63.4 per cent; and the open scholarship fell to Tai Heketa, of Waerenga-a-hika, 74.8 per cent. Deserving of honourable mention are the following junior candidates : Hoani te Wahia, Waikouaiti Native School, and Whito Aroua, Mangamuka, each with 61 per cent; and Peter Baker, Waerenga-a-hika, with 71 per cent. The result of the examination, so far as the actual placing of the candidates is concerned, would not have been affected by demanding a higher percentage from Waerenga-a-hika condidates, and I did not therefore make a higher demand from them.

The work of the candidates was generally satisfactory, there being only one really weak senior paper, while among the juniors there were three. It would indeed have been wiser had these candidates not entered, and I wish to indorse the remarks of the late Inspector of Native Schools, who last year expressed the opinion that teachers ought to satisfy themselves by examinations that their candidates have ability to make at least a creditable attempt. An additional advantage of these examinations would be to train the candidates for the work : on one boy's paper the indications of extreme nervousness are very evident.

In view of the fact that there are likely to be changes in the Native Schools Code it seems advisable that with the reconstruction of the Code the question of amending the regulations, especially as regards the subjects of examination, should be considered. This is very necessary in English, for while a boy is forbidden to use Maori in a village school he is expected to translate Maori in his English examination for the scholarship. This falls very hard on Maori boys of the South Island and other places where more English is used than Maori. When the proper time comes I propose to offer suggestions to the trustees with the view to removing any such disabilities, and to bringing the scholarship requirements more into line with recent developments.

STATISTICS.

A statement of expenditure in connection with Native schools will be found in tables No. 1 and 2 of the Appendix, the former table giving details which are summarised in the latter. The expenditure for 1904 has been less than that of 1903 by $\pounds 3,798$. This decrease is due to the fact that several schools have been without teachers for some time, less has been spent on manual instruction, and the expenses of inspection have been less.

Table No. 3 gives the ages of the pupils. There is now a slight tendency towards a decrease in the percentages of children over and under the age-limit (five to fifteen) for public-school scholars. In the case of those above the age it has to be remembered that their chance of education has probably come late in life. This is especially noticeable in newly established schools where one often finds adults of both sexes attending for some time or at least till the novelty has worn off. In the case of those admitted below the age of five I am strongly of opinion that the Department should take measures to determine this practice.

Table No. 4 shows that the working average for 1904 was 3,084, as against 3,012 in 1903, while the regularity of attendance (percentage of weekly roll) is 81.24, as against 79.15 last year. There is thus a recovery from the falling off of last year, which would have been more marked but for the temporary closing of several schools.

Table No. 5 is an interesting table showing the race of the children attending Maori schools. There is very small increase (24) in the number of Maori children, a still smaller increase (3) in the number of half-caste children, and an increase of 34 in the case of European children.

Table No. 6 shows the number of standard passes gained in the course of the year. The total number was 1,423, a decrease of 115 from the preceding year.

Table No. 7 sets forth the results of inspection and shows the general condition of the schools, so far at least as that can be represented by numbers. There is, however, much connected with the working of schools that caunot be indicated by figures. Nor can it be said that the Inspector sees the ordinary working conditions of the school at the time of its examination. Visits for inspection purposes should, I think, be made without notice, and at any time.

Tables Nos. 8 and 9 show that, as compared with last year, the number of children in preparatory classes is more than that of last year by 159—a very gratifying fact. Teachers are realising that the most important work in Maori schools is the preparatory work, and promotion is now becoming less rapid. Standard I. has lost a considerable number of passes owing to insufficient preparation of those presented. It will be noted also that the highest standards, IV., V., VI., and VII., are fairly well represented. The very existence of these standards in Maori schools is, in places, unknown to people outside.

Table No. 10 shows that the number of children of Maori or mixed race attending public schools increased by 237 over that for 1903. The number of those of pure Maori race increased by 213. Of those of mixed race the number living as Maoris who attended increased by 35, and those living as Europeans decreased by 11. It must be remembered in this connection that the clauses of the Education Act as to compulsory attendance are enforced in public schools, but not in Native schools.

Table No. 11 shows what the Government does for Maori children as regards higher education, industrial scholarships, and hospital-nursing scholarships. The extension of the last-named system referred to in last year's report has since been accomplished, and it is hoped during next year to further extend the scheme of University scholarships. Difficulty is still experienced in finding suitable positions for those who wish to take up an apprenticeship, otherwise there would be much greater use made of this privilege by Maori youths.

GENERAL.

In the following paragraphs will be found a general estimate of the quality of the work done in Native schools, and where necessary some suggestions intended to assist any teachers who may be conscious of any degree of weakness in grappling with the difficulties that occur in the work; also some general remarks on various matters affecting our schools.

2—E. 2.