£4 (reduced to £3 12s. as from the 1st April, 1931) for each pupil in average attendance and to £1 5s. for every £1 raised by voluntary contribution and expended on the maintenance of the schools; and, secondly, as a subsidy not exceeding £1 for £1 raised by voluntary contributions and expended on buildings, sites, and equipment approved by the Minister of Education. These grants have now been withdrawn.

During 1931 a sum of £5,678 was paid as capitation and £54 as building subsidy.

The number of schools, pupils on the roll, and average attendance at schools conducted in 1931 by recognized kindergarten associations were as follow:—

| Association. | | | | Number of Schools. | Pupils on Roll at End of 1931. | Average Attendance, 1931. |
|--------------|-----|--|--|--------------------|-----------------------------------|---------------------------|
| Auckland | | | | 8 | 561 | 402 |
| Hastings | | | | 1 | 46 | 26 |
| Hutt Valley | | | | 1 | 67 | 65 |
| Wellington | | | | 7 | 421 | 350 |
| Blenheim | | | | 1 | 43 | 33 |
| Christchurch | | | | 6 | 387 | 292 |
| Dunedin | | | | 6 | 320 | 262 |
| Invercargill | • • | | | 3 | 131 | 97 |
| Totals, 1931 | | | | 33 | 1,976 | 1,527 |
| Totals, 1930 | | | | 32 | 1,753 | 1,348 |
| Difference | | | | +1 | +223 | +179 |

An additional school was established at Invercargill.

28. CONSOLIDATION OF SCHOOLS.

Influenced by the success that has attended school consolidation in a number of localities in the Dominion, and by the evidence of increased educational advantages enjoyed by the children concerned in them, the residents of other districts have in a number of cases brought forward schemes for the closing of small schools and conveyance of the children to a central school. Unfortunately, the necessity for curtailing buildings expenditure has made it inadvisable to approve of extensive schemes involving replacement of schools where existing arrangements and buildings can be made to serve for the time being. During the year, therefore, no consolidations have been arranged in which an actual saving of expense has not been assured by the change. Several additions have been made to the number of buses specially built for the Department to serve for the conveyance of school-children, and these, driven by qualified teacher-drivers in some cases, and in others by private motor-drivers under contract, are performing efficient service in connection with the consolidations.

29. CONVEYANCE AND BOARD OF SCHOOL-CHILDREN.

Recent establishments of special conveyances have been practically confined to cases in which new schools or the reopening of closed schools would have been necessary if conveyance had not been adopted. The costs of previously existing services have been scrutinized carefully in numbers of cases with a view to effecting reductions wherever possible.

A pleasing feature in connection with this necessary work of reviewing services has been the ready co-operation which the Education Boards have shown.

In the course of the investigations the services were grouped broadly into two main classes—firstly, "essential services" embracing those without which the children would find it quite impossible to attend school, and the Department would have no alternative but to establish new schools for them or leave them to enrol in the Correspondence School classes. In such cases the Department has continued to pay the full cost of conveyance if the numbers are considerable, and to leave the children to take correspondence tuition if they are few. The second class of case is what might be termed "convenience services," the running of which has perhaps