The only local school is at the Thames. There are only five children in the school, and eleven young people belonging to it at service. The cost of maintenance is borne by the local authorities. The private schools receive 1s. a day for the children maintained at the cost of the Government, and payment is made at the same rate for children boarded out from Government schools, except in a few cases where the children are very young or very delicate. For the Government schools the expenditure and recoveries for the year were as stated in Table W, and the Government expenditure on private schools was as shown in Table X.

TABLE W.—Cost of Government Schools.

School.			Cost of School.		Cost of boarding out.		t.	Recoveries.		Net Cost.		
Auckland Kohimarama Burnham Caversham			1,484 13 1 2,905 13	8	£ 674 1,329 3,935 3,992	0 9		£ s. 170 17 1,250 2 3,466 8 3,806 13	9 5	£ 941 1,564 3,374 3,374	19 10 6	d. 3 2 0 5
Totals			8,017 4	2	9,932	9 10		8,694 2	2	9,255	11	10
Salary and expenses of Visiting Officer				• •		•••	• •		238	2	5	
			Total	••	••	••	••	• •		9,493	14	3

TABLE X.-GOVERNMENT EXPENDITURE ON PRIVATE SCHOOLS.

Schoo	ol.		Payments.	Recoveries.	Net Expenditure by Government.		
S. Mary's, Ponsonby S. Joseph's, Wellington S. Mary's, Nelson	••	••	 £ s. d. 693 16 0 123 19 0 1,684 10 6	£ s. d. 40 4 8 16 2 10 270 11 0	£ s. d. 653 11 4 107 16 2 1,413 19 6		
Totals	••	••	 2,502 5 6	326 18 6	2,175 7 0		

The net cost to the Department, as shown by these two tables, has been £11,669 1s. 3d. In 1886 the net cost for the Government schools alone was more than £16,000. These schools have cost less than in 1886 by more than £1,000; and the recoveries, principally from Charitable Aid Boards, have been greater by £5,700.

Since the cost of the Government schools has been £18,187 16s. 5d., and the number of children maintained in connection with them has varied from 826 to 848, the average yearly cost of each child (including those who are boarded out) is about £21 12s. This includes outfits for boarded-out children, and all administrative expenses connected with them. The calculation is not quite fair, because some part of the outlay is not on behalf of the children maintained, but is for the benefit of young people in service or with friends, who occupy much of the time and attention of the managers, and who are provided with outfits on going to The Department has abundant reason to be satisfied with service or elsewhere. the results of the boarding-out system. Though the number of children under this system is 563, only one death has occurred among them during the year, and in that case the child had been only a month under the care of the school Satisfactory progress is being made with the work of finding situations for children who have been boarded out, and have arrived at an age which renders it necessary that they should be put in the way of earning a The ladies who visit the foster-homes and make monthly reports on all the boarded-out children deserve the thanks of the Department and of the country, and the police authorities render some excellent service in connection with the children placed out to service.

The Costley Institute has received eleven boys from the Auckland Industrial School (Kohimarama) during the year. The accounts of the Institute will be submitted to Parliament (E.-3a).