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The first regulations made under this amendment are dated 14th May, 1947, and entitled Hospital Board Employees (Conditions of Employment) Regulations 1947, and state that the Minister may appoint advisory committees to advise him on the conditions of employment of employees, conditions subject to which leave of absence may be granted, rates of salaries, wages and other emoluments and increments payable, and on complaints or disputes that may arise. The committees are each to consist of a Chairman and up to five employees and an equal number of other persons, of whom at least half are members of Hospital Boards and the remainder of whom are officers of the Public Service.

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Steps are being taken to select the personnel of these committees, which should be functioning in the very near future.

OTHER CONTROLS

The above-mentioned amendments also gave power to make regulations to provide for the determination by the Minister of the maximum amount which a Board may spend during the then current or next ensuing financial year on any specified item or class of expenditure.

Powers were also taken to regulate the purchase, custody, issue, or other disposal of stores. Steps are being taken to prepare regulations implementing both these powers.

GENERAL

The above-mentioned controls are more than justified by the profound change in the system of finance. Moreover, it would seem that adequate departmental staff is very necessary.

With some Hospital Boards more than others there is undoubtedly evident a tendency to incur or to seek authority for expenditure which would not have been contemplated had not the rate been stabilized. It is likely that this tendency will increase.

TOTAL HOSPITAL BOARD EXPENDITURE

The actual payments by Hospital Boards last year (1946-47) were:

						£
Maintena	nce					 5,916,438
Capital		• •	• •		• •	 812,925
Total rev	enue p	ayments				 $\overline{6,729,363}$
Loan	• •	• •		• •	• •	 386,818
						£7,116,181

The receipts were £1,889,209 from levy on the ratepayers, almost all of the remainder of the receipts being from subsidy from the Consolidated Fund or amounts received from the Social Security Fund.

The above-mentioned figures do not include any expenditure on mental hospitals or on Government-controlled hospitals at Hanmer, Rotorua, and the St. Helens Hospitals, nor do they include the £251,581 paid from the Social Security Fund to private hospitals.