	Expenditure for the Year 1885.								
Provincial Districts.	Office Expenses and Salaries.	Expenses of Leasing and Sale: Auctioneers, Advertising, &c.	Expended on Reserves: Surveys, Fencing, &c.	Crown Grants and Law Expenses.	Paid to Boards for Primary Education.	Paid for Secondary Education.	Sundries.	Balances on 31st December, 1885,	Total.
Auckland Taranaki Wellington Hawke's Bay Marlborough Nelson	£ s. d. 101 8 8 118 10 2 64 9 1 103 10 3 32 6 0 25 0 0	,		£ s. d. 22 9 10 28 1 10 3 3 0 16 4 6	525 0 0 600 0 0	650 0 0 183 0 0 130 0 0 29 18 9			3,108 15 1 1,254 4 10 1,164 10 7 2,794 9 11
Canterbury Westland Otago	546 5 4 18 8 0 659 12 9	10 4 10 173 19 11			12,400 0 0 $11,655 6 9$	573 18 8	*4,573 1 9	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	13,214 1 0 112 7 5 $18,444$ 9 5
Totals	1,669 10 3	252 10 11	790 3 9	117 16 1	28,664 12 10	1,610 12 5	4,612 12 7	3,719 0 7	41,436 19 5

* Includes £3,205 18s. 3d. invested on mortgage, and £1,350 on fixed deposit.

The receipts for the year, amounting to £37,781 1s. 2d., are almost entirely rents of reserves. The only remarkable exception is the sum of £4,295 8s. 10d., being proceeds arising from the sale of lands by the Otago School Commissioners. The power of sale is conferred by "The Land Act Amendment Act, 1882," and the Otago School Commissioners have invested altogether £25,372 16s. 6d. in

the manner required by that Act.

The amount paid by the School Commissioners for primary education (£28,664 12s. 10d.) is rather less than the amount so paid in 1884 (£29,052 13s. 1d.). On the other hand, the Education Boards' accounts show that their actual receipts from this source were larger in 1885 than in 1884, the amounts being £29,761 11s. 2d. and £29,511 1s. 4d. The discrepancies arise partly from the fact that money has been paid by Commissioners on the 31st December, and not received by Boards until the 1st January. It must always be understood that whatever the Education Boards receive from the School Commissioners for primary education is accounted for to the Department, and that the payments to the Boards out of consolidated revenue are reduced by that amount.

The contribution made by the School Commissioners towards the expenses of secondary education in 1885 (£1,610 12s. 5d.) is very little more than half of the similar contribution for 1884. Part of this money (£942 13s. 7d.) was paid to the Governors of certain high schools, part (£594 5s. 1d.) to Education Boards on behalf of district high schools, and part (£73 13s. 9d.) was paid through the Boards for the maintenance of scholarships held at Nelson College.

On the 22nd July, 1885, it was ordered by the House of Representatives that a return be laid before the House setting forth the area and estimated value of the education reserves in each county and education district. As a complete return of the reserves for secondary and University education was laid upon the table last session (E.-11 in Appendix to the Journals of the House), a return of the reserves for primary education appeared to be all that was required. Such a return has been prepared from information supplied by the School Commissioners, and it was laid before the House on the 13th of the present month. It is marked E.-11.

NATIVE SCHOOLS.

At the beginning of 1885 there were 55 Native village schools in operation, 5 subsidised schools, 3 half-time schools, and 6 boarding-schools. During the year the village school at Ruapuke, near Stewart Island, has been closed, owing to the death of the Rev. J. H. F. Wohlers, after forty-two years of faithful work among the Maori people of the settlement: the population is too small to justify the establishment of another teacher there. The school at Otago Heads has been transformed into an ordinary public school, under the control of the Education Board of the district. The Roman Catholic boarding-school at Meanee, near Napier, has been closed: it may, perhaps, be revived on a new model. The subsidised school at Pakia, having achieved respectable success, has been converted