

*Motor-vehicle Costing and Maintenance.*—A fleet of approximately thirty vehicles is maintained by the Department, and the adequate costing of their services is an important feature of the departmental accounts. During the year rules were brought into force providing for a proper apportionment of the charges and a more effective control of vehicles. The appointment was made of a qualified motor mechanic at Waikunc, where twelve vehicles are working, and arrangements effected to ensure that each vehicle is brought into the workshop in rotation for general overhaul.

*Collection of Debtor Accounts.*—The method of rendering and collection of claims for services and supplies was improved and standardized during 1926–27. Each institution now renders and records its own accounts, and is responsible for the collection of those that are non-Government. All Government accounts are transferred to Head Office charge to arrange credit. A quarterly statement of all debtor accounts is submitted to Head Office for balance, and when agreed with the total accounts in Head Office books is certified to and returned for local audit reference. By this internal check, audit examination is made simpler and more complete than hitherto. The system also provides for quarterly review of all overdue unpaid accounts.

*Internal and Inter-institutional Transfer of Stores and Services.*—Consequent on the expansion of inter-institutional supplied commodities, which now total approximately £30,000 per annum, a system of adjusting accounts as between institutions has been devised to enable a proper record to be maintained. Briefly, the system is that for every transfer the issuing institution renders a debit note in duplicate to the receiving institution, which certifies as to receipt and entry in stores ledger, and schedules one copy to Head Office, where it is compared with the issuing institutions returns. The schedule is certified at Head Office and returned to the receiving institution for local and audit reference, thus completing a system whereby the Audit Inspectors have a reference to all stores received, whether purchased or transferred.

*Deposit Accounts at Prisons.*—By a standardized form of monthly return of deposits held at each prison and a quarterly examination at Head Office of these returns, considerable improvements have been effected. Cash balances have been reduced and all temporary surpluses have been made available to the Treasury.

*Custody and Record of Public Works Stores.*—Until the 1st July no definite departmental responsibility had existed for the custody and record of stores purchased from Public Works Fund for the erection and maintenance of prison buildings, one or two institutions only having in a practical manner kept this record. By agreement with the Public Works Department this Department has assumed responsibility, and a system has been installed for the proper maintenance of these stores records.

#### PAYMENTS TO DEPENDANTS.

The question of crediting prisoners with wages for the maintenance of dependants in necessitous circumstances has a definite relation to the profitable utilization of prison labour. This matter has received careful attention during the past year, but recommendation for an extension of privileges has been deferred on account of the urgent necessity for economy, and the limited amount of funds available. The general question of making payments to dependants has been the subject of exhaustive inquiry in other countries. New Zealand is one of the few places where grants are paid to dependants. It appears to be accepted as a principle that the cost of a prisoner's keep should be the first charge on the efforts of his labour, and that any surplus should be applied to the maintenance of his dependants and towards a fund to aid in his rehabilitation on release.

It is superfluous to enlarge on the need of dependants. Their plight is often most distressing. Not only do they suffer acute humiliation, but also, in many cases, physically they are actually worse off than the prisoner himself, who under modern methods of treatment is warmly clad and regularly fed. The consciousness of the neglected condition of their dependants occasions deep concern to some prisoners, and in this respect in no small degree adds to the mental discomfort arising out of imprisonment. Although it is intended that a prisoner should be punished for his wrongdoing, this anxiety arising out of the economic plight of his dependants is a phase of punishment that could well be eliminated. Many of these prisoners do their utmost to qualify for the maximum grants to their dependants. To this extent the system is good, for a system that stimulates consideration for others is an aid to moral development, while the maintaining of the economic bond between a prisoner and his dependants is an important factor so far as future rehabilitation is concerned.

Although in the majority of cases the crediting of wages acts as an incentive to greater industrial effort on the part of prisoners, there are many with dependants in necessitous circumstances who slacken immediately they learn that their dependants are benefiting through their efforts. This is particularly the case where doubts are entertained as to fidelity. In many cases, especially the wife-deserter class, the sense of responsibility to dependants appears to be atrophied. Such prisoners are usually indolent and indifferent workers, and are unable to earn sufficient to pay the cost of their maintenance in prison. Various methods of punishment have proved abortive, and when under punishment such prisoners are not at labour. Deprivation of food is effective in only a few cases, and such methods tend to devitalize and render the prisoner less fit for work than before. This class of prisoner is most difficult to handle effectively, and the Department seldom gets a surplus over their cost of keep.

Another difficulty is the profitable utilization of short-term prisoners. The Department is under a moral obligation to restore all prisoners to the place of committal, and a short term does not justify the cost involved in transporting such prisoners to places where they can be profitably employed. In the city prisons, where short-term men are detained, an expansion of industrial activities would result in an entry into the competitive fields, which would give rise to the old controversy involving free labour *versus* prison labour, and unfair competition from the product of prison labour. Every effort is made to concentrate energies on works that will be productive, but at the same time occasion the least disturbance to the interests of private enterprise.