

—The area within which the Endowment shall be applicable to the purposes of the two immediately succeeding sections, shall include the counties of Orkney and Shetland, Sutherland, Caithness, Ross and Cromarty, Inverness and Argyll, and such portions of the counties of Moray, Nairn, Banff, Aberdeen, Perth, Dumbarton, and Bute, as the governors may from time to time determine.

32. Grants for Higher Class Schools. — The governors shall expend not less than one-half of the free income of the endowment remaining after carrying out the purposes of the preceding sections in grants to promote higher teaching in the principal school, being a public school or a school under a Scheme made under the Educational Endowments (Scotland) Act, 1882, in any of the following places, Lerwick, Kirkwall, Thurso, Stornoway, Portree, Tobermory, Bowmore, Oban, Kingussie, Fort-William, Dingwall, Tain, or in any other place within the area defined in the thirty-first section hereof, which may appear to the governors to be a convenient centre for giving higher education. In selecting the schools the governors shall take into consideration the relative importance of the place as a centre for higher education, the extent to which the school appears to be capable of improvement, for the purposes of higher instruction, by the application of the grant, and the amount of assistance already given or undertaken to be given in the locality for higher instruction, either out of the rates or by voluntary effort. The grants shall not in any case be less than £60 nor more than £150, and they shall only be given to the governing body on condition:—

- (1) That there is a teacher or teachers in the school capable of giving efficient instruction in Latin, Greek, and Mathematics, and that in any appointment after the date of the grant the head teacher shall be a University graduate; and
- (2) That the governing body has already carried, or is prepared to carry the school, from its own or from other local resources, to as high a degree of efficiency as can reasonably be expected under the circumstances, and that the grant shall be applied in such a manner as to increase the efficiency of the school for higher education. Special grants may in addition be given for supplying models, apparatus, and other appliances for scientific instruction. In determining the amount of the grant the governors shall take into consideration:—
- (1) The efficiency of the teaching staff for the higher subjects;
- (2) The number of pupils in the more advanced stages of Latin, Greek, and Mathematics;
- (3) Efficient teaching of modern languages, free-hand, geometrical, and mechanical drawing, elementary mechanics, physics, chemistry or natural science, provided always that no science teaching be recognised for the purpose which is not accompanied by efficient experimental demonstration;
- (4) Efficient instruction in the Christian Reformed Protestant Religion as required by the constitution of the original society;
- (5) The extent to which the grant is met by local effort, either out of the rates or by subscription or donations.

It shall be in the power of the governors, in making any annual grant, to make conditions that the fees charged in the school be not below a certain rate, and that the grant may not be applied to

cheapen education to those able to pay for it; that a certain amount of free education or education at a reduced rate be given to those requiring aid in obtaining higher education; that the teaching staff be maintained on a certain scale, and that facilities be given for the reception and training of Gaelic-speaking pupil teachers. The governors shall at once reduce or withdraw a grant if they are satisfied that it is not being applied in accordance with the provisions of this section or the conditions made by them; provided always that if the governing body of the school have incurred any special obligations on the faith of the grant, it shall be competent to them to appeal to the Scotch Education Department, and in that case the consent of the Scotch Education Department shall be necessary to the withdrawal or reduction of the grant.

33. Bursaries for Higher Education. — The governors shall apply the remaining free income of the Endowment in establishing bursaries for higher education, to be awarded by competitive examination among children attending public or State-aided schools within the area defined in the thirty-first section hereof, whose parents or guardians require aid in giving them a higher education, under such conditions and regulations as to age, subjects of examination, and otherwise as the governors may determine. The bursaries may be tenable for such period, not exceeding three years, as the governors may determine, at schools in receipt of annual grants under the thirty-second section hereof, or at such schools for higher or technical or professional education as may be approved by the governors. The governors may, if they think fit, allow any bursary to be held during the last year of its tenure at a Scottish University. The governors shall fix the amount of the bursaries with reference to the class of school at which they are to be held. The governors may, if they think fit, allocate the bursaries for competition among different districts or groups of schools. The governors may, if they think fit, institute separate competitive examinations for boys and girls, and may assign separate bursaries to be awarded on the result of these examinations.

34. Examiners and Inspector. — The governors may appoint an examiner or examiners to conduct the bursary examinations, and also an inspector who may report from time to time on schools receiving or applying for a grant under the thirty-second section hereof, and may pay such examiners and inspectors such fees as they may consider reasonable.

35. Travelling Expenses of Governors. — The governors shall have power to expend an annual sum not exceeding £50 in payment of the travelling expenses of any members of the governing body who reside at a distance from the place of meeting.

36. Forfeiture of Bursaries. — If, in the judgment of the governors, the holder of any bursary shall be guilty of any serious misconduct, or fail to make reasonable progress, they may withdraw such bursary, and their determination in such case shall be final.

37. Annual Distribution of Bursaries. — The governors shall establish the bursaries herein provided for in such manner as to secure that they shall be awarded in as nearly as possible equal numbers in each year.

38. Residue of Income. — The residue of the free annual income, in so far as it has not been applied under the provisions of this Scheme, shall be invested by the governors as soon as it shall