Suitable sites have been marked out for the villas of the institution, and there should be little delay in commencing our main building programme. In the meantime surveys have been completed for the water-supply.

OVERCROWDING OF PATIENTS.

It is my duty to request that a considerable increase should be granted in the annual financial provisions not only to allow the development of the new Auckland institution, but in order to mitigate in some degree the very serious difficulties resulting from lack of proper accommodation for patients.

Overcrowding is not a matter of sudden growth; it has frequently been referred to by my predecessors, but the slowing-down of building operations during the war and its financial aftermath has rendered the position, present and prospective, very acute.

The shortage of space is affecting all the institutions, but particularly Porirua, Auckland, Christchurch, Seacliff, and Nelson.

The extreme seriousness of the position will be realized when I state that we have 820 patients in excess of accommodation. Our estimated annual increase is over 200 patients, so that by the end of 1928 the deficiency will exceed 1,000, or the equivalent of a large institution.

In the absence of a definite building programme, which must be spread over many years, the position can only become worse, and I submit the following matters for your consideration.

The excess of 820 is distributed amongst the various institutions as shown in the following table:-

				Males.	Females.	Total.
$\mathbf{Auckland}$		 	 	58	59	117
Tokanui		 	 	34	20	54
Porirua		 	 	56	200	256
Nelson		 	 	47	33	80
Hokitika		 	 	3	3	6
Christchurch		 	 	64	69	133
Seacliff		 	 	78	96	174
Totals		 	 	340	480	820

Auckland.—The Government has given an undertaking to remove this institution within a limited number of years. The number of persons actually resident in the institution on the 31st December, 1927, was 1,163. At a conservative estimate the total population in 1937 will not be less than 1,400. No mental hospital should accommodate more than 1,000 patients, but if in all the circumstances we allow for 1,250 we should still have an excess of 150 at the end of the period. Consideration should therefore be given to the securing of a site for a hospital to serve the needs of North Auckland.

Tokanui.—The existing excess is 54, but, as the institution now admits patients direct, building must be carried on to keep pace with the natural increase. A contract has been let to provide for 150 patients, but a large part of this space will be absorbed by patients transferred from Porirua.

Porirua.—The worst overcrowding exists at this institution, where we have 256 in excess. The total number of patients actually resident is 1,410. I hope to transfer 100 patients to Tokanui in 1929, and accommodation for 40 more will be set free on the completion of the Nurses' Home, but these steps will leave the position at the end of the year very much the same as at present. There is practically no room left at Porirua for additional buildings, even were such desirable, and the foundation of a new institution in the Manawatu district is necessary.

Nelson (with Stoke Farm).—This institution is overcrowded to the extent of 80 patients, but the position is even worse than the figures indicate. The scheme devised by myself seven years ago to dedicate the Nelson Hospital to the use of juvenile patients and to develop Stoke Farm as an up-to-date villa mental hospital received a serious setback owing to the success of a popular agitation against new buildings at Stoke. The Boys' Ward is gravely overcrowded, and the classification at Stoke is disorganized. Plans are in preparation for three villas at Stoke, and their completion should be urgently pressed forward.

Hokitika.—The population here tends to decrease, and the present slight excess will gradually be overcome without incurring any expense.

Christchurch.—Is overcrowded to the extent of 133 patients. Some relief will come immediately with the transfer of 50 workers to the new building at Templeton, but there will still be considerable excess at the end of the year.

Seacliff.—The population of Seacliff actually in residence at the 31st December, 1927, was 1,192, representing overcrowding to the extent of 174 patients. Some temporary relief may be gained by the erection of one or possibly two villas at Waitati; but there is little room available, and we shall again have to consider the establishment of an institution elsewhere.

An undue amount of the work of the medical and nursing staff is devoted to the task of overcoming the discomforts and dangers caused by overcrowding, and this detracts from the effectiveness of their legitimate activities in regard to the treatment of the patients.

I desire, in conclusion, to acknowledge the loyal support I have received from the various Medical Superintendents, and my thanks are due to the Head Office staff for their unfailing helpfulness at all times.