deserves considerable credit. The Napier prisoners have also been employed in quarrying and squaring stone for the boundary-fence. In Wellington, besides keeping the roads leading to the defence-works in order, the prisoners have been employed in making bricks, pipes, and tiles for the various Government buildings that may require them, and keeping the rifle-range in good order. At Lyttelton good progress has been made with the reclamation-work at Sticking Point, and a considerable amount of work has been done for the Stock Department at Quail Island. At Hokitika the prisoners have been employed in keeping the Hospital grounds in repair, in reclaiming the cemetery, and improving Cass Square. At Wanganui good work has been done in improving Cook's Gardens, and keeping the rifle-range in order. At Dunedin those prisoners not working on the fortifications have been employed in improving the rifle-range at Pelichet Bay, and erecting out-buildings at the prison; while in Invercargill they have, as usual, worked for the Corporation, who pay a fair rate of wages for their services. A similar arrangement might, I think, be made with advantage to both the Corporations and the department in some of the other towns of the colony where the smaller prisons are located.

in some of the other towns of the colony where the smaller prisons are located. 21. As regards new prisons, as was stated last year, Wellington is the locality that requires most attention. It was pointed out many years ago that the Terrace Prison was out of date, and though it has been considerably improved as far as sanitary arrangements go, it can never be converted into an up-to-date prison, but rather should be entirely pulled down and rebuilt on some definite plan according to present-day notions, if it is decided to retain a prison on that site. There can be no proper classification of prisoners in those buildings as they now stand, and, as a prison must be located in Wellington, it seems high time some final decision was come to on this important question. No fault can be found with the department in this matter, as a new prison was built and actually occupied at Mount Cook, on a site that had been told off for a gaol reserve over fifty years ago, and this would have provided ample accommodation for proper separation and classification of prisoners in accordance with present-day requirements; but owing to local agitation and other causes this prison, though suitable for a prison and only a prison, is lying idle, while the department is allowed to suffer for want of suitable accommodation for prisoners in this city. The Napier prison requires rebuilding to make it an up-to-date establishment.

22. The number of offences committed by subordinate prison officers last year was 7, as against 4 in 1898. With the exception of one case of drunkenness, they were for neglect of duty or carelessness. The case alluded to in paragraph 1 of the management not being effective was the neglect on the part of a Gaoler to keep his books posted up to date, and the reason put forth for the neglect was ill-health and overwork. As I found he was suffering from nervous debility, I recommended his retirement, which followed in due course. This was the only instance of having to find fault with any of the superior officers.

23. The new system of classification introduced last year, putting all subordinate officers of the department on a scale of pay regulated by length of service, instead of by the class of prison they may chance to be serving in, is working well, and is giving general satisfaction. A candidate for appointment now, on being first taken on, is placed on probation for six months, and at the expiration of that period, if he is well reported on by the Gaoler under whom he has served his probation, is examined in the following subjects: Arithmetic, duties of prison officers generally, making out reports and giving evidence; the Prison Acts and regulations generally, but more especially as relating to classification, remissions, visits, letters, rations, marks, treatment of misdemeanants, &c.; and on the result of those examinations depends the confirmation or otherwise of the permanent appointment.

24. I cannot conclude this report without recording my annual protest against supposed lunatics and persons suffering from the effects of drink being sent to prisons for medical treatment. A reference to paragraph 10 shows that no less than 39 males and 12 females, supposed lunatics, were remanded to prisons last year for medical treatment. It has been frequently pointed out that encumbering gaols with such cases is not only inhuman and improper, but is also unjust to the patients themselves, who, on account of having lost their reason—probably through no fault of their own—are branded with the prison stamp. It is an injustice both to them and to their relatives. "The Lunacy Act, 1882," clause 67, says, the Board or other body or the persons in whose hands shall be vested the management of any public hospital receiving pecuniary aid from the public revenue shall provide wards for the temporary reception of lunatics; and the following clause-68-goes on to say that if such wards are not provided, then the Governor in Council may order that no further payments shall be made of any money voted out of the public revenue to such Board. It is asked, Has any hospital in the colony provided such wards? It is believed not; and therefore supposed lunatics continue to be thrust into prisons for medical treatment. In prisons it is the custom to place these afflicted persons in a cell with two other prisoners for safety, who probably know nothing of the proper treatment of the insane, and, as these prisoners have their allotted work to carry out next day, they cannot reasonably be expected to give much attention to the patient, while the warders are totally ignorant of, and untrained in, the proper treat-ment of mental diseases. The system is therefore as unfair to the invalid concerned as it is to the ment of mental diseases. prison administration, and the Gaolers feel that they are placed in an entirely false position in being compelled to take charge of persons so afflicted, who cannot, amidst gaol surroundings, receive the treatment required. It must be distinctly understood that no fault is to be found with Gaolers or their subordinates, who have every pity for these unfortunates, and their mode of dealing with them is commendable, but their lack of knowledge and appliances in reference to such cases is where the mistake comes. It is to be hoped, therefore, that more suitable places than prisons will be found for the temporary detention of lunatics or those suspected of insanity, or persons ordered to be detained during the pleasure of the Hon. the Colonial Secretary.

25. Then, again, the practice of sending persons suffering from the effects of drink to prisons for medical treatment still continues. "The Police Offences Act, 1884," section 21, subsection (2),