4. Sir W. R. Russell.] Who is this—the Board?—The Board should make application to the Department. There is not that immediate hurry, because in the matter of staffing the attendance at a school has to be maintained for two consecutive quarters—that is, it is half-yearly. There is no reason, as far as I can see, why an Education Board should not send to the Department at a specified time a statement of all its building needs, along with the necessary facts, covered by the report of the Inspector, who alone, in four cases out of five, knows about these various requirements. In my district, for example, I go to the north of Napier thirty miles further than the distance between Napier and Wellington. My district extends as far as that. I do not know whether a member of my board has been to even any of the places along the east coast. Nobody can know about the needs of schools along the coast except the Inspector. Then, again, with regard to buildings, I have taken the trouble to work out here a tabulation, which deals with the point Mr. Buddo touched upon. I had to work it out in the train, and I have not tested or checked my points, but I have no doubt they are generally correct. I have taken the average attendance for each education district, and I have taken the vote.

5. For what period ?—For last year—based upon the grant recommended by your Committee. I have taken that, and I have worked it out in this way—

6. Mr. J. Allen.] Which vote—that for maintenance?— $\pounds 52,457$ , and also a special vote; but then that is not authorised, as far as I can see, in this circular, a copy of which I obtained yesterday at the Education Department. I am sorry to say that I have to criticize, but I suppose I may draw attention to this?

7. Certainly?—This is a circular letter that was sent to the Education Boards. I find, by the way, that two circular letters have been sent covering the same transaction; but in any case I have a copy of the circular letter that I brought from Napier, and it says, "In future"—I might say that I can understand Education Boards getting into a mess, because there is no government in a circular like this. It says, "In future"—and I take "in future" to mean "in the time to come"—"it is the intention of the Government to follow the recommendation of the Education Committee." The circular states before this that "The amount allotted to your district is" somuch.

8. Sir W. R. Russell.] What is the date of that circular ?-17th February, 1904. Then it goes on to say, "I have further to ask you that the moneys thus distributed shall be expended in strict accordance with the recommendations of the Committee and with the appropriation of Parliament. Accordingly, the purposes for which this grant" (the ordinary grant) "is available are as follows: Maintenance, removal, and rebuilding of school buildings (including apparatus, fencing. furniture, &c). Maintenance of school buildings. Rent of buildings used for school purposes." There is nothing to distinguish here as to what is meant. I take maintenance to be separate and apart from extensions and new buildings, and it should be made distinct and stated, so that an Education Board may know exactly what to do. These are the results, which I have worked out all on the same basis: For Auckland, with an average attendance of 24,919, the building vote was £12,917.

9. Mr. J. Allen.] The building vote?—The maintenance vote. I will take it as maintenance. I have taken the other as a special vote. It is called a special vote.

Mr. J. Allen: The other is the new-school-building vote.

Mr. Buddo: Mr. Hill is using the term usually applied to the vote.

*Witness*: If it is, then the statement is incorrect on page 3 of the Committee's report. I say that because it states there "Rebuilding of schools," which is a building vote. Then, I take the amount of  $\pounds 12,937$  as a special building vote. I have worked it out as it is stated in the Minister's report. It says here that, with an average attendance of 24,919, the Auckland vote was  $\pounds 12,917$ . The upkeep—and by it I mean everything needed in the matter of painting, petty repairs, and such things as the Board is called upon to supply to schools—well the "upkeep," in Auckland was 5s.  $0\frac{1}{2}d$ . per head, whilst on new buildings they spent  $\pounds 6.313$ , which amounts to 5s.  $0\frac{3}{4}d$ ., or a total of 10s.  $1\frac{1}{4}d$ . per head on the average attendance. That is what Auckland has spent. Their vote amounted to 10s.  $4\frac{1}{4}d$ . a head. 10. Mr. Buddo. Am I to understand that they have rebuilt and made additions with almost

10. Mr. Buddo.] Am I to understand that they have rebuilt and made additions with almost half of their vote for buildings?—That is what I am wanting to draw attention to, because I am going to deal with the Committee's facts presently. I want to show how this money has been spent irregularly, following that circular letter—that is, there has been no direction. Mv point is that this Committee, or whoever has authority, should specify and particularise the work for which a grant is made, and that work should be carried out, and the accounts should be audited by a Government auditor. That is my point. Taranaki has a building vote of £1.750, or at the rate of 9s. a head. I do not know why these building votes are differentiated. The upkeep was £1,229, or at the rate of 6s. 2½d. per head. New buildings, £1.509, or at the rate of 7s. 7½d. per head, the total amount per head being 13s. 10d. In the Wanganui District the average attendance was 9,867.

11. Mr. J. Allen. Permit me to interrupt you, Mr. Hill. Was this expenditure that you are quoting from now before the Committee's report, or after. I understand that what you are dealing with is the expenditure before the Committee's report came into effect?—I wanted to summarise—

12. But if it is before this report came into effect it is not dealing with the question before us?—I am taking the last annual report of the Minister.

13. Well, then, it is before this report came into effect, so that it does not bear upon the question?—But  $\pounds 52,457$  is the amount authorised here. The building vote recommended was  $\pounds 57,659$ , and the amount distributed was  $\pounds 52,457$ . I will state all the facts presently. I will show you where the deductions are made.

14. Mr. Buddo.] As I understand, you wish to emphasize the fact that while the Boards discriminate between the expenditure the Department has not done so. That, I take it, is the point?—That is what I am wanting to bring out,