

It is noteworthy that while the prisons of the Dominion have been seriously overcrowded owing to the heavy influx of prisoners, there has actually been a decline in the number of commitments of lads to Borstals. It is equally strange that there has been a fairly large increase in the number of young women committed, although the offences of the majority of these show that social conditions and unemployment have been contributing factors.

Since the establishment of the Borstal system in the Dominion much has been done to broaden the scheme of training and discipline in an effort to awaken in young offenders a deeper sense of social responsibility. The underlying idea is by leading and training, to foster in each inmate "the will to do well," as distinct from the old-fashioned idea of striving to mould habits by restraint and repression.

The activities of each institution are detailed in the Superintendents' reports appended hereto, to which attention is particularly directed. The degree of success attending the efforts of those concerned with the administration of the Borstals may be judged from the fact that of the total of 3,448 lads who have passed through the Waikeria and Invercargill Institutions since their establishment less than 12 per cent. have again come in conflict with the law. Of the 151 young women committed to Point Halswell Borstal 100 have been released, and of these only eleven have again appeared before the Courts.

The difficulties associated with the rehabilitation have been intensified on account of the industrial conditions that have prevailed, and there is no doubt that the above results are due mainly to the unceasing and public-spirited assistance given by the Voluntary Probation Committees and the Women's Borstal Association. The Department is particularly indebted to the members of the Visiting Committees and those voluntary lecturers and others who have so helpfully co-operated in the work of the three Borstal institutions.

#### INDUSTRIES AND DEVELOPMENT.

The Department's industrial activities have been affected by the general economic situation in common with other producers. The decline in values and the shrinkage in demand has materially reduced the Department's revenue, the cash receipts from industries falling from £80,365 for the previous year to £65,235 for last year. A larger number of persons in custody increased the cost of maintenance without there being any corresponding outlet for labour utilization. In fact, there has been a curtailment in this respect on account of the efforts of Government to make provision for unemployed. The Department's policy is, as far as practicable, to avoid engaging in work which might accentuate the general unemployment problem.

Occasionally there are protests against allegedly unfair competition with free labour. Apart from the folly it would be to keep offenders against society in idleness, or at dehumanizing unproductive tasks, at the public's expense, it should be noted that, as the Department now contributes towards the maintenance of prisoners' dependants, the prisoner to-day may be said to carry a social burden, consequently he should be as much entitled to work as any free unit of society. There can be no reasonable objection to the marketing of the product of his labour so long as cut-rate tactics are not indulged in to the detriment of private producers who are obliged to subscribe to award conditions.

The combined effect of the depressed economic and trading conditions experienced during the year is shown in the following table setting out the cash expenditure and receipts from the Department's industries for several years past:—

Year.	Cash Expenditure on Industries.	Cash Receipts from Industries.	Cash Surplus.
	£	£	£
1927-28 .. ..	34,670	63,310	28,640
1928-29 .. ..	33,528	70,389	36,861
1929-30 .. ..	39,070	80,365	41,295
1930-31 .. ..	34,340	65,235	30,885

The only branch of industry which at the present time allows for fairly free expansion is land-development and farming operations. Provision is being made for further extension in this direction as far as financial restrictions will permit. An additional area of approximately 5,000 acres of land at Hautu has been proclaimed a Prison Reserve, making a total of 15,000 acres, and a new camp is now being established to relieve the congestion at the principal town prisons. Good progress is being made in the development of the pumice lands at Hautu and Rangipo. There are now approximately 4,750 acres cleared, of which 2,650 acres are in temporary pasture, and 1,400 acres in permanent pasture. This country continues to show great promise, and there is certainly no better class of work for promoting the physical well-being and stimulating the self-respect of the prisoners. The comparative freedom at the farms for trusted men, the inspiring open spaces, and the healthful exercise, mark a decided advance on the old idea of deterrence and repression through close confinement. Recently arrangements were made for the establishment of a logging camp for securing posts from the bush on the Kaimanawa Range for subdivision fences, the erection of which will be an essential preliminary before the land is offered for settlement.