

The table given below illustrates clearly the large percentage increase in the cost of rationing since the pre-war period. An improved dietary has been brought into operation in some of our reformatory institutions during the past two or three years, but the alterations that have been made in this respect account for only a fraction of the *per capita* increase over all.

Average Cost per Head of Prisoners' Rations from 1909 to the 31st March, 1921.

Year.				Total Expenditure on Rations.	Number of Prisoners.	Cost per Head.
				£		£
1909	..	..	..	8,544	809·84	10·55
1910	..	..	..	9,322	901·73	10·33
1911	..	..	..	8,494	863·26	9·83
1912	..	..	..	9,405	919·35	10·23
1913	..	..	..	9,754	893·24	10·91
1914	..	..	..	11,555	979·81	11·79
1915	..	..	..	15,099	1,008·12	14·97
1916-17	..	..	..	15,092	920·15	16·41
1917-18	..	..	..	15,522	941·11	16·64
1918-19	..	..	..	16,473	1,003·43	16·41
1919-20	..	..	..	17,294	965·07	17·93
1920-21	..	..	..	18,766	965·03	19·44

Receipts.

It will be seen from the following table that the earnings of the Department continue to increase at a substantial rate as each year passes and the farms and industries are developed :—

Cash receipts and credits—

								£
1916-17	..	..	..	..	..	..	..	9,867
1917-18	..	..	..	..	..	..	..	15,083
1918-19	..	..	..	..	..	..	..	21,654
1919-20	..	..	..	..	..	..	..	31,177
1920-21	..	..	..	..	..	..	..	39,136

While the return for 1920-21, as shown by the Treasury figures, is substantial and marks a considerable advance over the previous year, it is less by £7,287 than the actual earnings for the past financial year, owing to the failure of some of the Departments to credit the Prisons vote with the amounts due before the 31st March. The larger proportion of the additional cash receipts was derived from the farm properties at Waikeria, Paparua, and Invercargill, while a large increase in the output of crushed metal and spawls from the Auckland Prison quarry helped materially to augment our revenue. So far as the farms are concerned, our chief source of income is from our dairy herds at Waikeria and Invercargill, and from the sales of fat stock from the latter place. The returns from Paparua, where sheep-raising and cropping have hitherto been our mainstays, were adversely affected by the fall in the value of wool and mutton and by a particularly dry season. Our wool-clip still remains unsold, and our receipts for the financial year have suffered accordingly.

In addition to the large annual return now obtained from our farms and industries, I have to draw attention to the assets that are being created for the State by the steady development of our properties by prison labour. The Waikeria Estate, upon which work was first commenced in 1912-13, and which was acquired for approximately £3,000, has now a marketable value of fully £23,000. The land was in its virgin state when our first camp was established upon it, and, while it would naturally have appreciated in value to some extent during the first eight years without improvement, it must be conceded that the bulk of the increased value is due to cultivation. In addition to the work upon the land we have erected institutional buildings, milking-sheds, cottages, &c., in which there is at least £10,000 worth of labour.

At Invercargill prison labour has been used to reclaim an area of approximately 2,250 acres of rich estuary land from the sea. This area, which was formerly covered with water at high tide, is now carrying splendid grass and crops, and is grazed over by our dairy herds and stock of different kinds. For the work involved in building the extensive embankments required to shut out the sea the Prisons Department received as payment a block of 650 acres of the reclaimed land. A conservative estimate of the value of this area at the present time is £24,000. The larger part of the area enclosed by the embankments (1,599 acres) is the property of the Invercargill Borough Council, on whose behalf the work was undertaken; this land is now worth at least £51,000. We thus have land worth £75,000, which will easily double in value in the next ten years, where a few years ago was a valueless muddy waste.

At Templeton, where we commenced operations in 1915, our developmental operations have resulted in bringing about an increase in value of at least £13,000. The value of the labour expended on the erection of institutional buildings, stables, cottages, &c., in the same time is not less than £10,000. It will thus be seen that in the past few years the Prisons Department has, by the intelligent use of prison labour, increased the value of the lands of the Dominion by at least £108,000.