

*General Medical Services.*—The increased expenditure under this subsection was £309,153, which is an increase of 23·9 per cent. for the year. During the same period the number of medical practitioners claiming on the Social Security Fund increased from 965 to 1,121—*e.g.*, 156—a 16-per-cent. increase. The shortage of medical men is therefore to some extent being overtaken, but not yet at the rate necessary to meet current demands for medical services. The approaching restoration to normal standards of medical personnel affords an opportunity for the examination in more correct perspective of the merits and demerits of the general medical services system. It is accordingly hoped that some of the shortcomings arising out of the serious doctor shortage during the war will of themselves disappear with the return of practically all medical men to civil practice. It cannot be gainsaid, however, that the conditions prevailing over recent years have in some cases brought about a serious lowering of the quantum and quality of medical services. Every attempt should be made to rectify this position as early as possible, and to this end it is proposed to arrange a conference with representatives of the British Medical Association shortly, and that one of the subjects of discussion will be the present fee for service system.

*Special Arrangements.*—The expenditure under this subsection has increased slightly, but this is due to an increase in the number of such districts. The service provided in these areas has again been very satisfactory.

### (3) HOSPITAL BENEFITS

This section accounts for 32 per cent. of the total expenditure. This section alone shows a diminution in expenditure in comparison with last year. This is probably due to the shortage of beds in most public hospitals. It is to be particularly noted that there is not a compensatory increase in out-patient expenditure and that there is a slight decrease in expenditure for private hospitals. The expenditure under this section is not the full cost of public-hospital expenditure—to it has to be added the subsidy from the Consolidated Fund plus the ratepayers' contribution.

### (4) PHARMACEUTICAL BENEFITS

This section accounts for 23·2 per cent. of the total expenditure. The expenditure for the year amounted to £1,439,686 in a population of 1,705,550—*e.g.*, a rate of 16s. 11d. per head of the population. Since the inception of this benefit the number of prescriptions supplied each year have been as follows:—

Financial year ending 31st March—	Number.
1942 (11 months only) .. .. .	2,170,000
1943 .. .. .	3,500,000*
1944 .. .. .	4,250,000
1945 .. .. .	4,900,000
1946 .. .. .	5,400,000
1947 .. .. .	5,882,000†

\* Average cost per prescription, 3s. 3d.

† Average cost per prescription, 4s. 8½d.

The year-by-year increase in expenditure is therefore due to an increased number of prescriptions, as well as to a general increase in the average cost of each prescription. It is to be noted in connection with these rising costs that many expensive new drugs have been introduced during recent years, and that in the absence of health-benefits legislation the majority of them would not have been available to most patients on account of their cost.