# Hon. Mr. Parr.

# HOSPITALS AND CHARITABLE INSTITUTIONS AMENDMENT (No. 2).

#### ANALYSIS.

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# A BILL INTITULED

An Acr to amend the Hospitals and Charitable Institutions Act, Title. 1909.

BE IT ENACTED by the General Assembly of New Zealand 5 in Parliament assembled, and by the authority of the same, as follows:—

1. (1.) This Act may be cited as the Hospitals and Charitable Short Title. Institutions Amendment Act, 1920, and shall be read together with and deemed part of the Hospitals and Charitable Institutions Act, 10 1909 (hereinafter referred to as the principal Act).

(2.) This Act shall come into force on the first day of April, Commencement. nineteen hundred and twenty-one.

No. 106-2.

Interpretation.

Consequential repeal.

Director-General of Health to be Inspector-General of Hospitals.

Consequential amendment.

Hospital and Charitable Aid Boards hereafter to be known as Hospital Boards.

Remuneration of Chairman.

Hospital Boards may be required to appoint doctors and nurses for treatment of persons, whether in hospitals or elsewhere.

Boards to furnish estimates of receipts and expenditure.

2. (1.) For the purposes of the principal Act references to "the Minister" shall, on and after the commencement of this Act, unless the context otherwise requires, be deemed to be references to the Minister of Health.

(2.) Section two of the principal Act is hereby amended by

repealing the definition of the term "Minister."

3. (1.) All references in the principal Act or in any other Act to the Inspector-General of Hospitals shall, on and after the commencement of this Act, be deemed to be references to the Director-General of Health under the Health Act, 1920.

(2.) The authority to act for the Director-General of Health in the event of a vacancy in his office or of his absence from duty, conferred on the Deputy Director-General of Health by the Health Act, 1920, shall extend and apply with respect to the powers of the Director-General under and for the purposes of the principal Act.

(3.) In case of the absence from duty of both the Director-General and the Deputy Director-General, the Director of the Division of Hospitals appointed under the Health Act, 1920, shall be charged with the duties of the Director-General in respect of the principal Act.

(4.) Section seventy-three of the principal Act is hereby amended by omitting from subsection one the words "an Inspector-General of Hospitals, and "; and by repealing subsection four thereof.

4. (1.) Section eight of the principal Act is hereby amended by omitting the words "and Charitable Aid" wherever those words 25 occur in that section.

(2.) All references in the principal Act or in any other Act to a Hospital and Charitable Aid Board shall, on and after the commencement of this Act, be deemed to be references to a Hospital Board.

(3.) The corporate existence or identity of any Board under the principal Act shall not be affected by this section, but every such Board shall continue to be for all purposes the same Board as before the commencement of this Act.

5. A Hospital Board may pay to the Chairman of the Board, by 35 way of remuneration for his services, such sum as it thinks fit, not exceeding one hundred pounds in respect of any financial year.

6. It shall be the duty of every Hospital Board to appoint such number of medical practitioners, nurses, and midwives as the Director-General of Health may from time to time deem necessary 40 for the care and treatment of persons in the district of the Board, whether within an institution under the control of the Board or elsewhere within the district.

Struck out.

7. (1.) Every Hospital Board shall, for each financial year, make an estimate in the prescribed form of the amount of its expenditure for all purposes and of its receipts in that year.

(2.) The estimate aforesaid shall be confirmed at a special meeting of the Board to be held on or before the eighteenth day of April of the year to which the estimate relates.

(3.) The estimate, as confirmed by the Board, shall be forwarded to the Minister on or before the twenty-first day of April of the same year, and the Minister may, if he thinks it necessary so to do, require the Board to amend the estimate so as to comply with the provisions of this Act or of any regulations.

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(4.) If any Board fails to make an estimate of its receipts and expenditure as aforesaid for any year, or to furnish the same to the Minister as required by this Act, or to amend the same in accordance with the requirements of the Minister, the Board shall not be entitled to claim any subsidy under the principal Act, anything to the contrary in that Act notwithstanding.

(5.) In case of default by any Board as aforesaid, the Minister may, for the purposes of the apportionment of subsidies among all the Boards as provided in the Schedule to this Act, make such 10 jestimate as he considers proper of the receipts and expenditure of the

Board so making default.

(6.) In this section the term "expenditure" shall extend to and include "capital expenditure" as well as recurrent expenditure, and the term "receipts" shall extend to and include all moneys in the hands of the Board at the commencement of the financial year, and all capital moneys received by the Board during that year as well as other receipts.

8. Every estimate under the last preceding section shall include the amount, if any, of any deficiency in the revenues of the Board during the preceding or any former financial year, and the amount of the deficiency so estimated shall be deemed to form part of the expenditure of the Board in the year to which the estimate relates.

9. From the amount of expenditure estimated in accordance with the foregoing provisions of this Act there shall be deducted the estimated receipts of the Board during the same year from all sources other than contributions to be levied from contributory local authorities and subsidies payable out of the Consolidated Fund in respect of those contributions; and the remainder, after making such deduction, is hereinafter referred to as the net estimated expenditure:

Provided that in respect of any particular item of expenditure no receipts shall be so deducted, except such receipts as it is lawful and reasonable for the Board to appropriate to the item of expenditure

during the financial year.

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10. (1.) The net estimated expenditure of the Board, after deducting therefrom the amount estimated by the Minister of Finance as the amount receivable by the Board from the Consolidated Fund by way of subsidy in respect of the contributions of local authorities, shall be apportioned by the Board among the contributory local authorities within its district in proportion to the capital value of the rateable property in each contributory district as determined by the Valuer-General under the Valuation of Land Act, 1908.

(2.) On making such apportionment the Board shall furnish to each contributory local authority a statement setting forth—

(a.) The Board's receipts and payments in the preceding financial year; and

(b.) The Board's estimated receipts and payments for the current financial year, and the amount apportioned to each of the contributory local authorities.

11. (1.) The amount so apportioned by the Board to any contributory local authority shall constitute a debt payable by the corporation of that authority to the Board, and may be recovered by the Board by action in any Court of competent jurisdiction.

Estimate to include deficiency of estimate for preceding year.

Net estimated expenditure.

Apportionment of net estimated expenditure among contributory local authorities.

Recovery of contributions.

(2.) The said amount shall be payable to the Board by equal quarterly instalments, and such instalments shall be due respectively on the last days of June, September, December, and March in the financial year for which the apportionment is made.

(3.) Interest, at such rate as the Minister of Finance may from time to time decide, shall be payable by the local authority to the Board on the amount of any instalment, or part thereof, due and for

the time being unpaid.

12. If any contributory local authority fails to pay the required contribution, or any part thereof, the Minister of Finance, on the application of the Board, may deduct from the subsidies payable to that local authority under any Act or authority a sum equal to the amount of the contribution or to the part so remaining unpaid, together with interest thereon at the rate fixed by the Minister of Finance under the last preceding section, and may pay the same to the Hospital Board in satisfaction or part satisfaction of the contribution so due by the contributory local authority.

13. (1.) Every contributory local authority liable to pay any contribution under the foregoing provisions of this Act may pay the same out of its ordinary funds, or may, if it thinks fit, in addition to its other rating powers, raise the required amount by a rate to be

made and levied for that purpose.

(2.) When the Board certifies to any contributory local authority that the whole or any part of any contribution so required from that local authority is required for the purpose of acquiring land as a site for any building, or for the erection of any building, or for making additions or alterations to any building, or as capital expenditure for any other purpose, the local authority, if it thinks fit, instead of raising in manner aforesaid the amount so certified to be required for any such purpose, may, by special order, raise that amount, or any part thereof, by way of special loan under the Local Bodies' Loans Act, 1913, without taking the steps prescribed by sections eight to twelve of that Act.

14. (1.) If at any time during any financial year it appears to the Board that its estimated expenditure (other than capital expenditure) for that year is less than the expenditure (other than capital expenditure) actually incurred or proposed to be incurred by it for that year, the Minister of Finance may, on application by the Board and without further appropriation than this Act, pay to the Board out of the Consolidated Fund the deficiency or any part thereof.

(2.) The amount so paid to the Board shall be deducted by the Minister from the subsidy payable to that Board in respect of the next financial year.

15. Sections seven to fourteen hereof are in substitution for sections forty-one and forty-two of the principal Act, and those sections and also section eight of the Hospitals and Charitable Institutions Amendment Act, 1913, are hereby repealed accordingly.

16. Section forty-three of the principal Act is hereby amended by inserting, after the words "When any contributions," the words "for capital expenditure."

Amount of unpaid contributions may be deducted from subsidies payable to contributory local authority.

Contributory local authority may pay contribution out of general fund.

In certain cases local authority may raise special loan for payment of contribution.

In case of deficiency of Board's estimate of expenditure, Minister may advance amount on account of subsidy for following year.

Consequential repeals.

Section 43 of principal Act amended.

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17. Section forty-five of the principal Act is hereby amended by inserting, after the words "additions to buildings," the words "or otherwise by way of capital expenditure."

18. Section forty-six of the principal Act is hereby amended by 5 omitting from subsection two the words "not exceeding three." Struck out.

Section 45 of principal Act amended.

Section 46 of principal Act amended.

Limitation of borrowing-powers

19. (1.) Section fifty-seven of the principal Act is hereby amended by omitting from subsection one the words "alterations or repairs," and substituting the words "or alterations."

(2.) The authority to borrow money conferred on the Board by section fifty-seven of the principal Act shall not, after the commencement of this Act, be exercised in any case save with the precedent approval of the Minister and subject to such conditions as the Minister may impose.

New.

19A. (1.) For the purpose of erecting buildings or of making Borrowingadditions or alterations to buildings, or of purchasing land, or of mortgage or charge any land vested in it, but no such debenture, and no mortgage or charge, shall contain or imply any power of sale

(2.) For the purpose of meeting ordinary recurrent expenditure the Board may, with the precedent approval of the Minister and subject to such conditions as the Minister may impose, borrow money by way of bank overdraft, but the amount of any such overdraft shall not at any time in any financial year exceed the total amount of the contributions payable to the Board by contributory local authorities during that year and then unpaid, together with the estimated amount receivable by the Board during that year by way of subsidy under section thirty eight of the principal Act and then unpaid.

(3.) For the purpose of the issue of debentures as herein provided, the Hospital Board shall be deemed to be a local authority within the meaning of the Local Bodies' Loans Act, 1913, save that it shall not be necessary in any such case to take the steps prescribed by sections eight to twelve of that Act. In particular, but without limiting the general application of the said Act, the provisions of sections twenty-six to fifty-five thereof, and of Parts IV, V, and VI thereof, shall, with the necessary modifications, apply with respect to the issue of debentures by Hospital Boards under the authority of this section:

Provided that the limitation imposed by section seventy-seven of the said Act (relating to State-guaranteed loans) shall not apply with respect to the guarantee of debentures issued under this section.

paying off any loan which has theretofore been raised by the Board, or for which the Board is liable, or for any other purposes of capital expenditure, a Hospital Board may, with the precedent approval of the Minister and subject to such conditions as the Minister may impose, borrow money, whether by way of bank overdraft or in any other manner; and as security for any such loan the Board may, with the consent of the Minister, issue debentures or

of any land which the Board has no power to sell.

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Boards defined.

(4.) The provisions of section eighty-five of the said Act, as applied by this Act, shall be deemed to authorize the investment by the Public Trustee of moneys belonging to the Common Fund of the Public Trust Office, notwithstanding anything to the contrary in the Public Trust Office Act, 1908.

(5.) Any Receiver appointed under section forty-six of the Local Bodies' Loans Act, 1913, in respect of a loan for which debentures have been issued under this section may, in the name and on behalf of the contributory local authorities, make and levy any special rates that may be necessary to meet all payments under such debentures.

(6.) In the apportionment of its expenditure for any year among the contributory local authorities the Board shall include the annual charges for the payment of interest and for the repayment of principal in report of any dependence is greatly under this section.

in respect of any debentures issued under this section.

(7.) This section is in substitution for section fifty-seven of the 15 principal Act, and that section is hereby accordingly repealed.

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20. In addition to the powers conferred on Boards by section sixty of the principal Act, but subject to the provisions of that section, any Board may apply moneys in its hands for any of the purposes following:—

(a.) The establishment, subject to the approval of the Minister,

of bursaries for students of nursing or massage:

(b.) The provision, subject to the approval of the Minister, of pensions on retirement for any officers and servants of the Board:

Provided that no such pension shall exceed the rate of *two* pounds a week, or be payable to any person who has had less than *ten* years' continuous employment in the service of the Board.

21. Section sixty of the principal Act shall not be so construed 30 as to authorize the payment by the Board for purposes other than capital expenditure of any moneys available only for capital expenditure, or to apply for purposes other than maintenance moneys available only for maintenance.

22. Section sixty-one of the principal Act is hereby amended as 35

follows :---

(a.) By inserting after the words "to any building" in subsection three, the words "and no capital expenditure for any other purpose in excess of the said amount shall be incurred"; and

(b.) By omitting from the same subsection the words "or alteration," and substituting the words "alteration or

expenditure."

23. In addition to the powers to make by-laws conferred on Boards by section sixty-five of the principal Act, any Board may 45 make by-laws under that section prescribing scales of fees to be paid in respect of relief granted by the Board, whether in an institution or elsewhere, and generally for the purpose of enabling the Board to carry out any of the functions of the Board.

24. Section sixty-nine of the principal Act is hereby amended 50 by inserting, after the words "in the form prescribed by regulations" in subsection one, the words "of its income and expenditure and."

Consequential repeal.

Additional powers of expenditure of Board's funds.

Moneys available for capital and maintenance expenditure respectively not to be diverted for other purposes.

Further restrictions on Board's powers of expenditure.

Additional powers of Board to make by-laws.

Section 69 of principal Act (relative to accounts to be kept by Board) amended.

25. (1.) Every contract under subsection four of section seventy contracts under of the principal Act entered into by any Board after the commencement of this Act shall be subject to the approval of the Minister.

(2.) The existence of any such contract shall not be deemed to subject to approval debar the Board in its discretion from charging in respect of relief afforded to any person an amount less than the cost specified in that contract in respect of such relief.

26. For the purposes of section seventy-two of the principal section 72 of Act, any question as to the place of residence of a child under the principal Act 10 age of five years, or as to the period of residence of any such child in any district, shall be determined by reference to the place of residence of the parents or guardians of the child, and the place of residence of the parents or guardians shall be deemed to be the place of residence of the child.

27. (1.) The power to inspect institutions conferred by section Extension of powers seventy-four of the principal Act shall extend so as to authorize the of inspection of institutions. inspection of all premises connected with any institution or under

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the control of a Board.

section 70 of

of Minister.

principal Act to be

(2.) The Director of the Division of Hospitals and the Director 20 of the Division of Nursing, respectively appointed under the Health Act, 1920, shall have the powers of visitation and inspection conferred on the Director-General of Health and on Assistant Inspectors by section seventy-four of the principal Act as extended by this Act, and the provisions of that section shall apply to such visitation and 25 inspection accordingly.

28. (1.) The powers conferred on the Director-General of Director of Hospitals Health by section seventy-five of the principal Act, as amended by may summon matters of H this Act, are hereby also conferred on and may be exercised by the Board. Director of the Division of Hospitals under the Health Act, 1920.

(2.) Any other officer of the Department of Health, authorized in that behalf by the Director-General, shall be entitled to be present at any meeting of a Board or of any committee of a Board, and to speak at any such meeting, but shall not take any other part in the proceedings thereof.

29. Section seventy-six of the principal Act is hereby amended Repeal. by repealing subsection one thereof.

30. Sections eighty-five and eighty-six of the principal Act are Repeals.

hereby repealed. 31. In addition to the provisions of the principal Act specified Provisions

40 in the Seventh Schedule to that Act the following provisions shall, separate with the necessary modifications, apply to a separate institution and institutions. to the Trustees and corporation thereof respectively, namely: Struck out.

(a.) Sections twenty-three, twenty-five, twenty-six, and twentyseven of the principal Act;

Subsection three of section sixty-one of the principal Act; Struck out.

Subsection two of section sixty-three of the principal Act;

(d.) Sections nine and eighteen of the Hospitals and Charitable Institutions Amendment Act, 1913; and

(e.) Sections six, twenty-three, twenty-five, twenty-seven, and twenty-eight of this Act.

# Struck out.

32. Section one hundred and eight of the principal Act is hereby amended by adding to paragraph (g) of subsection one the words "and a statement of the purposes for which all rooms in the hospital are proposed to be used."

33. The Fourth Schedule to the principal Act is hereby

repealed, and the Schedule to this Act substituted therefor.

34. Section twelve of the Hospitals and Charitable Institutions Amendment Act, 1913 (authorizing the establishment of building

0 | funds) is hereby repealed.

35. It shall be the duty of every Hospital Board, when so directed by the Minister, to allow to all nurses in the service of the Board freedom from their professional duties for such periods, not exceeding twenty-four hours in any case, and at such intervals as the Minister may determine.

Additional particulars to be supplied by applicant for license for private hospital.

Amended provisions as to subsidies on expenditure other than capital expenditure.

Repeal.

Hours of employment of nurses in public hospitals.

Power to make regulations for benefit of nurses,

#### New

35A. The power to make regulations conferred on the Governor-General by section one hundred and twenty-seven of the principal Act shall extend so as to authorize the making of regulations for the protection of the interests and the promotion of the welfare of nurses engaged in public hospitals.

(2.) Regulations under this section may relate to the accommodation to be provided for nurses, the leave of absence from duty to be from time to time allowed, the working-conditions, and generally

such other matters as the Governor-General thinks fit.

35B. Section two of the Hospitals and Charitable Institutions Amendment Act, 1915, is hereby amended by omitting from subsection one the words "one shilling per mile (reckoned one way only) calculated from the place of residence of the member," and substituting the words "such rate as may be prescribed in that behalf by the Governor-General in Council."

# 427.

# Struck out.

## SCHEDULE.

Schedule.

RATES OF SUBSIDY FOR EACH ONE POUND OF CONTRIBUTIONS LEVIED FROM CONTRIBUTORY LOCAL AUTHORITIES IN RESPECT OF MAINTENANCE EXPENDITURE.

First Column: Determining Ratio.				Second Column: Provisional Rate of Subsidy.	
				1 8.	d.
350/120ths, and upwards	•••			28	0
335/120ths, but less than 350/120ths				27	6
320/120ths, but less than $335/120$ ths			•	27	0
305/120ths, but less than 320/120ths	•••			26	6
290/120ths, but less than 305/120ths			• • •	26	0
275/120ths, but less than 290/120ths		•••		25	6
260/120ths, but less than 275/120ths				25	0
245/120ths, but less than 260/120ths				24	6
230/120ths, but less than 245/120ths				24	0
215/120ths, but less than 230/120ths			•••	23	6
200/120ths, but less than 215/120ths			•••	23	0
185/120ths, but less than 200/120ths				22	6
170/120ths, but less than $185/120$ ths				22	0
155/120ths, but less than 170/120ths	•••			21	6
140/120ths, but less than 155/120ths		•••	•••	21	0
125/120ths, but less than $140/120$ ths			•••	20	6
15/120ths, but less than 125/120ths	•••		•••	20	Õ
10/120ths, but less than 115/120ths	•••			19	6
05/120ths, but less than 110/120ths				19	ŏ
100/120ths, but less than 105/120ths	•••	•••		18	6
95/120ths, but less than 100/120ths		•••		18	ŏ
90/120ths, but less than 95/120ths			•••	17	6
85/120ths, but less than 90/120ths	• • • •			17	ŏ
80/120ths, but less than 85/120ths		•••		16	6
75/120ths, but less than 80/120ths	• • • • • • • • • • • • • • • • • • • •		٠٠.	16	ő
70/120ths, but less than 75/120ths	•••	•••	•••	15	6
65/120ths, but less than 70/120ths	•••	•••	•••	15	ő
60/120ths, but less than 65/120ths			•••	14	6 .
55/120ths, but less than 60/120ths	•••	•••	•••	14	0
50/120ths, but less than 55/120ths	•••	•••	•••	13	6
	• • •	• • •	• • •	13	0
45/120ths, but less than 50/120ths 40/120ths, but less than 45/120ths	•••		•••	13	6
	•••	•••	•••	12	0
Less than 40/120ths	•••	• • •	•••	12	U

### Rules for Determination of Subsidy.

(1.) In this Schedule the expression "determining ratio" means the ratio which the proportions specified in paragraphs (a) and (b) of this clause bear to each other, namely:—

(a.) The proportion which the net estimated expenditure of any Board bears to the capital value of all rateable property in the hospital district:

(b.) The proportion which the net estimated expenditure of all the Boards taken together bears to the capital value of all rateable property in the districts of those Boards.

(2.) For the purposes of this Schedule the total capital value of the rateable property in a hospital district shall be deemed and taken to be the amount certified by the Valuer-General as being approximately correct as on the first day of April in the financial year in which the levy is made by the Hospital Board.

(3.) The aggregate amount of the subsidies to be granted to all Boards in each financial year shall be fixed by the Minister of Finance, pursuant to section thirty-eight of the principal Act, by reference to the net estimated expenditure of those Boards, other than capital expenditure, and shall not in any year exceed one-half of such net estimated expenditure by more than one per centum thereof.

(4.) No Board shall receive in any year a subsidy at a rate less than 10s. for each pound levied by it from contributory local authorities in respect of expenditure other than capital expenditure, and no Board shall receive a subsidy at

a rate exceeding 30s. for each pound so levied.

(5.) Subject to the last preceding clause, the aggregate subsidies shall be

apportioned as follows:—

(a.) The provisional rate of subsidy which any Board may receive shall be such one of the rates set out in the second column of this Schedule as is appropriate in accordance therewith; so that, if the determining ratio for any Board is expressed by the fraction  $\frac{3.50}{1.20}$ , the provisional rate of subsidy shall be 28s. for every £1 levied by that Board in respect of expenditure other than capital expenditure:

(b.) If the aggregate amount of subsidies calculated as aforesaid is equal to the aggregate amount fixed under clause (3) hereof, the actual

rates of subsidy shall be the provisional rates of subsidy:

(c.) If the aggregate amount of subsidies calculated as aforesaid exceeds the aggregate amount fixed under clause (3) hereof, the actual rates of subsidy shall be determined by a uniform reduction of the provisional rates of subsidy:

(d.) If the aggregate amount of subsidies calculated as aforesaid is less than the aggregate amount fixed under clause (3) hereof, the actual rates of subsidy shall be determined by a uniform increase of the

provisional rates of subsidy.

(6.) The apportionment of subsidy for any financial year pursuant to the foregoing rules shall not be affected by any amendment of the estimated expenditure and receipts of any Board for that year, made subsequently to such apportionment, and all adjustments of subsidy due to such amendment shall be made in the apportionment of subsidy for the next succeeding financial year.

By Authority: MARCUS F. MARKS, Government Printer, Wellington.-1920.