price is somewhat below the retail price. In this way a certain profit is made for the Central Store and at the same time these young people obtain clothing of superior quality cheaper than they could procure in the local shops. Last year the refunds obtained in this way amounted to £6,633.

At the present time the number of children and young persons provided for is as follows:—

Table showing Numbers under Control of Industrial and Special Schools for whom Clothing has to be supplied from Central Store.

In residence at industrial s	schools,	receiving	homes,	Boys.	Girls.	Total.
and probation homes				111	62	173
In residence at special school	s			140	113	253
Young persons in situations				400	238	63 8
Boarded out		••		1,010	686	1,696
Totals				1,661	1.099	2,760

Admissions to Industrial Schools, Receiving-homes, and Probation Homes during 1919.

The total number of admissions during 1919 was 864, each of whom had to be provided with clothing from the Central Store. The majority of these were young children, as the following figures will show:

** •		Boys.	Girls.	Total.
Boarded out during year	 	 345	26 0	605 .
Placed in situations	 	 23	9	32
In residence at end of year	 	 73	32	105

The foregoing figures do not, of course, represent the total number of children and young persons under the control of the Department, but merely those who have to be provided with clothing. In the case of boarded-out children an initial outfit only is supplied, the foster-mothers being required to maintain the outfits, but in many cases children are returned with deficient outfits which have to be made good from the school stock.

REVIEW OF THE INDUSTRIAL-SCHOOLS SYSTEM.

Some three or four years ago there were six residential institutions for the detention of boys and girls—viz., the Auckland Industrial School, Caversham Industrial School, Te Oranga Home, Boys' Training-farms, Weraroa, and Nelson, and the Burnham Industrial School. Moreover, the boys' schools were full to overflowing, and the need for additional accommodation in the near future for the inmates in residence was increasingly pressing. The following statement will show definitely the extensions that at that time seemed to be urgently necessary to provide for the increasing number of young people coming under the Department's charge:—

	E	xpenditure.	of Upkeep.
(a.) Another training-farm for boys		21,000	6,000
(b.) Subsidiary institution on Burnham Estate for incorrigible youths		8,000	2,500
(c.) Rebuilding first division buildings at Te Oranga Home (destroyed	by		
fire) on an extended scale	.,	6,000	1,400
(d.) Additional buildings at the Auckland Industrial School		1,500	650
	-		
	1	$\mathfrak{E}36,500$	£ $10,550$

The reforms instituted by the establishment of the probation system and the development of the boarding-out system have made it quite unnecessary to contemplate further any of these extensions.

During the past two years the following institutions have been closed:-

School.				Annual Cost of Upkeep.		
			Capital Value.	Salaries.	General Maintenance.	
			£	£	£	
1. Auckland Industrial School			 8,000	$\tilde{854}$	2,126	
2. Te Oranga Home			 20,000	1,050	1,340	
3. Burnham Industrial School			 23,500	4,000	5,500	
4. Boys' Training-farm, Nelson	٠.		 30,000	4,903	5,400	
Total			 81,500	10,807	14,366	
		,		25	,173	

In addition the following savings were effected by—

- (1.) Reduction of number maintained at Caversham from 45 to 20: Annual saving, £650.
- (2.) Reduction of number at Boys' Training-farm, Weraroa, from 230 to 100: Annual saving, £2,600.
- (3.) Systematic working of farms at Stoke, Burnham, and Weraroa: Increased annual revenue, £4,500.
- (4.) Establishment of Central Store and central purchasing system: Annual saving, £7,580.
- (5.) Refunds now obtained from inmates' earnings for clothing supplied, £6,500.