thirty boys and five girls under the legal guardianship of the manager. The girls may be taken either from the Industrial School at St. George's Bay or from the Roman Catholic Orphanage in Freeman's Bay, but the authorities who have the management of the latter have not availed themselves of the advantages offered by the institution, although invited to do so, and informed

that girls taken from the orphanage should be boarded out at homes approved by them.

Under the will of the late Mrs. Rebecca Hodge, a further endowment of £672 has been made for girls in charge of the institution. Mrs. Hodge left a sum of money to be divided between the Pitt Street Wesleyan Church and the Girls' Industrial School in Howe Street, if certain of her relatives could not be found within two years from the date of her death. The relatives not having been traced, the money became available; but, as the Howe Street School had been closed, the executors were at a loss how to proceed till, on the passing of "The Charitable Trusts Extension Act, 1886," they framed a scheme whereby, after the sanction of the Attorney-General and of the Supreme Court had been obtained, the bequest was handed over to the trustees of the Costley Training Institution to be invested, and the interest applied for the benefit of girls who would have been at Howe Street had that school continued to be in operation. This Act provides that "No property dealt with under its provisions shall be applied in such way as to exonerate or relieve the public funds from any charge or expense which but for such application would be incurred;" which we may take to be the will of the Legislature, when any such bequests are being dealt with.

Of the thirty boys now under the guardianship of the institution, one has been placed on board the schooner "Maile," belonging to Messrs. McArthur and Co., and trading to the Islands. He is now rated as an ordinary seaman, and is earning £3 a month. Another is a messenger at the Telegraph Office, and is receiving £36 a year. Eighteen have been apprenticed or are at work at different trades, of whom two are now earning 15s. a week each, whilst others are receiving from 2s. 6d. to 12s. as weekly wages. The total amount paid as wages during the last month was £28 4s., and these earnings are regularly increasing. A boy who is in receipt of 5s. a week pays 4s. towards his maintenance, and the other 1s. is paid into the Savings Bank in his name; if he earns 10s., 2s. goes into the Savings Bank, but the maximum stoppage for maintenance is fixed at 9s. per week, as that sum covers the whole cost of food, clothing, and superintendence. The amount credited towards the maintenance of the boys since the opening of the institution is £316 4s. 6d., and the amount placed to their credit at the Savings Bank is £111 16s. When all the boys are placed out at work, and are all earning something, the income at the disposal of the institution will admit of a larger number being taken in charge, and the trustees look forward to an extension of the buildings at no very distant period. The income derived from investment of capital is about £700 a year, and the average cost of each boy is £26 for all charges except rates, repairs, and insurance.

The boys assist in the housework and in the garden, and a carpenter is employed on four evenings in the week to teach them the use of tools; and a variety of useful and ornamental articles have been made by them; and it is intended to give them other technical instruction when tolerably proficient with carpenters' tools.

The boys not at work attend the nearest Government school, and there is an hour and a half's evening school every week-day for all the boys, who are instructed by the manager and his two daughters. They attend Divine service and Sunday-school every Sabbath.

Of the five girls, one is at service, another is being trained with the object of being employed as a compositor; the other three, being only twelve years of age, are considered as too young for domestic service, and have been boarded out, two in the country and one near town. They attend the Government schools, and are being instructed in household duties.

In carrying out discipline amongst the boys who are in the institution, no corporal punishment is allowed in the case of boys over sixteen years of age, but they may be fined if guilty of misconduct; the manager is permitted to use the strap on boys under that age, entering the offence and amount of punishment in his diary. Serious offences are reported to and dealt with by the trustees, who are adopting the principle of making the elder boys take an interest in the good behaviour of the others and in the good name of the institution. With this object they remit to the elders the duty of investigating complaints that would be damaging to the credit of the place. and authorise them to award and inflict punishment on the offenders in the presence of a trustee.

All the boys have joined the temperance movement, and have been much interested by two

suitable addresses kindly given to them by Sir William Fox.

On the opening of the institution Dr. Beale very kindly offered to act as honorary medical officer, and the trustees have to thank him for his ever-ready assistance and attention when required.

The health of the boys during the three years has been very good, only one case of serious illness having occurred: the patient, who had a severe attack of typhoid fever, was removed to the Hospital, and successfully treated there. There has recently been a mild case of scarlet fever: the boy was separated from the others as soon as the disease showed itself, and every care has been taken, and we believe successfully, to prevent any further spread of the ailment.

In concluding this report the trustees have much pleasure in acknowledging the zealous and They have diligently efficient services of the manager and his wife (Mr. and Mrs. Hawkins). watched over the discipline, comfort, and welfare of the boys, and nothing could exceed the cleanliness and tidiness of every part of the buildings. The whole of the boys' clothing has been made by Mrs. Hawkins and her two daughters, who have also rendered efficient aid in the evening school. The advantages of such care and supervision cannot be overestimated.

May the Father of the fatherless continue to bless and prosper the institution!

W. C. Daldy. WM. THORNE. T. M. HAULTAIN.