H.—20.

Work on the Waimarino-Tokaanu Road has been continued, and several new bridges have been completed. The whole of the necessary timber for the bridges was obtained from the adjoining bush and pit-sawn by prison labour. A number of concrete culverts have also been put in, and a considerable length of additional road has been metalled. A portion of the new road-formation work has been completed, and in addition necessary repairs have been effected to the old road between Otouk and the Waioru-Tokaanu Road junction. The repairs referred to were fairly extensive, and permitted the running of a daily motor service for the conveyance of fish by the Internal Affairs motor-lorry from Tokaanu to Waimarino. Three privately owned motor conveyances also used the road almost daily right throughout the season. The greatest difficulty to cope with, however, has been the extremely wet season, rain and snow having fallen to such an extent as to prevent work being carried out on several days in each week. The discovery of a volcanic deposit containing suitable material for road-metalling purposes, both at the Waimarino end and also at a point seven miles out, will materially assist in this year's operations, and provided reasonably fine weather is experienced it is hoped that metalling will have so far advanced by the end of the coming season as to permit of the two existing camps being removed—one to the fifteen-mile and the other to the twenty-mile peg. The Public Works Engineer estimates the value of the work carried out by prison labour on this road for the twelve months ended 31st March last at approximately £2,809, exclusive of the cost of material. Once this road is completed it should prove of great value to the people of the Dominion, opening up as it will considerable areas of flax-growing country as well as large tracts containing valuable timber.

At Waikeria considerable progress has been made during the year. The work of developing this valuable property has been vigorously pushed ahead, much additional land having been brought under cultivation. Dairy-farming, poultry-farming, fruit-farming, bee-farming, pigraising, and market-gardening are all here to be found in full swing. Any unbiased onlooker of the spectacle here presented—men busily engaged in the work of transforming a wilderness of manuka and swamp into what will eventually become one of the finest properties in the Dominion —could not but come to the conclusion that here, indeed, is an object-lesson in the useful employment of prison labour. Much has been heard of the so-called "honour" system, said to be working so satisfactorily in portions of the United States, but I venture to state that were it possible to have the daily routine of prison life at this and several other of our country establishments "filmed' the people of the Dominion would be amazed at the scope of the work which the Prisons Department is at present engaged upon, and would see for themselves that the "honour" system is and has been in operation in at least some of our prisons for some time past. A little while ago I had an opportunity of witnessing what was said to be an authentic portrayal of the working of the "honour" system in an American prison, and as a result I have no hesitation in stating that in quite a number of instances, provided the films then witnessed were authentic, New Zealand is far ahead in matters dealing with reform in this particular direction. The construction of access and other roads in connection with this property has been pushed ahead vigorously. The Public Works Engineer estimates the value of roadworks alone at £2,244. Formation-work on the new road leading from the Reformatory to Kihikibi, through the Mental Hospital property, is nearly completed. The road is now being metalled with shingle obtained from the adjoining river. It is confidently expected that this work will be finished during the coming summer, when Waikeria will be connected up with Te Awamutu by a well-constructed fully metalled road.

The work being carried out at Point Halswell Prison, Wellington, during the past year consisted of the extending of the site for the proposed prison or other institution. The extension of the area set apart for gardening purposes has also been proceeded with, good crops of potatoes being the result. Pig-raising on a limited scale has also been begun. The road leading from the Miramar Wharf to Shelly Bay has been formed and metalled throughout its entire length. For the first mile or so the formation and metalling has been made to a width of 22 ft., the balance being 16 ft. It is intended to widen the whole of this road as opportunity offers. Other works carried out have consisted of the keeping of the mounds surrounding the magazines in order, also repairs to tram-lines and wharves at Shelly and Mahanga Bays. The plantations on the Defence properties have also been attended to, and the trees are thriving remarkably, so much so that in a few years the whole appearance of the hills will be changed. The labour-value of the work carried out at Point Halswell is estimated at £350. The smallness of the amount is owing to the fact that the number of prisoners at present located at Point Halswell is less than one-third of the number formerly maintained there.

Brickmaking continues to be the staple industry carried on at Mount Cook Prison. The value of the bricks supplied to the Public Works Department for use in Government buildings during the year amounted to the sum of £1,490.

Work at the Terrace consisted of gardening, boot-repairing, &c.

At Paparua Prison, Templeton, much valuable and useful work has been carried out. One of the principal industries has been the manufacturing of building-blocks, concrete flagstones, and reinforced-concrete telegraph-poles. The manufacture of concrete roofing-tiles has also been added, and promises to develop into a payable industry. The whole of the Prison buildings and warders' cottages are being roofed with this class of material, and the buildings so covered are giving every satisfaction. The growing of lucerne has received considerable attention, also other crops, such as potatoes, oats, turnips, &c. A considerable flock of sheep is being maintained. The bringing-in of fresh areas is also being attended to, and in process of time this property should prove of considerable value to the Department, as well as providing a means of giving a practical training to numbers of the inmates. The roading and fencing of