The total net deficiency is thus that for 790 patients, or 14 per cent.

A vigorous programme of building was initiated in 1926 and carried out during the years immediately following, when residential accommodation was provided for about eight hundred patients as well as nurses' homes and the replacement of obsolete kitchens and other offices. These provisions have prevented an impossible situation from arising, but, unfortunately, the present financial stringency has unavoidably slowed down building operations, and we are not building quickly enough to meet the needs of our increasing population. Although one new institution is very much needed in the South Island, I realize that any request in this direction would be inopportune, but I must strongly urge that new villas be creeted at our Stoke, Hokitika, and Templeton Farm institutions, where we have the land available, and where the conformation of the country will permit of the crection in timber of the relatively inexpensive buildings which we refer to as pioneer units. It is also highly desirable that further villas be built at Kingseat to relieve Auckland.

INCREASE IN MENTAL DISORDERS.

The obvious increase in the population of our mental hospitals and the unceasing requests for larger appropriations raise the question as to whether mental disorders are increasing in this country out of proportion to the increase in the general population.

Not only in this country, but also in Great Britain and America, the economic situation has brought to the foreground the increasing burden imposed upon the community by the care of its unfit members, and I have prepared the following table, which gives the proportion of first admissions to the general population, and the ratio per 10,000 of population covering the period 1911–1931:—

First	Admissions.	excludina	Maoris.

Yea	er.	Committed Patients.	Voluntary Boarders.	Total.	Mean Population.	Proportion of First Admissions to Population.	Ratio of First Admissions per 10,000.
1911		611			1,014,043	1,660	6.0
912		677	23	700	1,039,017	1,484	$6 \cdot 7$
1913		648	37	685	1,068,644	1,560	$6 \cdot 4$
1914		727	36	763	1,090,328	1,429	$6 \cdot 9$
1915		645	32	677	1,099,394	1,624	$6 \cdot 2$
1916		719	. 36	755	1,099,449	1,456	$6 \cdot 9$
1917		700	35	735	1,099,117	1,495	6.7
1918		687	61	748	1,103,022	1,475	6.8
1919		735	70	805	1,142,889	1,420	7.0
1920		707	64	771	1,192,620	1,546	6.5
1921		724	78	802	1,223,901	1,526	6.6
1922		680	85	765	1,251,895	1,636	6.1
1923		656	94	750	1,274,551	1,699	5.9
1924		681	82	763	1,298,635	1,702	5.9
1925		739	123	862	1,329,759	1,542	$6 \cdot 5$
1926		767	131	898	1,352,927	1,506	$6 \cdot 6$
1927		767	140	907	1,374,439	1,515	6.6
1928		798	214	1,012	1,390,684	1,374	$7 \cdot 3$
1929		796	165	961	1,406,942	1,464	6.8
1930		918	236	1,154	1,425,067	1,235	8.1
1931		883	264	1,147	1,444,901	1,260	$7 \cdot 9$

These figures are the true index of occurring insanity, and they show that during the years quoted there has been a definite, although irregularly progressive, increase in the incidence of mental disorder in New Zealand.

ALTERATIONS, IMPROVEMENTS, AND ADDITIONS.

Our capital expenditure on new buildings and additions and improvements during the year was £45,939, and the following summary shows the principal items making up the total, as well as new buildings in progress but not completed by the 31st March:—

Auckland, including Kingseat (£17,054).

Old residence for Medical Superintendent converted into a residential clinic for women. Two villas each for fifty male patients completed, furnished, and occupied. Septic tank completed and drainage to two villas installed.

Tokanui (£7,164).

Nurses' Home completed, furnished, and occupied.

Old quarters for nurses renovated, rearranged, and occupied by male staff, whose previous quarters have been made available for male patients.