and orphanages, though they have all been inspected by, and made returns to, the Education Department, receive their income from the State out of the Charitable Aid vote administered by the Colonial

Secretary, or out of subsidies to local bodies.

The site and buildings at Caversham, as appears from a report supplied by Dr. Hector,* are not well adapted to their purpose. The adoption of a new site for the Auckland School will involve expenses that may not be covered by the proceeds of the sale of the Howe Street property; and extensions are needed at Burnham. The boarding-out system, if adopted as proposed in the Industrial Schools Bill now under consideration in the House of Representatives, will probably have the effect of greatly diminishing the number of inmates in large institutions, but this process is not likely to be very rapid in its operation for the first few years, and provision must be made for the immediate future.

The number of the children received into and dismissed from these institutions during the year, and the number of children maintained in them at the beginning and at the end of the year respectively, are shown in Tables S and T, of which the first relates to children committed under "The Neglected and Criminal Children Act, 1867," and "The Naval Training Schools Act, 1874," and the second to children admitted as destitute.

TABLE S .- Number of Committed Children at Industrial Schools, etc.

Institutions.	Number in School on 31st December, 1880.			Admitted during 1881.	Total Number at all in 1881. Placed out under License		Dis- charged or Absconded	Died.	Num on 31st	Total Number at all in 1881.		
	Boys.	Girls.	Total.						Boys.	Girls.	Total.	
Industrial Home, Auckland	58	28	86	53	139	26	26		50	37	87	139
St. Mary's, Auckland		32	32	4	36		4			32	32	36
Thames Orphanage	6	2	8	2	10	1			5	4	9	10
Kohimarama Naval Training		i				ĺ	1	}				
School	55		55	24	79	7	19		53		53	79
St. Mary's, Nelson	6	8	14	24	38				12	26	38	38
Burnham	114	56	170	82	252	7	27	1	145	72	217	252
Caversham	154	108	262	105	367	21	93	4	139	110	249	367
Totals	393	234	627	294	921	62	169	5	404	281	685	921

The number of committals for the year (294) exceeds the number for 1880 by 21, and the licenses, discharges, and deaths were 22 more than in 1880, so that the increase for the year (58) is less by one than the increase (59) in 1880. The deaths in 1881 were 5, as against 8 in the preceding year. The proportion of dismissals to admissions is about as 4 to 5. The only considerable additions to the number of inmates are at Burnham and at St. Mary's, Nelson; at some schools the number diminished during the year. Many of the children have been restored to their families under license, this practice having been adopted as affording a means of probation in cases in which there is reason to hope that the parents will prove able and willing to perform their proper duty.

There is a slight diminution in the number of children maintained at the cost of the Government

There is a slight diminution in the number of children maintained at the cost of the Government without being committed by Magistrates. Table T shows that 46 such children were admitted in the year, and 55 restored to their friends, or otherwise discharged, or sent to service. In this table no account is taken of children maintained by charities that only receive £1 for £1 out of the Charitable Aid vote.

TABLE T .- CHILDREN (NOT COMMITTED) IN ORPHANAGES, ETC., PAID FOR BY GOVERNMENT.

Institutions.	Number in School on 31st December, 1880.			Admitted during 1881.	at all	Placed out to Service.	Restored to Friends or Dis- charged.	Died.	Number in School on 31st December, 1881.			Total Number at all in 1881.
Industrial Home, Auckland St. Mary's, Auckland St. Stephen's, Parnell Thames Orphanage St. Joseph's, Wellington St. Mary's, Nelson Motucka Orphanage Lyttelton Orphanage	Boys. 9 9 5 7 12 53	Girls. 2 2 8 4 21 26 16 45	Total. 11 2 17 9 21 33 28 98	5 1 4 5* 10 4 18	16 3 21 14 21 43 32 116	1 1 5	4 3 3* 1 9 6		Boys. 7 13 5 6 8 52	Girls. 4 3 5 5 20 28 13 41	Total. 11 3 18 10 20 34 21 93	16 3 21 14 21 49 32
Totals	95	124	219	47	266	17	39		91	119	210	26

^{*} This table has been corrected since the Annual Report was made, an amended report having been received from the Thames Orphanage, showing that one child had been admitted and one discharged beyond the numbers at first reported.

The ages of the children in all the institutions on the 31st December were as follows: Under one year, 7; between one and two, 6; between two and three, 9; between three and four, 33; between four and five, 33; between five and seven, 119; between seven and ten, 247; between ten and thirteen, 295; between thirteen and fifteen, 135; more than fifteen years old, 11: total, 895. It thus appears that nearly 10 per cent. were under five years of age, rather more than 40 per cent. between five and ten years, and not quite 50 per cent. above ten years old. Nearly 800 were receiving regular day-school instruction, the numbers being as follows: Auckland Industrial Home, 69; St. Mary's, Auckland, 30; St. Stephen's, Parnell, 16; Kohimarama, 53; Thames, 18; St. Joseph's, Wellington, 17; St. Mary's, Nelson, 50; Motueka, 21; Lyttelton, 77; Burnham, 215; Caversham, 217: total,