

A Commission was accordingly appointed in April of the present year (1901), and evidence was taken in every education district of the colony. The report of that Commission forms one of the separate papers attached to this report (E.—14).

Pending a final solution of the problem, Parliament voted a sum of money to be distributed in "increases to teachers' salaries by direction of the Minister of Education," in accordance with the provisions of "The Teachers' Salaries Act, 1900"—that is, after consultation with the Boards of Education.

The amount of this temporary grant was nearly equivalent to a capitation of 5s. per annum on the average attendance in all the public schools of the colony; and, as a basis for the proposals for its distribution, a suggested colonial scale of staff and salaries, drawn up in December last by the Inspector-General of Schools, was taken. These proposals, modified to a certain extent, in accordance with the suggestions of the Education Boards, to meet the different conditions at present existing in the various districts, have been accepted by all the Boards except one; and the amounts of the increases thus agreed upon have accordingly been paid over quarter by quarter in twelve out of the thirteen districts. The Department is still in correspondence with the Board of the remaining district, and a satisfactory agreement as to the basis of distribution is shortly expected.

FINANCES OF EDUCATION BOARDS.

Table N is an abstract of the accounts of the receipts and expenditure of the Boards of Education for the year 1900. These are given in full on pages 4–5 of the Appendix, which also contains (pages 63–98) the annual reports of the several Boards.

TABLE N.—ABSTRACT OF RECEIPTS AND EXPENDITURE OF BOARDS.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Balance, 1st January, 1900 ..	5,520	13	10	By Boards' administration ..	14,532	4	0
Government grants—				Inspection and examination ..	14,698	18	4
Rents from reserves £41,381 1 8				Teachers' salaries and allowances ..	357,249	4	11
Balance of capitation ..	387,637	10	8	Incidental expenses of schools ..	32,823	17	5
				Scholarships ..	8,388	17	0
Total for maintenance ..	429,018	12	4	Training of teachers ..	3,515	1	10
Buildings ..	53,740	12	6	Buildings, sites, plans, &c. ..	51,805	18	3
Technical ..	996	15	9	Manual and technical instruction ..	5,720	18	2
Local receipts—				Interest and exchanges ..	327	9	11
Fees, donations, &c. ..	4,664	3	9	Refunds and sundries ..	1,315	12	4
Rents, sales, &c. ..	1,126	18	1	Balances 31st December, 1900 ..	11,565	8	8
Interest ..	85	13	7				
Refunds, deposits, &c. ..	1,790	1	0				
	£501,943	10	10		£501,943	10	10

A portion of the votes for scholarships and for manual and technical instruction, as well as most of the building vote for the year, was not received by the Boards until after 31st December, 1900. The amounts payable thereunder to the several Boards are, however, included in the assets of the Boards shown in Table O.

In Tables O and P is shown the financial position of the Boards on the 31st December, 1900. In Table P there are included among both the assets and the liabilities the payments made to Education Boards in the December quarter by the School Commissioners out of the proceeds from educational reserves, which, if counted among the cash assets, should also be set down on the other side as amounts due to the Government. The origin of the present position in regard to these amounts cannot be clearly understood without going back to the date from which the accounts of the Education Boards may be said to start. After the passing of "The Education Act, 1877," all the accounts of the Boards were adjusted as up to the 30th June, 1878. For the September quarter of that year the full amount of the capitation grant was paid to the Boards, the amounts received by the Boards from the School Commissioners during that quarter not being deducted. In every subsequent quarter there has been deducted from the capitation grant to each Board the amount received from the Commissioners in the preceding quarter. Generally speaking, then, a Board will, at the end of any quarter, have received a sum from the School Commissioners which has not yet, in accordance with the statute, been deducted from the capitation grant, and is therefore a liability to the Government. Strictly, if the Boards include such sums in their money assets, they should show corresponding liabilities. The practice in the past seems, however, to have varied with different Boards. Some