

The time has arrived when the colony should have, as in Germany and other countries, farms to which these outcasts could be committed. If these farms were on bush land they could clear the bush, stump and grub, cultivate food for themselves, and the surplus could be utilised to supply other State institutions. They would thus be self-supporting, and an eyesore would be removed from our midst which is now ever visible, and does not do credit to our boasted higher civilisation.

To send these persons to gaol is a mistake: they are not really criminals. Some have the taint, it is true, but may not this have arisen from the first contact in the gaol? There are men and women who are unable to look after themselves; but given a home, work, and food they would be quite happy and contented. The initial cost would be the only one, and it is worth incurring, if only to prevent the undue swelling of the criminal records of our colony, with the attendant unmerited reflection on the people.

THE TOURIST DEPARTMENT.

The Tourist Department has completed its second year of life, and has completely justified its existence. Never in the records of the colony has such a large number of tourists reached our shores as during the past year. The advertising now being carried on, in addition to attracting tourists, is also designed to attract settlers of the best kind.

The Te Aroha Hot Springs, heretofore administered by a Domain Board, is now brought under control of this Department.

An accommodation-house has been opened at Waikaremoana, and other accommodation-houses have been provided.

The revenue received from resorts under the control of the Department for the year was £8,401, as against £5,491 for the previous year, an increase of £2,910; but, as the Department is not one directly revenue-producing, these figures do not in any way gauge its value to the colony.

POST-OFFICE SAVINGS-BANK.

The progress of the Post-Office Savings-Bank and the large accumulation of deposits may be accepted as evidence of the continued prosperity and thrift of the wage-earners of the colony, who represent about 96 per cent. of the depositors.

Although more particularly referred to in the Annual Report of the Post and Telegraph Department, it may here be mentioned that the excess of deposits over withdrawals in 1902 was £360,847, an increase equal to 534 per cent. over the excess in 1892. During the decennial period 1892-1902 the number of depositors increased by 102 per cent., the number of deposits by 120 per cent., the amount at credit of depositors by over 140 per cent., the amount deposited by 170 per cent., and the average amount at credit of each depositor increased from £25 9s. to £30 5s. 3d., or 19 per cent. The total amount at the credit of depositors on the 31st December last was £6,883,787, compared with £6,350,013 at the end of the previous calendar year.

OLD-AGE PENSIONS DEPARTMENT.

Last year the amount estimated as required for old-age pensions was £215,000, while the sum actually paid was £209,156 5s. 5d. It is estimated that £215,000 will be sufficient to meet all claims this year. When introducing the Bill I stated that a time would arrive when a maximum would be reached, and for some time there would not be a very large increase: from the present outlook the amount required will not vary much.

During the past year it was found necessary to introduce a new method of examining applicants for pensions, which is of a more searching character than the one in vogue in previous years. The system is working smoothly, and doing all that was expected of it in preventing persons not entitled to pensions from receiving them. While upon this subject, permit me to say that it should always be borne in mind that, where there is a large sum of public money to be had by application, the greatest care must be given to all claims, otherwise persons not entitled thereto may obtain pensions.

In the last Statement mention was made of the fact that the two largest States of the Commonwealth had, by inaugurating old-age-pensions schemes,