guardianship, admission to an institution under the Mental Deficiency Act, 1913, or to take such other steps as may be deemed expedient. In his last report, which I append, Dr. McCutcheon has called attention to the fact that the arrangements for continuity of supervision often break down at this stage, and the child returns to the often unsuitable home and parents. This is an illustration of the undesirability of divided control.

Most of the children at the school have been "tried out" at the special day schools and have been sent to Moneyhull as ineducable. It seems to me that it would be much more efficient and less expensive to "try out" these children at the beginning by a proper psychiatric examination, instead of in special day schools or classes where they are almost bound to fail themselves and have a retarding influence on the other pupils.

Dr. McCutcheon's remarks: "I have little time for psychological tests, but they have their uses—*e.g.*, if you have a child up before a Magistrate or Justice he may not look defective and there may be some hesitation to commit, but you can usually impress them by the statement as to the difference between the chronological and mental ages."

Dr. McCutcheon warned me against the tendency in a few of these schools to concentrate upon the financial returns from the industries. He gave me the name of one school in which he said the children were "sweated" to swell the returns. He prevents this at Moneyhull by having no works overseers and doing this job himself—a precaution which I think is very sound. The industries were of the same type as at the Manor and elsewhere.

I am attaching to this report a booklet descriptive of the Darenth Training Colony, from which it will be noted that the output of work from this institution for the year ended March, 1925, was £72,000.

Occupation Centres.—These institutions are now being tried in England, and are believed by the Board of Control to have produced some good results, but they are subject to the limitations noted in the case of the special day schools. They might be suitable for certain cases where home conditions are good and the parents were unwilling to allow the child to enter a residential school.

The English Board of Control supports these centres because it considers that the training received obviates the need of removal to an institution for some years. I do not agree with this contention. I believe that if a child is likely to require "removal to an institution" on account of mental deficiency, the earlier such removal occurs the better served will be the true interests of the child. On the other hand, if the admission of a child to a school for training is desirable, the period of training should commence during the early formative period of its life, not after bad habits and defective powers of control have been so firmly established that their eradication has become difficult if not impossible.

(C) Social Problem and Border-line Cases.

Attention has frequently been directed by judicial authorities and social workers in New Zealand to an apparent lack of provision for certain cases which do not come technically within the definitions of the Mental Defectives Act, 1911. The public conscience is often shocked by the nature of some of these cases, and lawyers are tending more and more to advance the plea of mental deficiency or abnormality in mitigation of punishment. It is generally claimed that while the defect is not of that degree required by law for exculpation, it is such as to justify treatment in an institution free from association with the frankly insane and less penal than a prison—that is, the so-called half-way house.

The types of cases for whom we have been asked to provide half-way houses or specialized institutions include—(1) Senile first offenders; (2) border-line cases of insanity; (3) "oversexed" and "delinquent" girls; (4) epileptics; (5) male sexual offenders; (6) Alcoholics; (7) doubtful psychopathic cases—*e.g.*, lady kleptomaniacs; (8) behaviour problem cases, some of whom are the victims of encephalitis; (9) insane returned soldiers; (10) feeble-minded children; (11) incipient mental cases.

It is unnecessary to restate here the difficulties involved in the administration of these half-way houses, and the failure of those established in older countries to effect their purpose, but, in view of popular opinion as to the inadequacy of the provision made, it is well to set forth what is actually being done in New Zealand in regard to the cases indicated.

In addition to the seven main mental hospitals and various branch establishments, the following institutions are being conducted by the public Departments and charitable organizations mentioned:—

Education Department: (1) Industrial school for girls at Caversham, Dunedin; (2) probation homes in the main centres; (3) training-farm for boys at Wararoa; (4) residential special schools—(*a*) for girls at Richmond, (*b*) for boys at Otekaike.

Mental Hospitals Department: (1) Clinics at the general hospitals; (2) home for low-grade defective boys at Nelson.

Health Department: Hanmer Hospital for the neuroses and mild psychoses.

Hospital Boards: Old people's homes.

Prisons Department: (1) Specialized prisons, including one for sexual offenders at New Plymouth; (2) borstal training institutions.

Salvation Army: (1) Inebriate islands—(*a*) for women; (*b*) for men; (2) prison-gate homes; (3) maternity and other homes.

Private bodies: Church orphanages, &c.

It is obvious from the above list that considerable provision is made to meet the needs of most socially inadequate persons, but it is apparent that the handling of these cases by so many more or less unrelated public Departments and other organizations involves duplication of costly administrative machinery and dissipation of energy. I quote the following instances of this overlapping of function: