The following is a comparative table showing the number of offenders placed under the supervision of Probation Officers during the past five years.

Year.			Direct Admissions.	Deferred Sentence.	Total.
1923	 		 \dots 572	43	615
1924	 	• •	 586	73	659
1925	 		 658	102	760
1926	 		 656	108	764
1927	 	• •	 586	134	720

It will be noticed that there has been a reduction on last year's figures of seventy in the number of cases committed direct by the Courts. Against this, however, there has been an increase in the number of cases of deferred sentence, and the net reduction of forty-four in the probation figures is to some extent explained by the increased committals to the Borstal institutions.

During the year under review there were 200 offenders between the ages of fifteen and twenty admitted to probation as compared with 243 in this age-group for the previous year. Apparently the Courts, in an effort to suppress the growth of delinquency among adolescents, have had recourse to a more deterrent method of treatment than probation. In Auckland, Christchurch, and Dunedin there have been several youthful criminal gangs whose exploits have ranged from motor-car thefts to burglaries, and it has been with the object of breaking up these combinations that the youthful gangsters have been sent for terms of discipline and training to the Borstal institutions.

To ensure that probation will be extended in all appropriate cases it is necessary to reiterate the gist of some of the observations made in my report for last year, showing the success that the extension of the probation system had made in England; and in this respect I would quote a statement made by Mr. Clarke Hall, the London Metropolitan Magistrate, and an authority on probation:—

"I feel convinced that knowledge and experience and a complete understanding will give a realization of the immense value of probation which no statistics can afford. It is worthy of note that those who employ probation most often and most extensively, like Sir Robert Wallace, at the London Sessions, are those most wholly and emphatically in its favour, and that adverse criticism of the system comes mainly from those who know least about it or who have experienced it under unsatisfactory conditions."

The reduction in the English prison population, which was ascribed mainly to the increased use of probation, and the consequent saving to the community in the cost of prison-maintenance alone are important economic considerations; but these are secondary to the social advantages in the saving of the stigma of imprisonment to the offender, the avoidance of the ill influences of penal establishments, the possibility for individal oversight and care of the offender in the community as a useful productive unit, and the provisions for making restitution to the victim. The sum total of these advantages places the probation system in the forefront of modern methods of dealing with suitable cases of delinquency.

Probation is not claimed to be appropriate for all cases, but where the offences are due to circumstances rather than to character the probation system has been proved to be an effective means of dealing with them. The results in England, Scotland, on the Continent of Europe, and in America demonstrate the success of the system, while our own figures show that the number of failures are relatively small. The total number who committed breaches of the Offenders Probation Act, who for statistical purposes are regarded as failures, represent 8 per cent. of the total cases dealt with. Considering all the circumstances, particularly the prevailing economic conditions and the difficulty of finding employment for probationers, this figure must be regarded as highly satisfactory.

Another feature of the year's work has been the collection of £2,916 from probationers: £2,191 was restored to victims, and £725 represents costs of prosecution recovered. The total amount collected from probationers under the above heading since the inception of the scheme amounts to £37,261. The total number of probationers dealt with by the Department up to the 31st March last was 8,266, and as the cost to the State for a probationer is estimated at only 5 per cent. of the cost of imprisonment the general saving has been considerable. Reviewed from another angle, the statistics show that the average term is one and a half years, and estimating the per capita institutional cost at £60 per annum a small calculation will show that the saving to the community has been prodigious; but, as has already been suggested, of greater consequence from a social point of view is the fact that if a married man with a family to support is committed to prison the home is often broken up, the family is frequently reduced to a state of poverty and becomes a charge upon the charitable-aid authorities—there being no earnings for the first three months of imprisonment—and on discharge there is the difficult problem of rehabilitation and the delay in finding fresh employment. Under probation it is possible for this break to be avoided, and at the same time eliminate the almost inevitable hardship and suffering for the innocent members of the offender's family.

The effectiveness of the probation system is mainly contingent upon the earnestness with which it is carried out. If probation is to be really constructive it is essential that close and persistent attention shall be given in each case.

A review of the position in New Zealand shortly after I assumed control of the Department revealed that with the number of probationers each Probation Officer was expected to deal with it was wellnigh impossible for him to give the requisite individual attention, consequently, with your approval, full-time Probation Officers were appointed in the main centres, and arrangements were also made for the appointment of a Field Organizer to assist in the formation of Voluntary Probation Committees throughout the Dominion to co-operate with Probation Officers in the supervision and