

The number of wards of the Neglected Children's and Reformatory Departments, respectively, who were a cost to the State on the 31st December, 1895, and 31st December, 1896, were as follows:—

					Neglected.	1895.	1896.
Boarded out	1,997	2,089
In schools...	142	135
Total					...	2,139	2,224

					Reformatory.	1895.	1896.
In schools...	150	181

Committals.—It will be seen that there has been a very large increase in the number of neglected children committed during the year, which I think may be attributed to the continued depression through which our colony is passing. Want of funds has apparently, in many instances, compelled philanthropic societies and private individuals to pass children on to the State that in more prosperous years they would have cared for in some other way. Very many of the fathers, and in some few cases also the mothers, have left Victoria, ostensibly to seek for employment in the other colonies, leaving their children totally unprovided for, trusting doubtless to their falling into the hands of one or other of the numerous charitable societies or persons, and, failing these, "the schools."

While it is for many reasons undoubtedly very desirable, and indeed imperative, that these parents should be followed up and compelled, where possible, to support their offspring, so soon as federation in whole or in part will permit of this being done, I venture to express the opinion that in numerous instances the character of the parents is such that it will be well for their children, and indeed for the colony generally, if they never return here, their continued absence from our midst being a positive social gain, both from a moral and material point of view. Under these circumstances I would rest satisfied with trying to recover locally what maintenance is possible from such parents without bringing them back to Victoria.

Mortality.—During the year 50 children died, being $1\frac{1}{2}$ per cent. of the whole under the care of the department. When it is remembered that 83, or upwards of 15 per cent., of those committed during the year were under the age of twelve months, I think it will be conceded that the mortality is very low, more especially when it is further considered the class of children generally dealt with, and the low state of health in which many of them are received, particularly the infants. As bearing on the latter class of children, I am glad to be able to report that the cases for which provision was made whereby, in special instances, illegitimate infants could be suckled by their own mothers in carefully selected foster-homes, the usual wet-nurse rate covering the cost of both, have fully realised the expectations formed when the policy was recommended on 27th February, 1894. Only two deaths have occurred since that date amongst them; several are being wholly or partially supported by their mothers, while in every instance the latter's attachment to their children has increased, and their general conduct has been highly satisfactory.

Children sent to Service, and their Conduct.—The continued depression and the prolonged drought of the last two seasons have told very considerably on this branch of our work, great difficulty being found in suitably placing the children as they became of an age for service, more particularly in the country districts. Many of the farmers who have hitherto been the chief employers of our children have not been in a position to engage them, and in several other instances employers had to return them on our hands, consequently the children have frequently had to be retained for a longer period in the foster-homes and paid for. Those we have succeeded in placing out in situations had as a rule to go at a very low rate of wages, and in many instances merely pocket-money, in addition to food and clothing, had to be accepted. It was felt, however, that so long as we could secure comfortable homes for the children who were physically fit for service, it was better to let them go even on these terms, it being very desirable to impress upon them as early as possible the fact that to be placed in a position where they could have the satisfaction of in future earning their own living was of infinitely more importance to them than even higher wages. Care will, of course, be taken as matters improve to have all such cases as I have been referring to reviewed from time to time, with a view to our seeing that an equitable and fair wage is paid for the children's services. The general conduct of these service wards has been, upon the whole, satisfactory. Some few cases of serious misconduct have occurred, and been met by transferring those concerned to one or other of the private reformatories.

Children placed with Relatives and Others on Probation under section 30, subsection 5, Act 1121, and section 340, subsection 6, Act 1079.—I am pleased to be able to report that the department is still being relieved of the cost of maintaining large numbers of its wards by placing them under these subsections with relatives or friends willing to receive them, and with very satisfactory results both as regards the welfare of the children and the monetary saving to the State, which is, of course, very considerable.

Transfers from Gaol, section 333 of Act 1079.—Only eight transfers from gaol (six boys and two girls) took place under this section during the year, the various local Benches apparently preferring to commit more young people direct to the reformatory, and fewer to prison than formerly, which I need hardly say is in itself a pleasing and satisfactory step in the line of progress in dealing with juvenile offenders.

With very few exceptions the transferees are continuing to do well, and appear to fully understand and appreciate the advantages of the system by which, subject to their subsequent good conduct, they have been enabled to exchange the confinement of the prison for the comparative freedom of a private reformatory.

Suspension of Sentences by Courts and Release of Prisoners on Probation, under sections 353 and 354, Act 1079.—While it is certainly gratifying to find that sixty-one first offenders (fifty males and