ciated by teachers. The restrictions as to the issue of free passes imposed by the Department, and the large number of alternative courses provided by the Board, necessarily interfered somewhat with the attendance; and, under the circumstances, it is a tribute to the recognized value of these classes that 139 teachers availed themselves of the provision. A somewhat similar course in brushwork, design, stencilling, and drawing in elementary schools was provided by the Director in Oamaru, where the teachers, after proving themselves keenly interested and indefatigable in application, expressed their appreciation of the course and their purpose to make it practically benefit the work in their schools. During the year the Director also gave a special course of twelve lectures to headmasters and male assistants on "The Principles and Practice of Design," illustrating his remarks by very numerous specially prepared diagrams and demonstrations. The series was well attended, and followed with apparent interest. The improvement in the work submitted as answers to the drawing tests imposed in the annual Proficiency Examinations in Otago was of itself sufficient evidence of the benefit which teachers have derived from these courses in drawing and design.

In the evening classes a wide programme of art subjects was provided—freehand, model, geometry, perspective, light and shade, drawing from antique, drawing from life, drawing from natural objects, painting, modelling, &c.—and the attendance was well maintained throughout the year. The policy of holding the life class on different evenings from the antique drawing was adhered to, and a somewhat larger percentage of students availed themselves of the opportunity to attend both sections. There was a gratifying increase in the attention paid to perspective drawing by architects, cabinetmakers' designers, and draughtsmen generally. For tradesmen a very complete course of preparatory and instrumental drawing was provided and largely attended. The classes in building-construction and architecture were also well patronized. Drawing for cabinetmakers and for decorators' and ticket-writers' work was specialized in to the benefit of many young tradesmen, who have little or no other opportunity of acquiring any knowledge of the setting-out of work. The class in machine-construction was abandoned in order to avoid overlapping with the engineering course of the Technical School, but there have been many expressions of dissatisfaction from young tradesmen who preferred to take purely a draughtsman's course, having sufficient opportunities to acquire the knowledge of machine tools, fitting, and erection in their daily work. The falling-away of the attendance in the trade classes after the midwinter vacation was very marked, and it is proposed to try to meet the difficulty in 1912 by reducing the interval between the second and third terms to one week, substituting therefor a week's holiday at Easter. There is little doubt that, owing mainly to a misunderstanding of the conditions on the part of young men, the introduction of the territorial system of compulsory training had a prejudicial effect on the attendance at the evening classes. It is hoped that with a better acquaintance of the system this interference will be minimized. The Otago Art Society invited the school to join with them in their autumn exhibition of sketches, and a very successful and well-attended display was the result. The school examples were of every variety, ranging from elementary studies to paintings from life and landscapes from nature; examples of design, modelling, architectural details, perspectives, &c., were included, the whole exhibition attracting much attention and favourable comment.

The number of students who passed the examinations of the English Board of Education (South Kensington Science and Art) was 44, of whom 20 obtained first-class and 24 second-class passes. In freehand drawing, 7 first class, 5 second class; model-drawing, 3 first class, 6 second class; geometrical drawing, 2 second class; perspective, 2 first class, 1 second class; light and shade, 1 first class, 3 second class; drawing from the antique, 1 first class, 1 second class; design (stage 1), 2 first class, 1 second class; memory drawing of plant-form, 1 second class; building-construction (stage 1), 2 first class, 1 second class; (stage 3), 1 first class, 2 second class. These examinations were held at such an awkward period of the year's work—June—and the results came to hand so late—February of the following year—that not only is it difficult to induce any large proportion of the students to prepare themselves adequately for the tests, but their concurrence with the end of the second quarter has a tendency to relax the interest of students just when the work should be most vigorously pursued. The following New Zealand successes have been gained by students of the school: Drawing the head from life—Prize awarded equally to two Dunedin students at the New Zealand Academy of Fine Arts; medal awarded, Canterbury Society of Arts; prize awarded, Canterbury Society. Painting head from life—Prize, Otago Art Society. Drawing from antique—Prize awarded, Canterbury Society of Arts. Marine (landscape) study from nature—Prize awarded, Otago Art Society. Landscape—Honourable mention, Otago Art Society. In conclusion, I have to thank the members of the staff for their attention to duty and interest in the work. There have been no resignations during the year.

R. HAWCRIDGE, Director.

Statement of Receipts and Expenditure for the Year ending 31st December, 1911, in respect of Special Classes conducted at Dunedin.

Receipts. £ s. d.			Expenditure.			£	s.	đ.	
Capitation on special classes			3	Balance at beginning of year		1	,606		
Capitation on account of free places		28 1	-	Salaries of instructors	••		,191	11	11
Furniture, fittings, and apparatus		.24 13	9	Office expenses (including salari	es, statio:	nery,			
Material	• •	5 19	6	&c.) `			30	0	0
Subsidies on voluntary contributions	• •	6 1	0	Advertising and printing	• •		68	15	8
Fees	5	549 15	3	Lighting and heating			83	4	8
Voluntary contributions		16 0	4	Rent			5	-0	0
Balance at end of year	2,1	57 18	10	Material for class use		• •	48	13	3
•				Cleaning			86	17	-6
•				Hire of models	• •		14	15	0
				Sundries	• •		4	13	6
				Furniture, fittings, and appara	tus	• •	316	18	2
•						_			
	£3,4	56 15	5			£3	,456	15	5
	-								_