The camp at Waipa is a model of what can be done by well-directed prison labour. The camp at Hanmer has also been admirably kept, and the camp at Kaingaroa is being put into excellent order.

It is hardly necessary to say that the maintenance of prisoners in a number of small prisons is more costly than in large, properly equipped institutions; but with the completion of the prisons now in course of construction, and the segregation of prisoners in these prisons, the cost of maintenance and supervision should decrease rather than increase, and the saving made will in time recoup the expenditure now being incurred—not to mention the better facilities for finding profitable employment for the prisoners.

Payment for Tree-planting.—As the value of the tree-planting operations to the Forestry Department can be readily estimated, the question naturally arises as to whether the whole cost of providing labour for the work should be charged against the Prisons vote. The expense of maintaining prisoners and officers in the camps is necessarily higher than it is in the central prisons, and results in the undue expansion of the annual cost of carrying on the prisons of the Dominion. Not only is this the case, but as the Department will presently be paying a small wage to the "reformative-detention" prisoners who are engaged upon this work, it certainly appears that the time has arrived when the Forestry Department should give the Prisons Department a financial credit, and so recoup the outlay that is taking place. A recommendation to this effect is contained in the report of the Forestry Commission, and it is hoped that an equitable adjustment will now be made between the two Departments.

EMPLOYMENT OF PRISONERS.

The undoubted advantage from all points of view of employing prison labour "in the open" has been thoroughly demonstrated by the successful working of tree-planting operations since the initiation of the system at Waiotapu in 1901; and for some time past it has been felt that a definite extension of the scheme to include all classes of agricultural work should be attempted. It was clear, however, that any enlargement of the system must be on definite and permanent lines, and, in order to attain this object, a sufficient area of land was acquired, as stated in last year's report, within easy distance by road of the Town of Te Awamutu. The intention of the Department is to erect on this site a well-equipped and up-to-date prison which shall be conducted on reformative lines.

While it is not intended to discount the value of industrial work in prisons, it is considered that in a country like New Zealand the natural outlet for what might almost be termed surplus labour is in the country and not in the towns. When under efficient supervision prisoners become inured to hard work, learn to handle the implements of husbandry, and to accustom themselves to general-farming routine. On their release they can readily take up a similar class of work without that feeling of inferiority to their fellows that might be experienced by the imperfectly trained tradesman. It is with this object in view that the prison at Waikeria is being established, and although the first draft of prisoners was sent there so recently as July of last year, much solid work has already been done, and the men who have been released appear to have found little difficulty in obtaining suitable work. From a public point of view this has a very important bearing, as it tends to prevent the aggregation of prisoners in the cities and towns, where, partly for lack of adequate equipment for earning their living, and partly owing to their return to their former environment, they often revert to crime.

At the time of writing it is only twelve months since the initial operations at Waikeria by prison labour were undertaken, and the number of prisoners sent there up to the present has necessarily been limited; yet quite a transformation in the appearance of the property has taken place: two miles and a half of drains have been cut; over four miles of fencing erected; 120 acres cleared, ploughed, and in grass; 24 acres cropped; 9 acres ploughed for oats; 50 acres cleared only; 21 acres ploughed a second time; the boundaries of the property cleared for fencing; 2,000 trees planted; a vegetablegarden of $2\frac{1}{2}$ acres established; road access provided; and many other matters attended to that have assisted materially in improving the estate. In addition to the general development of the property, which has been carried out on lines approved by Mr. P. McConnell, Manager of the Ruakura Experimental Farm, a number of necessary buildings have been erected by the officers and prisoners, including a second cell-house to accommodate an additional twenty prisoners. The excavation of the site for the permanent prison structure is also well under way, and it should not be long before everything is in readiness for the foundations of the central wing of the building. The prison is to be built of The prison is to be built of concrete blocks, and the work of making the blocks in a building specially erected for the purpose has been commenced. There being an ample supply of suitable sand and gravel in the Mangatutu Stream, which forms the eastern boundary of the property, this form of construction can be carried out cheaply and effectively. The whole work will be done by prison labour under the supervision of an officer of the Public Works Department.

So far as the agricultural policy of the Department is concerned, a further development is taking place at Invercargill, where, as a return for the labour involved in building extensive walls and embankments for the purpose of reclaiming the wide Waihopai Estuary, the Invercargill Borough Council has agreed to transfer to the Prisons Department an area of 650 acres of land that at present forms part of the estuary. As soon as the initial work is completed the prisoners at Invercargill will be employed in bringing the land into cultivation, and a second agricultural institution will thus be established.

In pursuance of this policy it is proposed to obtain, if possible, an area of land in the Canterbury District to which the prisoners from Lyttelton Prison would be transferred. If this can be arranged it will mean a solid advance in the system of prison management and control in this country.