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# HOSPITAL AND CHARITABLE INSTITUTIONS IN THE COLONY

(REPORT ON THE), BY THE INSPECTOR OF HOSPITALS.

*Presented to both Houses of the General Assembly by Command of His Excellency.*

The INSPECTOR of HOSPITALS to the Hon. the MINISTER of EDUCATION.

SIR,—

I have the honour to lay before you the following report on the charitable institutions and hospitals of the colony:—

The leading ideas embodied in the law which regulates our New Zealand charitable institutions are—

1. To decentralise administration as much as possible, and at the same time keep in check the evil tendency towards the multiplication of small local bodies inaugurated by the abolition of the provinces in 1876.

2. To remedy the want of uniformity and justice in the distribution of subsidies to the different districts without at the same time drying up the springs of charity.

It would be difficult to find a more striking illustration of the evils of compromise, and of the difficulty of avoiding it, than is seen in the attempt to harness together contradictory tendencies under each of these two objects.

The necessity of decentralisation is imposed on New Zealand statesmen alike by the physical configuration of our country and by the history of its different settlements. This is the most unmistakable peculiarity of all our political and social problems. To superficial students of our institutions this central fact was obscured to a large extent by the centralising forces latent in what was called the great public works policy of 1870. No doubt this anomalous episode of our history was in some degree a struggle to strengthen the central power against the overshadowing powers of the provinces, but the real motive was the necessity of consolidating our securities with a view to a great borrowing policy. To this end the provinces were abolished in 1876, and no adequate provision was made for the devolution of the numerous local functions they performed. From time to time new local bodies were created as necessity arose, armed with rating and borrowing powers; so that in 1885, when Parliament found itself obliged to face the question of charitable institutions and hospitals, two great dangers had to be guarded against—too many local bodies and the killing of charity. The excessive multiplication of local bodies was fast becoming an intolerable evil; and yet it was a vital necessity that our charitable institutions and hospitals should be locally administered. The law passed in that year, with some amendments introduced in 1886, has been in operation ever since; and all the experience which has been gained in the working of it has only served to cast a strong light on the evils and the dangers which surround this problem. The Act attempted first of all to give effect to the prime necessity for local power based upon local taxation. This has been successfully achieved, and it is unquestionably the most statesmanlike step which has yet been taken in any of our Australasian Colonies in dealing with this question. What we possess owing to this law is at this moment the despair of New South Wales and Victoria. The old and incurably vicious system which prevailed here before 1885, under which political importunity was found to be successful in making up for the shortcomings of local charity, is still in full swing with them.

While, however, this great advance has been made, the excessive multiplication of local bodies has culminated in a *reductio ad absurdum* of the whole system, and it has become plain even to the dullest observer that contradictory tendencies cannot be successfully harnessed together even by a Parliament. In the creation of existing Charitable Aid Boards, the aim was to bind together large and important districts having a community of interests and easy means of intercommunication; but it was found necessary to make provision for the incorporation of separate institutions. The demand for this could not be resisted; and to illustrate how it has worked I cannot do better than set forth what has recently taken place in Auckland. The Auckland Charitable Aid Board has struggled gallantly to fulfil its difficult task of administering the various institutions within its province. It attempted to relieve all cases of genuine distress without at the same time sacrificing the ratepayers. There had been in existence in Auckland for many years an institution called the Ladies' Benevolent Society. This became a subsidiary organization under the Board, who handed over to it from year to year a proportion of the rates, on which a subsidy of £1 4s. in the pound was paid by the State. Finding itself compelled to adopt this society, while at the same time it was either unable