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ment as such took place simultaneously with that for scholarships. Thirty-four pupil-teachers at present employed by the Board, and no less than fifty-five candidates for future employment, presented themselves for examination. Of the former, twenty-seven passed and seven failed; while of the latter twenty-nine were successful, and twenty-six failed to show such a satisfactory knowledge of the work prescribed as to merit a pass. In this district it will thus be seen that the supply of eligible candidates for the office of pupil-teacher continues to be in excess of the demand. When practicable, and the appointee is qualified, the Board has during the year combined the offices of pupil-teacher and sewing mistress in the appointment, thus effecting considerable saving, without in any noticeable degree detracting from the efficiency of the services rendered in either of the offices referred to.

School Committees.—The Board desires to express its appreciation of the work done by a majority of the School Committees throughout the district, and observes with pleasure a commendable willingness on the part of many to assist the Board in its efforts to maintain the property under their joint supervision in a creditable state of repair. In not a few instances considerable sums are raised locally to augment the grants made by the Board towards the cost of such works as painting buildings, erection of fencing and shelter sheds, and other works of a similar nature.

The accounts continue to be kept in a very satisfactory manner, as is evidenced by the fact that in only one instance did the auditor appointed by the Board report anything out of order, and even in this case the irregularity was of a trifling nature, and not such as to evoke the hostile

criticism of the Board.

Some years ago this Board drew attention to an omission in the arrangement of the abstract of accounts forms sent annually to the School Committees. These, in the opinion of the Board, should be slightly modified in form, by providing a small space in which could be shown the assets and liabilities of the Committees. This provision would be of great benefit to the incoming Committee, as showing the true state of the finances as left by their predecessors in office, and prevent the occurrence of much ill-feeling engendered by an anomaly which but too frequently exists in the annual balance-sheet presented to the meetings of householders. It not unfrequently happens that an outgoing School Committee shows in their financial statement a considerable credit balance, without any reference whatever being made to outstanding liabilities, to liquidate which would require, in some instances, double or even treble the amount shown to credit of the retiring Committee. Thus a new Committee may be elected, and afterwards find that their chief duty during their year of office is to finance themselves clear of the obligations of those who preceded them, with the alternative of perpetuating the evil here complained of.

A perusal of Departmental Return No. 10 will give detailed information in connection with the receipts and expenditure of School Committees in this district—the sources whence the former were

obtained, and the purposes generally to which the latter was applied.

Buildings.—Numerous demands on the resources of the Board for the erection of new schools and residences have been made and partially satisfied during the past year. The most noteworthy and important works successfully accomplished have been the erection of new schools at Waimumu, Longridge Village, North Wairio, and Springhills; while very necessary additions have been made to the schools previously established in the districts of Riversdale, Otautau, and Pukerau. The payment of rent allowances, as has been pointed out in the reports of previous years, has proved a very serious strain on the Board's Maintenance Fund, and in order to somewhat relieve this pressure the Board undertook during the year the erection of teachers' residences at Pahia, West Plains, Kennington, Nightcaps, Charlton, Mabel, and Drummond. Additions were also made to the Kennington, Nightcaps, Charlton, Mabel, and Drummond. Additions were also made to the residences at South Hillend, Mataura, and One-Tree Point. These new works, with one or two others of minor importance, were carried out at a cost to the Board of £2,315 12s. 6d. As a direct result of the Board's action in erecting the residences here referred to, a considerable saving has been effected in the amount paid as rent allowances during the year. The Board also expended a been effected in the amount paid as rent allowances during the year. The Board also expended a sum of £449 18s. 6d. in executing repairs to buildings, and in assisting Committees to place and maintain the property under their care in becoming order. With such extensive and varied interests to supervise, it is only by the practice of the most rigid economy that the Board can fairly meet the wants of its numerous constituents. In April last the Hokonui School was destroyed by fire. An inquiry into the probable cause of the calamity failed to elicit any reliable data as to the With the concurrence of the Government, the building is now in course of reorigin of the fire. erection, the school being meantime carried on in one of the rooms of the teacher's residence.

Inspection of Schools.—Mr. Hendry, the Board's Inspector, has carried on the work of inspection during the year as well as the very large number of schools under his sole supervision would permit. With 103 schools distributed over such an extensive area as is comprised in the Southland Education District, the work of examination and inspection is unusually arduous, and it has been found quite impossible for one man to comply with the regulations of the department, which require that two visits—one for examination, the other for inspection—be paid to each school in the course of the year. The amount of travelling involved in making even one annual visit is very considerable, and absorbs no small proportion of the time at the Inspector's command. Other duties, equally important, require and receive attention, such as the preparation for and conducting of pupil-teachers' and scholarships examinations. The Board therefore recognises the necessity for appointing an additional Inspector, and will early in the coming year (1889) consider the question, and doubtless provide for a more thorough and efficient inspection of schools than is possible under present existing circumstances. A perusal of Departmental Return No. 12 and the Inspector's annual report to the Board (copy of which is herewith enclosed) will afford all necessary information concerning the state of education generally throughout this district.

information concerning the state of education generally throughout this district.

Retrenchment.—As was foreshadowed in the closing paragraph of last year's report, the Board was compelled early in the present year (1888) to face the unpopular question of retrenchment. This became imperatively necessary in consequence of changes resolved on by the Government in