

122. The evidence submitted indicates that there are too many established beds, too many occupied beds, the length of stay is excessive, and there is too much equipment for the needs of the population. All these defects are largely traceable to the multiplicity of Hospital Boards.

123. An investigation will show that many institutions are practically empty for the greater portion of the year. If overhead expenses were not going on perhaps this would not matter so much, but in these hospitals a full staff must be maintained. Lest this appear to be an exaggeration, a perusal of the hospital statistics published by the Department of Health will show that there are forty-one hospitals each with an average of less than five patients per day. To put it in another way, these forty-one hospitals combined have an average of 100·7 patients per day or 2·5 patients per hospital per day. To analyse further, there are twenty-two hospitals whose average occupancy is less than one-third of the total bed state, twelve hospitals where it is less than one-quarter, six where it is about one-eighth, and three where on the average nine-tenths of the beds are empty. It must be remembered that these are average figures, and it must happen that many of these hospitals must be entirely free from patients for considerable periods at a time. There are fifteen hospitals with an average of less than two patients per day and three with less than one, and the last class must accordingly be empty for long periods.

124. Many of the above-mentioned institutions serve country districts and a number are maternity hospitals. Some less expensive plan, however, could be devised for giving the necessary service by a more intense organization of the district nursing service and of transport. A similar type of service is given by the Bush Nursing Association in the State of Victoria. This organization is well thought out, and financed by public subscriptions.

125. When the foregoing figures are realized, the case for reform appears to be unanswerable, particularly when it can be obtained without sacrificing any of the efficiency which must be aimed at in a hospital system.

CHARITABLE AID.

Outdoor Relief.

126. We have so far made no reference to the question of charitable aid at present under the control of Hospital Boards, being of opinion that the administration of charitable relief should be divorced altogether from the hospital system.

127. In framing our recommendations for the reorganization of hospitals, we have throughout kept in view the possibility of recommending an alternative system for the administration of charitable relief. First of all, Hospital Boards as constituted, and there are forty-five of them in the Dominion, each cover too wide a district for the administration of charitable relief to be efficiently carried out. It is manifestly impossible for a Hospital Board to be so closely in touch with those in need of charitable relief in its whole district that it can exercise that amount of discrimination which is necessary in this branch of its activities. Similarly, it would be quite impossible for the reorganized hospital administration which we have outlined to undertake the distribution of charitable relief. The Hospital Boards, as already stated, have no direct responsibility for the raising of the funds they spend, and consequently there is not the same incentive to economical administration and efficient investigation which would be exercised were the distribution of charitable relief placed in the hands of the contributory local authorities. At least half of the funds distributed by Hospital Boards for charitable purposes is derived from local rates, and it should be the responsibility of the contributory local authorities to distribute relief to the needy in their districts. Furthermore, in view of the present organization of the Unemployment Board and the assistance which is being given by the Government, whatever additional charitable relief is required, beyond that supplied by the operation of the Unemployment Act, should be substantially a charge upon local rates. We accordingly recommend an amendment of the law to provide for the responsibility of the administration of charitable relief being placed on the local authorities who at present contribute towards hospital finance.

128. In normal times charitable relief should be substantially a charge on local rates, but under present conditions it would be impossible for the contributory local authorities to carry the burden. We accordingly recommend that the Government subsidy be fixed meantime at the rate of 10s. in the pound as suggested in connection with hospital administration.

129. There are 313 County Councils, Borough Councils, and Town Boards, and the officers of these local authorities should be able to obtain more authentic information in regard to the circumstances of applicants for relief than the Hospital Boards' officers can hope to obtain. This, in itself, seems to be sufficient reason why the administration of charitable relief should be placed in the hands of these contributory local authorities. Incidentally, they would have the direct responsibility of raising at least half of the money they disburse, and the ratepayers who find the money would have a greater measure of control in the spending of it.

SUMMARY OF RECOMMENDATIONS.

130. We summarize hereunder our recommendations for the reorganization of hospital administration, and, as many of the matters are technical in character, we have divided our recommendations into two parts, namely:—

- (1) Definite recommendations for reorganization.
- (2) Suggestions for consideration by the Board of Hospitals.