

as a grant-in-aid for maintenance whilst residing away from home. Twenty scholarships have been current during the past year, eleven of them being tenable for two years, and nine for one year. In place of those which expired in December the following scholarships were granted: [ten for two years, ten for one year.] Five scholarships have been renewed for another year, on the special recommendation of the teacher of the schools at which the scholars are attending.

**GISBORNE SCHOOL.**—This school was constituted a district high school at the beginning of the year under section 55 of the Education Act, and the fees were duly approved and gazetted by the Minister of Education. The Board of Governors of the Gisborne High School being unable to establish a school of their own pay to the Education Board an annual subsidy for seven years of £150 to enable the Board to appoint an additional master at the Gisborne School capable of giving instruction to the higher branches of knowledge. Mr. Mann, a graduate of the London University, was appointed to the position at a commencing salary of £180 per annum, with bonus on efficiency being reported by the Inspector. An examination of the pupils—thirteen in number—was held in November, and the results throughout were very satisfactory. The syllabus of work on which the examination was based will be found appended.

**NEEDLEWORK.**—The examination of the needlework of the girls who attend the Board schools continues to be carried on by the lady examiners who have, since the establishment of the present plan, done so much to foster and promote the teaching of this important subject in the schools. No subject receives more careful attention from the teachers, and in no other subject is the general standard of excellence so high. Another year it is proposed to constitute Poverty Bay into a separate district for sewing, several ladies having signified their assent to act as examiners in that district. At the examination in November thirty-six schools were represented, and the number of specimens was 1,370, as compared with 1,154 in 1887. According to standards the specimens were classified as follows: Standard I., 400; Standard II., 311; Standard III., 318; Standard IV., 199; Standard V., 76; Standard VI., 66. The reports of the examiners will be found appended, to which is added the special report on the examination of the specimens sent in for competition for Captain Russell's sewing prizes. These consist of a sewing machine, a lady's workbox, and a lady's companion. It is a matter for regret that these prizes will no longer be offered for competition.

**DRAWING.**—This subject has received a great impetus in the Board schools during the year by the establishment of Saturday drawing classes in Napier for the benefit of teachers and pupil-teachers. Mr. Blair, an art master, took charge of the classes, and in order to promote the attendance of teachers the Board agreed to pay the railway or coach fares of those outside of Napier who attended the classes regularly during each term they were opened, and more than thirty teachers availed themselves of the opportunity thus offered. Some teachers complain of their inability to teach geometrical drawing in the schools, as set forth in the regulations for children beyond Standard III., as the cost of the drawing instruments, ruler, &c., is beyond the means of many parents. In Standard IV. geometrical drawing is a compulsory pass subject for the current year, and the question arises as to what course should be adopted by the Inspector where such drawing has not been taught.

**BUILDING FUND.**—This fund remains in the same unsatisfactory position as at the date of the last report, and the duties of the Board, as set forth in the Act, cannot be efficiently carried out in consequence of no provision being made by the Legislature for enabling Boards to provide fitting and sufficient accommodation in districts where such is known to be wanted. The small sum of £747 4s., which was placed at the Board's disposal by the Government during the year, was not more than sufficient to provide for painting the schoolhouses and residences which the Board's architect has pointed out for several years as being necessary. The attendance, as already remarked, has increased nearly 9 per cent., although a year ago it was pointed out that in a number of districts the accommodation was much too limited for the children attending the schools. Latterly, and in anticipation of further funds being placed at the Board's disposal from the unexpended building grant, it was decided to proceed with additions at Woodville, Danevirke, Makotuku, Napier, and Port Ahuriri; and also with new buildings at Blackburn and Te Aute. Several of the additions are now nearing completion, and the Board trusts that funds will soon be made available, so that its liabilities for these works may be duly met.

**INCOME AND EXPENDITURE.**—The reduction of the capitation allowance from £4 to £3 15s., estimated on the average attendance for the district, has diminished the Board's annual income for maintenance to the extent of £1,170. The Board's estimate last year on the new basis pointed out the possibility of the work of the schools being continued on the old basis of payments, and without reductions of any kind taking place. This anticipation has been fully realised, and the Board is pleased to report that payments are made to teachers, Committees, and officers on the same scales as were recognised before the withdrawal of the 5s. capitation allowance. The usual bonuses to teachers on results were also paid at the end of the school year, although this forms no part of the Board's agreement with teachers. These amounted to £964 10s., including special bonuses to lady teachers for giving instruction in sewing in certain schools. The whole income for the year received by the Board, including building grant, was £22,478 8s. Of this amount £18,149 7s. 1d. was School Fund provided for the ordinary work of carrying on the schools and for inspection, and £4,329 0s. 11d. was Building Fund. The School Fund was augmented by a balance in hand from the previous year of £1,461 5s. 3d., making a total of £23,939 13s. 3d. available. The expenditure shows that the cost of school maintenance, including salaries of officers and teachers, and grants to School Committees for cleaning, fires, repairs, &c., bonuses to teachers on results, house allowances, instruction of pupil-teachers, inspection, printing, and special examinations amounted to £18,493 13s. 6d., leaving available a balance of £1,116 18s. 10d., out of which the sum of £87 8s. 11d. was voted for the Building Fund, leaving at the close of the year a balance to the credit of the School Fund of £1,029 9s. 11d. The building grant for the year was—General Government grant, 1887–88 and 1888–89, £3,241 12s.; special grant for Norsewood school building, which was destroyed by fire, £1,000; from School Fund, £87 8s. 11d.: making a total of