From these classes many persons are discharged outright, cured, or ready for probation, and an average of thirteen a month are passed on to general utility work such as sewing-room, kitchens, laundry, carpenter's, plumber's, or engineer's shops, &c. All boot-repairs are now done by an occupational class.

The most striking benefits that are observable are that many wards are emptied of patients during occupational hours, that in deteriorated patients habit-training results in interest being evoked, that there is decreased necessity for restraint, and altogether there is a much more contented and happy community, which is good for both staff and patients.

We have benefited from the fact that the New Zealand Occupational Therapy School is established here. After a suitable amount of preparatory training, students are sent to many of the patients' classes, and this is of benefit to both trainees and patients—the former gain practical knowledge in the art of instruction, whilst the latter gain individual attention, which is of inestimable value, especially in recent cases.

Since the inauguration of the Occupational Therapy School in 1940, twenty trainees have been passed out, qualified by examination, to take up positions in mental and public hospitals throughout New Zealand. Sixteen students are at present undergoing their course of training.

Construction.—The Nurses' lecture-room and Occupational Training School block have been completed, and this undoubtedly facilitates training.

Some of the wards have been improved by the installation of sterilizers, and, in one case, a refrigerator. In this climate refrigerators are a real necessity throughout the hospital.

A modern kitchen is now in use in female 6 ward, providing better and hotter meals for the patients. I hope soon to be in the position to forward you suggested plans for the installation of similar kitchens in other parts of the institution, and also comprehensive plans for reconstruction of the more undesirable features in the hospital. Decentralization of the cooking is one of the first objectives. Once that is done, then we will be able to tackle the demolishing of the present main kitchen, and alter and improve the adjoining block containing the store and attendants' mess and sitting rooms.

I am assured by the District Public Works Architect that there are great possibilities for modernizing the whole hospital, and that this could be done at considerably less cost than the construction of a new hospital elsewhere.

During the year two new fowl-houses and a feed-shed were erected to replace buildings which had outlived their usefulness, and it is hoped that with the modern type of building and conditions there will be an improvement in the production of eggs for the hospital.

Two cinema machines are now installed, thanks to the generosity of Mr. D. Stern and members of the Grey Lynn Ladies' Committee. Weekly programmes are carried out, and every help has been given towards this form of entertainment by Mr. Norman Hayward, Mr. D. A. Turner, and the Film Exchange Association. The patients thoroughly enjoy the sessions.

We have lost, by retirement, the services of Matrons Mayze and Redman, and Head Attendants McKenzie and Mackie. All these people had been here for many years and very definitely left their mark on, and to the advantage, of the hospital. It was very hard to let them go, but they certainly deserved a very well earned rest.

Acknowledgments.—It is a great relief to have now a full staff of Medical Officers, but the shortage of other members of the staff continues to be serious. It puts a very great strain on those working, and I feel deeply grateful to them all for the unselfish manner in which they have continued to carry out their work.

I will also take the opportunity of thanking the Official Visitors and other friends interested in the welfare of the hospital for their continued helpful and encouraging support. I would specially like to mention the name of Mrs. Teape (Official Visitor), who has been very regular in her visits to the hospital.