REVENUE AND EXPENDITURE.

A comparative statement of revenue and expenditure covering a period of ten years is given hereunder :----

	Year.		Daily Average Number of Inmates.	Gross Expenditure.		Credits.		Net Expenditure.	
				Total.	Per Head.	Total.	Per Head.	Total.	Per Head.
				£	£	£	£	£	£
1929 - 30			1,425	172,248	120.83	83,806	58.87	88,442	$62 \cdot 04$
1930-31	••		1,525	171,382	$112 \cdot 36$	70,669	46.33	100,713	66.03
1931 - 32			1,641	152,581	$92 \cdot 93$	55,867	$34 \cdot 03$	96,714	58.90
1932 - 33			1,661	142,940	86.04	52,412	31.84	90,528	$54 \cdot 49$
1933-34			1,488	138,193	92.88	54,823	36.77	83,370	56.11
1934–35	••		1,306	137,484	$105 \cdot 25$	60,242	$46 \cdot 12$	77,242	59.13
1935 - 36			1,170	144,460	$123 \cdot 47$	69,933	59.77	74,527	63.70
1936-37	••		985	146,314	148.54	68,661	69.70	77,653	78.83
193738			852	164,132	$192 \cdot 64$	69,075	81.07	95,057	111.56
1938 - 39			855	152,093	$177 \cdot 89$	64,910	$75 \cdot 92$	87,183	$101 \cdot 97$

The position disclosed above from both gross and net expenditure aspects is an improvement for the year ended 31st March, 1939. Whilst the credits for the year are lower than for the previous years they have not declined to the same extent as has gross expenditure, the result being that the net expenditure position is definitely improved.

In last year's report mention was made of the fact that there had been a large increase in the item "Farm Expenditure," because of the payment during March of the amounts for autumn live-stock and fertilizer purchases instead of their being paid, as is usual, in April. There was in consequence a reduction under this heading in the net expenditure for this year.

The daily average number of inmates for the year under review, as already mentioned, showed little variation from that of the previous year, hence it was to be expected that the net expenditure would be about the same for the two years. Actually, however, it was considerably lower for the year 1938-39 for the reason that, notwithstanding the revenue was down by $\pounds4,000$, the net expenditure was nearly $\pounds8,000$ less. The decrease in revenue was accounted for mainly by a reduction of $\pounds2,000$ under the heading "Farms and Gardens," which decrease was due largely to the generally lower level of prices received for farm-products rather than by any diminution in farming output. In addition, there was a reduction of approximately $\pounds3,400$ in revenue for roadworks. This was due to the fact that a portion of the roadworks previously carried out by prison labour is now undertaken by the Public Works Department.

HEALTH OF PRISONERS.

The health of prisoners has been uniformly good throughout the year. The daily average on the sick-list was 10.82, which represents 1.2 per cent. of the daily average in custody. This is an average of two per day less than were laid up with sickness last year.

There were 53 admissions to public hospital, and there were no deaths in prison during the year. The Medical Officers, in addition to undertaking the care of the sick, examine all prisoners before transfer from the city prisons to the farms and camps. Where it is considered that a mental examination would assist in the treatment of a prisoner this is arranged through the Mental Hospitals Department, which Department's specialists co-operate in a most helpful manner.

Three prisoners were transferred to mental hospitals under section 4 of the Mental Defectives Act; 4 were transferred for special observation under section 37; and 16 were transferred after sentence under the provisions of section 38.

CONCLUSION.

It is desired to place on record the Department's appreciation of the generous assistance given by a large body of voluntary workers who visit the institutions and who undertake the after-care and placement of discharged prisoners, and also to express gratitude for the sympathetic co-operation and help given by the clergymen and missioners of the various religious denominations, the officers of the Salvation Army, and others, who have regularly visited the institutions to minister to the spiritual well-being of prisoners.

Special mention must be made of the valuable assistance given by the Women's Borstal Association, the Young Men's Borstal Association, Visiting Committees, the Prisoners' Aid Societies, and the Justices' Association.

I also wish to record my appreciation of the zealous and loyal service rendered by the staff of the Department.

B. L. DALLARD,

Controller-General of Prisons.