H.—20.

The association class, which consists of those inmates who have earned recognition on account of good conduct and industry, continues to justify its existence, the extra privileges enjoyed by the class being an admirable incentive to good behaviour and industry. Open-air games in season, such as football and cricket, were enjoyed by the class on the institution recreation-ground on Saturday afternoons.

Entertainments were provided at intervals by local musical societies, assisted by the institution band, and were very much appreciated by the inmates. An open-air display by the inmates of gymnastics and physical drill, also a Maori haka by the Maori inmates, was given on the recreation-ground, to which the public were admitted, the Recreation Fund benefiting to the extent of about £50. Frequent gramophone concerts were also given by members of the staff, and were much appreciated.

The institution band, under the able tuition of Mr. Thomas Lithgow, still makes good progress, and the learners' class promises well. Physical drill and gymnastic classes are being maintained under Mr. Page, physical instructor, and the physical development of the classes is very noticeable.

The lectures by Dr. Garfield Crawford on the functions and management of the human body have been listened to with great interest, and are much appreciated by the inmates.

The following is a detailed statement of the work undertaken or completed at the institution during the year:—

A baker's oven was installed, and has been in operation for some months, with the result that the expenditure on bread for rations has been cut down by about half, the cost per pound being on an average 1.2d., as against 2.9d. per pound when supplied by local bakers.

The work of stone-pitching Stead Street has been completed. The formation and gravelling of Dunn's Block Road has also been completed, also the formation of Dunn's Block Cross-road. The stone-pitching of all farm roads has been finished. A new road has been formed from the end of the bridge to the road behind the pigsties, and is now being gravelled. All telephone and electric-light poles have been set along this road, and the old poles taken out. The road has also been fenced on both sides.

Concrete paths have been put down between the inner and outer walls leading to the exercise-yards. The main yard between the church and the new kitchen block and as far as the outer gate has been put down in concrete, also around the church to the north-wing steps. This is a great improvement.

All the boundary-walls have been completed, and a fives-court has been erected at the south

end of the recreation-ground.

The whole building has been painted inside and outside. Book-shelves have been placed in the cubicles. A strip of the road in front of the institution has been filled in with soil and laid down in grass and shrubs, which gives the front a much better appearance.

Firewood-cutting has been carried on, and wood to the value of about £240 has been sold for cash.

Work on the rifle range is not yet completed, but is being pushed on rapidly.

The farm-garden extension has been filled in and levelled. A new drive has been formed and gravelled. Manuka breakwinds have been put all round, and likewise on cross-sections. This ground is now ready for use. Trees have been planted where required.

The building and fitting-up of the dredge has now been completed, and dredging operations were started in September. The dredge is now doing good work. Besides pumping over mud, there is a good bed of gravel beneath, which is being pumped over the wall in large quantities for use on the roads.

There has been a large quantity of timber cut at the sawmill, the timber for the cow-shed being cut there. The sawmill is a great asset, as we frequently require timber for boxing for concrete and repairing trucks, &c.

The block-shed has been removed from the institution ground to the farm area, where block and tile making is carried out.

The lighters have brought up 2,000 yards of gravel and 1,728 yards of stone, besides towing up rafts of timber and loading firewood from Bushy Point.

Borstal Institution Farm.

Farming operations have been further extended. The drought experienced during the milking season, however, had the effect of lessening the yearly revenue from butterfat. During October and in the early part of November the milk-supply from each cow per day averaged 34 gallons, but as the dry weather continued the supply fell away to such an extent that towards the end of February some of the best cows were nearly dry. The want of green feed in summer has never before been felt on the Borstal Farm, but in order to have proper nourishing feed available in the event of a drought in future a succession of green crops must be arranged for. A reasonable profit was made in the fattening of store cattle. Fat bullocks reared on the property realized up to £13 per head, which, considering the beef-market, may be considered very satisfactory. A new stable and barn have been erected, and a large shed for housing dairy cattle during the winter months is in course of erection. The oat crop, although shorter in straw, was more satisfactory than in former years. In wet seasons the richness of the soil tends to make the oats run to straw, which gets tangled and damaged by winds. The hay crop was lighter than in previous years, but six stacks were harvested in first-class condition. The potato crop was very satisfactory and free from blight, the dry season being favourable to their growth. From the revenue viewpoint sheep-raising proved the most