The Inspectors express their disapproval of the free-school-book scheme, and suggest that the grant would be much more advantageously employed in the purchase of stationery, drawing and copy books, and continuous readers.

A steady advance is reported in the efficiency of the instruction in most of the subjects, but the geography course B is stated to be still in an unsatisfactory condition. Complaint is made that singing is generally poorly taught, and that the instruction in military drill and physical exercises is not made to influence sufficiently the attitudes and deportment of the pupils. Considerable improvement in the two last-mentioned subjects will be looked for in the future. The order, discipline, and tone of the schools are reported to be very good.

The following table shows for each class the number of pupils on the roll at the time of the Inspectors' annual visit, the number present, and the average age of each class:—

Classes.						Number on Roll.	Present at Inspector's Annual Visit.	Average Age of Pupils in each Class.	
Standard	37TT						337	306	Yrs. mos. 15 2
Standard		•••	•••	• • •	•••				
"	VI	• • •		• • •	•••	•••	1,219	1,154	14 0
"	V						1,805	1,760	13 1
,,	$_{ m IV}$						2,137	2,081	12 3
,,	III	•••					2,336	2,299	11 3
H	II						2,395	2,360	10 2
,,	1					i	2,445	2,409	9 2
Preparato	ory (ir	nfants)	•••	•••	•••		7,705	7,281	6 11
	1	otals		•••		••• !	20,379	19,650	11 6*

* Mean of average age.

Technical Instruction.—In December last there were 452 boys receiving instruction in woodwork, 471 girls in cookery, 6,523 girls in needlework, 1,525 pupils of both sexes were attending classes in agriculture, and 13,082 in other branches of handwork. The capitation received amounted to £2,035 4s. 4d., or £39 14s. 1d. more than for the previous year. The total number of pupils receiving instruction by means of the School of Art was 643, including 143 day students, 182 evening students, 128 teachers attending Saturday classes, fifty-three teachers attending week-day classes, twenty-five teachers at Oamaru special classes, fifty senior and forty-two junior Training College students, and twenty students at the South Dunedin centre. The Director reports an increase in the number of paying pupils, a higher average quality in the elementary work done in the school, and a marked improvement in the advanced drawing, both from the antique and from the life. He also reports that a growing interest has been manifested on the part of tradesmen, builders, and architects in the courses of study provided for them, and that the increased attendance at the drawing classes during the winter months has been most gratifying. Students of the school have been successful in gaining a number of important prizes, including first prize at the Otago Art Society's annual exhibition for a study of the head from life, and other prizes for painting from the life, still life, and landscape.

The following is a summary of the receipts and expenditure in connection with the special and school classes for manual and technical instruction for the year 1910: Expenditure: Maintenance (salaries, material, &c.), £2,958 9s. 4d.; buildings, fittings, and apparatus, £2,141 5s. 8d.: total, £5,099 15s. Receipts: From Government—Capitation, £2,035 4s. 4d.; special grant for training of teachers, £300; buildings, fittings, and apparatus, £2,511 5s.; fees, £217 3s. 3d.: total, £5,063 12s. 7d. Debit balance for the year, £36 2s. 5d.

Finance.—A statement of the Board's income and expenditure for the year is given in Appendix B.* The following statement shows the sums expended under the various headings during the past three years: Teachers' salaries, including lodging-allowances—1908, £66,158 16s. 6d.; 1909, £72,542 19s. 9d.; 1910, £75,554 13s. 7d. Payments to School Committees for incidental expenses—1908, £5,798 9s. 9d.; 1909, £5,947 10s. 9d.; 1910, £5,416 14s. 9d. Erection, enlargement, and improvement of school buildings, purchase of sites, house allowances, manual and technical buildings and apparatus—1908, £22,252 10s. 1d.; 1909, £23,607 8s.; 1910, £15,576 1s. 6d. A detailed statement of these payments (except the payments for manual and technical instruction) appears in Appendix A.† The same table also shows the names of the teachers employed, their classification, and the annual salary of each at the rate paid during the last month of the year, the expenditure on school buildings, &c., and the amount paid to School Committees for incidental expenses.

The receipts for school buildings include—Grant for maintenance, £13,473 12s. 7d.; special grants for new buildings, £3,133 17s. 10d.; house allowances to teachers, £809 11s. 8d.; local contributions, £105 7s. 11d.; deposits on contracts, £251 15s. 3d.; special grants for technical-school buildings, and furniture, fittings, &c., for same, £2,511 5s.; total, £20,285 10s. 3d.

school buildings, and furniture, fittings, &c., for same, £2,511 5s.: total, £20,285 10s. 3d.

The main items of expenditure on buildings were: General maintenance (repairs, alterations, and small additions), £8,254 8s. 10d.; rebuilding, £215 15s. 6d.; new buildings, £3,529 17s.; house allowance, £803 6s. 8d.; manual and technical purposes, £2,141 5s. 8d. At the end of the year the Board's building account was in debit to the amount of £918 3s. 9d.