

“Miscellaneous expenditure.” This item covers material purchased for making up officers’ uniforms and prisoners’ clothing, hardware, tobacco, &c., that has been purchased for issue from the prison general store, where our last stock-taking showed that the total value of our stocks amounted to slightly over £4,000. It also includes many other expenses, such as travelling-expenses, postage, and telegrams, telephones, printing, &c., that have not yet been charged to individual prisons.

The cost of transferring prisoners has increased considerably, not only on account of the rise in railway and steamer passenger rates, but because of the larger number of transfers we have had to make in connection with the drafting of military prisoners to the various country prisons.

#### Receipts.

While the expenditure during the past year has been the heaviest experienced, we have been able, by building up our industries and pushing on our works as vigorously as possible, to earn a revenue that is easily a record for the Department, the receipts for the financial year, as shown below, being £15,083, against £9,867 for the preceding year, an increase of £5,216. If, therefore, the gross receipts are deducted from the gross expenditure in each year (£81,363 in 1917–18 and £69,536 in 1916–17) we find that the net expenditure in the past year was £66,280, against £59,669 in 1916–17, a net increase of £6,611, or slightly over 11 per cent. It may confidently be stated that this additional cost is much more than covered by the increased capital value that we have placed upon our three farming properties at Invercargill, Templeton, and Waikeria respectively by the expenditure of prison labour in developmental works during the year.

The table given below (No. 1) illustrates clearly the nature of the various prison industries and the cash credits received during the year under each heading.

TABLE No. 1.—Cash received and Amounts credited to the Prisons Vote for the Year ended 31st March, 1918.

Prison.	Metal, Gravel, &c.	Farm- produce.	Farm Stock.	Bricks.	Telegraph- poles.	Tree planting.	Boots.	Salaries of Officers em- ployed on Public Buildings.	Totals.
	£	£	£	£	£	£	£	£	£
Auckland .. ..	1,195	23	..	..	..	..	..	..	1,218
Invercargill .. ..	..	94	..	..	515	..	..	720	1,329
Kaingarua .. ..	..	..	..	..	..	3,145	..	..	3,145
Lyttelton .. ..	..	..	..	..	..	..	559	179	738
Napier .. ..	138	..	..	..	..	..	..	..	138
New Plymouth .. ..	477	6	..	..	..	..	..	..	483
Paparua .. ..	..	624	749	..	466	..	..	576	2,415
Waikeria .. ..	..	639	367	..	..	..	..	915	1,921
Wellington .. ..	45	..	..	1,490	..	..	..	..	1,535
Miscellaneous credits .. ..	..	..	..	..	..	..	..	..	2,161
Totals .. ..	1,855	1,386	1,116	1,490	981	3,145	559	2,390	15,083

#### Value of Prison Labour for which Cash Credits are not received.

Although a substantial amount was received in cash or in transfer credits during the year as the direct product of the intelligent employment of prison labour, the amount earned (£15,083) only partially represents the value of that labour to the State.

In order that the position may be clearly shown I have again obtained from the Public Works Engineer-in-Chief complete estimates, compiled by the District Engineers, of the value of prison labour employed during the year on various prison buildings, roads, and other works, calculated according to free-labour standards, and submit below a tabulated statement (Table No. 2) showing the totals in regard to each prison or institution where such works are in progress.

TABLE No. 2.—Total Value of Prison Labour employed on Roads, Buildings, Reclamation-works, Wall-building, and other Public Works for which no Financial Credit has been received, for the Year ended 31st March, 1918.

Prison.	Buildings and Walls.	Construction and Mainte- nance of Roads.	Excavating for Buildings.	Block- making.	Reclamation Works.	Totals.
	£	£	£	£	£	£
Auckland .. ..	1,619	..	..	..	..	1,619
Invercargill .. ..	1,254	..	..	..	6,189	7,443
Paparua .. ..	2,189	..	..	780	..	2,969
Roto-aira .. ..	..	2,809	..	..	..	2,809
Waikeria .. ..	680	2,244	..	..	..	2,924
Wellington .. ..	125	250	100	..	..	475
Totals .. ..	5,867	5,303	100	780	6,189	18,239