The following table shows the position with regard to the number of teachers who held teachers' certificates in 1922 and 1923:—

Year.		Classified Teachers.		Holders o	f Licenses.	Unclas Unli	Total Number.	
I tour.		Number.	Percentage.	Number.	Percentage.	Number.	Percentage.	Town Trumper.
1922 1923	• •	520 538	85·4 85·7	5 4	0·8 0·7	84 85	13·8 13·6	609 627

During last year 255 young persons, comprising 180 females and 75 males, entered the teaching profession in this district, viz.: As pupil-teachers, 23 females and 10 males—total 33; as probationers, 36 females and 14 males—total 50; as Training College students, 121 females and 51 males—total 172. The number of appointments of adult teachers made during each of the past four years has been: In 1920, 186; in 1921, 173; in 1922, 165; in 1923, 233. Twenty-eight teachers left the Otago Board's service to take up positions in other districts or in other branches of the Education service, and eighteen teachers entered the Otago Board's service from other districts.

 $\it Finance.$ —The main items of expenditure are shown below in comparison with the figures for the previous year:—

	1922	:.	1923.			Difference.			
Teachers' salaries and lodging-allowances Payments to School Committees for incidental expenses	£ 170,962 10,102	s. d. 3 10 6 8	£ 169,063 10,065		- 1	£ -1,898 36	s. 12 13	8	
School buildings, purchase of sites, manual and technical buildings, and apparatus	28,781	3 7	29,176	13 1	-	+ 395	9	6	
Administration	5,090	10 7	5,364	17 7	-	+ 274	7	0	

At the 31st December, 1922, the net balance to credit of all accounts was £27,742 10s. 9d.; the total receipts for the year 1923 amounted to £274,342 17s. 2d., and the total payments to £282,041 8s. 2d. The net balance to credit at the 31st December last was £20,043 19s. 9d.

Inspection of Schools.—The Inspectors report that an analysis of their reports on the schools shows the following results with regard to general efficiency: Excellent or very good, 10 per cent.; good, 45 per cent.; very fair, 33 per cent.; fair, 9 per cent.; weak, 3 per cent. In 1920, 71 per cent of the schools attained the mark "Good" or a higher mark; in 1921, 62 per cent.; in 1922, 68 per cent.; and last year, 55 per cent. Taking the results of the first two groups as a basis of appraisement, the foregoing review of the figures would seem to indicate that during the past four years there has been, in the general efficiency of the schools, an almost steady decline, for which the Board regrets it is somewhat at a loss to offer an entirely satisfactory explanation. To bad weather, floods, a more than usual amount of sickness, and especially the greatly increased number of changes in the teaching staffs is most probably attributable the decided falling-off in the efficiency results for last year. Of the 2,299 pupils who in 1923 left the primary schools in this district, 1,237, or 54 per cent., had passed Standard VI, and 1,062, or 46 per cent., had not passed that standard.

Manual and Technical.—In all schools instruction in elementary handwork (paper-work, cardboard, plasticine, brushwork) was given as prescribed by the syllabus. Cookery classes were conducted at fourteen centres and woodwork classes at twelve centres; thirty-three schools took part in the cookery instruction and thirty-two in the woodwork instruction. Swimming and life-saving classes for the pupils of Standard IV were held as formerly at a number of schools. The average roll numbers at these special classes were: Cookery, 1,512; woodwork, 1,575; swimming and life-saving, 1,378. The expenditure on manual and technical instruction was: Salaries, material, &c., for school classes, £6,581 17s. 2d.; buildings, furniture, and fittings, £785 10s.: total, £7,367 7s. 2d.—being a decrease of £813 3s. 7d. as compared with the previous year.

Agricultural Instruction.—The association of gardening with the other subjects of the primary-school course has been the means of providing a centre round which the child's natural impulses toward physical and mental activity may find expression in one of the best possible ways. The activities of a well-managed school-garden introduce the child to a wide range of experiences, and to problems of direct interest and of the greatest educational value in the exercise of intelligent thought necessary to their interpretation. The value of the subject in these and other relations is being more widely appreciated, and the results as a whole show consequent improvement. The esthetic side of the work in the improvement of the school environment continues to find expression to the limit of the number of plants available from the Training College students' garden. During the year the Board arranged