

Rates of Subsidy for each Pound of Contributions levied from Contributory Local Authorities.

Rateable Value per Head of the Population.	Rate of Levy per Head of the Population.					
	Under 2s.	Under 2s. 6d. but not under 2s.	Under 3s. but not under 2s. 6d.	Under 3s. 6d. but not under 3s.	Under 4s. but not under 3s. 6d.	Not under 4s.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Under £100	24 3	24 0	23 9	23 3	22 3	20 3
„ £150, but not under £100 ..	23 3	23 0	22 9	22 3	21 3	19 3
„ £200, „ £150 ..	22 3	22 0	21 9	21 3	20 3	18 3
„ £250, „ £200 ..	21 3	21 0	20 9	20 3	19 3	17 3
„ £300, „ £250 ..	20 3	20 0	19 9	19 3	18 3	16 3
„ £350, „ £300 ..	19 3	19 0	18 9	18 3	17 3	15 3
„ £400, „ £350 ..	18 3	18 0	17 9	17 3	16 3	14 3
„ £450, „ £400 ..	17 3	17 0	16 9	16 3	15 3	13 3
Not under £450	16 3	16 0	15 9	15 3	14 3	12 3

The object of this schedule of subsidies is to help the poorer districts, while at the same time penalizing extravagant administration. It will thus be seen that a poor district with a low rateable value per head gets a higher rate of subsidy than a rich district whose high rateable value also presupposes a less number of poor to be provided for; and if such rich district is extravagant in its expenditure, and has to levy at a high rate per head of its population, it receives a still lower subsidy.

Every claim for subsidy must be accompanied by a statutory declaration, made by the Chairman of the Board, verifying a statement of all material particulars.

5. *Payments by Persons relieved* (i.e., by *Hospital Patients*).—The amount derived from this source and from voluntary contributions last year met one-sixth of our total hospital expenditure.

There is no uniform hospital maintenance fee, the amount being fixed by each Board, and varying from one to three guineas per week. A Board has power to make persons pay according to their means for relief granted them.

6. *Voluntary Contributions*.—Prior to 1884, hospitals in the country were supported by voluntary contributions and Government subsidies. Since these institutions have been largely supported by the rates voluntary contributions have somewhat fallen. In 1883 voluntary contributions met one-seventh of our total hospital expenditure; last year voluntary contributions met one-ninth of this expenditure.

Government Control.

7. The Hospitals and Charitable Institutions, Public Health, Nurses and Midwives Registration, and allied Acts are administered by the Department of Public Health under the direction of the Minister of Public Health, with the Inspector-General of Hospitals (who is also Chief Health Officer for the Dominion) as the chief executive officer. This officer is assisted by District Health Officers, Assistant Inspectors, Sanitary Inspectors, &c.

The powers exercised by the Department over the Boards relate chiefly to matters of finance and audit. A certain degree of Ministerial control is given in respect to medical and other appointments by Boards, the framing of by-laws and expenditure on new buildings, and in regard to the more vital questions affecting the public health.

Subsidies are not given for purposes disapproved by the Department—*e.g.*, buildings not considered necessary. The Department has also power to withhold subsidies if Board neglect to provide institutions which the former considers necessary, the Department having the power in such respect to act in place of the Board.

All institutions in receipt of Government subsidy are open to inspection by the Inspector-General of Hospitals and his assistants. Hospital books are also open to the inspection of Government auditors.

8. *Mental Hospitals* are entirely under the control of the Mental Hospitals Department, and all expenditure on such hospitals is paid direct from the Consolidated Fund. The Department is under the control of the Minister of Public Health, the chief executive officer being the Inspector-General of Mental Hospitals. There are seven mental hospitals in the Dominion—six public and one private. A small charge is made to the friends of patients detained in these mental hospitals. The patients' friends are made to pay according to their means. The sum recovered from such fees only amounts to 32·61 per cent. of the total expenditure on these State-managed institutions.

*PART II.**Executive.*

9. So far as possible the Department acts in an advisory capacity, only exercising its prerogative where it is evident an abuse of the law is intended or has taken place.

Speaking generally, the Boards seem desirous of working with the Department, but are extremely jealous with regard to what they consider an invasion of their rights.