

must not, however, be supposed that such is an example of the typical Secretary, especially those of the large centres. Many Board Secretaries are both energetic and efficient officers in the highest degree, fully conversant with all the intricate details of hospital economics and the prevention of waste, and of such officers the Department is keenly appreciative.

Nor must it be supposed that members of Boards are necessarily neglectful of their functions. This is especially the case as regards the Chairmen, the majority of whom devote a very considerable amount of their time and energies to the affairs of the Boards, oftentimes to the detriment of their own affairs. It is not, however, necessary that members of Boards, or even the Chairmen, should take active steps in the detailed administration, but it is necessary that they, together with the Department, be satisfied that the administration is being carried out on sound lines and upon the policy decided upon. In this spirit there should be no cause for any resentment against the inspectorial activities of the Department, nor its insistence upon correct statistics of costs being furnished, as such information is not only for the protection of the Consolidated Fund, which, after all, is provided by the public, but for the protection of the ratepayers, whom members of the Board represent. It must be remembered that these ratepayers in their other capacity as taxpayers are contributing towards the subsidy paid by the Government, and their representatives should therefore as much as possible work in sympathy with the Department. The position and functions of members of the Boards is admirably set forth in an article in the current number of the *Modern Hospital* on the functions of hospital trustees, of which the following is an extract:—

“But if the Superintendent is responsible for administration and the staff for treatment, what is left for the trustees? The highly indispensable function of seeing that these and all other responsibilities are properly met. There used to be—and perhaps there still is in some quarters—a feeling prevalent in the medical and administrative staff that a Board of Trustees, except so far as it was necessary for the raising of money, was a concession to convention, which made itself an active nuisance in proportion as it took itself seriously. The best Board of Trustees was the one which approached the nearest to being a nonentity. A Superintendent who knew his business should not be called to account by a non-expert body like a Board of Trustees; no more should a competent medical staff.

“The tendency of the expert to resist and even to resent lay control is natural and perennial; it is justified wherever the layman presumes to pass judgment of technical method; it is not justified where the layman asks for an accounting on results. The expert, be he or she a cook, a chauffeur, a lawyer, a physician, or a nurse, is the servant of the lay public or some portion thereof, and as such is answerable for results. We may not be able to instruct our cooks how to make a pudding, our chauffeurs how to run an automobile, still less our lawyers how to handle our legal business and our physicians and nurses to handle our cases of illness. We are, however, justified in demanding of any of these experts that they continuously show us proof of their competence. It is good for them; it is good for any of us to know that we are thus continuously held to accountability—that our good work is appreciated and our bad condemned.”

During the past year the Department has given further consideration to the question of subsidies, and the Minister instructed that an amendment of the Act should be drafted embodying a scale of subsidies in which half the net maintenance expenditure of Hospital Boards would be borne by the Government, or, in other words, an average subsidy of £1 for £1 is guaranteed no matter what the aggregate maintenance expenditure amounts to. The subsidy, however, to individual Boards would be based upon a sliding scale above and below such average according to the needs of the district—i.e., a district whose hospital levy is above the average rate of levy in the pound on rateable capital value would receive over pound-for-pound subsidy, and the district whose rate of levy is under the average would receive less than £1 for £1, thus tending to equalize the burden on rates throughout the Dominion.

The Department recognizes that it cannot, as under the present scheme of subsidy, rely upon arbitrary figures as being determining factors as to whether a Board's administration is extravagant or economical, nor, indeed, in view of the foregoing can it rely upon a penalizing scale of subsidy for checking extravagance in expenditure. It recognizes that the subsidy must be given according to a Board's needs, and that it lies with the Department by close supervision and inspection to prevent negligence or extravagance. The Department is at present obtaining belated returns from Boards, which in many instances ensure no more than rough comparisons between institutions, and only show the main directions of increase in expenditure. The mere publication of such records, even if they were reliable and were compiled upon a consistent basis, is of no value by itself, and requires to be associated with regular and systematic inspection of the business administration of the Boards.

To this end applications were called for the position of Lay Inspector of Hospitals—i.e., an Inspecting House Steward—who would be known as the Inspector of Supplies and Establishment, and this appointment was being considered when the influenza epidemic broke out. Nothing, however, could be done, and the whole matter was recently reconsidered, when it was decided that there was need for two appointments—viz., that of an Inspecting Accountant to thoroughly investigate and report upon more particularly the office side of Boards' administration, and an Inspector, to report upon the domestic and establishment side of the institutions themselves.

The appointment of a Purchasing Officer was also considered to assist Boards in obtaining their supplies to the best advantage.

The Department has already taken steps in regard to the appointment of the Inspecting Accountant and the Purchasing Officer. It will be the duty of the first-named officer to promote efficient office methods, uniformity in the preparation of returns, and promptness in the furnish-