Picton, and Springlands. The older schools of Wellington City are so much below present-day standards of requirement that, but for the war, they must have been replaced before to-day, and the Board urges that their reconstruction should not be delayed a day beyond the period of financial

compulsion.

Finance.—There was on deposit with the Public Trustee, the Bank of New Zealand, and in warloan certificates on the 31st December, 1920, a total sum of £14,000. Owing to the fact that Government grants due to the Board were not received until after the close of the year, there was on that date (31st December) a debit balance of £1,541 16s. 10d. on the current account. Outstanding cheques amounted to £730 10s. 7d. The net balance to credit on the 31st December, 1920, was £11,727 12s. 7d. The receipts for the year amounted to £323,058 16s. 7d., and the payments to £319,726 5s. 2d., the excess of receipts over payments having been £3,332 11s. 5d. This sum added to the net credit balance on 1st January, 1920—viz., £8,395 1s. 2d.—leaves the net balance at 31st December £11,727 12s. 7d., as stated above.

The Education System.—The year has been one of much critical examination of the education system. The Minister and his officers, the Boards, the Committees, and the teachers have been trying to contribute something to the removal of defects and difficulties. Nothing but good can come of honest criticism, so long as the real purpose is not overlooked—namely, the good of the child. In reference to the recent legislation which determines promotion on the basis of the grading, I wish to assure you that my Board will endeavour to perfect the method and obtain from it the very best results possible. The Board heartily approves of the substantial increase in salary afforded to teachers during the year. As, however, the competent teacher who desires steady promotion must at present obtain it by promotion to a higher grade, most generally in other schools, the number of changes has been so great as to endanger the maximum efficiency of the service, and it becomes urgently necessary to devise some modification of the existing enactments which shall give fair increase of emolument to the deserving teacher without, in the great majority of cases, the present necessity of frequent change from school to school. Some modification of the present system on lines similar to those of the Civil Service should be effected, and, if possible in these services, should be equally possible in the Education service.

Decentralization.—The removal of many of the present limitations on administrative action of Boards would result in an appreciable saving of time and money, and involve no sacrifice of efficiency. For instance, under existing regulations the Senior Inspector cannot direct the organizing teacher to any school for necessary organizing service without the previous sanction of the Department. Similarly, the Board cannot appoint a temporary teacher to the staff of the Training College or Normal School without the previous sanction of the Department. Correspondence and delay are involved. It should be quite possible to effect a large measure of decentralization and yet to maintain the essential integrity and efficiency of the system. This would undoubtedly stimulate that local enthusiasm which is universally recognized as so valuable a feature of the New Zealand system compared with the purely centralized systems of Australia.

Progress.—In regard to expenditure, while limitation has been necessarily imposed on the country by the circumstances of the past seven years, I hold it a mistake to defer a sane policy of progress a day after such a policy is practicable. It is inconceivable that a country which sent one hundred thousand men to defend her, and which can afford to spend in one year, for a population of one and a quarter millions, over £7,000,000 on intoxicants, should even suggest long delay in proceeding with its educational projects, already long overdue. The Board feels, sir, that the fine policy of progress and development to which you have addressed yourself with such signal vigour and success must proceed at the very earliest date possible. Undue economy here, at the expense of the child, is not to be countenanced.

I have, &c.,

The Hon. the Minister of Education, Wellington.

T. Forsyth, Chairman.

NELSON.

Sir,—

I have the honour to present the following report of the proceedings of the Nelson Education
Board for the year 1920:—

The Board.—The biannual election of members took place in July last, and resulted in the re-election of Messrs. E. J. Scantlebury (Middle Ward), W. H. McIntyre (West Ward), W. C. Baigent (North Ward), and Mr. J. W. Treacher (Nelson Urban Area). At the annual meeting in August Mr. F. W. O. Smith was again elected Chairman. The Board's representatives on the Board of Managers, Nelson Technical School, are Messrs. F. W. O. Smith, E. J. Scantlebury, and E. E. Boyes; on the Board of Governors, Nelson College, Mr. F. W. O. Smith; and on the Council of Victoria University College, Mr. F. W. O. Smith. The personnel of the Board is as follows: Messrs. F. W. O. Smith (Chairman), E. J. Scantlebury (Middle Ward), Messrs. W. C. Baigent and S. B. Canavan (North Ward), Messrs. W. H. McIntyre and A. C. Cottrell (West Ward), and Messrs. E. E. Boyes and J. W. Treacher (Nelson Urban Area).

Schools.—There were 140 schools, including six side schools in operation at the end of the year. During 1920 new schools were opened at Baton, Big River, Farewell Spit, Katanga, Kongahu, Maruia, McLaren's Bay, Sunnyside, Te Arowhenua, Waikaraka, Wairangi, and Wairoa Gorge. Four schools were closed during the same period. I have again to draw attention to the large number of small schools in the district. The liberal provision made for salaries of teachers of Grade 0 schools has resulted in additional schools being opened, whilst none of the schools which were opened during the year are above Grade II.