however, has no relation to the amount actually paid, which amounted to £71,000 more than the estimates. This was due to the subsidy on voluntary contributions, amounting to over £17,000 more than the previous year, and also the fact that despite the general complaint of Hospital Boards that they were unable to obtain payment of their levies from the contributory local authorities, and consequently obtain subsidy thereon, the amount outstanding at the 31st March was some £21,000 less than the previous year. The Department had anticipated that it would be at least £20,000 more, and had cut its estimates accordingly.

It is gratifying to note that the present indications go to show that the net estimated requirements of Hospital Boards for 1922–23 will not result in an increase, but in many cases are less than the previous year, and, generally speaking, a halt has been made in the somewhat alarming annual increase in expenditure of Hospital Boards and the consequent subsidy thereon.

For the first time, this year Boards' estimates of their capital requirements were considered *en bloc*, it having been found that once a Board's estimates had been approved and the money provided by way of levy and subsidy little reason could be urged against the expenditure being undertaken. The present method, therefore, enables the Department to view as a whole the Dominion proposals for the erection of hospitals or additions thereto, and, if the proposals result in too heavy a cost, to ensure the postponement of all but absolutely essential works. A few years ago it was the exception to find a Board raising a loan for capital works, it being possible to finance such work, in most cases, out of the annual capital levy and subsidy. Now, however, few Boards can stand the heavy burden in one year of the capital expenditure required to keep our institutions up-to-date, or to replace obsolete buildings for those suitable to meet the growth of the population and the advancement in medical and surgical requirements. Boards, therefore, have perforce had to have recourse to borrowing, and thus spread the cost over a number of years. This naturally tends, for the present, to lighten the burden on the ratepayers and the Consolidated Fund; but the fact must not be lost sight of that the amount of loans raised annually show no signs of diminishing, and the piling-up of the annual payment of interest and sinking fund year after year will eventually become a very heavy burden on both the Consolidated Fund and the rates. For this reason, and having in view the present high rates of interest that are ruling, Boards have been advised not to spread their loans over too long a period, and as far as possible to make them for ten years. Few, if any, Boards would be unable to repay by levy and subsidy a loan of, say, £10,000 in ten years, and therefore there seems to be no reason for their borrowing such sums for twenty years or longer at 6½ per cent. It might possibly be a good step if the larger Boards at any rate were to combine their loan requirements with the view to facilitating the loan flotation, reducing the expense of advertising, &c., and tending to make them independent of local facilities for borrowing if more desirable, or preferably to raise their money elsewhere.

SECTION 3.—DIVISIONAL REPORTS.

Hospitals.

I would ask that all Medical Superintendents and medical practitioners in touch with public hospital activities should read the valuable and detailed report by the Director of the Division of Hospitals relative to hospital records and the "minimum standard" for hospitals. I have nothing to add to these comments but to express a hope that more adequate attention will be paid to such vital considerations. They are paramount essentials towards the good management and efficiency of any hospital.

Dr. Wylie deals with many other matters of moment. In particular must be mentioned the appeal to all concerned to secure the admission of patients to sanatoria in the early stages of the disease. I recognize that the consumptive is usually very hopeful. His friends may say he is not looking so well, to which he answers, "Oh, I've only a bad cold—I'm getting over it all right." He puts off the day of consulting a doctor. What I want to stress is that every patient, every patient's friend, and every doctor will use every endeavour to make use of sanatorium treatment so soon as the nature of the disease is definitely ascertained.

Child Welfare.

The name of Dr. Truby King, the Director, Division of Child Welfare, is a household word in this country, and his report will be read with much interest. Dr. King's work is principally in the field that is now known as "propaganda." His lectures to mothers, nurses, and midwives, and other sections of the public, will doubtless bear fruit, and I sincerely trust that as a result of his energies the deaths of all babies after the first month of age will, in this country, be brought down another third in the near future—a truly magnificent mark to aim at.

School Hygiene.

The report of Dr. Wilkins, Director, Division of School Hygiene, will be read with interest. Specially do I commend his remarks as to the necessity of invoking the sympathy of parents in the work of the School Medical Officers; and, though I realize it must largely be left to the discretion of the School Medical Officers as to how this can best be done, I have no doubt from personal experience that the best scheme is to notify parents when their children are to be inspected and invite them to be present during the examination.

I quite agree with Dr. Wilkins as to the school nurse if her energies are properly directed. The school nurse has an opportunity of getting right down to the most important facts regarding the home life and environment of the child, which has so important a bearing on its health. In fact, the school nurse should combine the part of the Health Visitor as in the Public Health Service of the