	Expenditure for the Year 1881.																										
Provincial Districts.	Office Expenses and Salaries.			Expenses of Leasing: Auctioneers, Advertising, &c.		Expended on Reserves: Surveys, Fencing, &c.		Crown Grants and Law Expenses.		Paid to Boards for Primary Education.		Paid for Secondary Education,			Sundries,		Balances on 31st December, 1881.		Total.								
Auckland Taranaki Wellington Hawke's Bay Marlborough Nelson Canterbury Westland	£ 100 102 80 78 25 35 556	12 13 7 0 0	11 11 2 6 0 4	85 119 8 4 13	11 10 15 13 8	d. 3 3 0 7 9 3	£ 248 180 5 11	6	d. o o o	£ 37 43 4 2 9 7 26	s. 14 14 1 2 0 17 12	d. 6 6 2 0 2 8 3	£ 808 200 1,084 475 487 9,400	8 0 4 0	d. 100 1100	260	0	d. 6	£ 4	s 5		*1,101 118 *662 238	3 10 8 5	1 6 4 8 6	£ 2,312 1,049 1,229 1,673 143 1,207 10,892 1,622	3 3 18 2 8 7 5	3 6 7 8
Otago	128 546	6	0		4 9	3	I	8	o		I 2	2	11,473		I	1,135	9 1		26			‡1,205 		1	13,284		9 2
Totals for 1881 Totals for 1880	1,654 1,683	4 9		376 227		1 9	447 360	10	3 8	143	8	4	23,928 19,479	13 6	8 2				48 98	8	7,0	4,542 6,535	11		33,414 30,193	14	5 7

* Including fixed deposits of £400 and £462 ros. 7d. respectively, not shown in the balance-sheets for the year. † Westland sundries: Rates, £30 rgs.; refunds, £92 rgs. 3d.; repaid overdraft, £67 8s.; sundries, £26 4s. rod. ance with the law, as contained in "The Kumara Education Reserve Act, 1879."

* £1,195 ros., arising from sale of reserves, must be invested in accordance with the law, as contained in "The Kumara Education Reserve Act, 1879."

University Reserves.

The lands reserved under "The University Endowment Act, 1868," the proceeds arising from which are now applicable, under section 30 of "The New Zealand University Act, 1874," to purposes of higher education, in such manner as the General Assembly may from time to time determine, have not yet been productive of any considerable income. The whole amount received at any time up to the 31st March, 1882, £97 17s. 6d., less £1 for expenses, is held by the Treasury for appropriation in due course. Some of these reserves are in places at present practically inaccessible. The Crown Lands Commissioners in the several provincial districts have authority to let the lands when opportunity arises.

NATIVE SCHOOLS.

The progress of education in Native schools is very satisfactory. The number of village schools at the end of 1880 was 48. Twelve new ones were opened in 1881, and were attended by about 300 children at the end of the year. It was not found necessary to abolish any one of the schools during the year, so that the number of schools open in December was 60. The number of children on the rolls in December was 2,010, nearly 400 more than at the end of 1880. The average attendance for the quarter ending December was 1,526, showing an increase of 249 by comparison with the corresponding quarter of the preceding year. Rather more than 57 per cent. of the children are under ten years of age. About 77 per cent. are Maori, or between Maori and half-caste; about 10 per cent. half-caste; and about 13 per cent. between half-caste and European, or purely European.

About 140 Maori children, the numbers at the end of December being 63 boys and 72 girls, have been maintained wholly or partly at the expense of Government in boarding schools during the year. The principles which regulate the admission of children to these schools were stated in last year's report.

The cost of the education of Native children (excluding those that attend the public schools) was for the year 1881 as follows:—

				£	s.	d.
Village school salaries (1,406 in average a	attendan	ce)		7,609	12	9
Boarding schools (135 children)		•••		3,313	11	6
School-requisites and contingencies	•••			1,872	5	6
Buildings and furniture (including £218	7s. 3d.	\mathbf{from}	Hokonui			
Reserve)				4,658	12	11
Inspection (including travelling)	•••			759	5	4
Office salaries and clerical assistance				213	19	10
Apprenticeship and maintenance of sons	of chiefs		•••	272	1	7
						
				£18,699	9	5
						-

The report of the Organizing Inspector, and full statistics of Maori schools for the year, will appear as a separate paper (E.-2).