the reason for action. Children who have drifted into bad habits of this kind are very often found to be not suitable for boarding out with foster-parents, and for that reason have to be kept in residence at the industrial schools at a heavier cost for maintenance. An examination of the causes underlying the admission of so many young people shows that in somewhat more than two years 225 boys between ten and sixteen years old were sent to industrial schools for the above-named reasons. In 93 of these cases the evidence showed that both parents were of good character; in 43 additional cases the character of the father was described as good; and in 38 others the mother's was good. Thus, out of these 225 boys who got out of hand, there were 174 cases in which one or both of the parents were of good character. This seems to show that the trouble lies more in the weakness or laxity of parental control than in the bad character of the parents or in the fault of the children; and the need for the admission in many cases might be obviated if, when the Magistrate was satisfied that want of judicious guidance was the cause of the trouble, the child were placed by the direction of the Court under the friendly and helpful oversight of an officer who had the experience and other qualifications needed to obtain a good influence over him, and thus direct his life into a proper course. Such a system as this is in operation in other countries, and it is claimed that many children who would otherwise have to be removed from the parental guardianship and placed in institutions, are encouraged, by this means, to do well; further, the natural tie between parent and child is maintained, and expense to the State is substantially reduced. This important matter is now engaging the earnest attention of the Government.

CHILDREN UNDER STATE GUARDIANSHIP.

The number under the control of industrial schools at the end of 1911 was 2,617, an increase of 163 during the year. Of this total, 868 were resident in the institutions, 246 being in the private (Roman Catholic) industrial schools, 856 were boarded out with foster-parents, and 893 were earning their living in situations, placed with friends on probation, &c.

The numbers of children on the books at the end of the years 1910 and 1911 respectively whose maintenance was a charge against the public funds were as follows:—

					1910.	1911.
Boarded out from Government schools			 		792	855
Boarded out from private s	chools		 		2	1
Number resident at schools			 		805	868
At other institutions			 • •		30	37
Total			 • •		1,629	1,761
			1910.		1911.	
			£	s. d.	£	s. d.
The amount of parental contributions was			 5,575	8 6	6,969	6 6
Rate per head for children maintained			 3	8 5	ę	$3 \ 19 \ 1$

Details respecting the number of children on the books of industrial schools at the end of the year are given in Table I5.

The net expenditure on account of industrial schools during the year showed a decrease of £1,217 0s. 4d. as compared with the preceding year. The following statement gives particulars:—

0 1	1910.	1911.	
	\mathfrak{L} s. d.	£ s. d.	
Cost of maintenance of schools.	17,960 8 2	23,630 3 0	
Boarding out (exclusive of cost of administration,	,	•	
inspection, &c.)	13,962 16 5	$14.844 \ 15 \ 2$	
Salaries	8,816 2 2	10,466 19 1	
New buildings and works, and purchase of property	10,330 6 2	3,082 2 9	
Salaries, travelling-allowances, and expenses of certain departmental officers (Inspectors, visiting officers, &c.)	1,458 19 4	1.396 3 3	
	107 7 11	108 14 2	
Sundry payments	107 7 11		
Gross total	52,636 0 2	53,528 17 5	
Recoveries	15,701 5 2	17,811 2 9	
Net cost	£36,934 15 0*	£35,717 14 8*	
Including for 1910 £3,225, and for 1911 £1,660, paid	from National E	ndowment revenu	