\mathbf{E} .—1. $\mathbf{x}\mathbf{x}\mathbf{i}\mathbf{i}$

found in the ranks of the unfit, show themselves to be sturdy farmers and artisans who have learned their business under good conditions. This institution is open for the reception of boys who do not need reformatory treatment, but are not suitable for boarding out, by reason either of their age or temperament.

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The removal of the Caversham boys to Weraroa effects another important achievement in the development of the industrial-school system of the colony: there is now no industrial school at which girls reside where boys over ten years of age are resident inmates. The purpose of the Caversham Industrial School is now similar to that of the Auckland Industrial School—it is for girls of any age, so long as they do not need reformatory treatment; and for boys not too old

or too wild to be boarded out, or who can be placed at once at service.

Among the problems to be dealt with in the work of making our industrialschool system an increasingly powerful means of advancing the general wellbeing of the community, the most important, and certainly the most difficult, is that of dealing with that section of the reformatory inmates—both young men and young women—whose dangerously sensual and criminal tendencies hamper the general work of reforming the other inmates. Happily, neither in Burnham nor in Te Oranga Home are the numbers of such cases large, although it is idle to deny that there are a few in each institution who should be entirely separated from the others—that is to say, that another grade in the classification scheme should be instituted. To do this other buildings must be erected, either as separate institutions or as annexes to the existing schools, but they must be thoroughly isolated. There are in the gaols of the colony, no doubt, a proportion of the younger prisoners who have similar characteristics. Probably the cases of this class from the reformatories and those from the gaols should be brought together in institutions specially equipped to deal with them. are some of these young people who, either from mental deficiency or moral obliquity, seem impervious to all efforts made in their behalf; and as the industrial-schools law is at present there is no power to detain inmates after they reach twenty-one years of age. The matter is of grave concern, and the question of providing for these unfortunates is one that intimately affects the public weal.

At the end of 1905 there was in the Post-Office Savings-Bank on account of the earnings of inmates of Government industrial schools a sum of £15,457 11s. 4d., and on account of inmates of private industrial schools £3,673 5s. 1d. For inmates of Government schools a sum of £1,819 11s. 9d. was withdrawn during the year,

and for inmates of private schools £143 12s.

In Table J3 is shown the cost of the Government schools, in which is included the expenditure for the maintenance of inmates boarded out and the salaries of the resident staffs and medical officers; this table also shows the cost of supervision of all inmates who are licensed to reside away from the schools; and, further, the amounts of the recoveries from Charitable Aid Boards, from persons against whom orders for maintenance have been made, and from the sale of farm-produce, &c. The total amount contributed by parents towards the maintenance of their children was £2,935 16s. 2d., being at the rate of £2 7s. $1\frac{1}{2}$ d. per head of the total number of children (1,246) maintained at the public cost.

TABLE J3.—Expenditure on Government Schools, 1905.

Government School.	Cost of School.	Boarding out. (Included in first column.)	Salaries. (Included in first column.)	Recoveries.	Net Cost.
Auckland (Mount Albert) Boys' Training Farm, Weraroa Receiving Home, Wellington Te Oranga Home Receiving Home, Christchurch Burnham Caversham	£ s. d. 2,174 4 7 7,825 8 8 3,910 2 1 1,483 14 9 3,691 2 9 5,522 10 11 8,122 11 9	£ s. d. 1,051 2 0 2,742 14 9 2,460 10 10 2,882 14 5	£ s. d. 373 9 6 412 14 0 322 15 4 594 3 5 381 19 0 2,016 7 10 1,435 19 7	£ s. d. 1,083 18 7 695 4 8 2,295 1 10 61 7 6 1,944 4 2 592 12 1 4,231 13 2	£ s. d. 1,090 6 0 7,130 4 0 1,615 0 3 1,422 7 3 1,746 18 7 4,929 18 10 3,890 18 7
Totals	32,729 15 6	9,137 2 0	5,537 8 8	10,904 2 0	21,825 13 6
Salaries and expenses of assistar Travelling-expenses of managers Refund of inmates' earnings Contingencies	and others	•• ••			2,193 16 11 271 4 7 50 9 10 173 8 10
Total	al net cost		••	••	24,514 13 8