaries and lodging-allowances	163,279	3 5	179,280	6 6	16,001	3 1
Payments to School Committees for incidental expenses ..	9,879	12 6	10,253	14 6	374	2 0
• School buildings, purchase of sites, manual and technical buildings, and apparatus	33,388	18 2	39,162	4 1	5,778	5 11
Administration	4,336	4 1	4,908	18 8	572	14 7

For the conveyance of children to school and for the board of children who had to live away from their homes in order to attend school the Department contributed £3,764 2s. 11d., and the Board (out of its General Fund) £428 12s., making a total expenditure of £4,192 14s. 11d. for those purposes, which is an increase of £766 5s. 8d. over the previous year. Conveyance allowance was paid in respect of 516 children and boarding-allowance for eighty-four children. The expenditure on school buildings included—General maintenance, repairs, alterations, small additions and rents, £15,730 7s. 8d.; new buildings, £13,864 5s.; purchase of sites, £2,542 3s. 2d.; manual and technical purposes, £4,438 7s. 3d. At the 31st December, 1920, the net balance to credit on all accounts was £23,166 5s. 7d., the total receipts for the year amounted to £312,328 2s. 7d., and the total payments to £311,490 11s. 3d. The net balance to credit at the 31st December last was £24,003 16s. 11d.

Junior and Senior National Scholarships.—There were from the public schools in this district 223 competitors for junior and ninety-six competitors for senior scholarships; twenty-three juniors (or 10·3 per cent.) and nineteen seniors (or 19·8 per cent.) were successful in gaining scholarships. Six of the nineteen senior scholarships awarded were gained by pupils of the Board's district high schools. Of the 216 junior scholarships awarded in the Dominion, Otago candidates gained 10·6 per cent., and of the 122 senior scholarships awarded, Otago candidates gained 15·6 per cent. Of the 111 scholarships current in Otago at the end of 1921, eighty-five were juniors and twenty-six were seniors.

Inspection of Schools.—The Inspectors group the schools according to their efficiency as follows : Excellent or very good, 18 per cent.; good, 44 per cent.; very fair, 31 per cent.; fair, 6 per cent.; weak, 1 per cent. The Board regrets that, as compared with the previous year, these results would seem to indicate a decline in the efficiency of the schools. In 1920, 71 per cent. of the schools were reported as having attained the mark "good" or a higher mark, while last year only 62 per cent. reached that level—a decrease of 9 per cent., representing twenty-three schools. Last year the percentage *below* the mark "good" was 38, as compared with 29 in 1920. The Board is not aware of any special circumstances operating last year that might satisfactorily account for the decrease in efficiency reported by the Inspectors.

The efficiency of the instruction in the secondary classes of the district high schools, noted by the Inspectors in the previous year, is reported as being well maintained. Of the thirty-three candidates presented by these schools this year for Matriculation, 84 per cent. gained either a full or a partial pass; while of the 57 candidates for the Public Service Examination, forty-two passed, some of them occupying very creditable places on the list for the whole Dominion. Six pupils gained Senior National Scholarships.

Of the 2,132 pupils who in 1921 left the primary schools in this district, 1,760 had passed and 372 had not passed S6. Of the former number, 823 continued their education in high schools, district high schools, or technical schools; 248 took up miscellaneous occupations; 191 entered upon domestic duties; 235 joined trades; 168 became farmers; 56 entered the Civil Service; and 39 were employed in clerical duties.

Appointment of Teachers.—Since the 1st June, 1921, it has been mandatory that all appointments, save those deemed to be special, be made in accordance with the graded list. The Board has loyally obeyed the Act, but is not enamoured with the system. In its opinion the successful applicant oftentimes is neither the best qualified nor the best fitted for the position. The Board thinks this is a decided blow to local government in education matters, and feels that, in carrying out its duties now it is more a matter of what it may not do than anything else. Thus the question often is asked, "Why do we give our time to the Board's affairs when almost every matter has to be referred to Wellington—from those who know most about it to those who know least?" The answer may well be that we consider local interest one of the greatest assets our education system has, and that interest is best sustained by a scheme of Boards and Committees. Members of the Board have knowledge of this, and they know how members of Committees and local residents will give up their day's work to meet and discuss ways and means of improving the education of their children and of increasing the comfort and beautifying the amenities of their school. One has only to go through out district to find out the keen local interest taken in education and the sacrifices made on its behalf. Though committeemen do not have their requests granted because of departmental restrictions, they still go on from year to year carrying on the good work. What a burden would be laid upon the Consolidated Fund were Boards and Committees abolished and the schools kept in the condition in which they now are!

Manual and Technical.—In all schools instruction in elementary handwork (paper-work, cardboard, plasticine, brushwork) was given as prescribed by the syllabus. Cookery classes were conducted at fourteen centres, and woodwork at eleven centres; forty-two schools participated in the cookery instruction, and forty in the woodwork instruction. Swimming and life-saving classes for pupils of S4 were held at the Dunedin municipal baths; and similar classes for pupils in S4, S5,