SCHOOLS.—Four new schools have been opened during 1898—namely, Elsthorpe, Whetekura, Tokomaru, and Wakarau. The first two have teachers' residences, to meet the requirements of special settlement organized by the Government. Through misrepresentations of the residents in these two settlements, and from some of them selling their sections, the Board was led to provide somewhat larger schools than were necessary, which will have the effect of making the Board more cautious in erecting buildings elsewhere. The Tokomaru School is an aided school. In such cases the Board agree to pay £4 10s. per head on average attendance and provide school apparatus, while the settlers find a building and guarantee to pay what is necessary to make the teacher's salary £80 per annum. Wakarau School is an itinerant school, the first of the kind established in Hawke's Bay Education District. It is hoped this school will meet the wants of a large and thinly populated district. Additions have been made to Ormondville, Papakura, Petane, Taradale, Te Arai, Te Karaka, and Weber School buildings, and extensive repairs and alterations have been made in several of the schools in the district.

SCHOOL COMMITTEES.—It is a source of pleasure to be able again to report that the most cordial relations exist between the Board and the School Committees. The Board hopes that the School Committees will continue to exercise careful supervision over the school properties. A little attention from the Committees in this direction saves great expense to the Board. The Board has also to thank the Committees generally for the attention given by them to aid the Board in carrying out its duties. The work constantly grows in extent. There are now seventy school districts under the Board.

SCHOLARSHIPS.—There are forty-one scholarship-holders from the public schools attending the Napier High School and Gisborne District High School. Four of the scholarships were of the value of £50 per annum each, eight of £30 4s. each, three of £12 4s., one of £17, and twenty-five of £10 4s. The larger scholarships are granted to children from the country districts. The whole expenditure amounted to £750 4s., a portion of which is provided by the School Commissioners. Only two scholarship-holders resigned during the year.

SEWING.—This branch of school work has been well taught, and the report of the lady examiners was very favourable. As the new sewing regulations lately passed by the Education Department do not provide for the making of garments, the yearly examinations held, by which all the schools were brought into competition, will have to be discontinued. This the Board regrets, as the yearly sewing examination led to competition amongst the different schools, with a good result.

PUPIL-TEACHERS.—New pupil-teachers' regulations have been carefully prepared during the year. These have been sanctioned by the Minister of Education, and will be put into force in the month of July. It is hoped they will prove satisfactory.

TECHNICAL EDUCATION.—In the matter of technical education the Board has not been able to take any action. However anxious the members may be to assist in such work, the providing of school accommodation for the many outlying districts which are constantly pressed upon their attention puts consideration of it out of their reach, the claims of new districts also being a constantly increasing charge upon the school fund. The Board are of opinion that some special and more adequate provision must be made by the Government to enable Education Boards to properly organize the conduct of technical classes.

I have, &c.,

The Hon. the Minister of Education. DAVID SIDEY, Chairman.

GENERAL STATEMENT of RECEIPTS and EXPENDITURE for the Year ending 31st December, 1898.

Receipts.	£	s.	d.
To Balance—			
On Building Account	483	19	11
On General Account	3,871	14	0
Government grant for buildings ..	3,013	0	0
Subscriptions and donations for buildings	56	11	0
Transfer from School Fund	2,055	1	11
Government statutory capitation ..	22,227	3	5
Scholarship grant	500	9	11
Inspection subsidy	300	0	0
Payments by School Commissioners ..	2,714	14	1
District High School fees	248	5	9
Other receipts—			
Contribution, teacher's salary ..	54	6	3
Rent of reserve	7	0	0
Refunds and fines	8	10	6
	£35,540	16	9

Expenditure.	£	s.	d.
By Office staff—salaries	353	0	0
Clerical assistance	24	15	0
Departmental contingencies.. ..	290	2	10
Inspector's salary	510	0	0
Inspector's travelling-expenses ..	175	0	0
Examination of pupil-teachers ..	76	9	3
Teachers' salaries and allowances (including rent, bonus, &c.)	20,694	18	4
Incidental expenses of schools ..	2,347	13	11
Truant Officer's salary	264	2	10
Schlarships—			
Paid to scholars	432	17	0
Examination expenses	34	6	10
School buildings—			
New buildings	2,472	19	6
Improvements of buildings ..	1,323	11	5
Furniture and appliances	351	3	6
Plans, supervision, and fees ..	266	2	0
Transfer to Building Fund	2,055	1	11
Exchange on cheques	51	11	6
Balance—			
On Building Account	1,194	16	5
On General Account	2,622	4	6
	£35,540	16	9

GEO. T. FANNIN, Secretary.

Examined and found correct—J. K. WARBURTON, Auditor and Controller-General.