attendance in the district during the year preceding that for which the grant is made.

2. The grant shall be utilized for the purpose of providing supplementary continuous readers sufficient in number for class reading by pupils in classes P to S6 inclusive, and also for the purpose of supplying free class-books in necessitous cases and in cases where newly entered pupils have already purchased elsewhere class-books different from those in use in the school.

3. Supplementary readers and other class-books so provided shall be such only as are approved or sanctioned in accordance with subsection (5) of section 56 of the said Act. Requests for the approval of class-books other than those already on the approved list should be accompanied by copies of the books.

4. After provision has been made for the supply of the books mentioned in clause 2 hereof the balance of the grant, if any, shall be spent on books approved by the Senior Inspector for the district as suitable for individual reading by the pupils in school or at home.

5. No portion of the capitation grant shall be spent for any purposes other than those specified.

6. Capitation grants will be paid on the receipt of applications from the Board on forms provided by the Department.

7. Where a School Committee has received a sum of money or other voluntary contribution for the purpose of establishing, maintaining, or increasing the utility of a school or class library, and where in accordance with subsection (2) of section 37 or subsection (1) of section 159 of the said Act, and of regulations prescribed thereunder, a subsidy is payable on such contribution, the manner of expending both the original contribution and the subsidy or subsidies thereon shall be subject to the approval of the Board.

8. All contributions for school and class libraries received by a Board or School Committee on which subsidies are payable, and the subsidies payable thereon by the Minister or the Board, together with any additional grants from its General Fund that the Board may make for such libraries under the provisions of subsections (2) and (4) of section 37 of the said Act, shall be available for expenditure for the following purposes only:—

- (a.) The establishment, maintenance, and improvement of school and class libraries.
- (b.) The provision of such shelves, cupboards, and other appliances as are considered necessary for the safe custody and care of the books in such library.
- (c.) The payment in whole or in part of the cost of the conveyance of books under such schemes of exchange as are indicated in clauses 10 and 11 of these regulations.

9. All books provided for school and class libraries in accordance with these regulations shall be suitable and available for the individual reading of the pupils at home or at school, or books of reference for use by such pupils. They shall be subject to the approval of the Senior Inspector for the district, and shall not be selected by reason of their suitability for use by adults.

10. To give wider utility to school libraries and to afford pupils greater variety of reading-matter the Board may arrange for the interchange of books in the school libraries of adjacent schools or schools between which communication is easy.

11. The Board or the School Committee, with the concurrence of the Board, may also arrange for the loan of books for the school library from the children's section of a public library or other similar institution approved by the Senior Inspector of the district.

12. School and class libraries for the benefit of which subsidies are paid out of public funds under the said Act shall be in the charge of the head teacher of the school or some other responsible person approved by the Board.

13. When a public library is kept in a school the public library and the school library shall in all respects be kept distinct.

в

J. F. ANDREWS, Clerk of the Executive Council.