

The total proceeds from all sources of activity in the prisons and borstal institutions dropped steadily year by year from the peak of £83,806 for the year 1929–30, to £52,412 for the year 1932–33, but it is pleasing to note that the last twelve months witnessed a slight revival and the revenue for the year 1933–34 amounted to £54,823, an increase of approximately £2,400 on the previous year. Contributory factors to this was the improvement in wool prices, which assisted the farming revenue, and a slight fillip in the quarrying industry. Conditions generally, nevertheless, have been exceedingly difficult from a prison industrial point of view.

During periods of depression and unemployment, with the resulting keen competition, there is a very natural public demand for all State activity in business to be curtailed. For the past four years this has been specially demanded of the Prisons Administration, and it stands out in marked contrast with the policy pursued in other countries.

The moral and physical benefits of keeping prisoners in useful employment is universally recognized and cannot be too strongly defended. It follows that if prisoners are to be usefully employed the products of their labour must be afforded some outlet, and the avenue likely to prove least irksome to private enterprise is to confine this largely to the supplying of departmental requirements. As the Government pays a considerable sum by way of earnings for the maintenance of dependents of prisoners, this alone, to a large degree, justifies this course. It is recognized that on account of the general industrial conditions prevailing that care should be taken to avoid adding to the difficulties of private industrialists, or to pursue activities likely to aggravate civil unemployment problems. For this reason the Department has slowed up on its manufacturing activities and has concentrated more on the work of its farms.

In connection with the utilization of prison labour, it is interesting to note the following extracts from a report of a special committee set up in England last year by the Right Hon. Herbert Samuel to consider the problems of employment of prisoner:—

“Continuous and useful employment must be regarded not as a punishment, but as an instrument of discipline and reformation. In order that this idea might be achieved the first requirement is that useful and suitable work should be provided, and that there should be plenty of it.”

“The committee was of opinion that very considerable additions might be made to the orders given to prisons by Government Departments.”

“In 1923 a circular was issued by the Treasury drawing the attention of Government Departments to the importance of placing orders wherever possible with the Prisons Department, and we recommend that a further circular should be issued impressing on Departments the great importance of this question in the interests of both national economy and of the reformatory work of the prisons.”

“Scottish prisons sell to outside consumers a greater proportion of their output than is the case in English prisons.”

The evidence of representatives of the Trades-union Congress to the committee was as follows:—

“They admitted that industrial labour was morally and physically beneficial to the prisoners, and agreed that it ought to be found. They urged that direct competition with outside labour should not be allowed at ‘cutting’ prices. They approved of industrial training of prisoners and bearing in mind that the products of prison labour go to reduce the costs of prisons, they have no objection to the sale of prison-made goods, provided they are not sold below market prices, and providing that consideration is shown to the special circumstances of particular industries to avoid undue interference with wages and the employment of free labour.”

Details of the industrial activities at the various institutions during the year are set out in the institutional reports of the Controlling Officers appended hereto. These comprise mainly farming, quarrying, gardening, mailbag repairs, tailoring, bootmaking, and minor work incidental to the domestic requirements of institutions. An innovation has been the growing and manufacture of tobacco for our own requirements. Previously the annual cost of tobacco (exclusive of excise and Customs duties) was £1,250. It is pleasing to be able to report that the results of the first year’s experiment were so satisfactory that, instead of there being a charge against the vote for the tobacco supplied to inmates, last year the Department was actually in credit on the sale of its surplus leaf. Apart from the cash economy, this industry has provided useful employment both in the field and in the factory.

REVENUE AND EXPENDITURE.

The annual accounts and balance-sheet are shown in the appendix to this report, Table B.

In considering the monetary cost to the taxpayer of maintaining prisons it is important to distinguish between the actual cash or vote cost, which is the amount required to be provided by Parliament from taxation, and the nominal cost after providing for interest and depreciation on buildings and equipment representing capital expenditure in previous years. In making comparisons with other Administrations, it must be noted that these charges are not usually included in governmental accounts. From an accountancy standpoint, and in conformity with Treasury’s present method of producing departmental balance-sheets, these fixed charges must be included. A large proportion (approximately half) of the capital expenditure represents capital disbursements from loan-moneys from Public Works Fund, which, although not directly charged against the vote, is undoubtedly a real charge; but a proportion of the total charge for interest in the annual accounts of the Department represents interest on capitalized prison labour and natural increment. This debit for interest and depreciation represents approximately two-fifths of the total departmental expenditure. The net