Purchase of Supplies.

112. Under present conditions it is the practice of some of the smaller Boards, and even to some extent of the larger ones, to buy retail. With the reorganization of the hospital system it should be possible to inaugurate a system of buying in bulk, both as regards indented and local supplies, and suppliers could ship or deliver direct to stated hospitals, although the placing of orders could be done through a central organization. The principle of buying in bulk, if generally adopted, would result in very considerable economy.

113. Furthermore, the standardization of hospital supplies is a very necessary factor in securing economy, and was specially commented upon by Dr. MacEachern in his report to the Victorian Government on the hospital system of Victoria. The doctor stated that this is an exceedingly important matter to-day in all institutions from the standpoint of economy and efficiency. He instanced what had been accomplished by the American Hospital Association co-operating with the Bureau of Standards of the Department of Commerce at Washington, and stated that as a result of field study, expert advice, and conference with manufacturers and consumers, such accomplishments as the following had resulted: 88 different sizes of hospital-beds had been reduced to 4 standard sizes, 78 different sizes of hospital blankets had been reduced to 12 standard sizes, and 700 varieties of hospital chinaware had been reduced to 160 varieties.

114. Some of the findings of Dr. MacEachern in his report on the Victorian hospitals might be cited as follow:—

22 different sizes of bed-covers;
54 ,, draw-sheets;
11 ,, bed-sheets;
20 ,, pillows;
51 ,, towels;
30 ,, face-towels; and
39 ,, bath-towels:

and there might be added to the foregoing a long list of other articles in daily use in hospitals which can be readily standardized.

115. It is well recognized in the commercial world that standardization of this kind is essential to the successful conduct of modern business, but in no field is it more necessary than that of hospitals.

General Remarks.

116. Before proceeding to summarize our recommendations, perhaps it would be as well to throw into greater relief some of the reasons why we have considered it necessary to recommend a reorganization of the system.

117. In the first place, we wish to acknowledge that we have obtained considerable assistance in our investigations from the report presented by Dr. MacEachern to the New Zealand Branch of the British Medical Association, and, while not subscribing to all of the recommendations made, **we are in complete agreement with the author in stating that—**

(1) **A Board of Hospitals should be created:**
(2) **The number of hospital districts should be reduced to a minimum:**
(3) **Complete medical and surgical records of each patient should be kept:**
(4) **Hospital buying and stores should be standardized:**
(5) **Greater regard should be paid to the collection of patients' fees.**

118. The table given at the commencement of this report, showing the alarming rise in cost of administration, furnishes indisputable evidence of the urgent necessity for a drastic reduction in hospital costs. We feel sure that this fact will be appreciated just as much by contributory local authorities as by the general taxpayer.

119. Official reports which have been made to the Government over a long period of years have advocated reforms of various kinds. For example, as long ago as 1887 it was stated by the late Dr. McGregor, the then Inspector of Hospitals, that a certain unnecessary hospital should be closed. This hospital to-day is still in existence, and under the scheme of reorganization as now proposed it would cease to exist.

120. In 1905 the same Inspector-General also stated that every year, in spite of his incessant efforts to prevent undue multiplication of hospitals and other institutional foci of charity, vicarious because raised by taxation, their number went on increasing. He went on to state that the smaller hospitals should be closed as the means of communication made it possible, and that only cottage hospitals should be maintained in many places where fully equipped modern institutions were aimed at. Even in 1905, therefore, the need for reform was obvious to those in authority. Again in 1906 the same official drew attention to the multiplication of fully equipped hospitals in districts that required not more than a small cottage hospital as a centre of activity for a trained nurse. He stated that the tendency was increasingly evident and, notwithstanding remonstrances, local ambition or jealousy nearly always triumphed over respect for the taxpayer.

121. It is significant that at a conference on hospital policy held in 1926 at which the New Zealand Branch of the British Medical Association, the Hospital Boards, and the Health Department were represented, the political question was mentioned, and the present Chairman of the Hospital Boards Association stated "the political side never enters into the question with a Hospital Board, but hospital matters do enter the field of general politics. **That has been the cause of dividing districts which should never have been divided."** The same authority said that he had long been convinced **that we have too many small hospitals which lead to expensive and inefficient administration.**