

patient shows cause why he should pay a reduced charge. It would be in this connection that the services of the special officer would be of inestimable value.

102. The duty of Hospitals Boards in regard to the admission of patients should be more clearly defined by the Legislature, as there is a prevalent impression that it is the duty of Boards to provide adequate accommodation for every person in a district, irrespective of circumstances. Such is clearly not intended, and it has no doubt been the attempt to follow out this principle which has led to hospitals being built at excessive cost in places where there was no real necessity for the erection of extensive buildings. Had there been an enforceable power of veto, such as we have suggested, uninfluenced by local considerations, the erection and subsequent maintenance of hospitals would not have resulted in such a heavy charge upon the community.

METROPOLITAN HOSPITALS.

103. The metropolitan hospitals should be in a special class, and they alone should have complete equipment for more elaborate treatment and diagnosis, and cases requiring this should be drafted to these hospitals, either for special indoor treatment or for special outdoor diagnostic clinical treatment which cannot be effectively given elsewhere.

104. It is imperative that the Metropolitan Hospital Boards should have some supervision over the Base Hospital Boards within their districts, and it is believed that a satisfactory system can be evolved with this end in view. It is merely a matter of co-ordinating the functions of the base hospitals within a district with those of the metropolitan hospital, and of ensuring that an adequate system of finance is adopted to recompense the Metropolitan Boards for the treatment given to patients sent in by the Base Hospital Boards. This point, however, is one which might be decided by the Board of Hospitals.

UNIFIED HOSPITAL ADMINISTRATION.

105. We have already referred to the advantages that would accrue from the setting-up of a Board of Hospitals. The aim should be uniformity as between public hospitals, and the Board should be charged with the duty of laying down scales of salaries for various officers employed by Hospital Boards. We have referred to the lack of uniformity which exists at present and to the extravagant salaries being paid in some cases. There is a further avenue of economy in the matter of salaries which should also lead to more efficient administration. We refer particularly to the salaries paid to nurses and trainees.

106. A very large amount of the expenditure in public hospitals is represented by the salaries of probationers, and it appears that there is room for alteration in the ratio between the salaries of sisters and probationers.

107. It appears to be almost universally acknowledged in nursing and medical circles that sisters in charge of wards are not encouraged as they should be to compete for such positions. On the other hand, the probationers secure board and lodging and other privileges and in addition get a salary of £30 or £40 per annum, rising to £50 or £60 per annum in the third year of training. Probationers are learners, and as such it is considered that the emoluments paid to them are too high. On the other hand, the raising of the salaries of sisters by £25 or even £50 would represent a comparatively insignificant amount, and would tend to increase the efficiency of the nursing staff considerably.

108. We suggest, therefore, that the salaries of probationers, one of the largest items of hospital expenditure in New Zealand, should be reduced, and the salaries of sisters should be increased. **A national classification of employees of Hospital Boards should be one of the first duties of a Board of Hospitals,** and we commend this suggestion in regard to the salaries of probationers and sisters to such a Board for consideration.

GOVERNMENT SUBSIDY TO HOSPITAL BOARDS.

109. At the present time the Hospital Boards have no responsibility for the collection of the money they spend, and while we do not advocate that they should have rating-powers, we nevertheless consider that with the present multiplicity of Boards, subject to little or no effective control, there is not the same urge for economical administration as should exist. We believe that with economical administration there should be no necessity for a subsidy at the rate of £1 for £1, which is substantially the rate at present payable out of the Consolidated Fund for both capital and maintenance purposes.

110. We have considered the broad question of hospital administration primarily with a view to relieving the Consolidated Fund to some extent of the charge for subsidies to Hospital Boards, and at the same time our endeavour has been to propound a system which would not throw any greater burden on local rates. **We are of opinion that with the reorganization of the hospital system throughout the Dominion on the lines suggested very substantial savings should result, and it should be possible to reduce the average rate of subsidy from the Consolidated Fund by at least 10s. in the pound ; and at the same time the Boards should be enabled to reduce the levy upon contributory local authorities.** We believe that if the levies on contributory local authorities were to remain at their present level a subsidy of 6s. 8d. in the pound from the Consolidated Fund should suffice, if hospital administration be organized on the lines suggested. However, with a view to providing relief to both local rates and the Consolidated Fund, we suggest as a basis that the average subsidy should not exceed 10s. in the pound.

111. We have also considered the possibility of the subsidy being assessed on a different basis, such as, for instance, on a definite rate per patient treated, which has much to commend it. We do not wish to make a hard-and-fast recommendation on this point, but it should be one of the first duties of the Board of Hospitals to determine the basis, as well as the rate of subsidy.