E.—1.

Schools.—There were sixty-four schools open and one ready for opening. The aided school at Bideford was closed on account of the falling-off of the attendance. An aided school was opened at Paikakariki, and the attendance reached the numbers which justify the Board in taking control of the school should it be deemed advisable to do so. The average for the past quarter was twenty-six. The Otaki school, which is now under the control of this Board, has shown a decided improvement on previous numbers, due probably to the increased facilities for travelling and the growth of the district consequent thereon. The returns at the end of the year show 8,844 on the books, with an average attendance of 6,929, being an increase of 805 on the books and 640 in average attendance on the numbers for the corresponding period of last year. Of these, 138 were classed beyond Standard VI. The classification of the schools according to average attendance is as follows: Under 15, 1; 15 and under 20, 7; 20 and under 25, 6; 25 and under 50, 17; 50 and under 75, 9; 75 and under 100, 5; 100 and under 150, 5; 150 and under 300, 6; 300 and under 500, 7; over 500, 1. Of these, four are aided schools. The following is the arrangement of teachers: Head of school, 38; sole teacher, 26; assistant, 57; pupil-teacher, 105; and 13 sewing teachers.

Buildings.—A new schoolhouse has been erected at Pirinoa, and substantial additions made to the schools at Belvedere, Wadestown, Buckle Street, and Kilbirnie. A residence has been erected at Kaitara, and additions made to those at Park Vale and Waihinga. Notwithstanding these additions to the schools accommodation of the district, much remains to be done in various directions, but especially in Wellington, where there is little short of a thousand children of school

age for whom there is no accommodation.

Scholarships.—The scholarships held by [five of £20 and three of £30] expired at the close of the year; those held by [five of £20 and one of £30] remain in existence for another year. At the annual examination held in December last the Board offered thirteen scholarships, the number being increased in order that higher education might be offered more widely, and the amounts made equivalent to the charges for fees and books. The examination was conducted by the Rev. W. H. West, B.A., LL.B., and Angus Macgregor, M.A. It was decided, at the request of the College Governors and Caledonian Society, that the scholarships offered by those bodies should be determined at this examination. Seventy-eight candidates attended the examination, and the awards were as follows: [Ten Board scholarships of £15 and four of £30 per annum; four College scholarships equivalent to tuition fees at the College or Girls' High School; two Caledonian scholarships of £15 per annum; and one Mackay scholarship equal to free board and tuition at the

Wellington College.

Drawing.—Under the supervision and management of Mr. Riley, who was appointed drawing master in December, 1885, the Board has established a School of Design in temporary premises erected for the purpose. The success of this school has been most gratifying. Drawing according to the programme of the Science and Art Department of South Kensington is here fully represented as far as can be done at present. There are now eighty-four students who attend for public instruction, and pay the fees for such. Students from the Training College, teachers, and pupilteachers receive regular instruction in this subject, and lectures are delivered to teachers, students, and pupil-teachers. For the convenience of those who are unable to attend these lectures at the School of Design, the master visits the country districts at stated intervals, and periodically delivers a course of lectures in the Masterton School, that being considered a convenient centre for country teachers to assemble at. The results of the examination in first grade drawing held in June were very satisfactory: 761 papers were taken by representatives from ten schools, from which 516 passes were made. The report of Mr. Riley, appended hereto, gives much interesting information affecting The usefulness of the drawing classes has been much impaired by the unsuitability of the premises: overhead numerous telephone wires keep up a booming noise which too often makes real study impossible. As this room costs the Board £100 per annum for rent, with the prospect of increase, and taking also into consideration that the Board may be ejected at any time from its own offices, which it rents at £100 per annum from the Insurance Department, it has resolved to build offices for the Board, accommodation for the School of Design, Educational Museum, and a hall in which meetings relating to educational matters may be held, all under one roof, on the sections recently granted in lieu of site and offices taken from the Board by the Government Insurance Department. The resolutions proposed by the Chairman and passed by the Board for the accomplishment of this work are as follows: (1.) That tenders be called for the erection of offices for the Board, School of Design, &c., on the Board's sections on the reclaimed land, at a cost not to exceed £5,000. (2.) That tenderers shall be required to find the necessary capital to carry on and complete the building, which shall bear interest at the rate of 7 per centum per annum.
(3.) That the interest shall be payable quarterly. (4.) That the Board will, out of its Building Fund, or any other funds available for such purpose, reduce the capital sum owing to the contractors by a sum not less than £500 annually, till the amount owing to the contractors be liquidated.

Pupil-teachers.—At the annual examination of pupil-teachers held in July sixty passes were made out of seventy-six presented. All those who completed their term of service entered the Training College. The examination of candidates by the Committees appointed under the regulations referred to in last year's report has resulted in the selection of many promising pupil-teachers. The Board now admits to the Training College for preparatory training all those who pass the preliminary examination and for whom appointments are not then available. This arrangement, it is believed, will enable these young teachers to bring to their aid a certain amount of practical knowledge, which should be of the highest value. No allowance is made, but it is anticipated that full advantage will be taken of the opportunity offered. The tuition of pupil-teachers is now placed entirely in the hands of the Training College staff, who will be remunerated by a small allowance for each pass made for the extra hours they are called upon to devote to the Board's service. This arrangement cannot, of course, apply to pupil-teachers holding appointments beyond

the limits of the city and suburbs.