5 H.—20.

Departments can enable the net cost to the Public Account to be materially reduced. Thus an extension of the laundry equipment at Point Halswell last year, besides finding employment for inmates, enabled much more work to be taken over from the Internal Affairs and Defence Departments, which previously had sent out the work to private firms. Similar reductions in the cost to the State is being commenced with the laundry-work now starting at Addington, which is anticipated to mean an annual saving of £1,000. Preliminary steps are also under way with the Defence Department to adopt a similar economy measure in respect of the Trentham Ordnance laundering and cleaning, &c. In the same way a business is being built up with other Departments in the manufacture of boots, boot-repairs, clothing, lead-headed nails, floor-polish, &c. In all these cases the saving to the State can be briefly stated to be the extent to which additional employment is found for the prison inmates. In this connection, the Department always bears in mind the opposition which is regularly levelled both at the Government in general and the Department in particular through participation in competitive Three principal factors are always borne in mind: (1) The provision of useful employment for the prisoner; (2) tuition in a new trade, or employment at his own trade to avoid impairing his efficiency on release; and (3) revenue results. Experience has amply proved the advantages from a reformative standpoint, of utilitarian labour as compared with the older forms of non-utilitarian labour, which tended to debase and dehumanize. Fruitful and creative work aids in the development of self-respect and manhood. Work imposed primarily with punitive motives, and of a degrading nature, tends to destroy the better impulses and to deaden hope. The advantages to the taxpayer of employing prisoners in a way calculated to make them self-supporting, as well as the benefits of productive labour as a method of occuptional therapy, are now freely recognized, and the utilization of prison labour for State use is admitted to be fair and proper. Every effort is being made to extend activities in this direction.

Summary of Expenditure and Receipts for the Years ended 31st March, 1925, 1926, and 1927. (Detailed analysis of 1926–27 is made in Appendix, Table B.)

	Daily Average Number of Inmates.	Gross Expenditure.		Credits.		Net Expenditure.	
Year.		Total.	Per Head.	Total.	Per Head.	Total.	Per Head.
1924–25 1925–26	1,227·81 1,340·13	£ 144,484 152,794	$\frac{\pounds}{117.67}$ 114.00	£ 68,118 79,099	£ 55·56 59·02	$_{76,366}^{\pounds}$ $_{73,695}^{}$	£ 62·11 54·98

The net decrease of approximately £4,000 in gross expenditure comprises institutional maintenance reduction of £2,900, of which £1,700 is on rations, due to falling prices and greater utilization of prison-grown products. This decrease is, however, compensated by increased expenditure of £3,000 on prisoners' industry earnings and payments to dependants under the Crimes Amendment Act, and by an increase of £460 in salaries. Decreased expenditure on industries amounted to £4,600, comprising £2,300 on brickmaking (industry ceased), £800 on the farms, £600 on 'quarries, and £1,300 on tailoring. The mail-bag repairs and bootmaking industries show increased expenditure in line with greater activity in both cases.

EXPENDITURE ON PRISONERS' RATIONS.

The following figures relate to foodstuff rations, but do not include tobacco. Tobacco in itself showed a reduction of over 50 per cent. to the vote compared with the previous year, partly due to the stocks purchased in 1924–25 being approximately equal to sixteen months' requirements.

The cost of foodstuff rations was reduced by approximately £200 notwithstanding that an average daily increase of fifty-seven prisoners were held in custody. The actual cost per head for the year amounted to £13.88, the lowest since 1915, which was on a much lower price basis. The actual saving effected in 1926–27 over 1925–26, while £200 in fact, is equivalent to £1,000 when the increased number of prisoners is considered. Falling wholesale prices in 1926–27 and utilization of prison-grown products between them have contributed. With further institutions carrying out their own breadmaking in the current year, it is anticipated that further reductions can be effected.

A typical instance of the methods adopted to effect economies is as follows: A crop of barley was grown at Paparua for pig-feed. A heavy yield of high-quality resulted, so, instead of using this for fodder purposes, the crop was disposed of up to 6s. 10d. per bushel, and barley suitable to meet the Department's requirements was repurchased at 2s. 10d. per bushel.

Expenditure on Prisoners' Rations (not including Tobacco), and Average Cost per Head compared with Previous Years.

	Year.		Daily Average Number of Prisoners.	Amount.	Actual Annual Cost per Head.	Annual Cost per Head con- verted to 1914 Price Basis.
				£	£	€.
1914		 	979.81	11,555	11.79	11.79
1919-20		 	965.07	17,294	17.93	
1924-25	, .	 	1,227.50	18,332	14.93	10.58
1925-26		 	1,340.13	19,547	14.58	10.19
1926-27		 	1,397.25	19,389	13.88	10.60