

The above table shows a decrease in the school attendance all round. There was a decrease of 297 in the number of pupils who attended at all during the year. The decrease in the average attendance was 285, and the decrease in the number in attendance at the close of the year was 257. In Dunedin there was a decrease of 334 in the whole number, while in the average attendance there was a decrease of 223. The number in attendance at the close of the year shows a decrease of 333 on that of the preceding year.

FINANCE.—Appended hereto is the balance-sheet for the year, certified by the Auditor. The amount paid in teachers' salaries, bonuses on classification, and for the instruction of pupil-teachers, &c., was £60,735 19s. 7d. and the amount paid to School Committees for incidental expenses was £4,258 7s. 9d. A detailed statement of the sums paid for teachers' salaries, &c., and the allowances to Committees in aid of the School Fund, and for the erection, enlargement, and improvement of school buildings will be found in the Appendix.

In December, 1887, notice was received by the Board that the Government intended to cease making payment of the extra capitation allowance of 4s., to base the payment of the statutory grants upon the strict average instead of the working average as formerly, to discontinue grant to normal training colleges, and to raise the school age from five years to six. These changes were all carried into effect except the last, and they involved a loss of income to the Board of £6,690. A committee was appointed early in January to take the whole subject into consideration. This committee held several meetings, called for a number of returns, and finally brought up a report which was adopted by the Board. The following are the reductions carried out:—

1. Salaries of teachers and officers—			
(a.) Reduction by graduated percentage on salaries over £200, as follows:—			
1 per cent. on salaries between £200 and £210	}	...	£ 1,066
2 " " " £210 and £220			
6 " " " £220 and £240			
7½ " " " over £240			
(b.) Reduction in classification bonus of £10 per rank	2,800
2. Reduction of Committees' grants by one-third	2,000
3. Reductions in Training College and School of Art expenditure	824
Approximated total			£6,690

SCHOOL BOOKS.—The Board having repeatedly had its attention drawn to the too frequent changes of school books in most of the schools in the district, and to the annoyance and unnecessary expense which parents were put to on this account, took the whole subject into consideration during the year, and, after consultation with the Educational Institute of Otago, issued the following circular on the subject. The selection of books agreed upon has met with general approval:—

"1. The following reading books and text books shall alone be used in the public schools of the Otago Education District after the examination of the several schools in the year 1889:—

"*Reading*.—Chambers's series of "Graduated Readers"—viz., the Primers, Parts I. and II., "The Infant Reader," and Books I., II., III., IV., V., VI., and "The Advanced Reader;" and, as supplementary, the "Southern Cross Readers" of Messrs. Whitcombe and Tombs. Scholars in Standards III., IV., V., and VI. may be called on to read from the history books as well as from the reading books. Chambers's "Graduated Reader," Book VI., will be the text book for the junior scholarship examination in English.

"*English Grammar*.—Mason's "First Notions of Grammar."

"*History*.—Blackwood's "Short Stories from English History" for Standard III., Gardiner's "Outline of English History" for Standards IV., V., and VI.

"*Geography*.—No text books are to be used for Standards II. and III.; Petrie's "First Geography" and Petrie's "Geography of New Zealand" for Standards IV., V., and VI.

"*Arithmetic*.—Nelson's "Royal Arithmetics," all the parts of the "B" Series; Goyen's "Complete Arithmetic for Standard III.;" and Goyen's "Exercises in the Compound Rules."

"The Board will, however, give full consideration to any proposal that may be made by a head teacher, with the concurrence of his School Committee, for the introduction, in addition to the above named, of any text book or text books that the requirements of the school may appear to warrant.

"2. The editions in use at the present time shall alone be used.

"3. Teachers are enjoined to introduce no fresh books from the present time into their schools other than those hereinbefore specified, and, so far as may be consistent with efficiency, so to act in regard to the changing of books as to make the charge upon parents as light as possible.

"4. The foregoing regulations shall not apply to books used by pupil-teachers, pupils who have passed the Sixth Standard, or pupils of the upper classes of district high schools.

"5. These regulations shall remain in force for three years from the 1st January, 1890."

INSPECTION.—With three exceptions, all the schools were examined during the year. Of these, two were found closed on the day fixed for the examination, but they were both examined shortly after the close of the year; the third—the Nevis School—was not visited because the School Committee wished the examination to be taken for the future at the beginning instead of at the end of the year. With one exception all the schools were visited for inspection; but two or three were found closed. The following is an abstract of the work done by the Inspectors during the year:—