The accommodation at the State institutions and the patients on the register at the end of the year were distributed as follows:—

	Accommodation.			Patients.		
	Males.	Females.	Total.	Males.	Females.	Totals
Auckland	569	401	970	626	378	1,004
Christehurch	333	387	720	320	354	674
Dunedin (Seacliff and Wai- tati)	490	394	884	567	415	982
Hokitika	202	64	266	196	64	260
Nelson	101	117	218	82	108	190
Porirua	533	341	874	574	395	969
Tokanui	100	49	149	100	49	149
ľ	2,328	1,753	4,081	2,465	1,763	4,228
Ashburn Hall		··		21	24	45
Absent on probation, &c	••	•••	••	69	33	102
				2,555	1,820	4,375

Note.—The number of single patients under the Act (i.e., patients in private houses) is as yet too insignificant to include in the general statistics—1 male was in single care at the beginning of the year, 1 was added during the year, and 1 was transferred to a mental hospital.

These figures show an excess of patients over accommodation numbering 147 (m., 137; f., 10). For present purposes the female excess may be regarded as negligible, but the male excess means that among each group of dormitories, suitable for 200, 11 extra patients have had to be accommodated. In so stating the position it is necessary to point out that there cannot be an exactly even distribution of patients in different institutions in proportion to the available cubic space, and that the same applies to the different wards in which patients are classified in each institution. Not only in each institution but in each ward there should be a margin for contingencies. Since the date of this return there has been an increase of 40 in the number of patients, and the accommodation at the Wolfe Home, Auckland (48 beds), has been vacated for soldiers.

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On the other hand, a new unit (50 beds) has been occupied at Tokanui by transfers from other institutions, and another unit for 53 patients should be ready in August or September. The male reception cottage (15 beds) at Seacliff is now in occupation, and the reception and hospital blocks at Porirua and Sunnyside are approaching completion, and these will accommodate 200 patients. Moreover, additions are being made to the infirmary ward at Auckland.

These buildings will meet urgent requirements—in fact, theoretically, give us an excess of accommodation; but, as they are strictly for classification, there will be times when there are vacant beds in some wards and extra beds in others.

This year's building programme is a further contribution to classification. Among the plans prepared is one giving effect to your wish to meet the representations of relatives who are willing to pay considerably more for patients in whom they are interested than our maximum of one guinea a week. Touching this maximum payment it should be pointed out that if allowance were made for interest on buildings our cost per head would exceed the maximum we are permitted to charge, and very much so in the case of patients needing any special observation or care. Doubtless present conditions accentuate the difference between the maximum payment and the cost of maintenance, but even in normal times 3s. a day is inadequate to cover the cost of the majority of patients. The time has come to consider the revising of the maximum. To increase it would make no difference to those who cannot afford it, but persons who can afford to pay more adequately should be charged more according to their means up to the new maximum. Of course, this refers to the general body of the patients, and not to the few for whom it is proposed to provide special accommodation. In their case a minimum would be fixed and there would be no maximum, payment being dependent on the needs and circumstances of each case.

It should be pointed out that we receive contributions towards the maintenance of about one-third of the patients. The remaining two-thirds have either no estate or no relatives in a position to contribute.

The amount collected by the Receiver in 1916 was £47,820, or an average of £11 6s. $8\frac{3}{4}$ d. per head of the average number of inmates. This is our highest record, and a very creditable achievement. The average last year was £10 7s. $7\frac{1}{2}$ d.

The farms in connection with the institutions have done well. The expenditure of £16,688 exceeds the value of our farm-produce consumed in the institutions by £44 only, and in addition £8,639 has been received in each for sales, leaving a net profit of £8,595.

When this sum and the amount received for the maintenance of patients and other receipts, such as refunds for medical certificates, are deducted from the total cost per patient, the average net cost per patient during the year works out at £32 9s. $2\frac{1}{2}$ d.