During the year the policy of consolidation of schools was proceeded with wherever circumstances indicated that increased efficiency in the education of the children would take place and wherever the majority of the parents was favourable to this policy. That the attitude of parents generally is becoming more and more favourable to consolidation is indicated by the fact that during the year approval was given to the consolidation of some 103 small schools on some 57 central schools. During the previous year, 1936, the corresponding figures were 27 small schools consolidated on 20 central schools. For the whole previous period ending 31st December, 1935, during which the policy of consolidation has been effective, approximately 103 small schools were closed on 68 centres. Approval of the closing of a grand total of some 233 schools on 145 centres was given to 31st December, 1937, of which 130 small schools were consolidated on 77 central schools during the years 1936 and 1937.

The above figures do not take into account any cases where conveyance services established have avoided the necessity for the erection of new schools, and there is no doubt that with the extension of these services considerable capital expenditure on buildings as well as annual expenditure on salaries and allowances has been avoided.

It is estimated that consolidations approved in 1937 and effective from the beginning of 1938 affected the educational facilities of some 7,500 children (including those children previously in attendance at the central schools) and that the net additional cost for the year was some £1,400. Additional costs of conveyance services are estimated to be £20,000, offset by savings in other directions (mainly in salaries and allowances) of £18,600. Owing to fluctuations in school population and to consequent differences in the grading of schools from year to year, as well as to various other factors, it is not possible to state costs with positive accuracy, but the estimated net position indicates the cost to the Government of the increased educational facilities made possible by consolidation for the 7,500 pupils concerned. These increased facilities include more specialized and efficient staffing, better classification of pupils, in many cases manual-training facilities, and in some cases secondary-education facilities.

As consolidation proceeds it becomes more and more possible to bring to the country pupils the special facilities which were found previously only in the centres of greater population.

The intention to assist still further the country children who desired to proceed with their education beyond the primary stage was fulfilled in some measure by the increase to 7s. 6d. per week of the allowance towards the cost of board.

Full responsibility for the work of vocational guidance of pupils at post-primary schools, which for some years past has been carried on almost entirely by voluntary organizations, has now been taken by the Government. Eight Vocational Guidance Officers (four men and four women) have been appointed, two to each of the four chief cities; and Educational Guidance Officers, known as "Careers Teachers," have also been selected at certain large post-primary schools to work in conjunction with the district Vocational Guidance Officers. So far as the work of finding positions for school-leavers is concerned, the Vocational Guidance Officers will act in collaboration with the officers of the Placement Service of the Labour Department, and in each of the four main cities a "Youth Centre" has been established where the work of guidance and placement is undertaken jointly by officers of the Education and Labour Departments. The services of those voluntary organizations known as Youth Employment and Guidance Committees have been retained in an advisory capacity to act as a link between the Youth Centres and industry. The opportunity is taken of placing on record the thanks of the Government for the splendid work done by these committees during the difficult years of the depression and afterwards.

In the year 1929 and previously grants were made by way of subsidy and voluntary contributions to country libraries. This financial year a sum of £3,000