

viz. two town sections, containing 1a. Or 23 $\frac{1}{2}$ p., for £6, one village section, 1a., for £1, one suburban section, 7a. 2r 15p., for £3 10s., and thirty-four rural sections, 6,677a. 2r 38p., for £289 10s. 8d.—the rentals varying from 2d. to 2s. 4d. per acre, and in one instance, a section of special value, 7s. 6d. per acre. These lettings include also two rural sections let on a short term (two years) for timber-cutting purposes.

The Commissioners have just concluded a series of sales of leases at satisfactory prices, varying from 6d. to 3s. 6d. per acre for rural sections, according to the quality and position of the reserves. These sales included every reserve vested in the Commissioners which at the time was unlet, the number of sections thus disposed of being—Seven town sections, containing 21a. Or 11p., for £17 2s. 6d., six village sections, 5a. 1r 32p., for £8 and fourteen rural sections, 2,358a. 2r 10p., for £248 11s. or in all, twenty-seven sections, containing 2,385a. Or 13p. for £273 13s. 6d. Details of these lettings (1891 and 1892) will be found in the Schedules A and B, respectively, attached hereto.

There is a great demand for several reserves which have been laid off but not yet vested in the Commissioners, which if available could be let immediately at good rentals, and the Commissioners again represent the urgency of vesting the lands laid off, so as to enable the Commissioners to include them in their next annual sales. Until these lands are so vested they must of necessity lie idle, become an obstruction to settlement, and of no value to the trust which they are intended to benefit.

The Commissioners once more represent the great injustice which is done to the cause of secondary education by the omission to provide endowments, and again urge the necessity for setting aside reserves for this purpose.

In their last annual report the Commissioners represented that the lessees under “The Education Reserves Act, 1877,” were largely seeking to avail themselves of the provisions of “The Educational Reserves Leasing Act, 1890,” in the matter of nine years’ extension of lease, and in four special cases this extension has been granted over secondary reserves in the Parackaretu Block, with the result that the rent has been increased from £76 per annum, payable during the last seven years of the old term, to £711 per annum, payable on the expiration of the leases in 1898, and during the last nine years of the new term created by the extended leases. A large number of lessees of primary reserves have applied for similar extension, but the Commissioners find that the administration of “The Education Reserves Leasing Act, 1890,” if made general, may entail upon them very considerable additional expense. They are therefore not desirous of complying with the request of lessees of primary reserves until they have sufficient data upon which to fix a fair rental for the extended term.

The amount available for distribution this year (1892) is £1,550, which sum will be paid over to the Education Boards in terms of the 21st section of “The Education Reserves Act, 1877,” in due course.

The Commissioners are glad to be able to report that the whole of the advance from Primary to Secondary Account made in 1888 (£197 0s. 4d.) has been refunded, and from this time there will accrue a small revenue (£113 19s. 7d.), which will become divisible between the three secondary institutions entitled to share, less the proportion of expenditure chargeable to the Secondary Fund.

Appended is statement of receipts and expenditure for the year ended 31st December, 1891.

I have, &c.,  
J R. BLAIR, Chairman.

The Hon. the Minister of Education, Wellington.

#### SCHEDULE A. RESERVES LEASED IN 1891.

Reserves.	Number, Area, and Value of Sections.			Average Rent.	Value.
Palmerston North (town)	1 section	A. R. P. 0 0 23 $\frac{1}{2}$	60/		£ s. d. 3 0 0
Featherston (town)	1 "	1 0 0	60/		3 0 0
	2 sections	1 0 23 $\frac{1}{2}$			6 0 0
Mangatainoka (village)	1 section	1 0 0	20/		1 0 0
Bunynthorpe (suburban)	1 section	7 2 15	70/		3 10 0
Mangahao (rural)	4 sections	382 2 0	1/3 per acre	1/7 per acre { Special value	23 18 2
" "	1 section	177 0 0	2/4 "		20 13 0
" "	1 "	13 1 0	" "		5 0 0
Tararua (rural)	1 "	300 2 32	1/3 "	1/4 per acre {	18 16 0
Mangaone (rural)	2 sections	457 2 0	/6 "		11 8 9
Pahau (rural)	2 "	2,173 2 10	/2 "		18 2 3
Mangaroa (rural)	4 "	390 3 5	/6 "	Special value	9 15 3
" "	2 "	87 3 8	" "		18 15 0
" "	2 "	292 0 0	1/ per acre		14 12 0
Akatarawa (rural)	1 section	156 0 0	1/ "	1/4 per acre {	7 16 0
Apiti (rural)	4 sections	291 1 24	1/3 "		18 4 3
" "	1 section	105 0 0	1/4 "		7 0 0
" "	2 sections	391 0 0	1/6 "	Special value	29 6 6
Ongo (rural)	2 "	610 0 0	1/6 "		45 15 0
Mangawhero (rural)	1 section	341 0 39	/6 "		8 10 6
Omahine (rural)	3 sections	488 0 0	1/ "	Special value	24 8 0
Huangaruru (rural)	1 section	20 0 0	7/6 "		7 10 0
	34 sections	6,677 2 38			289 10 8