E.—1.

The expenditure on Native schools for 1898 was as follows: Teachers' salaries and allowances, £13,192 11s. 4d.; books and school requisites, £560 17s. 1d.; repairs and small works, £406 19s. 7d.; inspection, £855 13s. 11d.; boarding-schools and scholarships, £1,822 11s. 5d.; buildings, fencing, furniture, &c., £5,584 15s. 5d.; sundries, £167 17s. 1d.: total, £22,591 5s. 10d.

Mr. Pope's report gives fuller details on the points referred to above, and on other matters connected with Native schools. The examination results for 1898, given therein, show that 518 children in Native schools passed Standard I.; 334, Standard II.; 226, Standard III.; 148, Standard IV.; 31, Standard V.; 10, Standard VI.: total, 1,267.

INDUSTRIAL SCHOOLS.

The number of inmates on the books of all the industrial schools at the close of 1898 was 1,554, which was 34 less than at the close of the previous year. In the Government schools there was a decrease of 48; in private schools an increase of 14.

Out of the total number (1,554) thus classed legally as "inmates of industrial schools," the number actually dependent on the several institutions for maintenance was 1,002, made up as follows: 573 resident inmates of the schools, 412 boarded out, and 17 girls for whom payment was made in various corrective The remaining 552 were not dependent on the schools for maintenance, although still under control and supervision; of these, 97 were licensed to reside with friends, 414 were at service, 3 in hospital, 3 in lunatic asylums, 1 in the Auckland Blind Asylum, 3 at the Costley Training Institution on probation, 8 under the control of other institutions, and 23 absent without leave (14 from service, and 9 from the schools). Of those thus absent, 8 were missing on the 31st December, 1897, and were included in the returns for that year. Of the three Government industrial schools, Auckland had 79 nominal "inmates"; Burnham, 496; and Caversham, 476: total, 1,051. The numbers of resident inmates were-Auckland, 11; Burnham, 92; Caversham, 78: total, 181—that is, out of the whole number under the control of these schools, only about 17 per cent. were actually in residence. In other words, the great majority of industrial-school "inmates" do not reside at industrial schools at all. Of the rest, 403 were boarded out with foster-parents, 64 with friends, 353 were at service, 30 at institutions other than industrial schools, and 20 absent without leave.

	Boarded out.				In Residence.				At Service, &c.				Totals.			
	Dec., 1897.	Increase.	Decrease.	Dec., 1898.	Dec., 1897.	Increase.	Decrease.	Dec., 1898.	Dec., 1897.	Increase.	Decrease.	Dec., 1898.	Dec., 1897.	Increase.	Decrease.	Dec., 1898.
Government Schools— Auckland	30 165 190	11 6 1	••	41 171 191	11 100 88		8 10	11 92 78	\$37 264 214		10 31 7	27 233 207	78 529 492	1 	33 16	79 496 476
Private Schools— St. Mary's, Auckland St. Joseph's, Wellington St. Mary's, Nelson St. Vincent de Paul's, South Dunedin	 4 7 	2	1 1 1	2 3 6 	62 62 258	16 2 5	13	78 64 245 5	17 12 67	9	2 3 	15 21 64 	79 78 332	16 10 5	i7	95 88 315 5
Totals	396	20	2	414	581	23	31	573	611	9	53	567	1,588	32	66	1,554

TABLE T .-- INMATES, 1897 AND 1898.

As the industrial-school system has grown up it has become more and more possible to pay an increased amount of attention to the classification of children committed under the Industrial Schools Act. Speaking generally, no difficulty has been found in providing suitable foster-homes for all very young children, and for most of the other children under twelve years of age; of the latter,