

## HOSPITAL DISTRICTS.

Para. 9. *The constitution and area of the present hospital districts, and whether the present grouping of local authorities in the various districts is the best and fairest method of distributing the cost of the base hospitals throughout the various local authorities.*

No evidence was submitted to your Commission to justify a recommendation of any change in the existing hospital districts, except in regard to the districts of Picton, Inangahua, and Waihi, which should be merged in larger districts.

The Wairau Hospital Board ask for the amalgamation of the Picton District with the Wairau District, on the grounds that "the greater portion of the sick from the Picton Road District, at any rate from that part contiguous to the Wairau Hospital District, comprising the closely settled district and Township of Tuamarina, go to the Wairau Hospital; again, the settlers from the Pelorus Sound (Sounds County) enter the cottage hospital at Havelock." "If these portions were cut off from the Picton Hospital District it would obviously render it too small to be worked with any degree of economy; consequently it will be better to amalgamate both bodies."

Your Commission believes that to be the actual position, and deems the amalgamation to be the right course.

The Inangahua Hospital District is a small community, and, while it has only an indifferent hospital service, it has been compelled to strike the heaviest rate of levy in the Dominion. Your Commission considers it will be in the best interest of that district to amalgamate with the Grey Hospital District.

Evidence given from the Waihi Hospital Board shows that it is in financial difficulties owing to a general mining slump, and your Commission considers it will be to the advantage of the district to amalgamate with the adjoining Thames Hospital District.

Your Commission also considers that in the case of a small hospital district conterminous with a county or borough boundary the contributory local body should also have the functions of the Hospital Board for the district, thus avoiding a Board election and effecting a saving in administration expenses.

Your Commission recommends that the Public Hospitals at Auckland, Wellington, Christchurch, and Dunedin be constituted base hospitals as indicated in paragraph 2 (b).

## HOSPITAL ECONOMIES.

Para. 10. *To what extent economy might be effected by the adoption of stricter business methods, more especially in the purchasing of medical and surgical supplies.*

## PURCHASING OF SUPPLIES.

(a.) Your Commission gave special attention to ascertaining in what respect economy might be effected in hospital administration. It was noted that hospital maintenance expenditure has more than doubled in five years. In 1914-15 the cost was £268,694; in 1919-20, £596,568.

As far back as 1911, at a conference of Hospital Boards, a resolution was passed, "That it is desirable that the Boards should combine for the purpose of letting a contract for supply of leading lines of drugs and dressings to the hospitals of the Dominion." Since then several attempts to bring about co-operative buying have been made, but unsuccessfully, owing partly to war conditions.

The largest Boards have shown an alertness in their system of purchasing that is commendable, but it is very doubtful whether, among the smaller Boards, any proper method of obtaining supplies prevails.

It was recognized throughout that buying in bulk, if properly carried out, would bring about a large saving, even to the Boards of the principal cities. The position from the large Boards' point of view was summed up by the secretary of the North Canterbury Board, who said, "The proposal to group the Hospital Boards together for the purpose of importing on a large scale is undoubtedly worthy of every consideration, but my opinion is that Boards themselves should have some voice as to the means by which such purchases are to be made."