607. If it is impossible to arrange for the Hospital Boards to undertake the care of patients of this class in their own institutions, then we are of opinion that they should meet the cost of maintenance in the mental hospitals or in special institutions provided for the purpose. In any case, we are of opinion that it would be in the interests of economy to provide special institutions devoted exclusively to the care of these patients, as the annual maintenance costs of such institutions would be considerably less on a per-patient basis than is the cost in the mental hospitals.

(2) Mentally Defective Aliens and other Immigrants.

608. We also wish to comment on the number of patients of non-British races who are permanent mental defectives and likely to remain a charge on the community. At the end of last year there were at least 152 alien patients in residence, whose annual cost to the taxpayer is nearly £11,000.

609. It is pleasing to record that negotiations are in progress with a view to the repatriation of some of these aliens who are fit to travel, but the majority of the present inmates must continue to be provided for. We mention this matter, as it appears to be desirable that the law should be amended with a view to providing for the deportation of those who become insane within, say, five years of their arrival in the Dominion.

610. It is recognized that it is in many cases impossible for the Port Medical Officer to detect insanity, and under the present law once an immigrant has landed no further steps can be taken.

611. Total savings in all items of vote for 1932–33, £3,000.

VOTE—DEPARTMENT OF HEALTH.

612. The social services provided by the Department of Health have considerably increased during the last few years, and these extensions of activities must be remembered when comparing the expenditure in 1914–15 with that in 1930–31. The following statement will, however, illustrate the growth of the Department and of the expenditure since 1914–15 (exclusive of subsidies to Hospital Boards):—

1914–15.			1930-31.		
Salaries.	Other Charges.	Total.	Salaries.	Other Charges.	Total.
£ 19,690 Less cre	£ 51,839 dits-in-aid	$\begin{array}{c} £ \\ 71,529 \\ 10,769 \end{array}$	£ 152,214 Less crec	£ 196,142 lits-in-aid	£ 348,356 103,685
		£60,760		=	£244,671

- 613. There has been an abnormal increase in the net expenditure of this Department, and, while a portion of this is attributable to normal extensions, a large part of it is due to the inauguration of new services, such as school dental clinics, school medical service, increased subsidies to the Plunket Society, and the cost of other departmental institutions which were not in existence in 1914–15, such as King George V Hospital, Rotorua, Hanmer Hospital, &c.
- 614. It is particularly evident that in votes such as this, and vote Education, there is an increasing tendency on the part of the community to look to the State for the provision of extra social services which had never in the past been regarded as a responsibility of the State.
- 615. A drastic reduction in social services provided by the Health Department cannot be avoided, and we have accordingly considered the various activities of the Department with this end in view. Adequate economy can only be achieved by a drastic curtailment of social services.
- 616. The increase in the expenditure of the Department over 1914-15 is so great that it gives emphasis to the statement in our interim report that services which the Dominion could afford in more prosperous times must now of necessity be severely curtailed or even discontinued.

617. An analysis of the expenditure in detail follows:—

Item—Salaries, £132,935.

618. The appropriations show that the numerical strength of the staff in 1914–15 was 133, while in 1931–32 it had increased to 584. The best way to consider the expenditure on salaries is to review the various activities of the Department in which the staff is engaged. The increase in both the numerical strength and the expenditure in respect of salaries is startling.

619. There appears to have been a tendency to create more or less watertight compartments within this Department. For instance, the Department is broadly divided into Divisions, as follow:—

Division of Public Hygiene.

Division of Hospitals.

Division of Dental Hygiene.

Division of School Hygiene.

Division of Nursing.