

It will be seen that for the year under review the revenue credited to the vote was £77,908, which, considering marketing and seasonal difficulties, must be regarded as highly satisfactory.

The increase in gross expenditure of £7,000 is largely due to increased expenditure on the farming activities of the Department, coupled with a general increasing cost of maintenance and a more liberal scale of rations and other amenities. The increased expenditure on farming (mainly top-dressing) will be returned in a higher level of production in the future. The increase in the credits is due to an increased farm production of £6,000, offset by lower earnings in the quarry industry, due almost wholly to the general falling off in orders for quarry products.

The policy of making the Department as far as practicable self-sustained is steadily being pursued. The whole of the Department's requirements in vegetables are now grown, and surpluses are made available to other Departments or disposed of in the open market, while milk is supplied to Mount Eden from Waikeria at a considerable saving; and since a pasteurizing and bottling plant has been installed milk is now supplied for use in schools.

The tobacco industry has proved an economical and satisfactory venture, and the transfer and installation of a disused kiln from Pongakawa has enabled a high-grade leaf to be produced.

The farms, in addition to the value of the produce grown, provide a means of healthful and reformatory occupation for prisoners. This latter consideration is, in fact, even more important than the economic one, as at the farm camps the honour system is largely in vogue and the element of trust and the conditions generally make for an expansiveness of outlook and the development of a self-respect that is difficult to attain under the closely-ordered regimen of a city prison.

CONCLUSION.

It is desired to place on record the Department's appreciation of the co-operation of Visiting Justices, who have regularly visited the various institutions, also the work of Official Visitors, the Borstal Committees, the Borstal Association, and other voluntary helpers. Thanks are also due to the Workers' Educational Association and the Country Library Committee for arranging respectively for lecturers and books.

I desire also to record my sincere thanks to the members of the staff for their loyal assistance in carrying out the work of the Department.

B. L. DALLARD,
Controller-General of Prisons.
