

The Commissioners' reports and returns furnish information on several matters of interest respecting the education reserves and their administration. The statements of accounts show that the aggregate amount of arrears of rents due had increased from £3,565 9s. 10d., at the close of 1878, to £6,060 5s. 6d., on the 31st December, 1879. The attention of the School Commissioners has been called to this circumstance with a view to the early reduction of the amount of arrears. As a rule, the rents are payable half-yearly in advance, and when, as happens in numerous instances, the half-yearly term begins near the end of the school year, the unpaid rents are necessarily entered as arrears, although a very small portion of the period for which they are payable has elapsed. It is stated in the Auckland and Otago reports that in a number of such cases the rents have been paid since the close of the year. The Otago Commissioners make the following statement: "Another reason for the large sum outstanding has been the extreme difficulty experienced in collecting the current rents during the year. This was caused by the depressed state of the produce-market, and the consequent scarcity of money among the small farmers, to which class the majority of the tenants belong. The Commissioners are now taking summary steps for the recovery of arrears and the prompt payment of current rents, and they anticipate putting matters on a more satisfactory footing before the end of the present year." The quarterly returns of the Commissioners show that a large portion of the balances in hand at the close of 1879 was paid over to the Boards and secondary schools early in the present year.

The apparently large increase in the receipts by Education Boards from the reserves last year is largely owing to the circumstance that the School Commissioners constituted under "The Education Reserves Act, 1877," could not be appointed and placed in charge of the reserves until July or August, 1878, and that it was not until the close of the year that a settlement could be made of the claims of a number of the different governing bodies entitled to a share of the proceeds of the reserves. This was more particularly the case in the Provincial District of Otago. It was owing to this circumstance also that the large aggregate balance of £11,584 13s. 5d. remained in the Commissioners' hands on 1st January, 1879.

The aggregate amount of rental received last year by the Commissioners on account of the secondary education reserves is only about one-seventh of that derived from the reserves for primary education. This may be accounted for to a great extent by the circumstance that by far the larger number of the reserves set apart under "The Education Reserves Act, 1877," for the purposes of secondary education in the Provincial Districts of Canterbury and Otago have since been vested by Acts of the General Assembly in the governing bodies of particular secondary schools, and are no longer under the control of the Commissioners.

In Canterbury the secondary education reserves have been apportioned as follows:—

- Christchurch Boys' High School, ten-twentieths of the total value.
- Timaru High School, five-twentieths of the total value.
- Ashburton High School, two-twentieths of the total value.
- School Commissioners, three-twentieths of the total value.

In Otago the following division of the secondary education reserves has been made under Acts of the General Assembly:—

	£	s.	d.
Dunedin High Schools—annual value in 1879	1,175	4	9
Waitaki High School	483	14	5
Southland High Schools	492	2	11
School Commissioners	587	9	3
Total annual value in 1879	£2,738	11	4

"The Education Reserves Act, 1877," provided that three-fourths of the general education reserves in each provincial district should be set apart as an endowment for primary education, and the remaining fourth as an endowment for secondary education, within the district; but no specific rule was laid down by the Act as to the principle upon which the apportionment should be made, and the arbitrators were in a large measure left to their own judgment in making the division. The Education Reserves Return of last year, made in pursuance of a