

The annual Government examinations were held in December last, as usual, and the Council regret to have to say that the results were the most unsatisfactory that they have ever had to report, and if the results had occurred during a period when the staff had been continuously engaged at the school for a few years, the Council would have considered that the time had fully arrived to make a change. This not being the case, the Council fully recognise by the examinations that the studies of the students and the school have suffered by the teaching being thrown out of the ordinary routine by changes in the head of the staff, in one instance, and the unfortunate illness of Mr. Given, the assistant director, in the second term. It will, of course, be understood by you from what follows that the school and the students were considerably handicapped during the first term through the then Director, Mr. Gore Adams, retiring. The school work was carried on by Mr. Given alone for about three months, Mr. Baker taking up his duties at the latter end of June. The set-back the school incurred during the year 1906 and during the first term of 1907, and the understaffing during most of the second term, and Mr. Given's illness during the third term, had a most prejudicial effect. However, this year the Council are hopeful of great progress being made, and the school brought back to something like its old standard. To do this the Director and his assistants require to be most zealous, and determine to bring their students along to the topmost rung of the ladder.

As outlined in the report of last year, a change has been made in the manner of arranging the President's and other medals. In the case of the former, a number of subjects have been made compulsory to be taken up, with a minimum number of marks. In the latter it has been decided that the medals will only be awarded to the student gaining the highest number of marks in the first-class division. Mr. Denby has again donated medals for geology and chemistry respectively, but the Council have made no award. This is also the position of the president's medal. The only prizes to be presented this year are in connection with the elementary-science class, the first prize being awarded to Olive Wylie for being dux of the class, and to Olive Wylie, Annie Wylie, L. H. Lowe, and M. Grigg for attendance.

In the electricity class only one student entered for examination. This, however, was to be expected, as the instructor (Mr. Fairfield) having resigned, and no fresh instructor being appointed, the students were practically without an instructor for several months. However, the Hon. the Minister of Mines has approved of a new instructor, Mr. Dodson, who will have charge of the classes at Thames, Karangahake, Waihi, and Waikino.

The experimental plant has not been used much during the past year, and with the object of bringing it more up to date the Council interviewed the Hon. the Minister of Mines, who granted the sum of £1,000 for the purpose. The Director and Secretary prepared a report on the subject of the proposed alteration, and, after inspecting and inquiring into the most up-to-date methods of bullion-saving appliances, they submitted their report to the Council. By the kindness of the general manager of the Waihi Gold-mining Company the services of one of the company's designers and draughtsmen were placed at the disposal of the Council. As soon as the Hon. the Minister of Mines approves of the plans, tenders will be invited and the work pushed on with despatch.

In the 1907 report of the Council the strenuous efforts of University Schools of Mines to bring about a change by way of lessening the time required for practical experience before a mine-manager's certificate could be obtained was fully gone into, and, as anticipated, the Auckland University has joined with the Otago University towards getting the time reduced. The former considers three years' work underground as sufficient for University School of Mines students, and the latter three years to be encompassed by the first year as a working miner, the second as an under-boss, and the third year as a surveyor. The University Senate has passed a resolution to recommend the Minister of Mines to reduce the term required from five years to three years for University students, the argument used being that an educated man can acquire the necessary knowledge much quicker than one of a limited education. The Council, after years of experience in a mining district, have no hesitation in saying that the argument as applied to practical mining is fallacious, and that the University man with limited practical experience is an expensive experiment for any company to try, and his want of practical experience makes it dangerous to the life and limbs of the employees in any mine where he has charge. The Council feel sure that a practical man like the present Minister of Mines will never sanction a reduction from five years; but those most interested must be constantly on their guard, as the University have powerful influences working in their favour, and as time goes on and changes of Government take place, a Minister may be found more favourable to the proposal than ever the Hon. Mr. McGowan is likely to be.

The geological museum has been further enriched by the addition of several specimens donated and collected during the year. The cabinets have been rearranged, and in many instances reclassified by the untiring energy and zeal of Mr. Given, M.A.

The balance-sheet, which has been duly audited, is herewith submitted for your information and consideration. The total receipts were £353 2s. 2d., and the disbursements £325 13s. 6d., leaving the account in credit £27 8s. 8d. at the close of the financial year. The value of the buildings, furniture, land, machinery, water-mains, and other property is estimated at £4,000.

The Council trust that the year just opened will be marked by good attendance, and that at the Government examinations in December next the result will show that a large number of students have passed with credit.

I have, &c.,

A. BRUCE, Secretary.