

HOUSE OF ASSEMBLY

Wednesday 14 October 1981

ESTIMATES COMMITTEE B

Chairman:

Mr E. K. Russack

Members:

Mr H. Becker
 Dr B. Billard
 Mr G. J. Crafter
 Mr T. H. Hemmings
 Mr I. P. Lewis
 Mr T. M. McRae
 Mr J. K. G. Oswald
 Mr J. W. Slater

The Committee met at 11 a.m.

Minister of Health, Miscellaneous, \$200 986 000

Witness:

The Hon. Jennifer Adamson, Minister of Health and Minister of Tourism.

Departmental Advisers:

Mr B. McKay, Chairman and Chief Executive Officer, South Australian Health Commission.

Mr E. J. Cooper, Executive Director, South Australian Health Commission.

Mr A. Bansemir, Director, Policy and Projects, South Australian Health Commission.

Mr D. Williams, Sector Director, Western Sector, South Australian Health Commission.

Mr R. H. Blight, Divisional Director, Management Services, South Australian Health Commission.

Dr H. D. Kennare, Director, Dental Health Services, South Australian Health Commission.

Dr W. T. McCoy, Executive Director, Central Sector, South Australian Health Commission.

The CHAIRMAN: This morning there has been notification of a change of Committee members. Mr McRae will take the place of the Hon. D. J. Hoggood; Mr Oswald will replace Mr Randall; and Dr Billard will replace Mr Schmidt.

At this stage, I think it would be desirable if we could set some type of programme and timing for the particular votes. In Parliamentary Paper No. 9, there are a couple of lines associated with the Health portfolio and very little detail. The Minister has provided a document to assist, and there are also yellow books. However, I feel that some Committee members may have a suggestion that would assist in the proceedings.

Mr McRAE: I take up two matters. First, the Opposition would propose the allocation of the total time throughout the day as follows: until 6 p.m., Health, and thereafter, for the rest of the scheduled time, Tourism. We would like to know whether that meets with the approval of the Committee.

Mr OSWALD: I do not think that this side of the Committee has any great problem about the time table.

Mr BECKER: I am not always happy about sticking rigidly to a set time table, because we are not always aware before we commence a hearing of just how it will progress. The Opposition has given me a piece of paper on which 12 main headings are set out. We may have difficulty in meeting that time table, but I am flexible provided that we

get a fair opportunity to pursue the various lines, and I do not object to the proposal as outlined. However, I would like flexibility on the 6 o'clock rule. I think that the Estimates Committee system has failed in the time I have been on Committees by setting schedules. We get to the deadline and half the Budget provision for that department has not been dealt with.

I think that that is the total failure of the whole system of Estimates Committees. If we are to conduct a proper scrutiny, Parliament should be given more time in which to consider the Estimates than is given now. The whole system needs further review and to expect members to consider the various Budget Estimates in six days is not permitting a true scrutiny of the Budget.

The CHAIRMAN: In answer to the member for Hanson, can I suggest that what has been a suggestion by the member for Playford is an aim: the member for Hanson will appreciate that yesterday we did come to a similar understanding, but we did use flexibility, and I think it is advisable for the Committee to have some aim, and the aim is as has been suggested by the member for Playford. Taking into account what the member for Hanson has said, is any member of the Committee opposed to the suggestion that we aim to conclude 'Health' at 6 p.m. and that we consider 'Tourism' from 7.30 to 10 p.m. this evening. As there is no objection, the Committee has come to a consensus.

Mr McRAE: Secondly, in order to get around the difficulty that the line proposal is really one vote, I have distributed to you, Mr Chairman, the Minister, her staff and all members of the Committee, 12 topics which the Opposition would like to deal with during the course of the day. It is appreciated that the Opposition cannot and should not attempt to take charge of the Committee in such a way that the topics which other members wish to raise and which are not included in the 12 that we raise are cut out. What we are attempting to do is to get a framework. If there are other topics which are then interpolated by members of the Government, so be it, but there are the 12 that we give notice of. That will get over many of the significant problems which occurred last year.

Mr LEWIS: I do not mind what the Opposition wishes to do during the time that it scrutinises the health vote. It is polite and helpful for the Minister and her staff, I am sure, but I do not consider that any allocation of time to any one or all of these topics in any specific proportion or order ought to be predetermined by this Committee. The sensible thing to do is simply to proceed, acknowledging that that is what the Opposition proposes to do, and even leaving it with flexibility to include additional subjects or omit any of those 12. I would be opposed to any other course of action.

The CHAIRMAN: If this were adopted, I feel that in the circumstances and based on my previous experience, especially as there are only two lines involved, it is helpful to have some guide. If this programme were followed, I would think that it would be the right and best way, whoever introduces a line of thought, to continue that line of thought through and then I would call on any other member to introduce a new matter. If this were adopted, I could not see that it would inhibit any member of the Committee, when called, to introduce a new matter.

Dr BILLARD: I think it is useful to have a guide for the reasons you outline. The only proviso is the proviso that has operated in the past days of the Committee: that subsequently members of the Committee are free to come back to issues and raise them again if they have further questions that arise later.

The CHAIRMAN: I cannot see that that cannot be accepted. A member would have a right to come back to

a matter if this were followed. Later in the discussion if a member wished to come back to that matter, that would be acceptable to the Chairman.

Mr LEWIS: Do I understand you correctly, Mr Chairman, that you do not propose to necessarily follow the subjects in this order and that, if any member of the Committee wishes to introduce another subject following the considered opinion of yourself that the subject before the Committee at that time had been concluded in the opinion of the members of the Committee, such other subjects as do not appear on this list could be introduced by any member of the Committee at any time?

The CHAIRMAN: Yes. Can I put as an example the Commonwealth State financial agreement and arrangement. If that were introduced, I suggest that we follow that through. Then if the member for Mallee had a call at that conclusion and he wished to introduce something appropriate to the debate not listed here, he has the right to do so.

Mr LEWIS: Thank you.

Mr BECKER: We have been issued with Programme Estimates, commonly referred to as the 'yellow book'. Why do we not stick to that and go through that page by page? That is something that has amazed me through the whole of these Estimates hearings so far, that the members refer to the Estimates of Payments, which was brought down by the Treasurer, and we then have a yellow book that does not link with it anyway (and we have already found some errors). So why not stick straight to the programme performance document—that is what it is all about?

The CHAIRMAN: I am in the hands of the Committee. There has been a suggestion that we do it in the way presented, and you are presenting another system. It is for the Committee to decide. At this present stage I would feel that, after clarification, the majority of the Committee are in favour of what has been suggested. Does the member for Hanson wish to take that further?

Mr BECKER: I would have thought consideration could have been given to this document, really.

The CHAIRMAN: Consideration is being given to the document; any member has the right to refer to that document.

Mr BECKER: I realise that, but we have been jumping backwards and forwards all over the place instead of going through it page by page. It would have been a lot easier.

The CHAIRMAN: If we can move on now and make a firm decision we will have more time to discuss these matters. The member for Hanson has made a suggestion. Can I come to a decision on this matter? Is there any member of the Committee who is opposed to the suggestion that has been put forward by the member for Playford with the considerations that have been put straight since that was introduced? Is there anyone opposed to this system? I take it that it is the consensus of the Committee that, to have some semblance of order, we will continue in the way as outlined. Any question that is asked of a member of the Committee will be directed to the Minister and if the Minister wishes one of the officers to speak then it is by direction of the Minister.

The Hon. Jennifer Adamson: Mr Chairman, before we proceed with questions, I would like to make a brief preliminary statement, a copy of which I have distributed to members of the Committee. In view of the considerable changes that have taken place in the health system over the past 12 months, and more notably in the past two months, I believe it will be helpful if I make a preliminary background statement to set the scene for the Committee's examination.

The CHAIRMAN: Did the member for Playford wish to raise a procedural matter?

Mr McRAE: No. The Minister kindly informed me that, with the Committee's consent, she proposed making this statement. I have read it and I do not object to it, but I regret that the Opposition was not given access to it and much other information last Thursday when we asked for it. However, we will come to that in due course.

The CHAIRMAN: The Minister mentioned that she would be making this statement, and I apologise to her for omitting to mention it earlier.

The Hon. Jennifer Adamson: The funding and administration of health care services in South Australia have undergone significant changes during the past 12 months. Principal among these changes has been the introduction by the Commonwealth of new funding arrangements for recognised hospitals in Australia following the Jamison Report.

The intent of these arrangements is to:

- (1) place more responsibility on the States for the delivery of health care;
- (2) place more financial responsibility on consumers for financing their own health care and, in doing so, to make the choice of privately provided health care a more realistic option than it has been in the past six years of so-called 'free' health services. As a consequence, pressure on public health services is expected to be reduced, with resultant relief for the taxpayer.

Specific purpose funding under the Community Health Programme and the School Dental Scheme has been absorbed into a 'health' grant as part of general revenue funding. Under these arrangements, there is no legal obligation on the State Government to direct these separately identified amounts towards a specific health purpose. Nevertheless, the Government has directed these grants to the areas specified.

South Australia will continue with the hospital cost sharing arrangements with the Commonwealth under the 1976 agreement, which has been amended by exchange of letters between the Governments. The letters simply recognise the legislative changes which the Commonwealth had made and which needed to be incorporated in the agreement so that it could continue to operate after 1 September 1981. These changes cover:

- the raising of hospital charges by recognised hospitals against uninsured patients which was not possible under the old legislation but which is required by the new Commonwealth health funding policy;
- the provision of free hospital services to all those assessed as eligible under the Commonwealth criteria or disadvantaged.

The new Commonwealth health policy and the health insurance arrangements, which came into effect on 1 September 1981, are expected to result in changes in the delivery of health services. In particular, a redistribution of services between the public and private sectors is expected.

Adelaide is well served with high standard non-profit community and religious hospitals which have been under-utilised in recent years. A voluntary redirection of patients to services in these hospitals will alleviate many of the problems caused by high demand for services being experienced by the recognised teaching hospitals. With the opportunity for some further savings from improved efficiency and lower levels of activity, the Health Commission budget reflects reduced budget allocations to the major metropolitan hospitals.

This situation will be carefully monitored during the year to ensure that adequate levels of service are maintained. In particular, the Government will ensure that nobody is denied service through inability to meet the cost.

During 1980-81 the South Australian Health Commission started to reorganise its central administrative and executive functions in order to make it more effective in fulfilling its statutory role of co-ordination and rationalisation. The existing central office has been regrouped into three sector offices, a corporate office and a public health office.

The three sector offices will enable the commission to give greater attention to the needs of health services for rapid, clear and well communicated decision making. The Executive Directors in charge of these sector offices will be responsible for all matters related to the organisation and delivery of health services within their sector.

The corporate office will be responsible for the commission's broader and long-range policy development, planning, co-ordinating and funding limitations involving the health system as a whole and its relations to other public systems and levels of government.

The 1981-82 health budget reflects the changed funding arrangements which will, on the one hand, produce increased revenue through patient contribution and an anticipated reduction in demand on public hospital services, whilst, on the other, take account of the Government's determination to continue to reallocate resources away from costly institutional services to domiciliary and community services, particularly in the preventive and supportive areas. In this way, I believe the Government is both responding effectively to the expressed wishes of the community regarding the nature of health services and is also providing through the South Australian Health Commission leadership and new initiatives which will make South Australia's health services more responsive to people's real health needs in the most cost-effective manner.

The CHAIRMAN: As agreed on the first day of the Committee sittings, the initial spokesman has the right to make a statement up to 15 minutes.

Mr McRAE: The Opposition recognises the fact that we are here this morning considering a sum of money of \$370 000 000 in dimension—\$201 000 000 approximately in State expenditure, \$122 000 000 in Commonwealth expenditure, and \$51 000 000 in taxpayers' expenditure. That is just direct payments with nothing else taken into account. Along with the consideration in the other Estimates Committee of education we are looking at approximately 40 per cent of the entire Budget. We are therefore acutely aware of the serious responsibility that does rest on our shoulders.

On Thursday of last week, our committee sat down, certainly not for the first time, in a determined effort to get a grip of all relevant documents that had been circulated up to that point, including the Financial Statement of the Premier and Treasurer, the Estimates in the old line form, the large yellow book, the small yellow book and the blue book produced by the Minister. We tried to get a grip of the whole scene by going through those documents. We found that task virtually impossible.

Therefore, I was directed by my committee to approach in the right manner and the right form, Mr Scriven, the Director of the Premier's Department, requesting permission for two members of the Opposition to have access to a senior Treasury officer so that we might seek from him not policy matters but factual information and access to Commonwealth-State financial agreements and arrangements. Mr Scriven said he would make the appropriate inquiries, and early on Friday, the day following, I was contacted by an officer of Treasury who told me that he had been directed by Mr Barnes, the Under Treasurer, to approach me in relation to the Opposition's request.

When I mentioned the more specific detail to him he was not apparently aware of what precisely I had asked for and, said that his brief was restricted to the yellow books. I

pointed out that that limitation was simply not acceptable. What we needed was a senior Treasury official who was familiar with the totality of the Commonwealth-State financial relationships and the way in which health funding fitted into the picture. He said he would take advice from superiors, and that he did.

Later in the morning, I was contacted by yet another Treasury officer who again did not seem to understand (I am not blaming these people, as there was obviously a lack of communication somewhere) what the Opposition was seeking. Finally, later in the morning Mr Barnes himself rang. There was no doubt that Mr Barnes understood what I wanted. He said he would take instructions. He later informed me that the Premier and Treasurer had refused the Opposition's request. Further discussions ensued throughout that Friday, as a result of which I understand the Minister rang the Leader of the Opposition offering the services of an officer of the Health Commission. The Leader of the Opposition again pointed out that, without reflecting on the Health Commission, there was a need for Treasury assistance.

Finally, to complete this debacle, we were told yesterday that the services of Mr Bernard McKay, the Chairman of the Health Services Commission, would be made available to the Opposition from half-past four to half-past five yesterday afternoon. What an appalling fiasco that is. We refused that ridiculous offer, first, because it was an affront to Her Majesty's Opposition, secondly, because it would have put Mr McKay in a most hopeless situation, and thirdly, because we would barely have time to settle him down, shake hands, comment on the weather and ask the first question, before he would presumably depart. That is the seriousness which the Government places on the proper request for information by the Opposition.

Let me stress that I said to every officer to whom I spoke, including Mr Barnes, that I would give my personal undertaking that, if any question strayed from fact, in the opinion of the officer concerned, then I would desist from that immediately. This has meant that the Opposition is charged with a responsibility, as Her Majesty's Opposition, of representing the people—1 300 000 of them in the State—regarding this huge sum of \$370 000 000 in relation to the health of the children and the total community of this State, the disadvantaged, the old people, and those that cannot speak for themselves. Charged with those responsibilities, we have been crippled deliberately by the Government.

That will not stop us from carrying out our duty today as best we can. I can assure you, Sir, that we will press our points as vigorously as we can. The Opposition maintains that there are signs everywhere throughout this Government's management of the health services of the State that there is a collapse of morale and efficiency and that the system is simply not working. As the Opposition has noted before, this Government has been very long on promises and very short on fulfilment. The Opposition has been overwhelmed with complaints about every area of the health portfolio. It is not for us to cast the blame on the Public Service, and we do not do so. The Minister must take the responsibility for what is going on, and in some cases not going on, in this area.

There can be no doubt that the principal Government agency in this matter, the Health Commission, must be looked at. The problem that the Opposition sees is that the administration of that commission is in a chaotic situation, and a great deal of the time of senior officers is taken up, not with the usual avenues of administration, but with attempting to deal with various political difficulties which confront the Minister of Health. I am not saying that this alarming situation concerning the health of the citizens of

South Australia is wholly the fault of this State Minister—her Federal colleagues also have to accept responsibility. On the calculations that we have been able to do, there is a reduction of 22 per cent on State funding of Government hospitals this year. That is the most alarming reduction in the history of this State. You have to go back to depression days to find a more alarming situation.

It is no good the Minister's producing the padding she has this morning in a propaganda exercise to justify a taxation rip-off of those who can least afford it in this State. All this document represents is a repetition of the policy of the Government of taxing the poor to pay for the rich. The reality of the matter is that there is total confusion as to the matter of Commonwealth-State funding. We will be seeking proper information on that this morning. That will be the first topic we shall pursue.

The Health Commission is basically charged with the rationalisation and co-ordination of health services in South Australia. I served on the Select Committee which recommended the appointment of this body. I stress again that I am not criticising the officers who make up the commission; those officers have to live under the lash of the Government for which they work, and the lash of the philosophy of that Government.

The difficulty is that this Government is so introverted and so concerned with secrecy, as we have seen over the past few days, that the office of the commission is a kind of secret police for the Minister and it is impossible to get to the reality.

The recent sectorisation proposal simply puts in another layer of people who can block the facts. In fact, my colleague in another place, Dr Cornwall, said that insiders in the outfit describe it as 'The Empire Strikes Back'. That is a vivid description. The network which has gone up over the years is large and complex and lacks co-ordination and priorities. It is very difficult to make any estimates about the size, cost or capital investment. We do know that 40 000 people are employed in the public and private health services, and we do know that, in addition to the specific sums that I have read out this morning, the estimated public and private expenditure of health in South Australia in total exceeds about \$700 000 000 a year. That includes the personal contributions to health insurance, expenditure on pharmaceuticals and other health products and payments to practitioners. The value of the land, buildings and equipment employed by the various Government and other public-funded health services is estimated to be well in excess of \$1 000 000 000.

Our responsibilities today are again very great and I, for one, quail before them, particularly when we are denied the co-operation which was legitimately ours. There are a number of matters causing concern which we have listed, and the mental health services is one, and we shall be directing questions particularly seeking the true state of affairs at Hillcrest Hospital. We shall particularly be directing questions seeking to ascertain the situation concerning public dental services. I for one want to say that my own Government was as scandalously inadequate in this area as is the present Government. I want to publicly admit that my Government, that my political Party, had nothing to be proud of in its dealings in this area, but the fact of the matter is that it is appalling when one's constituents, old people whose dentures are beyond repair and people who are in enough misery as it is, come to their member because they are unable to obtain replacement dentures for up to five years.

I was told a story yesterday afternoon that is macabre. I was told that in the rush to get dental technicians out of the area the dentists have offered a discount proposal, and I can just imagine how the Murdoch press would like to

have a headline along the lines, 'discount choppers'. There was a committee that worked for years around here to try to persuade Governments to do something about the scandal (it was known as the 'fangs committee' or the 'choppers committee'), but the reality is that, while one may smile about it if one has natural teeth or artificial dentures, the fact is that if one does not have them, it is not so funny. That is a scandalous situation and it is up to the State Government and, if necessary, the taxpayer, or the Federal Government (and again the taxpayers of that huge outfit) to do something about it.

I find the situation extraordinary (and I turn to the domiciliary care area,) that the Minister had the audacity to suggest in her propaganda document this morning that domiciliary care would in some way provide an avenue of relief in the future when we find from our investigations that domiciliary care services are being cut, and I know from personal experience in my electorate that that is so. Now that I have seen this amazing document, I will be telephoning my office later in the day and asking for my file to be sent in, because I will be able to identify people, with their authority, names and places, and I will ask whether this is going to be their salvation, and when and where it is going to be their salvation. Another of the commission's failures has been—

The CHAIRMAN: Order! Before the honourable member proceeds, in the interests of the agreement made about time, I ask the honourable member to try to complete his remarks on his opening statement in about two minutes.

Mr McRAE: I will. I refer to one other thing which is an absolute scandal and about which we will want specific information. That is the outrageous proposal concerning computers. As we understand it, in an economic situation which is a total disaster about \$20 000 000 is programmed to be spent on computers, and we shall want to know a great deal about that. In a nutshell, completing in the directed time, the reality is that the Opposition's task in representing the public on this day, has been made awfully difficult by the neurotic secrecy of this Government. The reality is that this Government has failed outrageously to carry out its glowing promises of 1979, and we will want to take advantage of today to find out precisely what has been going on.

The Hon. Jennifer Adamson: The member for Playford has made several serious allegations, and I would like to deal principally with four of them. In the first instance, his account of the background to the Opposition's seeking information overlooks several important facts. Last week the Chairman of the commission, Mr B. McKay, and I were in Darwin at the Health Ministers Conference. On my return from Darwin on Friday morning I learned from the Chairman that the Opposition had been seeking information about the cost-sharing agreement from Treasury officials, and that the officials had quite properly said that that was the kind of information which would be sought in an Estimates Committee. However, recognising the extreme complexity of the agreement, I believed it might be helpful if a briefing were provided to the Opposition prior to the Estimates Committee.

Therefore, I contacted the Leader of the Opposition and offered such a briefing, and his response was that he would let me know on Tuesday morning whether the Opposition would accept that offer. The member for Playford would not be aware that the Chairman of the commission was committed to chairing a Health Commission meeting on Tuesday. Therefore, I chose the most convenient time which in itself was not convenient, but we wished to accommodate the Opposition if possible and suggested that half an hour between 4.30 and 5 p.m. might have been convenient. That offer was rejected. Nevertheless, the time for questioning

is here and now, and we are happy to answer any questions that the Opposition puts.

The member for Playford also asserted that the administration of the commission is in a chaotic situation. I reject that assertion categorically. I believe there is no evidence that can be provided to substantiate that. On the contrary, the evidence which is coming to me from hospitals and health units all over the State is that the reorganisation of the commission under the chairmanship of Mr McKay has resulted in an organisation which is leaner, simpler, easier to understand, much easier to communicate with and much more effective in its general administration of health services.

The member for Playford also asserted that there is an obsession with secrecy in my office and the Commission. No more detailed set of information has ever been provided to this Parliament than that which was provided to the Opposition on the last day of sitting in the form of the two yellow books. That was backed up by the information in the blue book, which was also provided last year for the first time, and together those three documents with the Estimates of Payments provide a highly detailed set of information, the like of which was never presented by the honourable member's Party when it was in Government.

In regard to the sectorisation comments, the honourable member may wish to seek information from me or the Chairman about the precise nature of that. That information has already been provided publicly in a detailed press statement which came from the Chairman of the commission and which was published, as I recall, some time in the first half of this year by the *Advertiser*. Rather than imposing another layer of administration on the Health Commission it, in fact, reduces the overall responsibilities of the central office in terms of what was an original organisation established under the previous Government and which was proven not to work. There is actually a reduction in the bureaucracy under the sectorisation arrangements. The health units know with whom they are dealing and the separate Directors have both authority and responsibility. There has been no increase in bureaucracy, rather a reduction. Mr Chairman, the other matters such as dentures, for which the honourable member asserted there was a five-year wait, which is not correct, domiciliary care, capital works and computers, no doubt will be covered by questions, and I will leave any comments on those matters until the questions are put.

The CHAIRMAN: I would like to advise the Committee that my intention will be to follow the similar procedure that we have been adopting; that is, when I call a member I will give that member the opportunity to pursue the matter from several questions and I will then call another member. As the member for Playford is the lead questioner, if I call the honourable member and he wishes another member on that side to follow, then that will be the procedure.

Mr McRAE: I would like to ask some questions concerning the Commonwealth-State financial arrangements. The Premier and Treasurer in his financial statement, the white paper at page 23, had this to say:

The South Australian Health Commission has placed emphasis on careful resource management and efficiency in the provision of health services. It will continue to do so in 1981-82.

The allocation of \$201 000 000 for health in 1981-82 recognises that effort. It also recognises two major changes:

- the introduction of the Commonwealth Government's new health funding arrangements from 1 September 1981. The effect of this arrangement on the operations of individual health units is difficult to assess at this stage. The position will be monitored carefully as the year progresses.
- the funding by the Commonwealth Government of community health projects and dental health services. Prior to this financial year, Commonwealth Government funds for these proj-

ects and services were, in the main, paid direct to the commission. From 1 July 1981, the Commonwealth Government has discontinued its specific purpose grants for these projects and services and provided a general purpose health grant. The State allocation to the commission for 1981-82 reflects the continued funding of these services.

In the Minister's own document of this morning at page 2, paragraphs 2 and 3, she says:

South Australia will continue with the hospital cost sharing arrangements with the Commonwealth under the 1976 agreement, which has been amended by exchange of letters between the Governments. The letters simply recognise the legislative changes which the Commonwealth has made and which need to be incorporated in the agreement so that it could continue to operate after 1 September 1981.

It is this sort of thing that has caused a nightmare for the Opposition in trying to get this sorted out. If you look at the blue book, the first page, Estimates of Expenditure for the year ended 30 June 1982, you find that in relation to the recognised hospitals the estimated payments for 1981-82 are up; the estimated receipts are considerably higher by some \$40 000 000. The net operating cost is considerably down by \$28 000 000. The Commonwealth contribution is considerably down by \$4 000 000, but the net cost to the State is down by \$25 000 000. Having set that scenario of what the Premier said and what the Minister said and what the document says, I would now like to know what precisely are the arrangements to which the Minister makes reference in her statement this morning, and where are the letters? Will the letters be tabled?

The Hon. Jennifer Adamson: There is nothing inconsistent between what the Premier said about the Health Commission funding, which appears on page 23 of the statement, and what I have said on page 2 of my preliminary statement. I take it the member for Playford is not suggesting any inconsistency between those two statements?

Mr McRAE: No.

The Hon. Jennifer Adamson: He is asking what are the arrangements.

Mr McRAE: Yes. Will the Minister table the letters?

The Hon. Jennifer Adamson: No, it is not customary for Governments to table letters of agreement, and that is borne out by precedent on many occasions, notably in the case of the honourable member's Government with the Railways Agreement; letters were not tabled on that occasion. I refer to the statement and also to the statement which I released, as I recall, on 1 September. Parliament was not sitting on that day; otherwise, I would have given the information to Parliament. The letters substantially say what is said in this statement; namely, that the agreement will continue to operate but it will be amended to cover and take account of the legislative changes which the Commonwealth Government made to the national Health Act. Those changes include the requirement for recognised hospitals to raise charges against uninsured patients. That was not possible under the old legislation; in fact, the old legislation precluded that. Also, the provision of free hospital services to all those assessed as eligible under the Commonwealth criteria for the disadvantaged. I do not know whether the honourable member has seen the Commonwealth legislation but if he had it would be quite clear to him that once that legislation was changed the agreement had to be changed to reflect the amendments. I should also point out, Mr Chairman, that the honourable member would be well aware that, had this Commonwealth Government wished to, it could have legislated the cost-sharing agreement out of action entirely. In a sense, it is not much more than a moral obligation that the Commonwealth has to South Australia and Tasmania to maintain their cost-sharing agreements until 1985. But we were obliged to alter the agreement to reflect those two principal changes to the legislation.

Mr McRAE: Can I try and get clear what documentation the Minister is prepared to give me, because I do not see how I can represent the people of this State and carry out my job unless I know what is going to be made available. Am I going to be given a copy of the 1976 agreement between the Commonwealth and the State of South Australia?

The Hon. Jennifer Adamson: That is a public document: there is no reason why the honourable member should not have access to it. I think as a matter of fact it was tabled in Parliament (I may be wrong on that) at the time. It was an agreement.

Mr McRAE: The Minister has said that it is a public document, but she will not table the correspondence between her Government and the Commonwealth Government.

The Hon. Jennifer Adamson: That is correct, simply because, as a matter of precedent, Governments do not normally table exchanges of letters of that type. I do not propose to do that. I assure the honourable member that what is written in this statement and what was written in my press statement of about 1 September is an accurate reflection of letters which passed between the Acting Premier on that weekend and the Acting Prime Minister. Both the Prime Minister and the Premier were absent from their respective capitals when the letters were exchanged.

Mr McRAE: Do I understand then that the essence of the matter is that the Commonwealth has unilaterally broken the agreement, that is, against the wishes of South Australia, the Commonwealth has unilaterally broken the 1976 agreement; or am I to understand that an arrangement has been made bilaterally between the Commonwealth and South Australia to amend the 1976 agreement?

The Hon. Jennifer Adamson: The Commonwealth has not broken the agreement. I think it is important to distinguish between cost sharing as such and a free hospital service. The two were interdependent under the old agreement. Under changes made by the Commonwealth to its own legislation, the so-called 'free' hospital service was ended. Therefore, necessary adjustments had to be made to the agreement, which enables us to continue sharing the cost of our hospitals with the Commonwealth on a 50-50 basis. However, it had to take account of the Commonwealth's requirement to all States that the 'user pays' principle should apply. As the honourable member will no doubt be aware, the arrangements which South Australia has made have been reflected, I believe, identically with arrangements that the Tasmanian Labor Government has made with the Commonwealth. The agreement has not been breached. We are still sharing the cost of recognised hospitals on a 50-50 basis with the Commonwealth.

Mr McRAE: What are the changes?

The Hon. Jennifer Adamson: The changes are outlined on the bottom of page 2 and at the top of page 3, namely, the raising of hospital charges against uninsured patients, and the provision of free hospital services only to those people assessed as being eligible under the Commonwealth criteria for the disadvantaged. I accept that the media, the community and apparently the Opposition have found it hard to distinguish between cost sharing on the one hand and a free hospital service on the other. The two are not the same. Cost sharing is an agreement by which the Commonwealth and the States pay 50 per cent each of the cost of recognised hospitals. The State's share is reduced by the amount of revenue which is gained from charges to insured patients. The free hospital service was provided under Commonwealth law, which meant that anyone who was not insured and sought treatment in a recognised hospital could receive that treatment free of charge. The Commonwealth had amended its own legislation to end that free system, and

therefore the cost-sharing agreement had to be amended to take account of the new legislation.

Mr McRAE: I refer the Minister to the blue book. In view of what she has said, I can see that the anticipated revenue from recognised hospitals has increased by \$40 000 000 and that those are charges presumably obtained from either uninsured persons or persons who are now insured but who were not previously insured.

The Hon. Jennifer Adamson: That is correct. It also reflects increased charges. If you like, that \$40 000 000 reflects both the fact that charges will be made and the fact that charges have been increased. The \$40 000 000 is the Commonwealth's estimate of what South Australia could expect to raise by way of charges. The Commonwealth made estimates for all States in relation to anticipated revenue when determining its general revenue grants to those States which do not have cost-sharing agreements and also when it was determining its share of hospital costs for those States which still have cost-sharing agreements.

Mr McRAE: Why is it that, whereas last year under what the Minister referred to as the 'cost sharing agreement' the Commonwealth appeared to pay 50 per cent (that is, out of a net operating cost of \$253 000 000, the Commonwealth paid \$126 000 000), this year out of an anticipated net operating cost of \$225 000 000 the Commonwealth appears to be paying far more than half? That is a considerably larger sum. Why is that so? Does the Minister indicate that the total effect of charging the hospital user plus the new insurance arrangements has effectively meant a 22½ per cent reduction in State expenditure on recognised hospitals?

The Hon. Jennifer Adamson: In relation to the first question, the \$127 000 000 contains the Commonwealth estimate of wage and salary increases.

Mr McRAE: The Minister should be comparing \$126 000 000 against \$253 000 000, and \$122 000 000 as against \$225 000 000 in terms of the Commonwealth's share of the net operating costs.

The Hon. Jennifer Adamson: As I have said, the Commonwealth's share reflects the Commonwealth's estimate of wage and salary increases and the inflation component. Does that answer the honourable member's question? The State's estimate does not include that.

Mr McRAE: Because of the round figure?

The Hon. Jennifer Adamson: Yes, because of grants and allowances dealt with under the Treasury line.

Mr McRAE: Does the Minister agree that the combined effect of charging the hospital user and the increase in charges and the insurance component has effectively meant a net reduction of 22½ per cent in State allocation of funds to recognised hospitals?

The Hon. Jennifer Adamson: I would not argue with that percentage. Indeed, it reinforces the point I made in my preliminary statement when I said that the placing of more financial responsibility on consumers to finance their own health care, and in doing so to make the choice of privately provided health care a more realistic option, will reduce pressure on public health services, with resultant relief to the taxpayer.

Dr BILLARD: I have a question of clarification in relation to the overall funding figures. I refer to three separate places. First, there is a reference at page 369 of volume 1 of the Programme Papers. The second place is the page that has just been referred to in the blue book, and the third page is page 4 of book 9 of the Parliamentary Papers. What is the reconciliation between the figures in each of those sources? On page 4, there is an increase in the allocation from State sources to health from \$178 141 000 to \$200 986 000, which is an increase of 12.8 per cent over the year. The sum of \$200 986 000 is less than the amount

spent in the previous year. One of my questions relates to the fact that in 1980-81 the actual payments were in fact over 15 per cent above the voted payments. Can the Minister say why that was so, and whether there is likely to be a similar increase this year? Obviously, part of that would be due to wage and salary increases. Would there be other factors as well?

Secondly, in relation to reconciling these other payments, I refer to page 369, which shows that the total proposed expenditure by the South Australian Health Commission and other State Government funded health services is \$427 420 800 as shown on the bottom line. That indicates that the total health spending will rise by 14.4 per cent over the previous year, because the proposed recurrent expenditure for 1980-81 was \$373 698 800. To reconcile those figures with the blue book, we can look at the payments, where the total commission and associated bodies estimated payments were \$407 166 100. Obviously, we have to add in the deficit funded health institutions which brings up the \$427 000 000. Those two figures reconcile quite well. However, the amount at the bottom line given as the total net cost to South Australia estimated for 1981-82 is \$199 436 000, which does not appear to reconcile with the \$200 986 000 in the Parliamentary Papers.

The Hon. Jennifer Adamson: I will deal with that first question, and I will ask Mr McKay to deal with the second. The actual 15 per cent of payments above the voted payments which occurred last year was due in part to inflation and also in part to increased pressure on the hospital system. In the past financial year, the recognised hospital system experienced pressure which was reflected in a syphoning off of patient demand for the private hospital system. I believe it was partly that uneven balance and extreme pressure on the public hospital system which caused the Commonwealth Government to readjust its funding arrangements in order to ensure a more equitable use of the health system overall, by ensuring more realistic options for people to use the private sector where, in many cases, it is more appropriate and more economical for people to do so.

For example, an ordinary appendix operation would be far more economically performed at a community hospital than at a teaching hospital. That pressure did build up as one can see by referring to page 27 of the blue book and looking at the daily average occupancy of beds in the teaching hospitals and recognised hospitals. If we had access to figures for the average daily occupancy in private hospitals, we would find that many of them went down. The increase of 15 per cent above voted payments was due in part to inflation and in part to increased pressure on the public health system. I will ask Mr McKay to answer the second question.

Mr McKay: Looking at the estimates of payments of approximately a net \$200 000 000 and moving to page 102, we can see under 'Minister of Health' two items—a net figure of \$199 436 000, plus a figure for 'Minister of Health, Miscellaneous' of \$1 550 000, which gives the total figure of \$200 986 000. The \$199 436 000 is the net figure expressed in the blue document on the bottom line. The overall figure, which is the \$426 000 000 is the total expenditure figure for the health system. Items 1 to 9 in the blue document do not include the deficit funded institutions, such as I.M.V.S. and so on, which in fact come to \$19 170 000. Under the total commission for associated bodies, the deficit funded institutions listed in the next line are those institutions under statutory responsibility. They come to \$19 716 000. These two figures of \$407 166 000 and \$19 017 000 give a total figure of \$426 183 000. That is the total health expenditure. It is just not Health Com-

mission expenditure but also expenditure in health areas outside of the Health Commission.

Dr BILLARD: To summarise, am I correct in assuming that the figures on page 369, by comparing the proposed 1980-81 figure with the proposed 1981-82 figure, are the figures which give an accurate estimate of the movement in effort?

The Hon. Jennifer Adamson: Yes, in so far as we are able to tell. I draw the member for Newland's attention to the statement by the Premier on page 23 which I also reflected and which states:

The effect of the new arrangements on the operations of individual health units is difficult to assess at this stage. The position will be monitored carefully as the year progresses.

I believe that the Committee will appreciate that, to some extent, we have to crystal-ball gaze. We just do not know. It is too early to say at this stage how the community will react to the new arrangements and whether our estimates of levels of demand and levels of revenue will be accurate or not.

Dr BILLARD: What I want a clear statement on is the fact that, if we are talking about movements in health spending in South Australia under areas that are under the control of the State, the figure is a 14.4 per cent increase on the sum for the previous year, and that is what these two figures show. If we compare the proposed expenditure for 1981-82 with that of 1980-81, there is a 14.4 per cent increase. I want to be quite clear that, when we talk about overall movement in health spending, that is the figure we are talking about.

The Hon. Jennifer Adamson: I will ask Mr McKay to respond to that.

Mr McKay: You are using in your comparison the actual expenditure for last year. Those three figures do address the issue you raised. The estimate for 1980-81 for total health expenditure was \$373 000 000, and the actual expenditure was \$405 000 000. The expenditure proposed for this year is \$426 900 000 from all public sources in South Australia.

Mr BECKER: That is a 5 per cent increase?

Mr McKay: Over actual expenditure.

Dr BILLARD: The interjection by the member for Hanson highlights how a lot of confusion comes into the discussion of the Budget, because people compare the proposed expenditure this year with the actual expenditure last year. These figures are not comparable. I was trying to clarify the situation. When we are talking about the levels of spending this year, 14.4 per cent more this year has been allocated than was allocated last year.

Mr McKay: That is correct, but one needs to realise that, if the same assumptions and responses were made to cost increases in salaries and inflation as last year, that would be true. The \$426 900 000 figure does not include amounts of money to be made available from round sum allowances for increased salaries and wages. In other words, expenditure for this year in the health system will obviously be above \$426 000 000. For any wage increases and excess inflation this financial year we will be given additional money out of the round sum allowances which the Treasury is holding.

Dr BILLARD: There is a misunderstanding there. When you compare figures, you have to compare like figures. The only guide that I can see that we can have to the likely level of expenditure this year is by comparing the proposed amounts this year with the proposed amounts last year. To compare it, you have to take into account inflation and salary increases which occurred between 1 July 1980 and 1 July 1981 and which would have affected those two figures. It is not possible to predict what salary increases and inflation will occur in the coming year. When we have

the figure of the actual expenditure in the coming year, that figure will be compared with the actual expenditure in 1980-81.

The Hon. Jennifer Adamson: I do not discount what the honourable member is saying. What is the question?

The CHAIRMAN: At this stage there have been questions and answers, and I believe that the honourable member for Newland has clarified his view of the situation.

The Hon. Jennifer Adamson: Is the member for Newland satisfied with the explanation the Chairman has given, or does he seek further information?

Dr BILLARD: I wanted a clear statement that the increase in health spending this year was 14.4 per cent.

The Hon. Jennifer Adamson: The estimate is 14.4 per cent against the estimate for last year. We cannot be certain that that is what will be spent. I point out, by way of explanation in terms of the effect of inflation, that the health budget is particularly susceptible to inflation because it is virtually the only budget in the State system, outside of the prisons budget, which is affected by food costs. The health budget is also affected by drug costs which can be substantial, and efforts are being made to find a health consumer price index because it is so different in its application from the general one that might be applied.

Mr HEMMINGS: In reply to a question from the member for Newland about the paragraph in her statement dealing with the redistribution of services expected between the public and private sectors, the Minister used the words 'one would need a crystal ball'. That concerns me because we have the programme papers before us and one would have thought that, knowing a year in advance that there would be a new Commonwealth health policy, though we did not know about the health insurance arrangements, the Government would have done some detailed planning to establish in what way the Health Commission could foresee how the redistribution of services between the public and private sectors was expected. Can the Minister provide more detail, rather than 'one needs a crystal ball', in looking at the redistribution of services between the public and private sectors?

The Hon. Jennifer Adamson: Perhaps I should have said, 'one needs a crystal ball for absolute accuracy'. We can be safe in saying that, if people have to pay, either through insurance or directly, for health services provided in recognised hospitals, they may choose to find the same service, for which they would have to pay the same or a similar amount, by going to a community or religious hospital which may even be more convenient to their own home. We cannot foretell precisely how many people will do that. We can foretell with reasonable accuracy that the pressure which existed on the public hospital sector, when so-called free services were provided, will be reduced when those services have to be paid for equally at a public hospital or a private hospital. In other words, one could expect the kind of demand factors to operate which operated prior to the introduction of Medibank, when there was a more even spread of demand between the public and private sectors.

In summary, for absolute accuracy, one would need a crystal ball, but we have been able to plan to some extent in the realisation that the demand is likely to be not so great on the public hospital sector.

Mr HEMMINGS: What was the criteria? The Minister says one needs a crystal ball to look at the redistribution between the public and private sectors, yet she has made a fairly conscious decision to drastically reduce the allocation to the major metropolitan hospitals. The Minister is saying that one cannot predict accurately the movement of patients, whether they will go to the private sector or the public sector, but she then makes a definite conscious move to reduce the budget allocation to the major metropolitan

hospitals. It is all very well to say that Adelaide is well served with high standard non-profit community and religious hospitals that have been under-utilised in recent years. One could put an argument that the under-utilisation is for reasons different from the so-called free medical care.

In my electorate in the northern region there is not one religious hospital or non-profit making hospital. There is only one recognised hospital. The Minister knows the facts: there are over 21 000 disadvantaged people in my electorate. Yet the budget for that one recognised hospital that services the region has been drastically reduced. That is not crystal ball gazing; that is a conscious movement by this Minister and this Government to cut the services to the working class people in this State, to the advantage of the wealthy. Can the Minister say how this situation will be carefully monitored during the year so that the people of this State can clearly know that they are getting value for service from the major metropolitan hospitals and that they are not being given substandard treatment?

The Hon. Jennifer Adamson: I can certainly give the honourable member an assurance that there has not been, nor will there be, any substandard treatment administered from the recognised hospitals in South Australia. The honourable member would appreciate that what he describes as drastic reductions are, in fact, in some cases small reductions that take account of savings that can be made through improved financial management and rationalisation of services.

They also take account of increased revenue that will result from fee-for-service payments. In the case of the Lyell McEwin Hospital, I can ask the Executive Director of that sector to answer specific questions, but some of the allocation to that hospital takes account of the fact that there will be increased revenue from fee for service. There will not be any reduction in service at that hospital: there may even be an increase in some areas in the provision of service.

Mr HEMMINGS: We will see about that. In what way does the Minister see South Australia suffering under the new Commonwealth-State agreement, and what would she like to see done to alleviate the position?

The Hon. Jennifer Adamson: I do not see South Australia suffering under the agreement at all. Indeed, by comparison with States that do not still have a cost-sharing agreement, we are in an advantaged position, in so far as our recognised hospital costs will be shared on a 50-50 basis, whereas those States that do not have an agreement are having, in the current 12 months, only 40 per cent of their costs shared by the Commonwealth and thereafter they will have to support 100 per cent of the cost through the general revenue grants made to them.

The disadvantage of a cost-sharing agreement, if one is looking at it in those terms, is that it reduces the capacity of the State Government to be flexible in implementing its policy. In other words, savings that could be made in the hospital sector result overall, under the present cost-sharing system, in savings to both the State and Commonwealth Governments. The Commonwealth benefits on a 50-50 basis from any savings we can make through improved financial management or rationalisation in hospital services.

If we had a system of general revenue grants to the States, any savings we were able to make in the hospital sector could be transferred to the non-institutional sector to the overall benefit of the health services as a whole. That would be the principal reason why, if the Commonwealth were to offer us a guarantee of a level of funds that we believed to be fair and just and to the best advantage of South Australians, we would be willing to consider moving to general revenue grants in order to obtain that flexibility and overall financial benefit to the health system as a

whole, which it is not possible for us to implement under the cost-sharing agreement, which rigidly separates hospital costs from the total health service costs.

Mr HEMMINGS: Could the Minister tell the Committee whether her announcement on 2 September was made at that time at the insistence of the Commonwealth Government, bearing in mind that there was complete chaos all over Australia, not only in South Australia, over the new health arrangement, and people were not sure how they stood? It seemed to me and to other members on this side to be a real coincidence that, on the deadline day, the Minister came out with a statement that the Government would continue under the old 1976 agreement.

The Hon. Jennifer Adamson: No, the statement was not made at the insistence of the Commonwealth. It was made on my own initiative because I believed that it was important for South Australians to know of the legal situation as soon as that legal situation was implemented. I will ask Mr McKay to go into a little of the background, which will enable members to understand why it was not possible for an announcement to be made before 1 September. The member for Napier may recall that I released a press statement indicating that draft points of agreement had been drawn up. We were not able to finally make the announcement until 1 September. It was not a question of coincidence: it was a question of 1 September being the legal change-over date.

The story in the *Advertiser* that day as a result of the release of my statement did not accurately report the statement, and I believe that it caused considerable confusion. I sent a copy of my statement to the honourable member in order to clarify the situation, and I think it was unfortunate that the reporting of what I did release contained a lot of unrelated factors, which caused confusion. I will ask Mr McKay to outline the events that led up to the actual exchange of letters immediately before 1 September, confirming South Australian continuation with the cost-sharing agreement and giving the reason why announcements could not have been made earlier than they were.

Mr McKay: I think the main reason was that the legislation introducing the new arrangement was not brought before the Federal Parliament until the end of May or into June. We had, I think, three conferences of Health Ministers, when States, especially the States that did not have agreements, argued quite strongly about the new arrangements. Those discussions went into July and August before we had a concrete proposal as far as the other States were concerned.

In the case of South Australia and Tasmania, which had the option of remaining in cost sharing, both States wanted to talk to the Federal Government about what changes to the agreement would be necessary for the new arrangements, but it was not until middle and late August that we got a final draft agreement out of the Commonwealth that we could then put before the Government for the Government to look at it. As I have said, finally we did not have a changed agreement. We got an exchange of letters, introducing the new arrangements, which are the ones that the Minister has spelt out. It was a short time table in which to introduce major changes in the health system, and the precedents as far as the Commonwealth was concerned were taken by those States that were moving out of cost sharing into the new arrangements under the legislation because they did not have agreements to continue. In our case, we are now basically continuing the arrangements that have continued since 1976, except that, under the old agreement, this State had to provide free treatment to any person who sought it, regardless of insurance status; now the change is that we will provide free treatment to people who

are identified by the Commonwealth Government through the Department of Social Security.

The Hon. Jennifer Adamson: Because the matter is so complex, I want to say, without, I hope, adding to the confusion but rather clearing the confusion that may arise, that I think it is important that the Committee realise that the funding arrangements have to be seen in the context of the total Commonwealth-State funding arrangements, and I want to make clear that legally and technically South Australia still could, in law, continue to provide free hospital treatment. However, if we did so, there is no doubt whatever that the Commonwealth would, whilst it would have to meet half the cost of that under the health budget, deduct from the total State Budget by any means open to it (and a multitude of means are open to it) the sum of \$40 000 000; in other words, the anticipated revenue that we expect to raise through hospital charges from the total State Budget. Once that is understood, then the decision of the South Australian Government and the Tasmanian Government to raise charges becomes abundantly clear.

I also make it clear that, even if it were not for the fact that we are forced by the Commonwealth's financial power over South Australia to raise charges, it would seem to me to be an inequitable and unsatisfactory system whereby two States for a short period—it is only another three financial years—could hang on to a so-called free health system that was not operating throughout the rest of the country, and it seemed, taking into account all financial considerations, in South Australia's best interests to proceed on the same basis as the other States.

The CHAIRMAN: After calling the member for Napier I intend to call another member.

Mr HEMMINGS: I can accept that the new arrangement took place on 1 September, but when were the letters exchanged and the agreement reached between the State and the Commonwealth? On what day did that actually take place?

The Hon. Jennifer Adamson: From recollection, and I am working only from recollection, it was 30 August. In other words, it was the absolute last day on which it could have taken place. As Mr McKay has outlined, the Commonwealth's giving priority to arrangements with the other States put enormous pressure on officers of the South Australian Health Commission to get our system ready for changeover at what was extremely short notice. I think all credit is due to them for the efforts that they made and for the fact that the changeover was conducted in a smooth manner.

Mr BECKER: I understand that the total health vote in the Federal Budget is reduced by 21.3 per cent. We have had an exercise this morning with the questions asked of the Minister, and as I understand the health vote in this State, it is expected that \$427 000 000 will be made in payments over the coming year, but this does not include amounts for wage increases and adjustments for inflation. Comparing that amount with the \$405 300 000, which includes wages and salary increases for 1980-81, is the only way that one can look at State finances. One can only come up with all sorts of technical theories, but one has to look at what was actually spent and what was allowed this year. One then looks at it in real terms, because one is dealing with real money and not funny money. I am advised that the Government will continue to seek savings in expenditure through further improvement in the management and rationalisation of health services. The use of health services will be closely monitored and resources will be provided to ensure continuing high standards of patient care. That is what concerns me: the quality and maintaining the quality of patient care. Can the Minister advise the Committee what savings are envisaged in these general rationalisations

and improved management in the forthcoming year and what benefits we are likely to see?

The Hon. Jennifer Adamson: The savings in individual hospital budgets will, as I said earlier, reflect to some extent the anticipated decrease in demand for services from the recognised hospitals, particularly the teaching hospitals. The honourable member may recall, if he looked at the annual reports of the various hospitals, that in respect of just one department alone (the accident emergency or outpatient departments of teaching hospitals) approximately 50 per cent of the occasions of service are services which could have been just as appropriately provided by a general practitioner. One would expect that under the new insurance arrangements, where people are required to be insured for hospital and medical treatment or to pay the price, a lot of those occasions of service will now be voluntarily redirected to the private practitioner, who is traditionally regarded as the most appropriate provider of primary care.

That is one area in which savings will be made. Another important area, and I note that the Opposition includes it on its discussion list in regard to savings, is Royal Adelaide Hospital, which is the largest provider of health services and the largest individual consumer of the State Budget. It consumes about 20 per cent or more. As a result of the cost allocation study made at R.A.H., real savings will be able to be made there, but in terms of further detail I will ask Mr McKay to go into more specific detail which the honourable member seeks.

Mr McKay: As the Minister has said, I think we can anticipate a reduction in demand overall in the health system because of the movement to the private sector. In fact, a reduction in demand happens every time there is a major change to the health system. That is the phenomenon that occurs. The pressure on the health system, both private and public, goes down as a result of change. People become confused. The important areas are the teaching hospitals. We have strengthened the management in the teaching hospitals as a result of the recommendations made, Mr Becker, by your committee, in P.A.C. days, and there is now a better management structure in the major teaching hospitals in Adelaide. This is resulting in much better management practice occurring, and with the information we have been gathering with cost allocation studies at R.A.H., we are seeing much more improved administration and general services, such as cleaning, catering and food services. As well as that, we are looking at utilisation of areas, and we can anticipate the areas not utilised as being shut down for a time or opened up, depending on demand, rather than just letting a ward or service area stay open when it is not required. There is much better management happening now in the hospital system. The budgets that have been set in the major teaching hospitals reflect that belief. Also, the Commission and the Government have taken the view that the economy of the hospitals is something that is being developed, and we have given the budget which we have negotiated with each hospital and which in real terms expresses savings on last year's results. We are confident that they will do their best to make those savings, but we are not telling them what individual staff—that is not our role. Our role is to develop the budget in concert with them, while allowing them to get on and manage that budget to achieve the end result.

Mr BECKER: The general improvement of management and efficiency of the department certainly has saved the taxpayers millions of dollars in this State. I do not subscribe to some of the nonsensical statements made earlier by the member for Playford in his opening remarks. I think they were that far out of order that it does not matter, and they showed complete ignorance on the whole matter. Does the Federal Government recognise the sound financial manage-

ment of our health services and the quality of patient care in South Australia? By recognising the general efficiency, what benefits will ultimately accrue to South Australia?

The Hon. Jennifer Adamson: Indeed, I would like to put that question to Mr MacKellar, and I have done so at Ministers conferences. The honourable member's question is inextricably interlinked with the question of health finance being provided through general revenue grants. One of the reasons I would not like to see South Australia hold onto a cost-sharing agreement longer than is absolutely necessary is that, with every year that we save and economise, the prospect of the general revenue grant being trimmed to reflect those savings and economies becomes more real.

A classic example of this is the community health grants, which were provided on a 50/50 basis originally by the Commonwealth. Progressively the States were required to find more and more of those funds, and then this year they have been absorbed into the general revenue grants at a very low level, much lower than the level that would have applied had those grants been absorbed three years ago. The same could be said for the Aboriginal Health Services, and that is why there is a fairly good case to be made for the State's looking favourably at moving to general revenue grants while the level of payments is reasonably high, so that we get the overall financial benefit, instead of the Commonwealth's waiting until we have trimmed off every bit of what they might describe as 'fat' in the system and then handing it over to us for our total responsibility trimmed down to a very low level. That is the best way I can express my answer to the honourable member's question. I will ask the Chairman of the commission to add to what I have said.

Mr McKay: One important factor is that the Grants Commission next year is to look at the distribution of Commonwealth moneys for health services throughout Australia, and to come up with a set of relativities. Three years ago the health services in South Australia were running second per capital in terms of cost; they are now down to about third. We are moving into that middle area and I think it is important that in three years, when we lose the advantages we currently have under the agreement, if we do not absorb, that we be at a level of expenditure in the State that will not cause major problems to the Government of the day in terms of dealing with whatever relativity is set by the Grants Commission. So, it could be a very important subject.

Mr CRAFTER: I would like to take the Minister back to the initial discussions about the role of this Committee in reviewing the Commonwealth-State negotiations that have taken place in recent months. I think the Minister has accepted the fact that very little information of a precise nature is available to the community and, in particular, members of Parliament about this important matter. I think the Minister would be well aware that in the United States the Federal system operates where that the States do in fact have a very clearly defined role of vetting Commonwealth-State financial relationships; in fact, one of the major functions of State Legislatures is in making sure that such agreements are in the community interest and that moneys are expended in accordance with those professed interests.

I would suggest to the Minister that it is not possible for us in this State to carry out that function, which I would have thought was fundamental for the Legislature. The Minister has said that it is not the practice to make available to Parliament copies of the letters that have been exchanged between the respective Governments, although I notice that the Premier with respect to Commonwealth-State Housing Agreement did take to a press conference a

copy of a letter that had been exchanged between this Government and the Commonwealth with respect to that agreement and he pointed out to the public aspects of it on which he sought to get some reassurances. The Minister has said on a number of occasions this morning that the renegotiation of this agreement was in the community interests, or in South Australia's best interests. I am not sure whether that is so.

The Minister has said that she and the Tasmanian Minister were in a privileged position with respect to their position at Ministers' conferences, where there was some shield against the rearrangement of Commonwealth funding for health care across this nation and that after all we had only three financial years to go for this agreement to run. Bearing in mind that since 1975 there have been 13 changes to the health delivery system in this nation and seven new schemes have been established, and, bearing in mind that in 1975, when the present Federal Government came to power, there was a promise given to the Australian people that universal health care would be maintained and extended. So we are living in a very volatile political climate with respect to the delivery of health care.

I would have thought that there would have been great advantages to stick with the current Commonwealth-State cost-sharing arrangements and to fight for its maintenance. The Minister has said in her statement this morning that the two major changes are, first, that it will place more responsibility on the States for the delivery of health care (I presume that is more financial responsibility on the States); secondly, that it will place more financial responsibility (and the word 'financial' is used there) on consumers for financing their own health care. I would think that many consumers of health care in this community are very critical of the new Commonwealth-State arrangements and, in fact, the final statement in the second paragraph on the first page of the Minister's statement says 'with resultant relief to the taxpayer'. I think that is a misleading statement, because that may well result only in relief for that taxpayer who is not ill and, secondly, who is quite reckless with respect to health insurance. Will the Minister explain how the Legislature can play its role in making sure that this arrangement is in the best interests of South Australia, given the limited information available to it, and also, what were the pros and cons in sticking to the previous Commonwealth-State health sharing agreement?

The Hon. Jennifer Adamson: I would reject the honourable member's assertion that very little information has been made available. As I said earlier, on no previous occasion in this Parliament has more information been made available to members of Parliament in relation to the health Budget. That statement is irrefutable; there has never been as much information provided as is set before the Committee today. That information was provided two weeks ago, so there has been ample opportunity to study it. In addition, Mr Chairman, in the events leading up to the decision to retain the cost-sharing agreement, and during the several conferences of the Health Ministers which were held, I endeavoured to keep the community of South Australia as well informed as possible by the very frequent release of press statements at any stage when change was contemplated, when any discussions were held with the Commonwealth, and when any conference was held I gave a full and detailed account to the media, or through Parliament where that was appropriate, as to the state of play and how it would affect South Australians.

In respect of this Parliament's being able to determine whether South Australia's best interests were served by retaining the cost-sharing agreement, I think it can be best summed up by saying that the State's financial interests were served in that, as I have already explained, we can

now continue with the situation where the Commonwealth pays 50 per cent of the cost of our recognised hospitals: 50 per cent is better than 40 per cent in plain money terms, which is what the other States are getting by way of absorption into general revenue grants. That was a principal consideration which the Government considered when deciding to retain the cost-sharing agreement.

As I also outlined earlier, there are other considerations which collectively could outweigh that 10 per cent advantage. One would be that the Commonwealth, wishing to divest itself of the cost-sharing agreement, may make South Australia an offer which is to our financial advantage; if such an offer were made we would consider it very carefully. In addition, there is the question of that 10 per cent being worth more or less, as the case may be in our judgment, as to the price that is paid for the rigidity of the cost-sharing system. Savings made in hospitals are shared by the Commonwealth, but the South Australian taxpayer does not receive the full benefit of our efforts to make the system more cost efficient. Therefore, we are unable to readily transfer those savings from high-cost institutional hospital care to the forms of community care that the State Government believes are important and which are the Government's policy to promote. If we had that flexibility we could make better use of our savings. It is a matter of judgment at what point and for what price the State would surrender its cost sharing agreement in what it believed would be the best interests of South Australians as a whole, notably in regard to their health, because we are talking about the health vote at the moment.

Relief to the taxpayer is an extremely important consideration, and it is interesting that thus far the Opposition has not mentioned the Jamison Report—the Royal Commission of Inquiry into the Efficiency of Administration of Hospitals. The whole thrust of that report was directed at the need to put a dampener on the tremendous head of steam that had been built up in health services throughout Australia towards an expansion of costs. It was an almost unrestrained expansion, because when people do not pay for a service they tend not to place a value on it. Consequently, we believe there has been an over-use and possibly an abuse of some services. The whole thrust of Jamison's recommendations was designed to put the brakes on that. In summary, I refute any assertion that there has been very little information provided to Parliament or the people. In fact, I believe that the reverse is the case. I also believe that the Government's decision to remain with cost sharing is demonstrably in the best interests of South Australians as far as we can see into the future at the moment. Should the situation change, it will be judged on its merits.

Mr CRAFTER: I agree that substantial information has been made available to the Committee, but all that information is really irrelevant if the precise nature and the terms under which there will be substantial alterations to the Commonwealth-State arrangements are not also made available.

The CHAIRMAN: Order! In relation to the letters, the Minister is perfectly within her rights to make a decision about whether those letters should be tabled or not. If the member for Norwood is referring to the letters, the Minister has the right to make that decision.

Mr CRAFTER: I am saying that the Commonwealth and State Ministers have a unified political philosophy which they are imposing on the people of Australia, in particular the people of this State. There is no means whereby those who possess a different political philosophy can properly assess the results of that philosophy. As the member for Playford has explained, that is why the offer of a half-hour briefing from the Chairman of the Health Commission was unacceptable. He is a servant of the Government and, in

fact, is obligated to carry out the political philosophy of the Government, which is being implemented in this way.

This morning the Minister outlined major shifts in responsibility, not only between the Commonwealth and the State, which must surely affect the ability of this State to maintain health care to the extent that it has in the past (or access to health care rather than the standard as a paramount criteria) but also in relation to the purchasing power of consumers to obtain a basic community service, that is, proper health care. How will resultant relief occur for the taxpayer, particularly the chronically ill, those who come from impoverished backgrounds, those who suffer from old age, particularly those who are institutionalised in some way, and those people who (and I am a member of this category) are members of a family which is having children, and that is an expensive process in itself? How will the fundamental changes that have now been brought about in our health system result in relief for the taxpayer?

The Hon. Jennifer Adamson: Before answering the specific question asked by the honourable member, I emphasise that in my preliminary statement I did not make any revelations; I did not say anything new. It was simply a summary and restatement of a series of quite detailed statements that have been made over preceding months which, had they been studied by the Opposition, should have made many of the issues raised this morning well understood.

In relation to relief for the taxpayer, it is quite obvious that, when the 'user pays' principle is implemented, the taxpayer, through the Government, will not have to bear such a heavy burden. That is made clear when one looks at the pros and cons of the so-called 'free' service. Under that free service a person on a high income who could well afford to pay for the service used that service, and the cost was fully borne by the taxpayer. Admittedly, a high-income earner pays a fair proportion of taxes; nevertheless, the principle of people using so-called 'free' services when they can well afford to pay for them is one that neither the Federal Government nor the State Government supports. In relation to the disadvantaged, as the member for Norwood is probably aware, 3 000 000 people are eligible under the Commonwealth criteria for free health care. That amounts to 20 per cent of the population, and I think it is a very fair and equitable provision of free health care to those people in need. As I emphasised earlier, notably in answer to a specific question from the member for Norwood, no person will be turned away or refused treatment in South Australia because of an inability to pay.

The CHAIRMAN: I point out to the member for Norwood that there is 1½ minutes before the break. If his question is very short requiring only a short answer it can probably be fitted in. If not, I suggest that he asks his question, and the Minister can reply following the break.

Mr CRAFTER: I will put my question to the Minister and she can answer after the recess. My categorisation of those particular people who in my assessment will not benefit financially from these new arrangements related to those in the child bearing age group and aged persons who have income sources: the very people that the Commonwealth Government is attempting to bring further into the social security net through legislative changes that have been deferred at this stage—all of those people fall just outside of that net. Sure, 3 000 000 people will be catered for, and that is the estimate by reputable welfare authorities of the number of people living below the poverty line in Australia. It is only right that they should be caught. However, there is another group of people who have not been accurately estimated who will fall through that net and will be financially responsible for their access to health care services. I notice in the Estimates of Expenditure for

the year ending 30 June 1982 it is anticipated that an extra \$40 000 000 will be received by way of receipts from recognised hospitals in this State. Surely that is the tale to this whole story: users do pay and they will pay to the tune of some \$40 000 000.

The CHAIRMAN: Order! The honourable member will have to continue after the luncheon adjournment.

[Sitting suspended from 1 to 2 p.m.]

Mr CRAFTER: Before the luncheon adjournment I was referring to the Estimates of Expenditure for the year ending 30 June 1982 where it was anticipated that an extra \$40 000 000 would be received by way of payments from consumers of services provided by recognised hospitals in this State. As the Minister mentioned, this is a matter I have been concerned about for some time. Those people who are not in the absolute poor category and yet who fall through the health net will be responsible for paying what can only be anticipated as substantial costs associated with hospital treatment. It may well be beyond the capability of people to pay that amount of money.

Obviously there has been some serious attempt to estimate that expenditure and build that into the provision and maintenance of existing services. It is important that that money be recovered wherever it can. Whilst the Minister has told the Committee that that is a matter that ultimately rests with the various hospitals boards, it is obviously of State-wide concern to see that we do not return to the system that prevailed prior to Medibank whereby literally hundreds of people went to gaol because they ended up in the debtors courts and in the labyrinth of laws which resulted in their being imprisoned. The section of the Henderson inquiry which related to poverty illustrated this very clearly. This State was no exception. I understand that the debt collection services in this State are already having discussions and planning services with the medical profession to bring about procedures to collect bad debts.

I realise that that is not a matter which is within the jurisdiction of the Minister but it comes within Governmental responsibility if people who are ill and cannot afford to pay for health care end up in prison. That must be the end thesis of the real function of proper health care in the community. This is a real problem. I do not believe that we will come to this situation for some time yet. In that additional \$40 000 000 by way of receipts, how much will be by way of bad debt and what provision is the State making to counter the social effects of bad debts?

The Hon. Jennifer Adamson: The member for Norwood has raised several points and I would like to deal with some of them in addition to answering his specific questions. He refers to the \$40 000 000 which is the estimated revenue and which is therefore equivalent to a saving to the taxpayer. I think he has not taken into account in his comments that some people on low incomes are already insured and will now have the benefit of tax deductibility which was not available to them before. In consequence, some people's insurance contributions have been reduced as a result of the Federal Government's decision to allow concessions of 32c in the dollar. There is an option available to people who just miss out on eligibility—the option of taking out 'hospital only' insurance, which reduces the overall cost of hospital and medical insurance and enables people to have access to hospital and medical services through recognised hospitals.

In addition, boards of hospitals have discretion to waive fees in cases of genuine financial hardship. I would not envisage in any circumstances the situation of someone on the poverty line in South Australia going to prison because they could not pay hospital fees. I would not, however, overrule the possibility that someone who could be dem-

onstrated to be able to afford to pay hospital fees and who refused to do so being pursued through the normal legal processes in a way that would be entirely proper for debts in the normal course of events. I cannot envisage anyone who was unable to pay a hospital bill being imprisoned as a result of failure to pay that debt.

Mr CRAFTER: I accept the fact that there may be some people who will be financially better off—those who are in that category and privately insure and get the tax rebate. However, I would imagine that that is only a very small number of people. Some people will take out 'hospital only' insurance, which is a wise choice for those with limited resources available to them, as they will minimise the risks they take, should they experience ill health. I understand that the Health Commission has addressed itself to this matter to try to inform the public, because I think the Minister would agree that there is a widespread ignorance in the community of changes and of what options are available. The Health Commission did prepare a pamphlet strongly advising people to consider 'hospital only' insurance. I understand that there were some difficulties with the distribution of that pamphlet. Has it now been rewritten or distributed throughout the community?

The Hon. Jennifer Adamson: The pamphlet was prepared by the Health Commission after consultation with the Department of Social Security in recognition of the need to provide specific advice for low-income earners who fall into the category that the honourable member has described, namely, they just miss out on eligibility for free hospital care. The pamphlet was prepared for that specific purpose and that purpose only. It was not prepared for general distribution, because the Government is committed to ensuring that people who can afford to take out medical insurance receive their primary care from the person who is appropriately trained give it to them, that is, their own general practitioner. That pamphlet was prepared by the Health Commission for use by the Department of Social Security and by staff officers exercising their judgment as to the need to give advice to people who just miss out. That was the purpose for which it was designed and the purpose for which it is being used. It is not being redrawn and there is no need for it to be redrawn or withdrawn. It was designed for that purpose and is being used for that purpose.

Mr CRAFTER: Can I have some specific information with respect to how many copies of the pamphlet were printed, how it is being distributed and how you can find out who those people are in the community, where they are and how you relate to them? Was it translated into other languages and distributed in ways in which those people could obtain information, particularly those in rural areas?

The Hon. Jennifer Adamson: The pamphlet was not written in any language other than English. Quite clearly, people who believe they might be eligible for free health care have to ascertain eligibility by going to the Department of Social Security. That is well and widely known. That is the first point of contact with a Government agency that these people would have. Therefore, the Department of Social Security is the distribution point for that advice. In regard to the specific question on the number of copies, the question has already been put on notice. According to my recollection, I have signed the answers to those questions. Whether or not they have appeared in *Hansard* yet I do not know but, if they have not, they will. The information will be on public record. From recollection, 48 000 copies were produced. A substantial number of those have been distributed to social security offices. A small number is being retained by the Health Commission for further distribution if necessary. As far as we are aware, they are going to points where they are needed, and that includes country areas.

Dr BILLARD: I understand from what the Minister said that the deliberations leading up to the decision whether or not we would continue with the cost-sharing arrangement involved a consideration of whether in three years time the contribution by the Commonwealth would have eroded to a point where it would be better to accept 40 per cent now rather than 50 per cent on a continuing and declining basis. If this is the case, I want to clarify that there are two areas affecting that decline. From what the Minister is saying, the first area is that the more efficient we make the operation of the hospitals and the more we thereby reduce the overheads and unnecessary costs, the less is the contribution by the Commonwealth.

The second area is that the new Commonwealth scheme will bring about some shift to private hospitals, and that will also reduce the contribution by the Commonwealth. This is my understanding; the Minister can correct me if that is not true. What is the decline in patronage of public hospitals (that is, the figure of shift from public to private hospitals) that has been assumed in preparing the Estimates for 1981-82?

The Hon. Jennifer Adamson: I will ask Mr McKay to identify the methods by which the commission has tried to assess the shift. The estimate of \$40 000 000 anticipated revenue was determined by the Commonwealth. No details were provided to the States, despite intensive questioning and frequent requests to do so as to the basis on which it estimated that revenue. I ask the Chairman to detail the assessment of the shift from the public to the private sector.

I point out that the reduction in costs to the State and Commonwealth as a result of that shift can be achieved only over a period of time and through attrition, under the policy of the State Government of no retrenchments. Even if there were to be a solid movement of patients away from the public hospitals towards the private sector, we would not be able to reduce our overhead costs in those hospitals by any marked degree because we are committed to maintain levels of staffing and not reduce them by retrenchment. We could reduce by attrition if there was a marked shift away and it could be demonstrated that there was less need for health professionals, para-professionals and ancillary staff. We can make those reductions in staffing only through attrition; we cannot do it through retrenchment. The recurrent costs would thus have to be held at the level that is existing regardless of the amount of demand for service, except where we have the ability to reduce progressively through attrition or through improved management. As to the assessment of the shift on which Budget allocations were based, I will ask Mr McKay to outline those procedures.

Mr McKay: There is no further percentage figure; it varies institution by institution. For example, the Royal Adelaide Hospital has a long history of its clientele coming from the pensioner age group. We do not expect a quick shift there. The Flinders Medical Centre traditionally has had a fairly high level of private or insured patients, and that hospital may lose some. It has been worked out on an institution by institution basis, not on a flat 5 per cent or 10 per cent, or whatever, across the board.

This will not affect country hospitals because usually they are the only hospital in a particular town and therefore will not be affected by a shift. Regarding the teaching hospitals in Adelaide, we anticipate some impact of about 5 per cent to 10 per cent. We have set budgets for those hospitals in anticipation that there will be a shift. We do not think any shift will happen quickly, especially in the last nine months of this financial year. We are watching the position, and will tune it as we go. We have not set out a deliberate figure and said that there will be a 20 per cent

movement. We do not have the facts on which to base that evidence.

Dr BILLARD: I thank the Minister and Chairman for that explanation. A statement made earlier today by the member for Playford related to this subject. He alleged that on a calculation by the Opposition there would be a reduction of 22 per cent in State funding of Government hospitals this year. I was concerned that a remark made by the Minister might have been interpreted as saying that that was the correct figure. Looking at the figures in the blue book on page 1, I cannot see how that figure of 22 per cent could be arrived at.

If we look at line 4 of the allocations for recognised hospitals, we see the total payments are \$316 538 000, an increase of 3.7 per cent over the actual amount spent last year. The figure we are obviously talking about now is the net cost to South Australia. The actual net cost last year was \$127 000 000, and the estimated net cost this year is \$103 000 000, which is 19 per cent less. Of course, the \$103 000 000 does not take into account salary and wage increases, together with inflation. The drop in the net cost to South Australia must be some figure which is substantially less than 19 per cent. I suggest the figure is probably about 9 per cent or less.

The Hon. Jennifer Adamson: When you look at those two figures in the final two columns of page 1 of the blue book, relating to the recognised hospitals, the actual expenditure in 1980-81 was \$127 000 000. The estimated expenditure in 1981-82 is \$102 900 000 which is, on the basis of those precise figures, a reduction of about 20 per cent, as was confirmed earlier. As the honourable member rightly says, the estimated figure does not take into account round sum allowances which have to be added throughout the year and which come from the Treasury line, not the health budget. It certainly cannot be suggested that there is an overall reduction of that order in State funding of the hospitals budget. A distinction must be made between the sums allowed for the recognised hospitals and the overall health budget figures, to which the member for Newland referred earlier, in the yellow book.

Mr McRAE: I move:

That this Committee censures the Minister of Health for failing to make any adequate arrangements for briefing those members who sought factual information on reasonable notice and in the proper manner. In view of the Minister's own admission that funding to recognised hospitals has been reduced by a massive 22 per cent at the direct expense of lower and middle income earners, this Committee declares that it has no confidence in the Minister of Health and calls on the honourable lady to resign forthwith.

In support of that motion, I do not intend to recanvass everything I said this morning. I will be making reference to the Minister's statement on the first of these matters, the censure for failing to make adequate arrangements for briefing. The Minister did say, and quite correctly, that in order to understand the Commonwealth-State relationship so far as health is concerned one needs to understand not only what is happening with the agreement, as it pertains to health, but also what is happening to the overall Commonwealth-State financial relationship. Of course, that is right. Everything that she says there is perfectly right. That is why the Opposition was so perturbed, and justly perturbed, in trying to protect the people of this State in trying to get adequate factual briefing.

Again, in looking at the Premier's Financial Statement, (pages 6 and 7) one will note the damning indictment that he makes of his Federal colleagues. At page 7 of his statement, the Premier states:

The contrast is stark. The Commonwealth Government's success in restraining its expenditures has been achieved at the expense of the States.

Just before that statement, the Premier noted that the Commonwealth Government increase in expenditure was 15 per cent, which in turn was almost double the rate of increase to the States, namely, 8 per cent. Because of the new system of non-specific grants but of a general grant, and because of the other arrangements that the Minister has mentioned to us, it was perfectly obvious that it was proper that the Opposition have an opportunity to be briefed by Treasury officers on the total picture, always provided that the Opposition went about it in the right way, which was by making an approach to the Premier's Department for access to the Treasury office (that was done), and also provided that it was understood that it was factual information that was being sought—that and nothing more, not policy and not philosophy. All of those parameters were met by the Opposition.

We continually sought that briefing, and obviously the Government eventually had to try to alleviate its embarrassment by admitting that we were right, but it then insulted us by offering a mere half an hour with an officer, whom we do not criticise but who, by the nature of his office, would be embarrassed, whereas someone from Treasury, looking over the whole picture, would not have been embarrassed. It was a farce and a fiasco not worthy of any Minister of any Administration.

The other matter to which the Opposition draws attention concerns the funding of recognised hospitals. I respect the member for Newland when it comes to theoretical mathematics, applied mathematics or physics, but I must point out that the Opposition is dealing here with simple arithmetic, and it is perfectly obvious by looking at the new style of funding that there has been a reduction of a large amount. I have said that it is 22 per cent; there are other ways of calculating it, and I think that the honourable member is aware of them, that could produce a figure of 19 per cent or 23 per cent, but I have used the figure of 22 per cent.

Even if that figure is marginally wrong (upwards or downwards), the fact is that there has been a massive reduction, greater than in any other part of the Budget to any other department, and that includes the Public Buildings Department, which has been decimated (doubly decimated, with a reduction in excess of 20 per cent). The reality of the matter, on the Minister's own admission, to which I will refer in a moment, is that the Government has been able to save in percentage terms, about 22 per cent, and, in money terms, about \$25 000 000.

I have taken note of what the honourable member said about the round sum allowance, and I also draw to the honourable member's attention the fact that the round sum allowance will be mirrored in the amount which those persons insured will have to meet with insurance premiums. Obviously, as salaries rise, so will the premiums rise. As the salaries rise, so will the daily charges rise and so will medical charges rise. It is all very well for the honourable member to shake his head, but that is the reality of the matter. Let him speak in this debate. I say that one factor will match the other. If the round sum amount is 12 per cent for cost and salary increases then, as those matters affect the hospitals, so the daily charges will increase. As that occurs, so will the charges to the people of this State increase.

There are two realities in this matter. The first is that the Premier in his Financial Statement was not being completely honest with the people of this State because, in his dealing with Commonwealth funds generally on pages 6 and 7 he was scathing of what had occurred, yet he did say at the foot of paragraph 4 on page 7:

These include—

he was referring to various specialised areas—

hospitals finance, welfare housing, the Land Commission, aspects of education funding and the most important matter of the Grants commission review of relativities, including the special question of whether South Australia may lose the budgetary benefits of the railway transfer agreement. The amount at risk here is presently about \$60 000 000.

He was referring to giving firmer information to Parliament at a later date. In saying that, he was not being completely honest with the people of South Australia, because he must have well known at that point that, whereas in relation to the Commonwealth-State relations generally and in relation to welfare housing generally, he intended to berate his Commonwealth colleagues (and rightly so) and ensure a fair deal for South Australia, when it came to the hospital section of the matter, he shared the philosophy of his Federal colleagues, as obviously this Minister does.

Both the Premier and the Minister of Health are prepared to make the low and middle-income earners of this State bear the burden. There has been a change, a change that has come about because of a shared philosophy between the Commonwealth Government and the State Government. It is a change which is shifting recognition from what we have termed 'recognised hospitals', from the very well-known and reputable teaching hospitals of this State, across to private hospitals. It is a change which has imposed a massive taxation—and there is no other word for it—on the low and middle-income earners of this State. It is quite clear that, because medical insurance is on a flat rate, regardless of income, it is again an example of taxing the poor to fund the rich. Yet again we are confronted with a Government involved in this tactic.

That is why the Opposition is most concerned. I support, although I will not enlarge upon, the remarks that the member for Norwood made. Indeed, I foreshadow, notwithstanding the so-called generous arrangement by which pensioners and the disadvantaged will be granted immunity from this arrangement, that there will be people on the borderline, people at disadvantage, who will be harassed by hospitals seeking to exist. That is what happened before. We are reverting to a pre-Medibank situation, and members should make no mistake about that. We are reverting to the old public squalor and private affluent situation.

I have no doubt that there will be ordinary people in this State in the middle-income bracket who will be harassed for money. We will have the old debt chase on again. It is a disgraceful situation, and I deplore the fact that the Minister and the Premier in particular were not able to stand up to their Federal colleagues and better protect the people of this State.

Dr BILLARD: I think it is perhaps characteristic of the Opposition's approach to this motion that the wording of it seeks to censure the Minister of Health and yet a great deal of the argument that has been put forward by the member for Playford has been concerned with Federal Government policy. I think that is characteristic of the confusion that the Opposition finds itself in today in a lot of its discussion. I would argue very strongly that Opposition members have failed to establish any of the grounds on which they seek to censure the Minister. They have put forward in their motion two specific grounds: one was for failing to make any adequate arrangements for the briefing of those members; the second concerns what they allege is a massive 22 per cent reduction in the Government's funding to recognised hospitals. They have not established those figures in either of those areas. The Minister answered this morning the sequence of events leading up to the offer to supply information to the Opposition and to brief its members. I would have thought that, if the Opposition was genuine in its desire to seek information, they would have

done it a little earlier than less than two working days prior to the sitting of this Committee. They have had these papers which, it has been pointed out to them, supply more information than has been supplied to any Parliament in South Australia on any previous occasion in this area.

Mr McRAE: The day before.

Dr BILLARD: They have had this information for two weeks, but—

Mr McRAE: The day before.

Dr BILLARD: Still they decided only last Friday that they wanted this information or that they needed—

The CHAIRMAN: Order! The honourable member for Playford was heard in comparative silence and I ask him to observe the same courtesy.

Dr BILLARD:—this information, I would have thought there was plenty of information here if Opposition members wanted to work through the figures in order to question the Minister and her officers; in fact, part of the purpose of our exercise today is precisely that: to question the Minister and, through her, her officers, to seek what information we can so that this exercise can be gone through in public, so that the public may gather what information it can on this area and understand what it can on the spending in the health area. I think there is clearly no substance in that censure.

The second area concerned the allegation of a 22 per cent cut. As the honourable member would recognise, the question that I asked of the Minister immediately prior to this motion being moved clearly established there was no foundation whatsoever for that charge. I challenge the Opposition to produce the figures which can show that 22 per cent cut. The only figures which can come anywhere near it are figures which are not comparable, and they are the figures for the actual spending in 1980-81 on recognised hospitals and the proposed spending for 1981-82 on recognised hospitals.

As has been clearly established in this Committee and in many other committees in the budget proceedings, comparing proposed expenditure with actual expenditure is not possible. The figures are not comparable and no basis of any charge of reduced spending can be made by comparing those two figures. If we do compare those two figures, there is a 19 per cent drop from the actual expenditure in 1980-81 to the estimated expenditure in 1981-82, not 22 per cent. There is a 19 per cent drop between those two figures. As was pointed out in the answer to my question, the estimated expenditure this year still has to take into account salary and wage increases for this year, and the final figure will not be anywhere near that 19 per cent. So the charge that has been made—and it has been made in other forums as well—that there will be a 22 per cent drop in Government funding of recognised hospitals simply cannot be substantiated. I challenge the Opposition members again to show how they can produce those figures because I know that they simply cannot produce them: those figures are not there. Therefore, I believe that both their censure motions, both the charges that they level at the Minister of Health, cannot be substantiated. For that reason, I oppose the motion.

Mr HEMMINGS: I support the motion. It seems to me that we have the member for Newland acting as the Minister's apologist. We were told earlier by the Minister that this Committee was given the most detailed information of any other Committee meeting in this House. We were given figures, and my colleague the member for Norwood touched upon that earlier, that the actual receipts for 1980-81 was \$51 000 000 and the estimate for 1981-82 was \$91 000 000, an increase of \$40 000 000. Yet the Minister, on the one hand, is saying we were getting detailed information and the member for Newland, on the other hand, is saying that

we cannot take that as gospel, that it will fluctuate. We accept that there may be some fluctuation, but there is a real increase of \$40 000 000 in receipts and there is a reduction of \$25 000 000 on the net cost to South Australia in recognised hospitals.

I will deal briefly with the first part of the censure motion. The member for Playford took all the correct steps to gain information. Now the Opposition was not too proud to say that the whole basis of this funding depends on our having full knowledge of the Commonwealth-State health agreement. One of the reasons we did this was so we could get that out of the way, so that we could deal with the areas which are going to take practically all the time of this Committee, and we want to question the Minister on those aspects, but we were blocked. I am not suggesting that members of the Opposition have had briefings, but I do remember one case when the member for Newland and I attended a public meeting dealing with the Modbury Hospital. The member for Newland stood up quite freely at the meeting and said he had received a briefing from the Health Commission. How many members opposite, Mr Chairman, have received briefings? Quite a few of them, no doubt, have had the facilities offered to them, unlike the Opposition members.

Dealing with the 22 per cent cut in recognised hospitals, I think it is fair to say that this Minister has presided over the most prolonged attack on the health delivery service in this State. What we have this year is a massive 22 per cent cut. What concerns us, Mr Chairman, is that the Minister freely admits there is a 22 per cent cut. This present Government could not have picked on a more suitable person than the present Minister, who continuously has shown a callous and cynical, uncaring attitude to the low income and middle income earners in this State. She wields the Budget knife so competently, and she even smiles when she does it. Sir, we are saying that enough is enough. This Committee has no confidence in the Minister: those people outside who deliver the health care services have no confidence in the Minister. The health care services are in chaos, yet the Minister maintains that all is well, that there is nothing wrong, that she is continually being told by those people who deal with health care that everything is fine. There has been a deliberate move by this Government to channel people into the private sector. Those people who are using the recognised hospitals are going to be charged and charged more each financial year. I would have a bit more respect for this Government, and this Minister, if they had made a greater fight in dealing with the Federal Government in relation to retaining the existing agreement.

It is all very well to say that those two letters of intent still maintain the 50 per cent sharing situation, but that is not correct; it just opened the door so that the Government could reduce its share of operating costs to recognised hospitals by some \$25 000 000 and make up an additional \$40 000 000 from the low and middle-income workers. The wealthy are not going to worry about this Budget; it does not worry them whatsoever. The Opposition is concerned about the low and middle-income earners. I doubt very much whether members opposite will support this motion. I think it is about time that the public became aware of what this Government is all about and its attitude to health care delivery services. The sooner the public does realise that the sooner we will see a change of Government.

The Hon. Jennifer Adamson: I am surprised and disappointed at the amount of time the Opposition is prepared to waste on a motion which has no substance and no justification whatsoever. Therefore, I propose to deal with the matters raised as briefly as possible so that we can get back to the real matters of substance before the Estimates Committee as soon as possible, and to those issues which

the Opposition has said that it wishes to discuss, but on which it appears to be quite willing to forgo discussion in order to raise matters of absolute frippery, which simply cannot be substantiated.

First, there is no obligation on the Government or on me as Minister of Health to provide a briefing to any member of Parliament prior to the sittings of the Estimates Committee. It has never been the custom. It was never accorded to any member by the previous Government, and it has not been accorded by me to any member of the Liberal Party. As a matter of courtesy, and recognising the complexity of health service funding arrangements, I actually offered a briefing of my own free will on Friday last week when I returned from the Health Ministers' conference. I point out that members have had a fortnight in which to study the ample material provided to them. The Opposition's request for a briefing did not come until very much the eleventh hour.

As Minister of Health, I have no jurisdiction whatsoever over Treasury officials, and I would have no power whatsoever to instruct a Treasury official to brief the Opposition. However, I did offer a briefing from the Chairman of the Commission, which, as I have already said, was made in the face of intensive demands on the Chairman's time on Tuesday of this week, the first opportunity that would have been available once the Opposition indicated that it wished to avail itself of that opportunity. The fact that members of the Opposition chose not to take up that offer is, I believe, a sad reflection on them. I cannot see that it is any reflection on me, however.

In relation to the assertion that I have admitted that funding to recognised hospitals has been reduced by what the Opposition has described as a 'massive' 22 per cent, I have admitted no such thing, and the figures before the Committee indicate that that assertion is a nonsense. It is correct that the net cost to South Australia has been reduced, but that is not to say that funding to recognised hospitals has been reduced. In fact, the situation is quite the reverse. If the Opposition members had taken the trouble to do their homework properly and think this thing through, simply by referring to the first two columns on page 1 of the blue book, they would see that there has been an \$11 000 000 increase on payments for hospital services in South Australia—not a reduction, but an increase.

We have spent the whole morning explaining the reasons why the implementation of the 'user pays' principle will lead to a reduction in the net cost to both South Australia and the Commonwealth, through revenue earned from charges raised in hospitals. To suggest that there has been any reduction in payments to recognised hospitals is a nonsense, and that is borne out by the figures on page 1 which indicate that the actual payments to recognised hospitals in South Australia in 1980-81 amounted to \$305 100 000. The estimated figure for payments in 1981-82 is \$316 500 000, an increase to hospitals of \$11 000 000, and that is irrefutable. It is quite clear to anyone who can read the figures that payments to hospitals are to be increased.

In relation to the net cost to South Australia, the estimate of \$102 900 000, which is in the right-hand column, does not take account of round sum allowances. The Opposition has already acknowledged that it is aware of that fact. We expect that those round sum allowances will be about \$20 000 000, which would bring the net cost to South Australia up to about the same amount as the Commonwealth estimated contribution, which is \$122 100 000.

I believe that, in moving this motion, the Opposition has done nothing more than waste valuable time which could have been used by the Committee to seek information on any of the issues that it raised in the list that it provided

to the Committee and to you, Mr Chairman. The censure in relation to failing to make adequate arrangements for a briefing would be laughable if it were not so pathetic. It was the Opposition itself which rejected the briefing that I voluntarily offered. The funding to recognised hospitals, as indicated in the Budget papers, will clearly be increased. There is no substance whatsoever in the censure motion, and I oppose it.

Mr CRAFTER: Something should be said about the sequence of events which gave rise to the Opposition asking for a briefing by Treasury on the purely financial aspects of the Commonwealth-State Housing Agreement. We received the so-called yellow books on the last Thursday of the sittings prior to the commencement of the Estimates Committee hearings. Last Wednesday, we received the blue booklet, which I am sure contains the most vital information that has yet been made available to us. On receipt of that booklet, the Opposition members of the Committee met and discussed its implications. It became quite obvious at that stage, after combining all the information made available to us, that we required further specialist information. Obviously, the source of that information was the Treasury. We then sought some way to obtain that information. As the member for Playford said, we went through certain channels so that that could come about.

We have already explained why the Government's offer of a half an hour's briefing by a Health Commission officer last night was not satisfactory. It is said quite often, and it is true, that information is power. If the Opposition does not have basic information, then it is powerless. Obviously, if these Committees are to be effective and if the Opposition is to play its role in the proper checks and balances of the democratic processes that exist under the constitution of this State, we need to have that basic information.

The health agreement is the most fundamental agreement to the welfare of this State that this Government has negotiated in any of its dealings with the Commonwealth since it came to office. There are two other agreements which are also vital to the welfare of this State and which are currently under negotiation as well. One is the Commonwealth-State Railways Agreement, and the Government is playing a directly different role in relation to that matter when compared to the role it is playing in relation to the health agreement. The other matter relates to the Land Commission. The Government is playing a different hand in each one of those three issues.

The Government is releasing different amounts of information in relation to all three issues. In relation to the Land Commission and the health agreement, there is a direct vested interest by groups outside of the Government. Private interests are involved, and that is the crucial factor. The groups in the community who will benefit from these changes in Government policy are well known to us all. The Opposition members of this Committee have a great responsibility to ensure that those most in need in our community are protected, particularly in such a fundamental area as the delivery of health care.

That is the background and the reasons why we sought that information. It was sought in all seriousness and it was sought so that we could do our job properly. We saw just five minutes ago the Minister and the Chairman of the Health Commission briefing the member for Hanson, giving him information so that he could participate in this debate. That is simply the situation that we are complaining about.

Mr LEWIS: Are you worried about Hillcrest services?

Mr CRAFTER: I treat this debate more seriously than does the member for Mallee. If the Government members of this Committee want to play the role of supporting the Government, then there is really no function for that side of this Committee. I would have thought they would see a

greater role and, indeed, seek the information themselves. With respect to the second part of the motion, if the member for Newland had continued to read on, the context of the motion would have said, 'at the direct expense of low and middle income earners'. They are the groups that we are worried about. They are the groups that are suffering because of the Government's 'user pays' policy. The community is now feeling it in their pockets and in their inability to gain what they have traditionally come to expect from the Government. We see that the Queensland Government has taken a different attitude in the delivery of health care services. It is taking a different attitude to fighting for the rights of people in that State with respect to the provision of hospital care. The Opposition has no way of coming to a conclusion as to what it would have done in similar circumstances unless it knows the precise details of the agreement that has been entered into with the Commonwealth. The Minister, in the early stages of these negotiations, took a completely different stance from that which she now has adopted, and there is a good deal of substance in the confusion which rests not only in the minds of the Opposition members but also in the community as to the Government's attitude in this matter. The initial stance taken by the Minister and the Government was that there would be a discontinuance of this agreement. There has now been a modification of the agreement. We see, as I said in the debate earlier, that there has been a fundamental shift in responsibility from the Commonwealth to the State and from the State to those who are sick and ill in our community. The justification for that is the claim that there will be resultant relief for the taxpayer without qualification. That simply does not follow by any means of logic when one looks at the reality of the renegotiated health agreement. Indeed, there is substance in both of these arms of the Opposition's motion. I support it strongly.

Mr OSWALD: I oppose both the censure and the no-confidence motions. The Opposition has had adequate opportunity to go through the documents. It has had as much opportunity as we have had. It is ridiculous for the Opposition members to claim that this side was briefed. We are no more briefed than they are. The documents, when viewed, show quite clearly that the vote for recognised hospitals has been increased by \$11 000 000. In typical fashion the Opposition, as it always does, sectionalises out one line and does not look at the total health concept in the State. It does not wish to understand that the Government is having a look at health from an overview—an overview which is looking towards preventive medicine.

If the Opposition would care to look and stop talking all the time about the low and middle income earners and look at the reality of the matter, it would find that the low and middle income earners are going to benefit from this Budget because the community health and domiciliary care service has risen by an extremely high percentage. The Opposition will not want to know that, because it is an initiative of this Government which I think will be praised by the community. It is praised because elderly people, disadvantaged people, are going to receive a rise in funds allocated to them. To sectionalise out and say that the hospitals have been disadvantaged is a falsehood. By shifting the allocation of that money into the preventive health services is a recognition that there are beds in the Royal Adelaide Hospital which are occupied by people who are suffering from drug offences, drug conditions, kidney complaints, alcohol-related diseases and accident injuries. Those occupied beds could be free if the programme designed for preventive medicine is effective. I would ask that the Opposition look at the total health policy and it will find that the South Australian Government has not cut back its funds to South Australian hospitals. It has also increased its funding elsewhere in the

Budget to ensure that these disadvantaged people are not in fact disadvantaged. They should remember that those who are disadvantaged in the community, when they do visit these hospitals, can get a rebate or can get their hospital fees paid as they are disadvantaged. It is dishonest to suggest that the Minister is not aware of her responsibilities. She has made it quite clear that she is aware. I have full confidence in her duties and I totally oppose this motion of no-confidence.

Mr BECKER: I do not wish to take the time of the Committee, as there are more important matters to discuss than this motion. It becomes quite boring when we see the Committee system abused for cheap political purposes. I want to rebut one statement made by the member for Norwood. I am getting sick and tired of Labor politicians, particularly the legal members of it, spreading untruths about me. The Minister was not briefing me and had nothing to do with the resolution as interpreted by the honourable member. If the members of the Labor Party continue like this they will find that I am not frightened to express my viewpoint publicly. The Committee ought to be considering an alternative motion and congratulate the Minister of Health in providing the fullest explanation and documentation of the health budget—something that was never clearly provided by the previous Labor Government.

Mr SLATER: We did not have Estimate Committees, did we?

Mr BECKER: You did not believe in telling the Opposition anything. It was quite obvious from the Public Accounts Committee report how the Labor Government treated the whole financial management of health services in the State. Do not come up with that garbage to me. I am sick and tired of the way the Labor Party treated the Opposition when the Labor Party was in Government. I happened to have a shadow portfolio. We were told nothing and were not allowed to approach anyone in any department. Whenever one asked a question there was a cynical search with the attitude, 'What is he up to now?' One was accused of having spies in departments. That is how the Labor Party has always treated the Opposition in this country, be it in this State or in any other State in Australia. To sit here and allow public servants and members of the Health Commission to listen to the stupid and inane debate makes me quite cross. Their valuable time is being wasted in discussing this trivial matter.

The Hon. Jennifer Adamson: I would like to respond briefly to one or two points made by the member for Norwood in regard to the low and middle income earners.

The CHAIRMAN: Before the honourable Minister speaks, I point out that for the conduct of the debate we have adhered to the normal order of debate. This Committee is being conducted as a Committee of the Whole; therefore, the honourable Minister has the right to speak again. The honourable Minister.

The Hon. Jennifer Adamson: I will not speak at length. I want to remind the member for Norwood that the decisions made by the South Australian Government in respect to cost-sharing do not differ in substance from those made by his Labor colleagues in Tasmania. I am not aware that he is alleging that they are taxing the poor and middle income earners or that their Minister of Health, Treasurer, and Premier should resign as a result of continuing with the cost-sharing agreement, while at the same time raising hospital charges. It seems to me that the Opposition has failed to do its homework. The Opposition has not read the Commonwealth legislation or the periodic press statements that have been issued. It has completely failed to appreciate the role of private hospitals in the provision of health services in South Australia. The Opposition may not be aware that, of the 8 697 hospital beds in this State, only

590 are in private profit-making institutions. In the community and religious hospitals there are 1 400 beds which require more patronage; otherwise, they will be forced to close. I doubt whether any member of the Opposition is calling for the closure of Calvary Hospital, St Andrews Hospital, the Memorial Hospital, or the great religious and benevolent hospitals which have made such a valuable contribution to the health services of this State and which this Government wants to see maintained as viable institutions.

I conclude by saying that I have never said that there would be a discontinuance of the cost-sharing agreement. Prior to the decision by the Commonwealth in relation to the recommendations of the Jamison Report I was urging the Commonwealth to abandon the cost-sharing agreement on the grounds that divided responsibility leads to inadequate services. I still stand by that statement of principle, that divided responsibility in the provision of health services does not lead to the most cost-efficient or effective provision of those services.

However, since the Commonwealth adopted the recommendation of the Jamison Report to forgo the cost-sharing agreement (other than for those States whose agreements run until 1985), I have put the financial interest of South Australians first and on that basis recommended to the Government that we remain with the agreement for the time being, unless we could be persuaded that it was to our financial advantage to forgo it. That situation remains and it is my firm contention that that decision to date is in the best interests of South Australians. If anything should arise which convinces me differently, then the amended legislation enables either South Australia or Tasmania to opt out of the agreement at any time. I categorically reject the censure inherent in the first and second parts of the motion and I believe that the Committee will do well to reject the motion forthwith and get on with the proper business of the Estimates Committee.

Mr McRAE: I do not want to let this petulant Minister get away with that last remark—

The CHAIRMAN: Order! The situation is as I have described. The honourable member for Playford has the right of the call and I call the honourable member for Playford.

Mr McRAE: I want to ask the Minister to be more relevant and less petulant for the rest of the day. I point out that it will be the Chairman, with the support of the Committee, and not the Minister, who will be deciding what matters are relevant and what are not. No member of the Opposition will be told by any Minister as to how or where they will carry out their role. I, for one, resent that last remark made by the honourable lady; we all do. We will be dealing with these important matters on behalf of the people of this State as best we see fit under the ruling of our Chairman and not under the ruling of any Minister.

The CHAIRMAN: The honourable member for Newland has indicated that he has been misrepresented. I will give him the opportunity to make a personal explanation.

Dr BILLARD: The member for Napier alleged that at a meeting at Modbury last year, concerning the Modbury Hospital, I indicated that I had been given a briefing by the Health Commission. I deny that charge absolutely. I made no indication and did not get a briefing. I think the member was referring to a report that had been done by the hospital, and I deny that charge absolutely. It is utterly and absolutely wrong.

Mr LEWIS: I move:

To strike out all words after 'Committee' and insert 'commends the Minister for the full and frank disclosure of information and figures relevant to the provision of health care for South Australians, and congratulates this South Australian Government on the outstanding way in which it has renegotiated the 1976 agreement protecting the needs of low and middle income earners in so doing'.

The CHAIRMAN: Will you bring the amendment up, please?

Mr LEWIS: As soon as I have finished writing it.

The CHAIRMAN: Does the honourable member wish to speak to the amendment?

Mr LEWIS: Briefly, Mr Chairman. It is regrettable that the Committee has come to this stage. As I understood these committees, they were established to enable members of the House of Assembly to obtain information from Ministers, assisted by senior public servants, about the portfolio areas of responsibility of those Ministers. In this instance this motion accomplishes nothing in that regard but makes a mockery of that process. This motion was brought upon the Committee by the Opposition members of the committee and in doing so indicates the contempt that they have for the Parliamentary process of the Committees on the Budget stages, seeking information about what the programmes contained in the Budget attempt to do. The proper place for this kind of motion is in the House in full session in debate on the Budget. I do not believe that the Opposition is sincere in its desire to seek information about this or any other portfolio; the Opposition is wasting the time of the Committee by putting such a spurious motion before it. My purpose in moving the amendment is to ensure that, since the Opposition has chosen to use the Committee in this way, the Committee can objectively consider not only the motion but also the amendment and therefore make a positive statement of opinion in motion form.

I further support my amendment by referring to the fact that, whereas the 1976 agreement was inadequate and did not canvass the possibility of a change in the Federal Acts, this arrangement made by this Government does, and it enables renegotiation to occur, in the event that it ever becomes necessary, with a minimum of fuss. Furthermore, the Opposition members of this Committee have singled out, as other speakers on this side have pointed out, some figures that they have sought to use to demonstrate a completely misleading conception of what is happening, when they have chosen, on line 4 of what has been simply referred to as the blue book, to relate their remarks to only two figures, whereas the overall position, taken from the same line, indicates quite the opposite.

What the Opposition members of this Committee and in this Parliament need to remember is that \$1 is \$1, no matter where it comes from, and that, when it is spent by Governments, it comes from the people, not the Governments. The spurious argument put by Opposition members that the taxpayer is now, through this Government, paying less and that the poor middle-income and low-income earners will have to pay more is utter nonsense. The Minister's statement earlier today indicates that the provision of free hospital services to all those eligible will be maintained. Therefore, no-one in need is disadvantaged in any way.

Mr CRAFTER: That is absolute rubbish.

Mr LEWIS: It is absolutely right. That is absolutely the way it is and the way it will be. If people use a service and are able to pay for it, they should do so. On the other hand, if they are unable to pay, their good health is not placed in jeopardy. The important thing in this country that needs to be remembered is that, wherever Governments collect money from people and spend it without giving the people the option of deciding how and where to spend it, that reduces the incentive of these people to generate the wealth associated with that money. In other words, it detracts from the incentive of the people to work and from the overall quantity of goods and services provided in any one year in the gross national product. Thereby, it reduces the general level of prosperity in the community.

It is therefore not reasonable for the Opposition to attempt to demonstrate, as it has done miserably, that the

State Government is abrogating its responsibility in financing recognised hospitals in South Australia. The total funds made available for that purpose are more than \$11 000 000 greater this year than last year, contrary to the opinion expressed in the motion. I have made the points that I want to make in a specific instance and in a general case. I urge members to support the amendment, in the certain knowledge that it reflects the true position.

The Committee voted on the amendment:

Ayes (4)—Messrs Becker, Billard, Lewis, and Oswald.

Noes (4)—Messrs Crafter, Hemmings, McRae, and Slater.

The CHAIRMAN: There being an equality of votes, I give my casting vote in favour of the Ayes.

Amendment thus carried.

The Committee voted on the motion as amended:

Ayes (4)—Messrs Becker, Billard, Lewis, and Oswald.

Noes (4)—Messrs Crafter, Hemmings, McRae, and Slater.

The CHAIRMAN: There being an equality of votes, I give my casting vote in favour of the Ayes.

Motion as amended thus carried.

Mr HEMMINGS: On 21 August 1981, the Minister was quoted in the *Advertiser* as saying:

Over that period 1975-81, health expenditure in South Australia increased by 92.5 per cent, outstripping all other States and the national average.

How did the Minister arrive at that conclusion? Did she include health revenue receipts in her analysis and were receipts from the Hospitals Fund, which is outside the Budget accounts, included in that analysis?

The Hon. Jennifer Adamson: I believe that the member is referring to a report of my speech to a seminar of hospital board members that was conducted at the Royal Adelaide Hospital.

Mr HEMMINGS: Yes.

The Hon. Jennifer Adamson: The figures were based on total expenditure and, from recollection, were extracted from the Jamison Committee Report.

Mr HEMMINGS: If that is the only answer that the Minister is to give, then I refer to a document which I asked the Parliamentary Library to prepare in regard to that statement. It seems that more than just the Jamison Report is involved in preparing these figures.

The Hon. Jennifer Adamson: I was not aware that the honourable member was seeking a detailed answer: I thought he wanted a short straight answer. The short straight answer is 'total expenditure'. I would have to find out from the officer who prepared the figures for that report what the source was. It is my recollection that it was the Jamison Report, no doubt reinforced by reference to State Budgets and Treasury officials. As the honourable member would appreciate, it is difficult to work out proportionate expenditures, because cost-sharing was introduced in 1975. We worked for those figures, as I recall, on the basis of total Government expenditure on health in South Australia over that period. If that is not sufficient detail, I am happy to provide the information that the honourable member seeks.

Mr HEMMINGS: A short answer is not sufficient. Perhaps the Minister will refer the question to officers to examine. If the Minister believed that health expenditure in South Australia between 1975 and 1981 had increased by 92.5 per cent, this could possibly have had some influence on the way in which the Health Commission and the Government reached their conclusion about the health lines. If that is the case and if the Minister went to a seminar and said that health expenditure had increased by 92.5 per cent, there might be people who, when they saw the present health budget, would say that it was satisfactory. The work

done by the Parliamentary Library refutes that. I freely admit that this lengthy document is hard to understand. The first mistake shown up, however, is that the base year was wrong. It was 1975-76 and not 1974-75, which was the base year used. That is the first mistake in that analysis, and my library report goes on to prove that the increase was nowhere near 92.5 per cent. Even using the Minister's analysis, if she includes the receipts on the change in the base year and receipts from the Hospital Fund the 92.5 per cent is reduced to 82.5 per cent, which is a 10 per cent reduction. If one uses the correct figures, it shows that health expenditure has suffered drastically in this State. I do not think a short answer is required—it should be lengthy.

The CHAIRMAN: If the Minister wishes to obtain details of a reply, it is in order for it to be delivered later.

The Hon. Jennifer Adamson: Certainly, I will ask the officers to obtain a copy of that speech. I am happy to talk about base years. I do not know how anyone can allege that a base year is wrong. If I select a base year on which figures are calculated, then the figures relate to that year and to all intervening years. I find it impossible to reconcile a statement that a base year is wrong, unless the calculations taken on that base are wrong. I will ask the Chairman to elaborate on what I am about to say. The question can best be answered by saying that all calculations of health costs throughout Australia throughout the 1970s demonstrate a very steep rise. That rise has its reasons in a variety of factors, including the equal-pay decisions of the early 1970s, inflation, the explosion in medical technology, and in South Australia the building of two new hospitals, Modbury Hospital and Flinders Medical Centre, and the substantial wage and salary increases of that period.

All these changes contributed to an explosion in health costs which, if it had continued at the same rate of increase, would have consumed a greater and greater percentage of the State and Commonwealth Budgets. The point I was making at that seminar was that Governments are now required by taxpayers and by principles of good management to examine the rate of increase in health costs, to examine whether better means of provision of health services can be found, to examine whether there are more cost-effective ways of providing hospital services, and to direct our attention to the need for preventive services that will obviate the need for much high-cost institutional care which is presently a burden on taxpayers.

Not for one minute would I want to dispute any figures prepared by the Parliamentary Library and, without seeing them, I would not know what the source of those figures was or even whether we are talking about the same issue, namely, hospital costs, health costs or whatever. I am happy to answer further questions, but that is the general explanation of background to my statement about increases in health costs in South Australia, which did outstrip the increases in costs in other States in the years in question. Perhaps Mr McKay can further explain the situation for the benefit of the member for Napier.

Mr McKay: Perhaps the most important question is the base year, whether it was 1974-75 or whether it was 1974, and whether it represents figures for six years or seven years.

Mr HEMMING: I wish to clarify the situation about the base year. The reason why it is so important is that in that year it went against the trend of Commonwealth spending: there was a complete aberration from the normal trend. I am saying that that provides the distortion of the 92.5 per cent increase as opposed to the 63.5 per cent in the consumer price index. I would be happy if the Minister's officers would look at it.

The Hon. Jennifer Adamson: I will ask an officer to return to my office, get a copy of the speech, and I will then be able to put the statement in context for the member for Napier.

The CHAIRMAN: Has the member for Napier any further question on that?

Mr HEMMING: Not on that one.

The Hon. Jennifer Adamson: It could be more productive if the member for Napier were to provide my officers, if he were willing to do so, with a copy of the material prepared by the Library. If we put the two together, we will see whether we are talking the same language or talking about different issues.

The CHAIRMAN: Is the member for Napier prepared to accede to that?

Mr HEMMING: Yes.

The Hon. Jennifer Adamson: If he could forward his copy to my officers, as soon as we get a copy of my speech we will be able to compare the bases which were being used.

Mr BECKER: In line with Government policy, the Health Commission Budget places continued emphasis on the funding of non-institutional and preventive health services. Community health and domiciliary care services will receive an increase of 15 per cent over the 1980-81 expenditure of \$10 900 000. What new initiatives are under consideration or have been established?

The Hon. Jennifer Adamson: I got the last half of the question, not the first part. Could the honourable member relate it to a programme?

Mr BECKER: It is in the Health Commission budget.

The Hon. Jennifer Adamson: Well, in general terms, domiciliary care services have been expanded, and I can provide details of various kinds, but let me deal first with the expansion of domiciliary care in the district of the member for Playford, which he alleged earlier was adversely affected by this Budget. The central northern health services have seen an expansion in domiciliary care through the approval of new staffing positions for community health nurses.

If we look at page 14 of volume two of the Programme Estimates, there is a general statement of specific targets and objectives which indicate expansion of domiciliary care services. To go into various regions, as I said, additional community health nurses have been recruited for the central sector of the Health Commission, notably the central northern region. A Yorke Peninsula domiciliary care service has been established following local initiatives to combine and co-ordinate health resources in that region. The Para Youth childhood and family services will have an additional nurse and an additional nurse will be allocated to the Gawler domiciliary care centre. There will be the appointment of a regional physiotherapist and also a speech pathologist in the central northern health services. The community health programme at the new Morphett Vale community centre will be expanded. Funds have been approved for the expansion of services in Mount Gambier. That is not an exclusive list, Mr Chairman. I could ask the Chairman of the commission to elaborate on that.

Mr McKay: In addition to those that the Minister has mentioned, we are also expanding domiciliary care services through the Royal District Nursing Service, particularly with an after hours service which we piloted last year to check whether or not seven-day care over an extended hours coverage could be successful. In addition to that, we are also increasing domiciliary care staff in other country areas as well as Mount Gambier. This is basically the policy of bringing country hospitals outside the hospital walls and getting them involved in community health services as well. That is happening in Clare at the present time and also on Eyre Peninsula and Yorke Peninsula, and at Balaklava.

Mr CRAFTER: I would like to continue the line of questioning that the member for Hanson commenced. I notice the Minister was referring to a document with specific information with respect to domiciliary care and other services. Is that a document that is available to the members?

The Hon. Jennifer Adamson: I believe it is a press statement that I issued. I am happy to give the honourable member a copy of a press statement I made which outlined those initiatives.

Mr CRAFTER: I would be interested to know from the Minister what efforts are being made to bring together in a co-ordinated way the multitude of services that are available for people in the community who border on being cared for at home or going into an institution. The Minister has said in this Committee and on other occasions that it is the attitude of the Government that, wherever possible, people should be cared for in their own home. Obviously there are considerable advantages financially, socially and otherwise for that to happen, but it is my experience that there are, in fact, a number of voluntary and semi-voluntary services, plus the professional services, that care for people, and this is not sufficiently well co-ordinated. Many people still are not covered by this network of unco-ordinated services.

For example, there is the provision of respite beds, perhaps for the spinster daughter, who cares for an aged parent and who comes to the end of her tether. It is not the aged mother who needs to go to an institution, but the daughter, so that she can recover some strength and some sanity. These people are incredibly generous in the time and effort that they give to the sick, albeit their own families. If we are to save money by keeping people out of hospitals, nursing homes and other institutions, we should provide proper support and co-ordinated services. I strongly support the semi-voluntary sector involving themselves in this, but it must be done properly so that there is an even spread of that service.

The Hon. Jennifer Adamson: I endorse what the member for Norwood has said about the benefits to be gained by proper use of community and support services. That is a very strong plank in the Government's health policy. The new sector arrangements for the Health Commission will enable much more effective co-ordination of institutional and community-based services for the benefit of individuals in need. I will ask Dr Bill McCoy, who is the Executive Director of the Central Sector, to elaborate on how that will work. I will also ask the Chairman to speak in general terms about the commission's policy in co-ordinating voluntary and statutory as well as private services.

One important point needs to be borne in mind. I sensed, when the member for Playford remarked earlier about a reduction in services to individuals in his own area, the need for proper assessment of people before they are directed to a specific service. The member for Playford is not here, but I could imagine that some people who perhaps have been receiving either institutional care or domiciliary care have been reassessed, and it could have well been found that they are able to cope on their own, in which case their service is withdrawn so it can be provided to people in real need. Without that continuous ongoing assessment there can be a misuse of the services, a waste of the services, and indeed a duplication of services to an individual. It is not unknown, for example, for more than one nursing service to be providing care for someone following discharge from hospital. We are trying, through the Health Commission, to co-ordinate services to avoid that kind of duplication. I will ask the Chairman and then Dr McCoy to elaborate on the way in which that is to be done.

Mr McKay: As the Minister has said, the basis of my new organisation is the development of the management structure, so that the directors will be in a position to really co-ordinate services at the point of delivery. Therefore, a situation will not arise where institutions discharge people into the community without a domiciliary service being there to pick them up, or where institutions will not have beds available to provide the respite mentioned. The model that I spoke about with R.B.N.S., whereby we will extend service time beyond 9 a.m. to 5 p.m. (and the fact that such a service was not available was a reasonable criticism of the domiciliary service), allows us to provide services after hours and at weekends. That will allow that level of support to families who wish to support their relatives in their own homes, and will take a considerable burden off our own institutions. Respite care is provided in all sectors, and Dr McCoy can expand on that.

Dr McCoy: In the central sector, we have addressed the question of the co-ordination of extended care services, and a number of separate domiciliary care services have been developed. These include the Mid North Home Care Service based at Port Pirie, and a new service based at Clare, the Balaklava Hospital and the Hutchison Hospital at Gawler. Others include the Central Northern Health Service based at Elizabeth, the Barossa Domiciliary Care Service based at Nuriootpa, the Eastern Regional Geriatric and Medical Rehabilitation Service based at the Hampstead Centre and the Northfield Wards of the Royal Adelaide Hospital. We now have a very elaborate network of domiciliary care services that cover the whole region to the north of Adelaide in the central sector.

Crucial to all of these developments has been the provision of assessment teams based where possible on a medical specialist known as a geriatrician. A new position of that type has been created in Port Pirie. Geriatricians are also based at the Eastern Regional Service of the Royal Adelaide Hospital, and the Central Northern Health Service based at Elizabeth. Geriatricians, together with occupational therapists, speech therapists and physiotherapists, form assessment teams which are now visiting the other domiciliary care services in order to advise on the most appropriate method of care for a person in need of support. The emphasis is always on maintaining that person to continue to live in their own home. When that is no longer possible, they are moved to some type of hostel development. Finally, and as a last resort, they are moved into a nursing home.

Mr CRAFTER: I will not take any more time on this, except to say that there was very little information in the Budget papers in relation to the details of quite substantial expenditure for community health and domiciliary care services. Personally, I find that area to be of particular interest. The next step is the placement of people in institutions. Once again, it seems that there is some conflict with the Federal Government. I continually receive representations from proprietors of private nursing homes in my electorate who wish to expand their homes but cannot do so, and they explain to me their need for further beds. I have had correspondence with the Minister on this matter. There is already a substantial number of beds in the eastern suburbs, particularly in my area.

However, we find that some of the State institutions, Magill Wards and Windana and some of the other institu-

tions, such as the Home for Incurables, have many beds available. As I understand it, there is a conflict with the Commonwealth in relation to the establishment of criteria to attract Commonwealth funds for this purpose. It seems to me that there are people in the community who, and whose families with them, wish to enter institutions. They can no longer be supported in their own home. Those people need to go into institutions. As I have said, there seem to be vacant beds available in some institutions. There are other institutions which want to expand their activities, but no support seems to be forthcoming. What is the hold-up in this area?

The Hon. Jennifer Adamson: I take it that the honourable member is referring to Magill Home and Windana. I will address the honourable member's general question first. Something that has been overlooked in the past in the keenness of people to admit elderly people to institutions is the appropriateness of doing so. It is beyond doubt that many people in nursing homes in South Australia and throughout Australia have been incorrectly admitted to these institutions. If proper assessment had been undertaken before admission, other options would have been available for more appropriate forms of care. As the honourable member is interested in this aspect, I am sure he would have visited nursing homes where he would have recognised that certain people in those homes would be quite able, with suitable support, to care for themselves in a hostel situation.

As nursing home care is more costly than hostel care or community support home care, we should look at other options first and ensure that only those people in real need of nursing home care receive that care. That is one of the reasons why we have established geriatric assessment units at the Royal Adelaide Hospital and the Flinders Medical Centre, and such a unit is now proposed for the Queen Elizabeth Hospital this financial year. These units are designed to provide the kind of assessment as to the most appropriate form of care.

In relation to the Commonwealth's figure of limit of nursing home beds per 1 000 head of population, there is not a great deal that the State Government can do to influence that matter. It is true that South Australia is better served than the other States in terms of nursing home beds. In view of the complexity of negotiations between the State and Commonwealth Governments in relation to nursing home beds at Windana, I will ask the Chairman of the Commission to outline the background of those negotiations and to indicate where they stand at the moment.

Mr McKay: As the Minister has said, it is a complex question, because it also brings into the argument the question about long-stay patients in recognised hospitals. The Federal Government took issue with us over that matter. At present, the Commonwealth Government has taken the view that there are too many nursing home beds in South Australia, as the member for Norwood suggested, working on the Commonwealth's criteria of 50 beds per 1 000 head of population aged 65 and over. It has indicated recently that that is not necessarily the best criteria. It is now looking at a larger percentage, of something like 80 beds per 1 000, with a corresponding rise in the age limit. It believes that will give a more appropriate distribution of beds. We are still waiting for that to come through. There is no doubt that in most parts of Adelaide the Commonwealth criteria is exceeded. The Commonwealth is not at all sympathetic to the view that we should provide more beds.

The Minister mentioned the question of assessment. In discussions with the Commonwealth, the State has discussed assessment before entering nursing homes, perhaps even making Commonwealth benefits payable on the basis

of having assessment done before entering such a home. That issue has not yet been taken up. At the moment, we are not getting any sympathy at all as far as increasing overall State nursing home beds. That is the basis of the present argument about Magill and Windana. We are hoping that the Commonwealth will agree to a reshuffle between those two institutions, because the beds at Magill are old, while the facility at Windana would provide better quality of care. We are having discussions about a reshuffle between those two institutions. The Commonwealth will not allow us to increase the overall bed stock by any great percentage.

Mr McRAE: In view of the fact that last year there was little opportunity to question on tourism, the Opposition stands by the position of commencing the tourism vote at 7.30 p.m. That being the case and bearing in mind that we have only two hours to completion of the health vote, we would like to put our priorities on record for the Committee's consideration. I will get it photocopied for other members of the Committee. The order that we are proposing, having from our viewpoint completed the Commonwealth-State financial arrangements and Health Commission issues, is to move in this order: first, public dental services; secondly, computer services; thirdly, domiciliary care; fourthly, environmental and occupational health; and, fifthly, the Royal Adelaide Hospital.

The CHAIRMAN: In other words, you are taking the items as suggested this morning, deleting some and rearranging the priority of others?

Mr McRAE: Yes.

The CHAIRMAN: I cannot see any other difficulty there, but any other member has the right to interpose by asking a question on any other matter that he may wish to raise.

Mr McRAE: I draw the attention of the Committee to a mistake in the documentation that I referred to before. This mistake has now been corrected. I supply a revised copy to the Chairman, all members and the Minister.

Mr BECKER: I want to ask a question in relation to Intellectually Retarded Services, relating to the Programme Estimates, book 12, page 18. The Programme Performance booklet gives a programme description under various headings such as 'delivery mechanism', 'issues/trends', and describes what has happened and so forth. If every member read this he would know what is going on as far as the departments are concerned. The Intellectually Retarded Services have been subject to a review, and that review is still in the process of being completed. It is stated under 'issues/trends', relating to Intellectually Retarded Services, 'determination of which is the most appropriate Government agency for planning, co-ordinating and providing services (that is, Health, Education or Community Welfare)'. As I understand the situation, you could wrap the whole three into one, as far as services to the intellectually retarded are concerned and the programmes that they should be looking at. I have been approached by several organisations, including the newly formed RAID organisation, which are keen to see the establishment of a statutory authority. While some people are a little worried about the establishment of statutory authorities (this was also recommended in the Bright Committee Report), this may be the best way to overcome the problems and to preserve the functions of I.R.S. I have nothing but praise for that section of the Minister's department. The quality of staff, the concern of staff, and the level of services and support services provided are the best that I have come across in the State. Is the Minister in a position to be able to inform the Committee what the future is of I.R.S.? Can the Minister assure me that I.R.S. will continue to play a significant role in the delivery of health services for severely and mildly intellectually handicapped people?

The Hon. Jennifer Adamson: I am not in a position to advise the honourable member as to recommendations of the Intellectually Retarded Persons Project which is drawing to its conclusion within the Health Commission under the chairmanship of Dr McCoy. As soon as I receive the report, which I expect at the end of this month, it will be presented to the Government. I expect the report to be released for public comment and then, in due course, the Government will consider its recommendations and determine its course of action. I am glad to hear the commendation of the honourable member in regard to the efforts that are made within the Intellectually Retarded Services.

I want to discuss the options of a statutory authority and where the responsibility might most appropriately lie—with health, education or community welfare. As the honourable member will know, there is a component of each of those portfolio responsibilities in the care of the intellectually handicapped and, depending on the age and physical condition of that person, there might be a greater or less emphasis on health, education or community welfare. Therefore, on the face of it, the suggestion for a statutory authority, which was a recommendation of the Bright Report and which would undoubtedly be among the options for consideration by the Intellectually Retarded Persons Project, seems to be an attractive one. However, the Government is wishing to reduce, not increase, the number of statutory authorities. Therefore, we will be looking at a number of options, as well as that one. It is best to summarise by saying that Intellectually Retarded Services have come a long way in South Australia in what is, in reality, a comparatively short time.

It is barely 20 years since the intellectually handicapped were lumped with the mentally ill and kept in a single institution. A great deal has been done in that 20 years, and the establishment of Strathmont bears evidence to that, as does the continuing work of Minda. What happens now will undoubtedly be in response to express community wishes, and there seems to be a strong groundswell amongst families of intellectually handicapped persons that the services should be easily accessible to the family as well as to the individual, that residential domestic-style accommodation, such as most of us enjoy in our own homes, is the most appropriate form of care for those who are mildly handicapped, and it may even be appropriate in some cases for the more severely handicapped.

I can only say that the Government will be taking very much into account the views of parents and families, as well as the views of health, education and social-worker professionals in adopting whatever course of action is proposed. We will be trying to proceed towards that ideal which is commonly described as normalisation—as the I.Y.D.P. poster says, 'What the hell is normal anyway?' I would prefer to describe it as the greatest possible degree of independent living for the intellectually handicapped person.

Mr BECKER: I know that as a Government we may be committed to looking at the dismantling of a number of statutory authorities, but this situation could well justify the establishment of a statutory authority. There are many authorities that could disappear in the next few years, but for a purpose as important as these people, a well formed and established statutory authority, provided it is given sufficient capital to commence with, would not become a monstrosity, a burden or a bureaucratic empire, as we tend to believe is the case in some areas.

I have some difficulty in suggesting under which portfolio such an authority should come, although I might lean towards health or community welfare. I am aware of the tremendous work load of the Attorney-General, but I wonder whether the authority should come under his control,

as he has the responsibility for I.Y.D.P. The statutory authority could become the co-ordinating body between the three main departments covering health, education and community welfare. There would be a tremendous imbalance between some of the portfolios that we now have within the Government, but that is a hurdle that we could overcome.

The most important thing is to give recognition and to continue the good work. I hope all voluntary and professional agencies and all parent groups will have every and ample opportunity to comment on the report and make further input to it because of the importance of this matter; everyone is trying to do their best for these people who are less fortunate than most others.

The Hon. Jennifer Adamson: I give the honourable member the assurance that there will be ample opportunity for discussion and opportunity to recognise the point that he made that the intellectually handicapped need a public advocate. Whether that advocate comes in the form of a statutory authority or whether the services can be provided by various departments under contract, possibly through the Attorney-General or some other administrative body, is a matter that will be given careful consideration.

Mr BECKER: In regard to the Health Commission, I presume that hospital funding comes under this provision. Budgeted payments for 1981-82 for recognised hospitals are \$316 000 000 compared with actual payments of \$305 000 000 in 1980-81. I presume that the Budget was based on the needs of individual departments within each hospital. Can the Minister identify those hospital departments where provision has been made for an increased allocation of resources?

The Hon. Jennifer Adamson: Under the Government's health policy, boards of hospitals and health units are allowed the greatest possible independent managerial responsibility in determining the management of their own institutions. That is why the commission itself does not dictate to a hospital board how its budget will be spent within departments; those priorities are determined by the board and the consultation that takes place with the commission is about the overall needs of the institution.

I will ask the Chairman to identify, by way of example, specific departments within specific hospitals that may be receiving increases in accordance with Government policy. For example, I can think of a reallocation of resources that would occur at the Queen Elizabeth Hospital to enable the establishment of the geriatric assessment unit in that hospital. I will ask the Chairman to elaborate.

Mr McKay: As the Minister has explained, I think the question of autonomy for hospital boards has been canvassed. The commission's policy is to let the hospital board make the decisions, but there are two exceptions. One is where the commission or Government wish to establish a service and the Minister has mentioned assessment and rehabilitation units that have been established at Flinders and the Royal Adelaide Hospital, which will expand this year, so there will be an increase in real terms. They are being specifically funded by the commission to develop that service, and we intend to go the same way at the Queen Elizabeth Hospital this year.

The other area of concern to the commission and to people generally in the health system is those units which might, in fact, become oversupplied and duplicated, especially the more specialised super-specialty units. The commission is developing, in association with the hospitals, mainly the teaching hospitals specifically, an Adelaide hospital plan to insure against an over-supply or duplication of super-specialty services, such as renal service and neonatal unit special services. There is a series of these which we want to ensure that each hospital does not do its own thing

in isolation so that we finish up with an over-supply of a super-specialty service which has not enough customers to maintain throughput and therefore maintain expertise at the same time wasting money. I will ask the Sector Director to relate to each hospital department whose services have increased.

The Hon. Jennifer Adamson: Whilst the Sector Directors are coming to the table, I could point out that, in terms of capital commitment, at the Royal Adelaide Hospital there has been a very strong commitment by the Government, on the advice of the board of the hospital, to greatly improve the equipment for radiotherapy and the treatment of cancer patients. That has been expressed in the form of the purchase of a linear accelerator costing \$485 000, and a CAT scanner and treatment simulator costing \$1 200 000. Those two pieces of equipment replace grossly out-dated and out-worn equipment and will ensure that in South Australia at the Royal Adelaide Hospital we have cancer treatment of the standard that would be equal to any in Australia. That is a very good example of where facilities and equipment have been improved within an individual hospital.

Mr McKay: I have just spoken to the Sector Directors, and the only specific areas are the geriatric units that we see as increasing in terms of funding and the radiotherapy services at the Royal Adelaide Hospital.

Mr BECKER: I would have hoped to have had some improvement in relation to neurology, although the CAT scanner will benefit everyone tremendously in that area. The next area I want to move on to concerns health services for Aborigines. This worries me, through my involvement with the Epilepsy Association. I wrote to the Chairman of the Health Commission some time ago asking him what was the incidence of epilepsy among Aboriginal people in this State. I am now searching for this information throughout Australia. When I was in Canada a professor of neurology, a world-famous neurologist, wanted to know as part of his research the incidence amongst our Aborigines. He had undertaken research in South Africa and among the Indians in North America. The Chairman of the commission informed me there are 37 Aborigines with epilepsy in a population of about 5 000 people living in remote communities and towns in South Australia. He said:

The incidence of the disease—

which was actually a malfunction—amongst Aborigines living in large towns is not known because many Aboriginal people use doctors of their own choice and do not rely upon the staff of the Aboriginal Health Unit to facilitate services for them: the records of the illness of these people are in medical practitioner files and are of course confidential.

I then wrote to the Minister for Aboriginal Affairs, Senator Baume, and he replied on 7 October 1981, as follows:

Epilepsy has not previously come to my attention as being a disease to which Aborigines are particularly prone and my department does not have the sort of information you are seeking. It has therefore been necessary to enlist the assistance of the Commonwealth Department of Health which, in turn, has had to ask State Departments of Health for the information and is still awaiting their replies.

For the present, all I can tell you is that for 1975, 1976 and 1977 the Northern Territory Department of Health recorded an average incidence of 19.8 and 11.1 per thousand of population for Aboriginal males and females, respectively. The Northern Territory figures indicate that the annual rate per thousand population is higher for Aborigines than for non-Aborigines. When the additional information has been collected from the States I will be able to see if it shows a similar discrepancy.

The incidence of epilepsy cited by the Minister for Aboriginal Affairs would now rank amongst the highest in the world, just over 3 per cent, and normally it has been accepted in America that the incidence of epilepsy is about 2 per cent for the white population. Only last week a visiting professor from Virginia, U.S.A., advised me that that figure had been revised, and it was considered that 2 per cent would be a little high; it is still difficult to

precisely predict how many people suffer with any one of a hundred different types of epilepsy.

Will the Minister say what is being done and what will be done within the health services for Aborigines in this State to ascertain more accurately the number of Aborigines with epilepsy? What can we do to assist the Aboriginal Health Unit in relation to prevention of epilepsy? In some areas it can be prevented with proper health care and nutrition and, of course, as we know, the abuse of alcohol can be a causing factor and also problems at birth. I am wondering what resources are made available in this Budget to give consideration to this problem.

The Hon. Jennifer Adamson: The honourable member has correctly identified alcohol, problems relating to alcohol, and the quality of obstetric services as factors influencing the degree of incidence of epilepsy. I would also add untreated head injuries amongst Aborigines as another factor that can affect the incidence of epilepsy and, of course, untreated head injuries amongst some Aborigines are common. The details relating to health services mainly for Aborigines are found on page 1246 of Volume 2 of the Programme Estimates. The targets and objectives for the 1981-82 year are also outlined on that page. The honourable member will note that the Aboriginal Health Workers Training Programme is to be monitored and Aborigines are to be trained to hold executive positions in the new Aboriginal health organisation.

The new Aboriginal health unit, which was incorporated under the Health Commission last month, will have a policy direction in the way that services are to be provided. Therefore, the honourable member can see from that that we are putting far more responsibility into the hands of Aborigines themselves for their own services. I believe that the honourable member's point is significant and highly specific. The best way to deal with it is to refer his comments to the Aboriginal Health Organisation Incorporated, and I undertake to do that. I will ask that organisation to give attention to ways and means of identifying Aboriginal epileptics at the earliest possible stage, in order to avoid any progression of the disease and to detect it as early as possible and undertake appropriate treatment.

Mr BECKER: The Epilepsy Association in this State is a lay organisation, although we do have an advisory panel of neurologists. One difficulty we have encountered is the training of health professionals in the early recognition of people suffering from a particular type of epilepsy and, as I have said, there are 100 different types of epilepsy, and some of them are very difficult to identify initially. Of course, some people have been diagnosed as being epileptic when in fact further treatment and assessment has indicated that they are not truly epileptic as we know it.

I was looking at page 1246 when I asked my previous question. I now refer to the training of people to recognise epilepsy and to know what to do in relation to people who suffer from that disease. Many parents have criticised the nursing staff of hospitals in this State for not being sufficiently trained to assist parents to identify children as epileptics. There has also been some criticism of some members of the medical profession, particularly general practitioners, in their delivery of assessment of epilepsy. There seems to be a lack of acceptance that the best people to look after epileptics are neurologists. That is one difficulty we have found in this State and throughout the world, and I refer to educational programmes for members of the health professional field. Is the Minister prepared to support a simple educational programme for the health unit in this respect?

The Hon. Jennifer Adamson: I certainly will, and I will make sure that all the honourable member's comments are relayed to the appropriate authorities with a request that

they be taken into account and that moves be made to ensure that accurate and early diagnosis of epilepsy is incorporated as part of the training for the Aboriginal health worker.

Mr BECKER: I refer to Aboriginal health, and health generally in the community. I am not sure of the incidence of measles amongst Aborigines. However, up until last year, before the Minister launched the immunisation programme (and I commend her for that), about 42 per cent of children were being immunised against measles. A professor of neurology from Virginia in the United States informed me that measles are hardly known in that country. In other words, it is rare for children to contract measles and he could not understand why we have not been more vigorous in our immunisation campaign. Whilst Aboriginal health is dealt with under general preventive health, how vigorously are we going to pursue the measles immunisation programme and how successful was that programme last year?

The Hon. Jennifer Adamson: I am advised that the Health Commission's immunisation programme was pursued with the same vigour in Aboriginal settlements as it was throughout the rest of the State. We recognise the vulnerability of children on those settlements should an epidemic take hold. I am also informed that there has always been an effort to maintain a high rate of immunisation. Those efforts were reinforced as a result of the recent campaign. I do not have figures with me to indicate the increased levels of take-up for immunisation as a result of the campaign, but I will be happy to obtain them and forward them to the honourable member. I am informed that overall the campaign on Aboriginal reserves was very successful indeed.

Mr HEMMINGS: My question relates to dental health services, which has an allocation of \$8 738 000. Its estimated cost to South Australia this year is \$8 668 000. As the member for Playford has said, the previous Labor Administration only belatedly recognised the need to provide adequate dental health care at primary school level and at clinics which treat pensioners and disadvantaged people. Therefore, there is no real point in extending this line of questioning into a political point scoring exercise. The fact remains that three small public dental clinics for pensioners and financially disadvantaged people were established by the previous Government. It should have been more and we all acknowledge that. I think it might be relevant for the Committee to be given information about the need for increased dental health services in this State. I notice that there has been a slight increase by the Government in this particular area. It has taken over an area where the Commonwealth has decided not to spend any money. The figures that I refer to relate to May 1980. Therefore, they will have increased considerably since that time.

In May 1980, 211 600 South Australians over the age of 15 years were wearing full upper and lower dentures. That represents 22 per cent of the State's population. Four per cent of the population, which is more than 50 000, have no natural or false teeth at all. That is a shocking indictment of the dental services in this State. In addition, the number of people who can be classified as disadvantaged can be estimated as follows: first, 140 000 South Australians hold a pensioner health benefit card; secondly, an estimated 40 000 people are in receipt of unemployment benefits, plus an estimated 7 000 wives depending on their husband's unemployment benefits as the sole family income; and, thirdly, approximately 60 000 low income earners are currently specified as qualifying under the Commonwealth Government's means tests for health cards under the new scheme recently announced.

If we take that as 60 000, then spouses account for an additional sum. The figures which I have given the Com-

mittee do not include dependent children on the assumption that they will be treated by the school dental service at the primary school level. On conservative estimates, the number of pensioners, unemployed, and working poor totals 270 000 people. In other words, 270 000 people in South Australia have little or no access to dental treatment based on a private practice fee-for-service basis, because of their inability to meet the cost. These people are forced to use the public dental clinics, which I previously mentioned, or the Dental Department at Frome Road or the Queen Elizabeth Hospital. I made the point that the Government has increased the sum for dental services from the sum provided last year. In real terms, that represents a loss.

Hopefully, the Minister can advise me before I place specific questions to her. The only reference I could find in the programme dealing with dental manpower was in book 12 at page 70. Can the Minister advise me whether any other page deals with dental services? In book 12, page 70, under 'needs being assessed' is the following statement:

Measures to offset the over-supply of medical and dental practitioners need to be adopted.

Under the 1981-82 specific targets and objectives it is stated that medical and dental manpower studies will be undertaken. If that is the case, it is only in that area of offsetting the over-supply of practitioners that the Health Commission and the Government will look at dental services in this State. Thus, the Minister has decided, in effect, that these 270 000 people will have to remain on the waiting list. Those 50 000 South Australians who have no dentures or natural teeth at all will have little or no chance to obtain dentures or adequate dental care. My first question is whether the Minister could outline to the Committee what precise dental manpower studies will be undertaken this financial year.

The Hon. Jennifer Adamson: I will be pleased to provide the honourable member with a copy of a Commonwealth report which indicates that dental manpower studies need to be undertaken throughout Australia. There is a particular urgency in those States where there is a demonstrated excess of dentists over need. South Australia is one of those States. I will ask Dr Kennare, the Director of Dental Services, to answer the specific questions. Before doing so, I would like to refer to some of the matters that the honourable member raised in the preamble to his question. He referred to the fact that the figures of May 1980 indicated that there were 211 600 people in South Australia over the age of 15 years who had full dentures, and that 50 000 had no natural or false teeth. I am sure the honourable member will acknowledge, as he in effect did, that in the space of six months the Liberal Government could not be expected to overcome the backlog which built up over the previous 10 years.

I go on from that to say that what we did do within three or four months of coming into office was establish dental clinics. Whilst I give full recognition to the previous Government for the establishment of the school dental service, the recognition of the need of pensioners was not even as I understand it, belatedly recognised by the Government. Last year we spent the allocated \$303 000 on three new clinics designed to reduce the waiting list for pensioners. They were established in the Flinders Medical Centre, Gilles Plains and the Parks Community Centre. In addition, there was a pilot programme to provide domiciliary and dental care for pensioners living in the southern areas. At the end of September, the waiting list for people for dentures at the Royal Adelaide Hospital was 2½ years. The waiting list for orthodontics was three months, which is not excessive by any standard. The waiting list for oral surgery was nil; we were up-to-date with oral surgery. The waiting time for treatment requiring general anaesthetics was three

weeks, which is also not excessive and acceptable in any private practice or public service. The waiting list for ordinary consultation was eight or nine weeks, which I would regard as a shade too long but certainly not excessive when we look at the wait that can occur in some private practices.

That waiting time for dentures of 2½ years is a refutation of the member for Playford's assertion that there was a wait of five years for dentures. I regard a wait of 2½ years for dentures as unacceptable. I intend to ensure that action is taken in this current year to reduce that list. As the member for Playford foreshadowed, the Australian Dental Association, South Australian branch, has already approached me with a view to private practitioners making available their services in an effort to reduce the waiting list at less than the scheduled fee. An even better offer to treat pensioners at no cost at all was made by A.D.A. to the previous Government in 1974, and that offer was rejected. Had it been accepted, we may not be faced with the waiting list that now confronts us. I will ask Dr Kennare to answer the specific question about the way in which dental manpower is to be monitored.

Dr Kennare: As a result of deliberations of the committee known as the South Australian Government Dental Services, Australian Dental Association Liaison Committee, through the Health Commission the Dental Board of South Australia has been asked to maintain records through its registration system which will allow a continuing monitoring of both graduates and new immigrants in dentistry. It will also provide data on people who are in general practice, specialist practice, hospital service, academic dentistry and in Government service. Therefore, we will have a monitoring role on dental manpower.

I will enlarge on the The Parks, Gilles Plains and Flinders Medical Centre programme. During the first full financial year in which those programmes were running, from 1 July 1980 to 30 June 1981, 2 436 patients were treated. Although these three centres built up waiting lists of 1 659 patients, the commission recognised the bottleneck that had occurred, which was in the laboratory areas, and the productivity of those areas will now be increased markedly during the next year because of the appointment of one additional technician to each of those centres. We expect the waiting list to come down significantly during the next year. This will have an effect in helping the Royal Adelaide Hospital to bring its waiting list down; that list is presently coming down at the rate of about 100 a month. I do not know the exact additions to that. The length of time on the waiting list that we expect next year for dentures, which currently is 2½ years, would be significantly under two years.

The Hon. Jennifer Adamson: That is without any of the initiatives I foreshadowed in terms of an offer by members of the A.D.A. to provide services at a reduced charge, and without any initiative on the part of the Government and the Health Commission where that is intended to be undertaken to seek the co-operation of the Royal Adelaide Hospital Dental Hospital in giving greater priority to the provision of dentures and to service delivery, which has taken a lesser place than it should have, to the education function of the hospital. Service and delivery from the point of view of the State Government is an important priority for the Dental Hospital, and we will require that proper emphasis is given to that in future. Negotiations are already under way to ensure that that occurs.

Mr HEMMINGS: I am sure the Minister would agree that a waiting list of 1 659 people is still not good enough. Can the Minister supply details of any upgrading that has taken place of the dental facilities at the Flinders Medical Centre, Gilles Plains and The Parks Community Centre? By this I do not mean increased manpower but physical

upgrading in the sense of buildings, etc. This was portion of the election promises made in 1979 by the present Government. I want to know how far the Government has gone with the programme.

The Hon. Jennifer Adamson: Those clinics are all new clinics. It would be premature to think of upgrading them because the facilities are new. This Government established them in early 1980, and they do not require upgrading as they are in first-class order and condition.

Mr HEMMINGS: The Liberal Party policy speech of August 1979 states:

The dental facilities at Flinders, The Parks Community Centre and Gilles Plains will be upgraded.

The Hon. Jennifer Adamson: This is a question of semantics. There were no facilities at Gilles Plains or The Parks. This Government established new facilities at those places.

Mr HEMMINGS: You promised to upgrade them.

The Hon. Jennifer Adamson: We promised to upgrade services by providing them at those locations. It depends how you read it. Each of those three locations are new clinics.

Mr HEMMINGS: I will deal with two reports: first, the Review of Dental Services in South Australia which was released in May 1979 by the previous Administration and, secondly, the Committee of Inquiry into Dental Services set up by the Minister in December 1979. In what major areas did these reports differ, and what recommendations from both committees have been adopted by the Government?

The Hon. Jennifer Adamson: I will ask Dr Kennare to outline in what major respects the recommendations of those committees differed because it is a long time since I read the first report that was prepared under the previous Government. I can provide the honourable member with a list of recommendations of the Committee of Inquiry into Dental Services that have already been implemented. That is the second report. I do not have the report on hand, but a large number of those recommendations have already been implemented. A certain number of recommendations are in train, and some recommendations, mainly relating to improvement of provision of dentures to pensioners, remain to be implemented, and the active planning for implementation is in train. I am happy to provide a detailed list of the status of the recommendations to the honourable member.

Dr Kennare: It is not true to say that there were differences between those reports, but rather that the 1980 Committee of Inquiry into Dental Services took a much broader view. Subjects encompassed included dental manpower and intakes into the University of Adelaide Dental School. The committee looked at other dental manpower requirements, for dental auxiliaries, dental therapists, dental nurses and dental hygienists. The committee considered services to the remote areas of the State and to the nursing homes and to those people who were home-bound. In each of those areas, the committee made recommendations which have been adopted by the Government. The Government has supported recommendations on dental manpower and made a promise to the profession, and has acted to form committees that would look into dental care for people in isolated or remote areas of the State and for people in nursing homes. These committees are at present working on those two matters. Other than that, I think it would be unfair to say that there were differences. Rather, the scope was broader. The committee made recommendations related only to the registration of dental technicians in laboratories and the registration of a new category of person who sought recognition as clinical technicians. The committee's recommendations in that regard have also been adopted by the

Government. That is another area in which the 1979 committee did not make any investigation.

Mr HEMMINGS: I understand that the Committee of Inquiry into Dental Services stated that expenditure on public clinics in recognised hospitals would qualify for cost-sharing on a 50-50 basis with the Commonwealth Government. I take it from what we discussed this morning that basically the only change in the Commonwealth-State agreement is in regard to the two points that were made then. We should still be able to qualify for a 50-50 basis of cost-sharing if we set up public clinics in recognised hospitals.

Has the Minister considered that, in the light, in her own words, of the unacceptable waiting list at present for dentures at the Royal Adelaide Hospital? There is a problem in areas such as the northern and southern regions, where dental clinics could possibly be located in recognised hospitals, which would tend to ease the load on the Royal Adelaide Hospital and other clinics. It seems to me that this would be a worthwhile course to follow, in the light of the fact that the committee pointed out that there could be a cost-sharing basis.

The Hon. Jennifer Adamson: The honourable member is correct in stating that dental services provided by recognised hospitals are at present funded on a 50-50 basis by the State and the Commonwealth, but that is subject to Budget approval. The Government and the commission believe that the Federal Government would be likely to oppose any expansion of those present services, and it can do that. Under the cost-sharing agreement, it can oppose expansion of certain services. Therefore, I do not think we can rely absolutely on a 50-50 cost-sharing arrangement with the Federal Government if we were to expand dental services provided from recognised hospitals.

That does not necessarily mean that we do not have other options. Another option would be to use facilities that we already have, namely, the school dental clinics, and adapt them for the provision of services to pensioners, using private practitioners to provide those services, possibly on a sessional basis. A variety of options is open to the Government to enable services to be provided to pensioners locally to ease the burden on the Royal Adelaide Dental Hospital and to make those services more readily accessible to pensioners in their place of residence.

Mr HEMMINGS: Could the Minister tell the Committee why the Government accepted the recommendation of the Committee of Inquiry into Dental Services to delay any introduction of the registration of clinical dental technicians, such registration being necessary for them to obtain chairside status?

The Hon. Jennifer Adamson: I believe that I have given those reasons in the House and in correspondence to members. They are summarised in the report of the committee of inquiry but, briefly, the committee could not see any cost benefit to the public in registering yet another category of dental provider, and the cost to the Government of providing the training required to bring those technicians up to the status that would enable them to deal direct with the public was of an order that made the proposition not cost effective. The sum estimated was somewhere between \$250 000 and \$500 000.

Further, in view of the pending and, indeed, actual oversupply of dentists who are well equipped to provide that denture service, it was considered unnecessary. Another point was that the perceived economic advantage of provision of dentures at a cheaper rate did not take into account the fact that, when dental technicians are registered, that cheaper rate increases, because overheads for a legal operation, as distinct from any illegal operation that may at present be conducted, increase, as they naturally must, and

as a result the cost benefit becomes less. I stress that the recommendation of the committee was for a deferral of consideration, and that is the recommendation that the Government has adopted.

Mr HEMMINGS: Would the Minister agree that perhaps the move by the Australian Dental Association to provide a discounted denture scheme to low income earners and disadvantaged people would be seen as a move to further stem the introduction of registration of clinical dental technicians? I may seem cynical on this subject, but it seems rather strange that the A.D.A., when it is faced with the inevitable introduction—and when I say 'inevitable', I mean either by this present Government, as the Minister has said it is only a deferral, or a future Labor Administration—

Mr OSWALD: That's a long time away.

Mr HEMMINGS: I thought that we were talking about the highly important subject of dental health. If the member for Morphett wants to canvass whether the next Labor Administration comes in 1983 or 1986, that is up to him. I thought we were having a reasonable examination of the Minister about dental services. Obviously, the member for Morphett does not believe that it is important.

It is inevitable that registration of clinical dental technicians will eventually take place in this State. It applies in Tasmania, Victoria, and New South Wales. We all know why it was not introduced here but I will not go into that. It hurts me when I hear it, because I have heard it so many times. It seems that the attitude of the A.D.A. at the moment is a cynical one, to put it mildly. The figures that the committee of inquiry gave were refuted by the dental technicians, and I am sure that the Minister has correspondence on that. Does the Minister believe that it is a sign that the A.D.A. knows that inevitably registration will come and therefore that it will have to make a contribution to lower the cost of providing dentures to the general public?

The Hon. Jennifer Adamson: In regard to the question about the A.D.A.'s attitude, I see that offer, which has not yet been considered by the Government, to provide dentures to pensioners at reduced rates as a genuine expression of the deep concern of the dental profession about the plight of many pensioners who need dentures. In regard to the cynicism inherent in the question, that cynicism should be dispelled in the light of a similar and even more generous offer by the dental profession to the honourable member's own Government in the mid 1970s when no such legislation was pending and when the dental profession again, out of genuine concern for the needs of elderly people, offered to provide dentures at no charge. That is my response to that comment.

In regard to the supposed inevitability of registration of dental technicians, I would not see that move as inevitable at all, particularly as the need for dentures is expected to decrease sharply as a result of improved dental health amongst the general population. When the immediate backlog is overcome, I would think that market forces will come into play and the demand for the services of dental technicians for the production of dentures will reflect the decline in demand for dentures. Of course, the dental profession will respond to that in an appropriate way.

Undoubtedly, there will be greater future emphasis on periodontal disease, that is, the treatment of gums, and the maintaining of dental health rather than the provision of dentures. I think it would be wrong to see that move as inevitable—it may not be inevitable.

Mr BECKER: The Committee of Inquiry into Dental Services in South Australia in August 1980 recommended in section 1.5 that the intake of first-year dental students at Adelaide University be reduced to 20-25 in 1981. I believe the 1980 intake was 40 students and that the train-

ing cost was \$50 000 per graduate. What was the intake in 1981?

The Hon. Jennifer Adamson: As a result of that recommendation, I made contact with the Vice-Chancellor of Adelaide University in order to draw his attention to the concern of the Government and the profession. The profession had drawn the attention of the dental school to the over-supply of dentists on its own initiative but it was my responsibility to draw the Vice-Chancellor's attention to that in the light of the fact that the State Government supports a considerable proportion of the cost of training dentists through financing the Royal Adelaide Dental Hospital.

In response to my submission to the Vice-Chancellor, an assessment was made of the intake in 1981, and that intake was reduced and stood at 35 at the end of second term. There are few problems more difficult than trying to persuade a university that it should take account of manpower planning and anticipated needs for health professionals when it is in the interest of that university to maintain its funding by maintaining the maximum possible number of entrants to both its medical and dental schools.

Mr BECKER: I am aware of the problem, because the university will not even allow the P.A.C. in its front door. In 1981-82 the net cost to the State of dental health services will increase from \$4 200 000 to \$8 700 000. Can a detailed break-down of this year's budget be supplied, including the cost of services provided by R.A.H., which has not been included in the Budget papers?

The Hon. Jennifer Adamson: Yes. In regard to Royal Adelaide Dental Hospital, as the committee of inquiry indicated, there has not been a satisfactory cost allocation at the dental hospital in order to identify the way in which funds were spent on specific services. As I indicated earlier, it is our belief that priority has been given to areas other than service provision and, even in respect of service provision, priority has been given to what has been described by one observer as 'jewellery dentistry'; in other words, highly specialised dentistry at the expense of provision of dentures. The Chairman of the commission assures me that such a break-down can be provided, and I would be happy to provide it to the honourable member and any other member who seeks it.

Mr BECKER: I take it that my assumption is correct, that it does cost \$50 000 per graduate in dentistry.

The Hon. Jennifer Adamson: I would have to seek further information to absolutely confirm that. I take it that the honourable member is talking not about the cost to the university but about the cost through education facilities of the teaching hospital.

Mr BECKER: What are the training costs per graduate?

The Hon. Jennifer Adamson: There have been assessments made but the commission would not be in a position to confirm the accuracy of those assessments. They would have to be done in consultation with the university, the education authorities and the teaching hospitals. The figure mentioned by the honourable member rings reasonably true with Dr Kennare. I cannot confirm it absolutely, but I will seek further information for the honourable member if required.

Mr BECKER: I would appreciate that information, because the university will not talk to the P.A.C. Is the Minister aware that the current facilities available to doctors and the dentist at the Ceduna Health and Welfare Centre are grossly inadequate? The Minister will recall that during a recent visit to the area she inspected the facilities and, I understand, was shown plans drawn up by Mr Miliken. However, since then nothing concrete has happened. Current arrangements are unsatisfactory with the dentist and doctors having to share a reception area which is, to say the least, completely undesirable.

There is adequate room within the structure of the building for a new organisation which would satisfy the long-term needs of all concerned, including the Department for Community Welfare. It has been suggested that that department may move out, but this is most unlikely, so I am informed. As the cost was estimated at only \$80 000, and as a subsequent estimate by a private contractor was only \$50 000, can the Minister say what action has been taken to rectify these problems as a matter of urgency? My informant is most concerned about accommodation for doctors and the dentist at Ceduna.

The Hon. Jennifer Adamson: My first comment concerns a matter of principle. How far does the responsibility of the State Government extend toward the provision of facilities for private practitioners in towns the size of Ceduna which, while some years ago could have been considered a small town, is now an expanding town benefiting considerably from economic development? That fact needs to be borne in mind. Years ago it was necessary for a State Government to provide facilities for health professionals in country towns in order to attract professionals to those towns to provide services for local people, but that requirement is not the same today as it was five or 10 years ago.

With a greater number of health professional people seeking employment, and with greater possibilities for viable practices in country towns, such as Ceduna, one has to look very carefully at how far a Government should go in providing these facilities. I visited the community health centre at Ceduna, and I have spoken to the doctors there about what they see as the inadequacies. Without the expenditure of a large sum of money, and to ensure that services can be provided in the best interests of the community, the commission is examining that situation. I would like to ask Mr David Williams, who is the Sector Director for the western sector of the Health Commission, to comment on what the commission is doing in respect of the Ceduna centre. I draw the Committee's attention to the question of principle, as to how far we go using taxpayers' money for the provision of capital facilities which are then leased to the private practitioners.

Mr Williams: This was an item which was assessed last year and deferred. It will be assessed during the course of this year. What is happening at Ceduna in terms of the community health centre generally is that the board of the hospital is considering assuming responsibility for the management of the centre. At the present time the commission in Adelaide is directly responsible for the management of that centre and that is clearly an undesirable management line of communication.

It is much more appropriate, in my view, that the local hospital board assume management responsibility for the community health centre. When that happens, and I believe it will happen, I have asked it, as first priority, to give consideration to the sort of changes that need to be made in the community health centre to provide adequate facilities for both the medical practitioners and the dentists who are presently there. I should mention, however, there is some likelihood that the Department for Community Welfare may find some accommodation elsewhere in the town. If that is the case, it reduces the capital investment that would be required of the commission to upgrade those facilities.

Mr BECKER: I have been informed that apparently the only estimate was \$80 000, but since that time private sectors have said it will cost about \$50 000; obviously there is some room for savings in that respect. Has that been considered?

The Hon. Jennifer Adamson: The commission tenders for such work and, if a private contractor put in a tender that

was the most satisfactory that would be the one that would be selected.

Mr BECKER: Will private dentists be given the opportunity to take up the backlog of outstanding pensioner requirements in the metropolitan area and in the country?

The Hon. Jennifer Adamson: The Government gave a commitment in its health policy that salaried dentists would be used; the question at issue is the method of payment for such dentists, whether it would be on a sessional or a fee-for-service basis. They are the matters which will be considered by the Government when it takes into consideration the offer of the Australian Dental Association to provide dentures at reduced fees.

Mr BECKER: I remember that this system operates in New South Wales and there are some problems with it. Is this the system? It doesn't work out very cheaply.

The Hon. Jennifer Adamson: Yes. I will ask the Chairman of the Health Commission, who has had experience of the New South Wales system, to elaborate, but in summary the difficulties caused there are the result of the service being provided on a fee-for-service basis. When one has a fixed budget and no means of containing a demand which is open ended, other than through sessional or salaried provision of service, when those services are provided on a fee-for-service budget, when the budget runs out, the fee-for-service provision has to stop. That is what happened in South Australia with the Aboriginal Dental Service, and I understand that is what happened in New South Wales. I will ask Mr McKay to confirm that.

Mr McKay: Yes, I can confirm that. In New South Wales the denture assistance for pensioners through country hospitals operates through the country hospitals. The pensioners receive an entitlement from the hospital, take that to their local dental practitioner at his surgery, and he provides dentures. The real problem is control of the scheme. It is open to abuse and there have been problems. It went from \$2 000 000 to \$5 000 000 in 18 months. It is a problem, and we do need assessment of the patient prior to referral to any supplier. The member for Napier mentioned cost sharing. In New South Wales, that is a cost-shared arrangement, but the dental hospital is not cost shared. It is funded by the State. If we did move to that system we would have difficulty, as the Minister said, in convincing the Federal Government that it should cost share the dental hospital and cost share our service to pensioners in the country through hospitals.

Mr CRAFTER: Is the Minister totally satisfied with the activities of the Health Commission in the last two years in providing computer services for the work of the Health Commission?

The Hon. Jennifer Adamson: I am satisfied that the commission has proceeded with care and caution, as it was required to do, as a result of the Public Accounts Committee investigation into the Flinders Medical Centre debacle. I will ask the Chairman to outline the method by which the commission has proceeded, because I think it is important that the Committee understand the background to the decisions that the commission has taken. Inherent in the honourable member's question, I think, is reference to a proposal which has received some publicity and which was contained in the consultant's report for the expenditure of some \$20 000 000 over the next four years on computer equipment for hospitals. It is important that that proposal be seen in the context of the fact that it was a consultant's report designed to assess the cost if the express need and the wishes of all hospitals were to be met. That report has not been considered by the commission; it has certainly not been considered by the Government. It is a base document and only part of a series of other documents which the commission has available in order to make decisions as to

the acquisition of computer equipment which is required to improve communication and financial management information from hospitals. I am satisfied that the commission has proceeded properly to date. If the honourable member would like a summary from the Chairman as to the method of procedure and the rationale behind that, I am happy that he should provide it.

Mr CRAFTER: Perhaps I could indicate to the Chairman that, in the summary that he will give to the Committee, I would appreciate it if he could include the estimated savings to the taxpayer for the next five years, if a computer strategy was implemented by the commission as was originally envisaged in the report that it received in 1980 on this matter. Further to that, where are those savings going to be brought about, whether in staff or other areas? Will the Chairman, in his summary, tell the Committee what has been the progress with tendering in this matter?

Mr McKay: I will set the scene and then call on some of my officers to explain exactly where we are. I think it is important to understand just where computing and health services are at the moment. It is a very rocky road, not just in South Australia, but in fact right throughout this country and in some overseas countries. There is no doubt that the benefits of computerisation have to be applied to our health system if we are to get the maximum benefit out of administration, not just to save money, but also in the delivery of health services and the quality of care to patients. The commission, in the report that has been mentioned, was, as the Minister said, a basic strategic planning document to look at computing needs in the health area in South Australia and to look at the cost for each of those particular applications if the commission decided to move into those various applications. There have been no approvals, and we will not spend \$20 000 000 without examining each of those individual applications.

I now turn to the question of cost benefit, and I refer to the cost benefit for an interim A.T.S. system, which is the subject of a particular question in relation to tendering, and we will refer to that in some detail. There are some savings in manpower in that area. The major saving seen by people who have A.T.S. (and Mr Blight will address the question of where major savings have occurred in other hospitals, where they are and what they are) is that they make hospitals work better. A major hospital such as the Royal Adelaide has 1 000 beds, 1 000 patients and 4 000 employees. The process of getting patients from point A to point B, to X-ray and to various other places can be made more efficient, which would reduce the overall bed occupancy and make savings in the utilisation of the hospital by producing a computer system which can make that happen.

We also looked at inventory, for example. In other words, we were looking at getting some control over storekeeping in hospitals, and we have made a very 'in depth' cost benefit of that particular system. Mr Blight will provide the Committee with those figures. At the present time the strategic plan in relation to computing is to look at individual applications and cost benefits in the health system, not just in terms of actual dollars, but trying to improve health care generally.

The Hon. Jennifer Adamson: Mr Blight will be happy to provide the information sought by the honourable member.

Mr Blight: I refer to two points; first, the activities that have been going on in the computing area over the past two years and, secondly, the question about cost benefit justification for the projects. The majority of our activities have been aimed at improving our approach to the management of computing projects. That has been targeted into four key activities. The first has been the creation of a policy document outlining the commission's attitude to computing and its preferred approach for health care units.

That document was released about 12 months ago. It gives health care unit administrators guidelines on how to approach the management of computer projects. That was followed by a review of our management processes: by that I mean the internal mechanisms for determining the systems to be developed, in what priority and for whom. Basically, we have created a number of management committees in that area.

The key committee is the computer policy committee, which is really responsible for the overall management of computing development. Another key committee is the Systems Review Board, which is a collection of senior health care unit commission staff members and senior staff from agencies such as the I.M.V.S. who meet regularly to review the key computer systems to be developed over the next four to five years. It has been the Systems Review Board which has generated the list of major computer projects that was subsequently picked up by the strategic planning team. That was the basis for the estimate of \$20 000 000 over the next four to five years.

Part of the redevelopment of management processes has been the commitment to a strong project management methodology on all projects. The third key activity has been the preparation of the strategic plan itself, which was a first estimate at putting a figure on the level of investment that is required on the health scene if we are to get anywhere with adequate system support for hospital administrations. As the Minister and Mr McKay have said, the net result was that about \$20 000 000 would be required if we lifted the level of computer support in our hospitals to anywhere near normal industry standards.

The final part of the redevelopment of computing management was an organisational review of the commission's computing services unit. Consultants were used to develop recommendations on how the commission's computing resources should be structured to handle these major computing development tasks if they proceed. In relation to the cost benefit issue, I preface my remarks by pointing out that, under our project management methodology, we do not have accurate benefit estimates until we have expended about 20 to 30 man-weeks of effort looking in detail at a particular project. We have reached that stage in relation to the inventory project, and I can supply the Committee with that information. If we were to proceed with the implementation of an inventory control system in the three major hospitals, it would be likely to cost about \$1 250 000 over a four-year period. In that same period it would return saving benefits of about \$5 000 000. Therefore, the net return would be about \$3 500 000 for an outlay of \$1 250 000 over a four-year period.

In normal business terms, that is an excellent return on investment. These benefits are generated through optimised stock holdings, reduced wastage and simply tighter control on consumables in hospitals. In relation to Admissions Transfers Separations benefits, it is aimed at helping hospitals to manage a patient's stay in hospital. It has important management spin-offs in that it gives a very good guide to management on how well they are utilising their assets. It is really in this area of asset utilisation that these systems have their biggest pay-off. For example, Royal Adelaide Hospital has an annual operating budget in excess of \$80 000 000. If that could be improved by 1 per cent, the benefits would be enormous. The other key benefit that should be mentioned in regard to A.T.S. systems is in the resources allocation area. This type of system enables medical administrations to closely monitor the allocation of hospital resources to various medical staff using those facilities. It also enables administrations to identify how effectively those resources are being utilised.

The Hon. Jennifer Adamson: To add to what Mr Blight said, when an A.T.S. system has been decided on and purchased for the Royal Adelaide Hospital, the Q.E.H. and the Flinders Medical Centre, it is my intention to invite members of Parliament to watch that system in operation. I was able to see a presentation by a computer company nearly a year ago and without seeing it in operation it is difficult to envisage the tremendous impact it would make on hospitals in terms of time-saving, accurate information gathering and improved service to patients in terms of speed of access to records and such things. I am happy to give the Committee an undertaking that, when the interim A.T.S. system is available, I will be pleased for a presentation to be provided to members of Parliament.

The CHAIRMAN: I bring to the notice of the Committee that there are 19 minutes left to 6 p.m. Earlier in the day by consensus the Committee agreed that it might be good to finish the Health vote by 6 o'clock. We have this vote and, if any questions are to be asked of a capital nature, we must move into the next vote. I leave that with members of the Committee. Secondly, it would be helpful because, if we did continue into the evening in our further consideration of Health, it would mean that all the Health Commission officers would be obliged to return. I leave that situation with the Committee. I appeal to the Committee: if we wish to uphold our earlier decision, will members please be brief with the questions. I know the Minister will be brief with the answers, and we will get through as much information as we can by 6 o'clock.

Mr CRAFTER: As I understand from what Mr Blight has said, there is an expenditure of some \$20 000 000 required to bring up the various standards which would be improved by the implementation of the computer system to industry standards. Mr McKay said that, whilst there may not be ascertainable direct savings as a result of the implementation of computer strategy, there would certainly be an increase in the delivery of health care standards. Together, they support increased expenditure in this area. Can the Minister tell the Committee what the proposed spending is this year and for the next series of financial years? Obviously a decision is taken over a long period of time on this matter of computer strategy.

The Hon. Jennifer Adamson: The member for Norwood would know that an interim A.T.S. system is under consideration at the moment. If we proceed with that system for which tenders have been called, expenditure would be in the region (and I use that term in the broad sense) of \$1 500 000. As to the expenditure in future years, that would have to be assessed when the commission assesses the consultants' report, which has not yet been considered by the commission and is simply a broadly based catalogue of what would be the cost if everybody's perceived needs were fulfilled over a period of four years. Mr McKay can give further details of a specific kind in answer to that question if the member for Norwood cares to pursue that or another line.

Mr McKay: The \$1 500 000 that the Minister mentioned is for the proposal before the commission at the present time. It has not yet been approved by the commission nor has it gone to the Minister or the Government. It includes \$408 000 for the R.A.H. interim A.T.S. system; \$100 000 to upgrade the existing system at Flinders Medical Centre; \$100 000 at the Queen Elizabeth Hospital to upgrade its system; \$25 000 to increase the common hospital information system; \$245 000 for the financial control system which is something that is very badly needed in the hospital system at the present time; \$160 000 to start the inventory programme; \$46 000 for the multi-function pay-roll which is underway presently; \$25 000 for the assets register; \$2 500 for morbidity statistics which we take from the

Bureau of Statistics; \$198 000 to start a house service bureau which was recommended in the consultants' report; and the other \$196 000 to provide additional resources to get these things off the ground. That is the total proposed expenditure if we want to go ahead with these projects.

The CHAIRMAN: I can only appeal to the Committee for co-operation so that we can get through in the time.

Mr CRAFTER: The Minister said that this was a rocky road to travel. I refer the Minister to statements from the Commission made in 1980 to the effect that the commission had a large volume of documentation experience which would enable it to estimate complete costs of the computer project with accuracy and it valued the annual cost between \$180 000 and \$260 000 at that time. As has been said, there are savings of up to \$5 000 000 through the implementation of a computer strategy over a four-year period. I would be interested to check with the Auditor-General's Report to see whether in the inventory area there has been comments by the Auditor-General as to shortfalls in systems in the Hospitals Department (as it was) and in the commission in more recent times. To me, there have been no comments to the extent of that amount of money that would be saved by such a system. I wonder whether it is not perhaps a more appropriate matter for the Public Accounts Committee to have a full inquiry into a matter of such incredible savings in a short period of time in a Government instrumentality.

The Hon. Jennifer Adamson: That sum to which the commissioner referred in the first instance was for equipment only. The second comment is that the Public Accounts Committee has already sought information from me in regard to that consultant's report, presumably to determine whether it should pursue the matter further. I have had no formal communication from the Chairman of the Public Accounts Committee, and he is the only person who can speak for the committee as to whether the committee believes that any investigation should be undertaken. I would certainly welcome any investigation. I honestly doubt whether at this stage when no decisions have been taken that the time of the committee is warranted in pursuing a matter which is yet to be decided upon or implemented by the commission.

The CHAIRMAN: I have an indication from the member for Newland and the member for Hanson. I ask them to be brief and we will move from this vote to the Health Commission vote of a capital nature.

Dr BILLARD: Mention has been made of the Royal Adelaide Hospital in regard to the A.T.S. system and an inventory system and one or two other matters. I want to question the Minister in relation to the work that has been done in the last year or two in establishing cost centres so that some internal budgeting can go on within that hospital. Is it intended to incorporate budgeting into a computing system? In the discussion of cost benefits, can the Minister comment on what has been done at the Modbury Hospital?

Mr McRAE: Mr Chairman, I draw your attention to the time: it is now 10 minutes to six. I am not wishing to stop anybody, but the 'Miscellaneous' line covers \$200 000 000 and the capital works expenditure line covers in effect \$18 000 000 less certain reimbursements. It would be a scandalous situation if the Opposition could not have sufficient time at least to ask questions of the Minister to which the Minister could reply in due course. I hope members will take that into account.

The CHAIRMAN: I have appealed to the Committee: I am in the hands of the Committee. If the honourable member for Norwood had not insisted on another question, we would have been further advanced than we are now.

The Hon. Jennifer Adamson: The answer to the first question is 'Yes'. The answer to the second question is that

the Modbury Hospital has installed a patient reporting and billing system. It is not an on-line system; it is a batch system which is working well and which is appropriate for that size hospital.

Mr BECKER: The Programme Estimates (book 12, page 64) refer to the running of an amoebic meningitis media awareness campaign. What are the current plans for that campaign? Is this necessary if the water supply is correctly controlled, or is the campaign directed to private pool owners?

The Hon. Jennifer Adamson: The aim of the control programme this year is to reduce the risk of primary amoebic meningitis as far as practicable. All South Australians must recognise that the risk, which is immeasurably small now, cannot be reduced to zero. I repeat the remarks I made earlier this year, that the disease must be regarded as endemic in South Australia; in other words, it cannot be eliminated, even though the risk is very small. Attention will be focused primarily on areas of known incidence of the disease where the largest population is at risk, namely, the northern areas of the State. We will also be directing public education to the area of water safety in general, and incorporating the amoebic meningitis information as part of that overall campaign. The risks of swimming in uncontrolled and unchlorinated water will be stressed, and I shall be happy to provide the honourable member and the Committee with a detailed outline of the content of the campaign and its cost.

Mr LEWIS: I have a question which relates to the manner in which country non-teaching hospitals are funded. There seems to be no incentive whatever for boards of management and hospital administrators in those hospitals to attempt to stay within budget limits. I can find no correlation between those that end up going over their allocation in the number of occupied bed days and the cost of each of those bed days, and other hospital boards of management that strive to stay within and beneath the allocation. What happens to the money which those hospitals, through frugal management, do not spend from the amount allocated to them?

The Hon. Jennifer Adamson: The Government recognises the importance of the question that has been raised. At present, I am discussing with the commission ways in which incentives can be provided to hospitals (and this is wrapped up with the cost-sharing agreement) to enable savings made in hospitals by improved management to be spent in other areas of health need, notably community health or capital works. The Government recognises there is a need to give that incentive to improve financial management, and we are addressing this to the hospitals through the commission. I hope to be in a position to advise the honourable member later this financial year of the ways in which we propose to achieve it.

The CHAIRMAN: There being no further questions, I declare the examination of the vote completed.

Works and Services—South Australian Health Commission
\$12 700 000

Chairman:
Mr E. K. Russack

Members:

Mr H. Becker
 Dr B. Billard
 Mr G. J. Crafter
 Mr T. H. Hemmings
 Mr I. P. Lewis
 Mr T. M. McRae
 Mr J. K. G. Oswald
 Mr J. W. Slater

Witness:

The Hon. Jennifer Adamson, Minister of Health and Minister of Tourism.

Departmental Advisers:

Mr A. Bansemer, Director, Policy and Projects, South Australian Health Commission.

Mr B. McKay, Chairman and Chief Executive Officer, South Australian Health Commission.

Mr E. J. Cooper, Executive Director, South Australian Health Commission.

Mr McRAE: It has now become apparent that we will have to adjust the programme in line with the flexibility indicated earlier. I am sorry that this has happened. I do not cast aspersions on any member, because it will be apparent that the Opposition has dropped some six or seven entire topics from its examination. If I may say so, in future years—

The CHAIRMAN: The whole Committee has the responsibility of the conduct of a particular vote, not any single member or any one side of the Committee.

Mr McRAE: I accept your advice and the careful way you phrased your words, Sir. The reality of the matter has become obvious, and that is that the line of the Minister of Health is so enormous in its ramifications that it is impossible for the Committee to give it proper attention. The Opposition members of the Committee took no exception to the 'Miscellaneous' vote being put; it is odd that we have a 'Miscellaneous' vote encompassing the sum of \$200 000 000. To that extent we certainly show our good faith and good will in the whole matter. If we were to keep to the original time structure, it would mean that in two minutes we would be dealing with a real sum of \$18 879 000, and we would fail in our duty to the taxpayers of this State if we were to leave it at that. It is impossible to put the questions in two minutes, let alone get the answers. What I propose is that as quickly as possible, and without interfering with tourism, that there be some allocation of time after the dinner break to deal with the Loan allocation.

Looking back to the statements made by the Premier and Treasurer, we can see that there have been large allocations of money from Loan funds—what would normally be capital works funds—into the recurrent funds to balance deficits in that area. This fact comes out in general debate. The Opposition will be asking the Minister (and she can think of this over the tea break) what circumstances have obtained that have meant that certain apparently very necessary capital works programmes have not been carried out? We have in mind projects that were in the pipeline at the Flinders Medical Centre and projects that were in the pipeline at the Adelaide Children's Hospital, and I am sure the Minister's officers will be aware of these projects. We are not certain whether there have been any deferrals in the area of country hospitals.

[Sitting suspended from 6 to 7.30 p.m.]

The CHAIRMAN: I understand that the Minister has an explanation in regard to a printing error in the schedule.

The Hon. Jennifer Adamson: I refer to page 144, under the heading 'Minister of Health, South Australian Health Commission' of the Estimates of Payments. The item 'School dental—mobile clinics' is shown at an estimated total cost of \$100 000, but that amount was inadvertently included and should not be there. In fact, the clinics were paid for in the 1980-81 year. The sum of \$100 000 does not alter the total amount, because that sum should be added to the amount for 'Minor works', which appears under the item 'Not elsewhere included'. Although this does not affect the total, I would like to set the record straight, because the project was completed and paid for in the 1980-81 year.

Mr McRAE: I am glad to have the Minister on record correcting a minor error. No doubt the Minister would appreciate the enormous difficulty that the Opposition has had in trying to sort out all these figures. It is our desire that by 8 p.m. we can consider the 'Tourism' vote. We are now looking at capital works, and I have indicated that it is perfectly obvious that the transfer of \$44 000 000 from Loan Estimates for capital works expenditure, no matter how one phrases it, must have had a dramatic impact on a number of programmes in this State. That is beyond argument.

It is beyond argument because the Premier and Treasurer of this State in his statement to the Parliament says exactly that, and he says it repeatedly. In an endeavour to expedite matters, I have tried to put about five matters inside three questions. This will cause some difficulty, I understand, but I will put the questions slowly. First, as far as the overall picture is concerned, I am asking the Minister point blank whether she is critical of the Loan allocation, not in the sense that the Premier says that he must transfer certain sums from Loan to recurrent but in the sense that the Federal strategies have forced this upon him. That is the first question.

The Hon. Jennifer Adamson: There is scarcely a Minister in any Government who would not wish to see the free availability of Loan funds to embark on new projects or to upgrade existing buildings, and I am no exception to that. However, I recognise the economic reality. There has been a reduction in Federal Loan funds, and there has also been an overall reduction in general revenue grants; the State Government has to live with that. It is also worth making the point that in health services in South Australia the overall fabric of health buildings is good.

I am willing to recognise that the previous Government's record in maintaining buildings—although I will not say the equipment within buildings—has left South Australia with a good fabric in terms of hospitals and health units. Of course, there are isolated patches where there are deficiencies, the most notable being the Wallaroo Hospital. In other areas, construction has been maintained at a reasonable level. I do not see any severe deprivation occurring as a result of the reduction in Loan funds to the health budget.

Mr McRAE: In this respect and inside the capital works programme, I am assured by people who I regard as reputable that there is an option available to the present Government which may be defeated by the current stringency of creating a State nursing home at Windana. I appreciate that there are all kinds of difficulties in trying to sort out the existing situation at Magill as compared with the possibilities at Windana. Is it a fact that the capital or Loan capital works availability is such that proper facilities for citizens of this State are being denied because of the current Federal-State financial agreements?

The Hon. Jennifer Adamson: In respect of Windana, the answer is 'No'. There has been no denial of facilities there. The place is virtually ready for occupation as a nursing home. The only thing that is subject to Commonwealth

Government approval in the negotiations under way is to have it recognised for the payment of benefits. The only works that would need to be done there would be of a minor nature and could be accommodated within this Budget with no difficulty.

Mr McRAE: My next two questions are quite specific. First, I refer to Adelaide Children's Hospital. The Opposition starts with the emphasis that the member for Norwood put this afternoon: knowledge is power. We have had regard not only to the specifics of what the Premier said and the specifics of the white document, the yellow document, the blue document and so on, but everything else that we can gather. We have paid particular regard to the Adelaide Children's Hospital because over a period, which to this generation is almost immemorial, the community has been paying on a Good Friday appeal basis for facilities at that hospital. It appears from the documents that various stages of construction at that hospital are to be delayed or deferred indefinitely, but that is not clear.

I am asking the Minister to explain to me precisely what is envisaged as the final development of that whole complex, and how it is that that final development has been delayed or obstructed by Commonwealth Government stringencies and other problems inside the Budget.

The Hon. Jennifer Adamson: I think it is fair to say that, regardless of the situation with Loan funds, and whether or not we had received more, the amounts appearing in the Estimates in relation to the Adelaide Children's Hospital redevelopment scheme stages 2 to 4 would not have been any different; in other words, provision has been made for stages 2 to 4 along the lines envisaged. I should point out, though, regarding the honourable member's reference to the South Australian community's supporting this rebuilding programme over a long period of years, that had the planners of that programme known then what we know now about the demographic projections and the number of children who would be expected to make use of a specialist children's hospital, such a grand scheme as was originally envisaged may not have been put into effect. In fact, the paediatrics sections at the Flinders and Modbury hospitals have taken quite a lot of pressure off the Adelaide Children's Hospital.

To bring the honourable member up to date with what has been achieved at the Children's Hospital stage 1, and part of stage 2 have been completed, the principal part of stage 2 being the Good Friday Building. That building includes all the in-patient accommodation facilities, the theatres, the accident and emergency section, and part of the out-patients section. Stage 3, which is included in these Estimates, contains refurbishing of the existing Reiger Building, including part of the out-patients department, the intensive care section, and laboratories. Anyone driving past the Children's Hospital will see that it is an amalgam of old buildings and new. We have now got to the stage where the new buildings outweigh the old.

In order to construct stage 3 the existing functions of the Reiger Building will have to be transferred to the Gilbert Wing, and before construction of stage 3 can begin asbestos will need to be removed from the Reiger Building. That procedure will cost in the region of \$1 000 000, which of course is a large proportion of the \$6 000 000 planned for the total project. Approval to embark upon that will depend upon the resolution of certain issues currently being discussed by the commission and the Children's Hospital. They relate to the extended facilities provided for teaching and research.

Mr McRAE: Could the Minister explain what is envisaged in terms of large scale building projects at that centre?

The Hon. Jennifer Adamson: I believe I have just done so in outlining what is going to happen in respect of the

Reiger Building. That is the large-scale project, and beyond that stage 5 as originally envisaged simply amounted to furnishings, as I understand it, of a fairly lavish nature. I think the board of the hospital itself would see that as a far lesser priority now in these times of economic restraint than it might have been seen at the outset of the planning for all five stages. So, the Reiger Building would complete the major building construction work at the hospital.

Mr McRAE: The Opposition is somewhat baffled here yet again. By turning to page 143, we note that the redevelopment of the A.C.H. stages 2 to 4, was originally estimated at \$29 000 000 or thereabouts, but the expenditure to the last financial year was \$14 000 000. We are looking therefore at \$15 000 000, whereas the proposed expenditure is of the order of \$1 500 000. One is therefore forced to ask whether the subscribers to the Good Friday Appeal are, in fact, being fed realistic information about the whole matter. This is what the Opposition fears. I want to say that the Opposition is totally in support of the Good Friday Appeal. What is rather frightening is that, on the face of this document, at page 143, one notes a diminution of about \$10 000 000, being very conservative. That \$10 000 000, contrasted with the total of \$44 000 000 transferred from the Capital Account, is again of the order of, conservatively, 20 per cent of the enforced capital works savings. The Minister, I think, would acknowledge that it is fair for the Opposition, having supported the whole programme and intending to support it, and without raising any scares or problems, to ask: what is going on? Any member of the public who looked at that document, I think, would be somewhat fearful that money subscribed is going to other sources, or (dare I say it) withheld?

The Hon. Jennifer Adamson: That suggestion cannot be entertained. The honourable member has made a good point. The figures are presented in the way in which they always have been, but they do not take account of the hospital contribution and it is a two-for-one subsidy. I think in the light of the honourable member's question it might be fair to suggest to the Treasurer that next year there is an asterisk item at the bottom indicating that the amount shown is identified as expenditure of the Government, is distinct from the total expenditure, including the expenditure of the hospital. When we add all those together we come out with the correct amount.

Mr McRAE: Mr Chairman, could I ask, in an effort to see that my colleague involved in the area of tourism does get a fair go tonight, whether the Minister will undertake tonight that the member for Napier and I will have an opportunity to speak to the Chairman of the Health Commission in the near future in order to sort out precisely what is happening with that programme.

The Hon. Jennifer Adamson: Does the honourable member mean with the hospital programme? Yes, I am quite happy to do that.

The CHAIRMAN: Would the Minister please repeat that?

The Hon. Jennifer Adamson: If the member for Playford and the member for Napier want an explanation of what is happening with the Adelaide Children's Hospital programme, I am sure that the board of the hospital, bearing in mind that it is not a Government hospital and I do not want to over-rule the board or be discourteous to the board, would be pleased to show both members around the hospital and indicate to them what is proposed. I think that would probably be of more practical assistance than would a briefing on paper from Health Commission officers.

Mr McRAE: Will the Minister make available the services of the Chairman of the Health Commission so that the Opposition is not left in any doubt as to precisely what is

going on with the capital works programme at the Adelaide Childrens Hospital?

The Hon. Jennifer Adamson: Yes, if that is sought, honourable members are welcome to that.

Mr McRAE: I now refer to page 143 and the line 'North Eastern Community—Fire Protection and store workshop'. The estimated total cost was \$305 000, the expenditure to 30 June 1981 was \$150 000, and the proposed expenditure for 1981-82 is \$6 000. I point out that I do not expect immediate answers to my question. The Western Community Hospital is dealt with on page 144 of that same report, and the estimated cost of fire protection for that hospital is \$300 000, the expenditure to 30 June 1981 is \$135 000, and the proposed expenditure is \$13 000. In both cases, there has been, apparently, the most drastic reduction in fire protection expenditure. Will the Minister explain that reduction?

The Hon. Jennifer Adamson: There has been no drastic reduction. This is another item that could possibly be asterisked. Again, that relates to the two-for-one subsidy and it represents the Government's contribution which, as far as I am aware, has not been reduced in either case. That is what was sought and what was proposed, and it has not been reduced.

Mr McRAE: The estimated total cost will be completed one way or the other by the end of this financial year?

The Hon. Jennifer Adamson: That is the plan.

Mr McRAE: I desire a delayed reply in relation to my next question, because the issue is extremely complex. My question relates to the Flinders Medical Centre, and I refer to what I think is known as the M.H. Block which deals with ophthalmology and immunology. I think the proposed expenditure is \$2 800 000, but it has been deferred. Will the Minister supply details of that project in due course?

The Hon. Jennifer Adamson: Earlier this year I gave very full details in the form of public statements on the reason for the deferral of that project, once it was known that our Loan funds were reduced. I believe that those statements contain all the information required by the honourable member, but I am happy to provide any additional information about the deferral. I stress, as I stressed at that time, that the project was substantially for the purpose of providing administrative accreditation for the Professor of Ophthalmology, his staff and some laboratory accreditation. Patient care is not expected to be adversely affected by the deferral of this project.

Mr McRAE: It has become quite apparent that to try to deal with the health vote, considering the difficulties we have experienced, is almost an impossible task. I shall be putting to the Standing Orders Committee of this Parliament a proposal to try to obviate some of these difficulties. I acknowledge that many of the difficulties that we have had are not the Minister's making.

Dr BILLARD: Self-inflicted.

Mr McRAE: The member for Newland will not determine the fate of this committee, but other appropriate authorities will. I shall be putting to the Standing Orders Committee appropriate observations. In order to preserve the rights of my colleagues I shall say no more.

Mr HEMMINGS: I refer to a subject which is very dear to my heart and which has resulted in a war of words between the Minister and myself, that is, the provision of health delivery services in the northern region. I refer to the line 'Special provision for urgent upgrading' on page 124 of the Estimates of Payments. That line has now been transferred to the line 'Hospital and institution buildings, etc.'. The sum for that line has been fully allocated for this financial year. Therefore, any move to upgrade the Lyell McEwin Hospital will not occur this year. If as a result of the P.D.H.-SAC survey it turns out that there is a need for

a public hospital facility in the northern region, perhaps in line with the recommendations of the consultants that land be purchased in the Elizabeth Town Centre area, will the sum of \$200 000 be sufficient to meet that purchase, or has that sum been earmarked for other purposes?

The Hon. Jennifer Adamson: Is the honourable member referring to whether the sum of other funds is \$2 300 000?

Mr HEMMINGS: I will repeat my question. The line 'Special provision for urgent upgrading' with an allocation of \$2 000 000 has now been transferred to the line 'Hospital and institution buildings, etc.'. The allocation of \$15 909 000, has already been earmarked for workers referred to on pages 143 and 144. A sum of \$200 000 deals with the purchase of land and property. If the P.D.H.-SAC survey supported the need for a public hospital facility in the northern region, is there sufficient money within that allocation to purchase land within the Elizabeth Town Centre?

The Hon. Jennifer Adamson: No. The sum of \$200 000 has not been set aside for that purpose. As the honourable member would know, the Government already owns land there which was purchased in the expectation that a Para District Hospital might be constructed there. Therefore, that sum has not been set aside for that purpose.

Mr HEMMINGS: I did not intend to go beyond 8 o'clock. However, I point out that the consultants recommended that the original site owned by the Health Commission was not suitable for a Para District Hospital and they recommended that land be purchased adjacent to the Elizabeth Town Centre. The only land adjacent to the Elizabeth Town Centre is owned by the Commonwealth of Australia. Is there a sufficient sum within this allocation to purchase that land?

The Hon. Jennifer Adamson: The question is academic in the sense that the Commonwealth Government has refused to make it available, so it is not for sale. If the P.D.H. conclusions recommended the purchase of property then that purchase could be effected by the sale of the property that is already owned and not considered to be in an appropriate position for a new facility. I am not saying that that is what will happen but the option is open to the Government should it want to pursue that option.

Mr HEMMINGS: The answer is not very satisfactory but in deference to my colleague the member for Gilles I will not pursue the question at this point. I will perhaps seek some further clarification later from the Minister.

The CHAIRMAN: There being no further questions I declare the examination of the vote 'South Australian Health Commission, \$12 700 000' completed.

Tourism, \$3 718 000

Chairman:

Mr E. K. Russack

Members:

Mr H. Becker
Dr B. Billard
Mr Max Brown
Mr G. F. Keneally
Mr G. R. A. Langley
Mr I. P. Lewis
Mr J. K. G. Oswald
Mr J. W. Slater

Witness:

The Hon. Jennifer Adamson, Minister of Health and Minister of Tourism.

Departmental Advisers:

Mr G. J. Inns, Director of Tourism, Department of Tourism.

Mr G. L. Ashman, Senior Administration Officer, Department of Tourism.

Mr B. P. Oldman, Marketing Manager, Department of Tourism.

Mr D. E. Packer, Chief Administrative Officer, Department of Tourism.

Ms A. E. Rein, Chief Planning and Resource Officer, Department of Tourism.

Mr L. J. Penley, Director, Development and Regional Liaison, Department of Tourism.

Mr SLATER: I refer to the line 'Salaries, Wages, and Related Payments' and direct the Minister's and the Committee's attention to page 378 of the large yellow book. It refers to the organisation, structure and staffing of the department. We have learnt that the former Deputy Director will not be with us in the future. I ask whether the Minister can tell the Committee whether the Deputy Director will be replaced and when that is likely to occur.

The Hon. Jennifer Adamson: There is no intention of replacing the Deputy Director, as the honourable member may recall. When the appointment of the new Director was made, it was made clear that Mr Joselin would act in the capacity of deputy and the salaries and allowances which are identified under the Department of Tourism line were obviously printed before the decision was taken to retain Mr Joselin as a consultant. Therefore, they reflect the allowance that has been made for his salary.

Mr SLATER: I appreciate that, but I ask whether Mr Joselin is a Deputy Director or whether another appointment will be made of a Deputy Director. If so, when is that likely to occur?

The Hon. Jennifer Adamson: There is no intention to appoint another Deputy Director. The restructuring of the department to create the four positions which are identified on the organisation structure and staffing will ensure quite sufficient administrative back-up for the Director in performing the functions of the department.

Mr SLATER: What then are the terms and conditions of his consultancy in the United Kingdom? Did Mr Joselin make the approach for that consultancy? Are there any other matters relevant to this particular consultancy?

The Hon. Jennifer Adamson: Yes, Mr Joselin approached the Government to determine whether the Government would be willing to engage him as a consultant in the United Kingdom. The Government agreed to do so on the basis that we were fortunate to find someone who will be, in effect, the right man in the right place at the right time. Mr Joselin has a unique knowledge of the United Kingdom and European markets by virtue of his previous position with British Airways. As a result of his experience as Director of Tourism in South Australia, he also now has a unique knowledge of the product that he will be selling as a consultant in the United Kingdom. The State Government is negotiating with European and British airlines, or indeed, any airline, which will undertake to run international services into Adelaide Airport. It will be of great advantage to the Government, to have someone at the other end (so to speak) to assist with those negotiations and that is part of Mr Joselin's consultancy job specification. The fees Mr Joselin will be paid are on an annual basis of \$20 000 a year for four years.

Mr SLATER: Is this a new consultancy position that did not exist previously?

The Hon. Jennifer Adamson: Yes.

Mr SLATER: I noticed in a press report that the terms the Minister just indicated included other things. The press report says:

The terms offered to Mr Joselin included a \$20 000 annual consultancy fee for the next four years.

I note the word 'included'. Are there any other conditions attached to his consultancy in the United Kingdom?

The Hon. Jennifer Adamson: I do not have his contract with me. The contract was between the Premier and Mr Joselin. To some extent he will be answerable to the Minister of Transport in respect of negotiations over international flights into the Adelaide Airport. I can readily obtain for the honourable member details of any additional emoluments. What comes to mind, from recollection, is that the fares for Mr Joselin and his family back to England will be paid. I do not recall any other matters of substance, except possibly travel and accommodation as required in his duty as a consultant. Anything additional would be what I would describe as being of a minor nature and nothing of substance.

Mr SLATER: I noted the word 'included' so that means there were other conditions attached to it which were part of a contract made between Mr Joselin and the Government. When Mr Joselin was the Director of Tourism in this State he was replaced early this year and he became Deputy Director. At that time was he aware of his replacement while he was overseas?

The Hon. Jennifer Adamson: From memory, I certainly did have a conversation with Mr Joselin while he was overseas, to indicate the decision of the Government as far as replacing him as Director. By choice, one would prefer to do that while Mr Joselin was in Adelaide, but at the time he was overseas representing the State Government at the International Tourism Fair at Berlin and he subsequently took leave for personal reasons afterwards in England. The Government was ready to make its decision and, consequently, my contact with him was while he was overseas. My contact with him was prior to any public announcement in South Australia.

Mr SLATER: Why was Mr Joselin replaced?

The Hon. Jennifer Adamson: The replacement was a result of the recommendations of the Tonge Report which in essence recommended an upgrading of the organisational structure of the department, and that included all positions. The Tonge Report recommended that the position of Director was one that carried very great responsibility in terms of policy making, dealing with industry and other Government departments. It was the view of the Government that this position should be upgraded on a salary basis and filled by a senior person and for that reason the Government appointed Mr Inns, who had had extensive experience both in Government and private industry, in his capacity as Director-General of the Premier's Department and a former Chairman of the Public Service Board.

Mr SLATER: Was Mr Joselin's replacement influenced in any way at all by his public criticism of the Tonge Report? Mr Joselin, as Director of the department, went to bat (as it were) on behalf of his staff because the Tonge Report was extremely critical of the Department of Tourism. There was a press report which indicated Mr Joselin's feelings at that particular time and which said:

There are inaccuracies, distortions and inconsistencies in a recently published review of tourism in South Australia, according to the South Australian Director of Tourism, Mr J. F. Joselin. The review was made jointly by the Public Service Board and Rod Tonge and Associates, Queensland based tourist industry consultants.

The report goes on at some length. I will not read it all, but it indicates strongly Mr Joselin's criticism of the Tonge Report. Were Mr Joselin's comments in that regard in any

way responsible for his replacement as the Director of the Department of Tourism in this State?

The Hon. Jennifer Adamson: No, they were not.

Mr BECKER: Is it intended that the local member will be consulted in relation to international flights into the Adelaide Airport? The Adelaide Airport is contained wholly in my electorate.

The Hon. Jennifer Adamson: As matters relating to the introduction of limited international flights into the Adelaide Airport are under the jurisdiction of my colleague, the Minister of Transport, that question would be more appropriately addressed to him. Assurances already given by the Minister of Transport and the Premier in regard to the consideration of the constituents of the member for Hanson should be sufficient to reassure him that the Government is most concerned to ensure that there is no additional noise nuisance incurred as a result of the introduction of limited international flights into Adelaide Airport and that the curfew will not be extended.

Mr BECKER: I appreciate that the curfew will not be extended. In the last six months there have been more than 2 000 complaints lodged at an office set up by the Anti-Airport Noise Group at Thebarton. I am staggered by the number of complaints they have received.

I want to make the department aware of the problems being experienced in that section of the metropolitan area. The information that I seek now is in relation to Mr Joselin's appointment as consultant. On page 104 of the Estimates of Payments provision for payments to consultants is shown at \$5 000. I understand that that figure is not quite right.

The Hon. Jennifer Adamson: The payments to consultants on that line do not include the payment to Mr Joselin, which, as I have indicated, will come out of a separate Treasury allocation and does not appear in the budget of the Department of Tourism, which was prepared before the appointment of Mr Joselin as consultant.

Mr BECKER: That means that the actual vote would be increased by \$20 000, does it?

The Hon. Jennifer Adamson: I do not envisage that the vote for the Department of Tourism will be increased. I envisage that that sum will come from the Department of the Premier and Cabinet when payment to Mr Joselin commences. I would imagine that it would appear in the Budget next year under the line for the Department of the Premier and Cabinet.

Mr BECKER: The information I have is that the Premier was under the impression that it was coming out of the provision for the Minister of Tourism.

The Hon. Jennifer Adamson: I noted what the Premier said when questioned as to that matter. I suppose it is best to say that it had not finally been determined but my impression was that it was not coming out of the Department of Tourism line, because Mr Joselin's consultancy will range beyond the Department of Tourism and it is likely that he will have considerable responsibility to the Minister of Transport, and also responsibility to the Premier for overall State development in respect of both tourism and transport, and any other matter it may be proper for him to pursue on behalf of the Government, as a consultant.

Mr BECKER: When I noted Mr Joselin's appointment, I thought it was an excellent choice if he wanted this position, because during my recent visit to London, the Agent-General's office was extremely busy handling inquiries from people who wanted to visit South Australia in particular. I got the impression that some tourist promotion within that office would not go astray. There was a demand for brochures. It was helpful to be able to explain to people what they were looking at, where it was, what they would see, and that not all the natives were like oneself. A smart promoter could enhance the opportunities for tourism to

South Australia, and I wonder whether it would be part of Mr Joselin's roving commission to work through or in conjunction with the Agent-General's office.

The Hon. Jennifer Adamson: No, it is not envisaged that Mr Joselin will act as a travel agent for South Australia. Indeed, there is a multitude of travel agencies that can far more effectively provide service to potential tourists than can the Agent-General's office. That is not its function. Part of what Mr Joselin may be doing would be dealing with tour wholesalers to encourage them to include South Australia in a package, and the cost effectiveness of his work in that regard would far outweigh any work he could do through the Agent-General's office in terms of providing information to intending tourists.

Mr BECKER: I wish him good luck, because I was very disappointed as far as Qantas was concerned. I was happy travelling with that airline but we may as well forget about the information Qantas had on South Australia. They thought only New South Wales and Victoria existed in Australia, and the rest did not exist. International airlines were not interested in us at all, so our main hopes would be British Airways and Qantas.

Mr SLATER: How do you make that out?

Mr BECKER: At least the British know of Australia. On the Continent the Qantas office in Frankfurt was hopeless. I could not speak English and they could not speak Australian, but that did not matter. Apart from that, I see problems in promoting the State, yet the people overseas are crying out for information, and I hope that Mr Joselin can make some inroads there.

Regarding the Director (Mr Inns), last night, in the discussion on the allocation for the Minister of Agriculture, the problem arose as to Mr Inns being originally appointed as the full-time Chairman of Samcor. That position has now changed. I seek information on the amount of time that Mr Inns, as Director of Tourism, is now required to spend as Chairman of Samcor, and is there a conflict of interest between the duties of the two positions? How does the time required to attend to Samcor business reflect on Mr Inns' duties as Director of Tourism?

The Hon. Jennifer Adamson: I believe that the member may be confusing the special project that Mr Inns undertook for the Government when he was seconded from his full-time position as Director-General of the Premier's Department to solve the difficulties confronting Samcor. That was a six-month project that he undertook before his appointment as Director of Tourism. I am advised by Mr Inns that his duties as Chairman of Samcor require in the region of half a day a fortnight, which is not in any way incompatible with his fulfilling his responsibilities as Director of Tourism.

Mr SLATER: Now that the position of Deputy Director no longer exists and there has been a restructuring of the department with four major divisions, being Marketing, Research and Planning, Development and Regional Liaison Administration, will all these appointments be made from outside the Public Service? I note that the position of Marketing Manager has been advertised and I understand that one appointment has been made in regard to development and regional liaison from outside the Public Service. Will this be the case with all these appointments?

The Hon. Jennifer Adamson: In case of the Chief Administrative Officer, the appointment was made from within the Public Service. That was the appointment of Mr Don Packer. In the case of the Chief Planning and Research Officer, the appointment was made from within the Public Service. That was the appointment of Ms Anne Rein. The position of Director of Development and Regional Liaison was filled from outside the Public Service. The position of Director of Marketing has been advertised twice. There

were no suitable applicants as a result of the first advertisement. There has been a large number as a result of the second advertisement. It is not yet known whether that position will be filled from within or without the Public Service. There is certainly a strong feeling within the industry that it should be filled from the private sector where the experience and expertise in marketing has had the opportunity to develop in a way that it obviously does not have inside the Public Service.

Mr SLATER: Reference is made to 'Travel promotion and tourist officers, accounting, clerical and general staff', and the proposed vote is \$1 578 947. No doubt that sum provides only for Public Service salaries. Where in the Budget papers is provision for the salaries of people appointed from outside the Public Service?

The Hon. Jennifer Adamson: Once these appointments are made, the appointees will be public servants. That vote provides for the salaries of existing staff as at 30 June, including overtime and leave loading. It also provides for the reorganisation following the departmental review. In other words, it meets the salaries of all those positions identified in the organisation structure.

Mr SLATER: Does that mean that, even those officers appointed from outside the Public Service, then become officers within the Public Service? As a consequence, the salaries are included under that amount?

The Hon. Jennifer Adamson: That is correct.

Mr SLATER: The amount allocated this year is only \$150 000 in addition to the amount spent last year on salaries, but that is a small amount when one considers that the Premier indicated that that was a \$70 000 000 over-run on salaries and wages last year. The officers to be appointed will be on higher salary levels and, if there is to be reclassification within the department (perhaps that is another question), is that amount sufficient to cover any over-run of salaries and wages in the forthcoming year? Included will be increases in salaries and wages that may occur, in addition to any reclassifications plus the high salaries of people coming in in those four positions.

The Hon. Jennifer Adamson: The provision for salaries is sufficient, notwithstanding the fact that the positions carry higher salaries under the organisational review. The fact is that it is not the full year's cost. For example, the Director of Development and Regional Liaison was appointed last month, when the financial year was already under way. The Director of Marketing position, which carries a salary of \$35 000, has yet to be filled. I would expect that appointment to be made probably by the end of November or the beginning of December. When one takes into account that some months of the year have elapsed, that explains what appears on the surface to be inadequate provision, but it should cover all appointments, because not all of them are for the full year.

Mr SLATER: Are total staff numbers included in these papers? I refer to the graph on page 378 of book 1, which shows the actual full-time equivalent staffing numbers. There is a proposed increase of two persons in the forthcoming year. Are the staff in interstate offices in Melbourne and Sydney included in the total?

The Hon. Jennifer Adamson: Yes. Officers in the interstate offices are included in that total. I will ask the Director to elaborate on that answer, because there has been a minor revision of the numbers.

Mr Inns: The figure shown as 105 for the proposed staff establishment at 30 June 1982 has been revised by the Public Service Board and is now reduced to 101. It is planned that that will be achieved by natural attrition of staff, that is, non-replacement of personnel on the basis of known retirements and anticipated staff wastages in other forms.

Dr BILLARD: I want to ask questions about the operations of the Tourist Development Board. According to page 84 of book 12, reference is made, under the 1981-82 specific target/objectives, to the operations of that board, which commenced operations from 1 July 1981. I note specifically that its first task is to formulate a tourist development plan. How long is it expected that the board will take to formulate that plan? What other bodies and agencies will be involved in and consulted to contribute to that plan? What local government bodies and other organisations will be involved?

The Hon. Jennifer Adamson: The plan is expected to take some time to formulate, because there will be extensive consultation with a wide range of bodies from the industry and from local government. Perhaps one of the officers present has got a list of the industries or the representatives who will be invited to participate in the consultation that will take place in the development of that plan. From memory, it includes such diverse organisations as the South Australian Hotels Association, the Bus Proprietors Association, and the Restaurants Association. There are about 22 bodies, and local government is included, that are listed for consultation and development in regard to the plan. Those bodies have been invited to form a task force, and will be given guidelines for the development of a State tourist development plan. I ask the Director to outline to the Committee the procedure that he has in mind as Chairman of the board for that process to take place.

Mr Inns: The intention is that this task force will meet at the end of this month. As the Minister says, it comprises representatives from about 22 organisations, including the Caravan Parks Association, the Australian Hotels Association, the Royal Automobile Association and, in fact, every facet of the industry. That task force is chaired by a person from outside industry, Mr John Sharman, Managing Director of the Grosvenor Hotel. He will prepare a programme to be considered at an Outlook conference to be held in February 1982. All members of the industry, operators and other interested people in the tourist industry will be invited to attend that conference in order to register their views about the draft proposal of the State tourism development plan. From that conference will come the final development of the plan, and it is anticipated that, by June of next year, the plan will be available for endorsement by the Minister and the Government.

Dr BILLARD: I will follow on then and ask a question about the Tourist Development Loans Scheme, because it seems to me that until you have some sort of tourist development plan you may be able to pick out some obvious cases to support with the Tourist Development Loans Scheme, but the operation of that scheme must be to some extent limited until you have the plan formulated. What is planned, what is expected to happen under that scheme in this coming year, and to what extent would it be limited by the lack of a tourist development plan?

The Hon. Jennifer Adamson: The loans scheme is open for applications now and, as I indicated, up to \$5 000 000 will be made available through the State Bank and applications can be received for that at any time. The State Tourism Development Board has the role of advising the State Bank, not as to the commercial viability of any proposal, because it is the role of the bank in its normal function to assess that commercial viability, but to indicate the areas in which tourism infra-structure development is needed. I will ask Mr Inns, as Chairman of the board, to summarise the kind of guidelines that the board has and is in the process of developing to indicate to the State Bank the areas that it believes need upgrading.

Mr Inns: The Tourism Development Board has set in train some negotiations with the State Bank to determine the conditions under which the loans scheme would operate.

I do not have a full copy of that proposal with me, but in broad summary—

Mr LANGLEY: Why are not we able to have that sent along to us so that each member knows what is happening?

The Hon. Jennifer Adamson: I am quite happy to provide the member who wants details of the guidelines with those details. I think the Director is happy to give here and now what he has got, which is in general terms.

Mr Inns: The general format in very broad terms would be something along these lines. It is in summary form, but the board, I am sure, would be most happy to make the full proposals available to this Committee. The intention is that funds would be made available to specific projects which come before the Tourism Board where the board considered that the South Australian tourism industry itself would benefit from such a loan of money. The board considers that there should be flexibility in the terms and conditions of such loans which are made available and is currently discussing with Treasury and the State Bank the method by which such flexibility arrangements could be made. By 'flexibility', I mean flexibility of interest, flexibility of repayments and, flexibility of term, and fixed and flexible interest rates generally are those that have been contemplated for worthy and deserving loan projects.

The intention would be that the loans would be administered by the State Bank, and not by the Department of Tourism or the Tourism Development Board, but that Treasury would make available the sums of money for the State Bank to administer. The Tourism Development Board would recommend the tourism worthiness, if I can use that term, of such applications which come before it. It is intended that the scheme would act as a supplementary lender only when other funding sources were not available on reasonable terms and conditions. It is intended that the Government would accept second or subsequent ranking security for such loans.

The board would require the Department of Tourism to play with its officers a significant role in assessing the tourism significance of each individual application that came before it. Then the State Bank would assess the financial stability and viability and recommend the appropriate terms upon the recommendation of the Department of Tourism. In turn the Tourism Development Board would make its final recommendations for acceptance or rejection of the application coming before it.

In summary, the intention is to give each application an assessment on its merits as to the tourism development potential of a project which comes before the board. Its viability as a tourism project and as a financial project would be considered by the board, and taken into account also would be the long-term viability which would rate the recommendation of the tourism board as to terms and conditions—in other words, flexibility. That is about the extent of detail that I can give, other than the full paper which will be considered by the Tourism Development Board at its meeting on Friday afternoon, where the final proposals of those terms and conditions of loan will come up for consideration and approval.

Dr BILLARD: Can the Minister say whether it is envisaged that the board will have an entrepreneurial type of role in going out and soliciting investors to become interested in specific projects on which it has placed importance?

The Hon. Jennifer Adamson: Mr Chairman, not at this stage. I would see the Government and the respective Ministers as having that role in trying to interest potential developers in South Australia. So at this stage the board would not be going out as a board and trying to identify potential developers but, of course, the board could identify worthwhile projects which the Government might then advertise, calling for registration of interests.

Dr BILLARD: I wonder whether the Minister could comment on the figures she used in launching this year's promotion campaign, where she quoted a series of figures which she said at the time were drawn from the Bureau of Statistics data, which supported her claim that last year's VISA campaign had been successful. I ask her to comment for the specific reason that, following that launching of this year's Hit the Trail, the shadow Minister suggested that those figures were wrong and that, in fact, there had not been that increase.

The Hon. Jennifer Adamson: The figures I gave at the launching of the Hit the Trail campaign were based on a series of sources. One was the Australian Standing Committee on Tourism (commonly known as ASCOT) and others were the Australian Bureau of Statistics, and others again were the Australian Bureau of Industry Economics. The preliminary estimates by the Australian Standing Committee on Tourism show that there was an increase of 6.3 per cent on the 1979-80 figures in the 12 months to March 1981. That is of interstate trips, all travel to South Australia: an increase of 6.3 per cent. The actual figures from the Australian Bureau of Statistics quarterly survey showed that, of room nights at hotels and motels in South Australia, there was an increase of 6.4 per cent on 1979-80 for the nine months to March 1981.

I recall that the member for Gilles, in a speech to the House, said that there was an overall decrease in visitor nights, that is, in the length of stay. That is the very reason why the 'Hit the Trail' campaign has been mounted. It is to encourage South Australians to travel within their own State and to stay longer. We have to draw a distinction between interstate trips in relation to South Australia, and South Australians travelling within their own State. We recognise that intrastate travel in South Australia is not at the level that it should be, and we are trying to bring it up to a level that we believe we can achieve. 'Hit the Trail' is one means by which we are attempting to do that.

Mr KENEALLY: I refer back to questions asked by the member for Gilles, and in particular to the line 'Deputy Director'. I was surprised to find that the Minister's recollection of her discussions and arrangements with that particular gentleman are so hazy, because he was then the senior member of the department. Whilst I am prepared to accept that it was fortuitous that the Director-General of the Premier's Department, when he was no longer required for that position (for reasons best known to the Government, but which were highly suspected by the Opposition), was found a job at Samcor. It was also fortuitous that when his job finished there that another job was found for him in the Department of Tourism. It seems almost providential that, when the Deputy Director of that department was no longer required there, it was found necessary for him to be employed in London, and that the Premier and the Minister of Transport required his services. Was there any connection at all between the fact that the Department of Tourism found the Deputy Director to be a supernumary and at the same time the Government found it necessary to employ him in this overseas post?

The Hon. Jennifer Adamson: As I have already indicated, it was Mr Joselin himself who approached the Government and asked it to consider whether it would be willing to use his services as a consultant. The honourable member has asked a hypothetical question, so I cannot say whether, had that approach not been made, the Government would have actively set out to find a consultant overseas. However, it is quite possible that that would have occurred, because there is a precedent in relation to other States—and Western Australia comes to mind—engaging people under contract in the United Kingdom to do the kind of marketing work that Mr Joselin will be doing for South Australia. As

I have said, as far as the Government is concerned, in this capacity he is the right man in the right place at the right time. We consider ourselves fortunate to have his services, because he has a unique knowledge, not only of the market but of the product that he is selling. I venture to say that very few States would be in the happy position of finding themselves with a consultant who fulfilled both of those criteria.

Mr KENEALLY: Mr Joselin has found himself in the happy position that the further he gets away from this State the better his qualities become. If he had not applied to the Minister for this job overseas, I imagine that he would still be employed as Deputy Director of the Department of Tourism. What is the position? If he had continued in the Government service, would his services have been no longer required, or are we now a very important position short?

The Hon. Jennifer Adamson: Had Mr Joselin not sought the consultancy position he certainly would have remained as Deputy Director of the Department of Tourism for as long as he wished to remain in that position. Nevertheless, the position of Deputy Director was not envisaged as part of the recommendations of the Tonge report. It is not regarded as central to the reorganisation of the department, but it was maintained in order to continue to use the services of Mr Joselin. As he expressed the wish that his services be used in a different way, the Government recognised the merits of the case he put forward and agreed to the consultancy.

Mr KENEALLY: I believe that there is a conflict in the Government's policy in relation to appointments within the Department of Tourism. The Minister has already said that appointments to senior director positions within the department will be going to people outside the Public Service, that there is not the quality of personnel within the Department of Tourism to fill these positions. The Minister has also said that it was important to have as Director of the department a person with no tourist background at all, whilst we had a Deputy Director who she is now eulogising as the man with the most competence in relation to tourist activity in this State. In view of the Minister's comments about the ex Deputy Director, whom she has described as an experienced, competent, valuable tourist operator why was it necessary to place above him within the tourist office a person who, although competent in a whole range of public service positions (and I do not question that at all, because I am well aware of that), has no proven skills in that area?

The Hon. Jennifer Adamson: I think the honourable member is failing to recognise the important distinction between the general managerial function of a head of department, a function in which Mr Inns is well experienced, and the specific skills required for the various positions that have been created in administration, planning, research, marketing, development and regional liaison, and again in the position that Mr Joselin will be fulfilling as a consultant engaged largely in marketing exercises for the State. The honourable member fails to make the distinction between the qualities required for a Director of a very much upgraded department and the qualities required for either a consultant or any of the four functions that I have mentioned.

I refute the honourable member's assertion that the positions will necessarily be filled from outside the Public Service. As I said, one of those key positions has been filled from outside the Public Service, one has been advertised but not filled, and I am not able to say whether the position of Director of Marketing will be filled from within or without the Public Service. I merely made the observation that the tourist industry itself was most keen that the Government should advertise outside as well as inside the

Public Service. Two other positions of Chief Administrative Officer and Chief Planning and Research Officer have, as I have said, been filled from within the Public Service.

In addition, three positions for regional liaison managers in various regions have already been filled from within the Public Service. There are two more positions yet to be filled, and it is anticipated that they will be filled from outside the Public Service. I do not think that any criticism can be levelled at the Government for looking at one area or another necessarily. We have been looking all around for the best people to fill the jobs. I am confident that where positions have already been filled the best people for those positions have been chosen.

Mr KENEALLY: I am pleased that the Minister has cleared that matter up. A check with *Hansard* will show that the Minister clearly said that there were no people from within the Government Tourist Bureau who had the marketing skills necessary to do that job, so it was necessary to look outside. I am pleased that she has now acknowledged that within the Government Tourist Bureau there are those skills. What are the conditions applying to Mr Joselin's consultancy in the United Kingdom? Are we to understand that he is now receiving \$20 000 a year for a four-year period, whether he does the job or not, or that because, as we know, he is an honest and ethical person he will do the job? What are the conditions? Despite the Minister's view and her assurances to this Committee, Mr Joselin could be fairly cynical about what has happened to him. He may go to the United Kingdom and say, 'I am receiving \$20 000 a year for four years, so why should I worry about South Australia any more, because they did not worry about me?' Could the Minister perhaps tell us what conditions apply to that consultancy? Is this a guaranteed \$20 000 a year for four years, or is it a contract that could be broken if certain conditions were not met? I am anxious to know the terms of the consultancy.

The CHAIRMAN: The question is similar to the one asked by the member for Gilles. However, the Minister may have some additional information.

The Hon. Jennifer Adamson: The question is identical to the one asked by the member for Gilles that I have already answered. I do not know that there is anything more I can add.

Mr Glazbrook: Is there an officer within the Department of Tourism whose job it is to actively seek, both within Australia and overseas, entrepreneurs who would be interested in the development of tourism projects in South Australia? If so, has it proved successful on a cost-return basis? If it has not been tried, would the department consider that approach?

The Hon. Jennifer Adamson: I am not sure that I understand the honourable member. He asked whether we have one single officer whose job it is to go out and identify potential developers who might be interested in investing in tourism in South Australia and encourage them to do so. To date, we have not had such an officer. To look into the future, I would see that the marketing manager might well identify potential developers and ensure that information. The Director of Development and Regional Liaison would also obviously have that as part of his role. Both of these officers would be expected to maintain a fairly close liaison with the Department of State Development and the Director of State Development, because it is really a matter of value judgment as to where tourist development as such begins and State development as such ends.

Some projects which might be seen to have a specific tourism flavour, such as convention centres or international hotels, might equally well be identified by the Government as central to State development and be handled to some extent in the State Development Department. I think the

point the honourable member is making is that if it is not someone's responsibility it is no-one's responsibility, and I take that point. I believe that under the reorganised department the two Directors of Development and Regional Liaison and Marketing will work together to identify potential developers and see that they are provided with the proper encouragement and information and, where appropriate, assistance.

Mr Glazbrook: That leads to my second question. Is there a departmental liaison officer and, if so, what liaison is there between the State Development and Transport Ministries with the Department of Tourism on new projects? Is there a joint committee of these departments and, if so, how often does it meet and what successes has it had?

The Hon. Jennifer Adamson: That kind of liaison would be undertaken at director-to-director level. In other words, the Director of Tourism, the Director of State Development and the Director-General of Transport would be involved. Beyond that departmental liaison, the Government has also established liaison through its boards. The State Development Board, which has been established by the Premier, has on it a number of people from private enterprise and from Government. The Hon. Don Laidlaw is an observer on that board. He is also taking a very keen interest in tourism development and will be acting as an observer on the State Tourism Development Board. So, outside the departmental area there is formally structured liaison which will ensure that the right hand knows what the left hand is doing.

As to what successes have been chalked up so far, the first that comes to mind is the liaison work (and it is still in the planning stages) that the Director of Tourism is in the process of doing in connection with the proposed tourist development at Victor Harbor, which hinged on a series of decisions that involved a variety of Government departments through State ownership of various pieces of land (for example, the State Transport Authority, the Minister of Public Works and the Minister of Health). It was difficult in that situation for the developer to work his way through the various departments. The Director of Tourism chaired a subcommittee which brought the various departments together, identified what approvals had to be given and facilitated the project so that its consideration by Cabinet could be undertaken as a whole instead of an unconnected series of parts.

Mr Glazbrook: Has the department appointed any general sales agents outside Australia? If so, where and on what commission or salary basis are they paid? If not, why not, and will the subject be investigated?

The Hon. Jennifer Adamson: No general sales agents have been appointed to date, but the department recognises the potential of such appointments, and the Director advises me that that is an agenda item for discussion by the State Tourism Development Board at its meeting this week.

Mr Glazbrook: What action is being taken by the department through its officers to encourage councils to take initiatives in the development of tourism?

The Hon. Jennifer Adamson: The honourable member will be familiar with the programme under which subsidies are provided towards the development of tourist resorts and which is listed on page 104 under 'Contingencies—\$319 000'. In 1981, there were payments to various local government bodies. Rather than read through a list of the various projects approved, I am happy to provide the honourable member with a few samples and supply him with the full list if he would like it. I refer, for example, to a caravan park at Arno Bay, a project valued at \$21 500.

The Stansbury Foreshore Caravan Park was valued at \$164 700. The lookout at Kleinigs Hill, which probably most members of the Committee have seen at Victor Har-

bor, was valued at \$14 000. The Renmark Corporation's grant was \$7 500, toward the development of Bredl's Reptile Park.

Mr Glazbrook: What promotions are being undertaken to encourage councils to take initiatives in development? I did not want to know what benefits they were getting, but what encouragement are they given to take initiatives to develop?

The Hon. Jennifer Adamson: As the honourable member would appreciate, under the new restructuring of the department, a lot of plans are in hand but are not yet being implemented. The department intends to establish a much improved liaison with local government and realises the importance of its role in creating awareness among local governments of the potential economic importance of tourism within local government areas. Regional managers will be the catalysts in this, and one of our first projects will be to encourage local government, as we move towards our sesqui-centenary year, to move somewhat away from the emphasis which has obtained in the past on caravan parks, lookouts and public toilet facilities, to things more in the nature of interpretative centres which will become more appropriate as we approach 1986. We hope there will be other such projects to draw people to a regional area and enable them to understand better the various attractions offering within a whole region. Local government can be instrumental in drawing various operators together and ensuring that the maximum potential is realised.

Mr Glazbrook: What representations is the department making to local government relative to the changing of zoning regulations to permit presently zoned R.1 properties to be used as holiday guest-houses in the area of promotion of tourism?

The Hon. Jennifer Adamson: I took this matter up with the department shortly after we came into office on the basis that this was a policy undertaking of the Government. The matter was investigated briefly, but not pursued. It is my intention that the matter be pursued and I imagine that first there will be consultation with the Local Government Association to ascertain the view of local government in this regard. South Australia is an ideal State in which to develop that concept of low-cost bed and breakfast facilities. The Hon. Don Laidlaw, following his visit to tourist facilities at my request when he was abroad as Chairman of the Industries Assistance Committee, was extraordinarily impressed with the facilities in that regard which were offered in Ireland and also in British Columbia.

The department is providing advice to local government in the development of supplementary development plans to allow for tourism development. As the honourable member would know, there are some local government bodies in South Australia which have an intense interest in tourism. Two or three of these bodies are in the metropolitan area, and there are more and more councils in the country becoming aware of the importance of tourism in the economic development of local areas.

Mr SLATER: I want to refer to the Tourism Development Board. Can the Minister refresh our memory on the members of the board?

The Hon. Jennifer Adamson: The Chairman is the Director of Tourism, Mr Graham Inns. The members are Miss Jan Springett, Mr Geoffrey Coles, Mr Robin Sinclair, Capt. Keith Veenstra, Mrs Anne Murphy, Mr Gordon Porter, who is the Chairman of the South Australian Association of Regional Tourist Organisations, and Mr Bob Hardy.

Mr SLATER: I take it that all of those people are involved in the tourist industry privately themselves?

The Hon. Jennifer Adamson: Not necessarily. As the honourable member will know, the tourist industry is a remarkably diverse industry and it is not always possible to identify where the industry itself begins and ends. The

honourable member may recall that when I advised the House of Assembly of the membership of the board, I pointed out the background of each of the members and I also pointed out that it was important that members not be appointed for long terms, but that there be an appropriate turnover and input to enable the maximum number of able people who have something to contribute, to be able to contribute it.

I can identify the individual interests of each member. Miss Springett is well identified with the tourism industry and is a travel consultant. Mr Bob Hardy is the Chairman of the Adelaide Convention Bureau and the State Manager of Qantas. Mrs Anne Murphy is the proprietor of the Ozone hotel/motel on Kangaroo Island. Mr Keith Veenstra is one of South Australia's most successful tourist operators. Mr Robin Sinclair is a senior member of a well known South Australian wine firm; the wine industry and the tourism industry in this State are inextricably linked. Mr Geoffrey Coles is an eminent member of the retail industry, which is the principal beneficiary of tourism. His marketing expertise and his contributions to the deliberations of the board, on the basis of his experience, are very valuable. Mr Gordon Porter is an *ex officio* member by virtue of being Chairman of the Regional Tourist Organisation.

Mr SLATER: Arising from that answer, and from comments made previously in regard to the board's activities, and the \$5 000 000 made available by the State Bank, the board, I take it, from the comments made, will determine the eligibility of persons who may apply for the loan capital involved in the \$5 000 000. The \$5 000 000 seems to me a rather insignificant amount if we want to do anything properly in regard to tourism in this State. I take it that these people will make recommendations perhaps to the Minister, on who should be eligible or otherwise in regard to the loan capital available, this \$5 000 000 from the State Bank. Does the Minister believe there could be some conflict of interest in this regard, because most of the people involved have a vested interest in the tourist industry by way of obtaining their income from that source?

I think it is rather ludicrous that they should be determiners on behalf of other people in the industry in regard to eligibility or otherwise for a loan from the State Bank. Can the Minister explain why that is so?

The Hon. Jennifer Adamson: As I indicated earlier, the bank itself will ultimately determine, on the basis of the commercial viability of the project, who are the successful applicants. The role of the board is to advise the bank on the general guidelines that it should adopt in approving projects. For example (and I stress that I am using a entirely hypothetical example, because the board has not developed its State Tourism Development Plan yet and I have no way of knowing what will be the planks in that plan), if the State Tourism Development Plan determined that South Australia should capitalise on its coastal waters, one would expect that priority would be given to provision of infrastructure that would enable that to occur, such as improved moorings in the coastal peninsula towns, improved tourist accommodation in those towns, and things of that nature, and the bank would bear that in mind when it assessed applications for approval.

As to the question of the potential for vested interest, needless to say the constitution of the board requires that, if any board member has an interest in any matter that comes before the board for consideration, that member shall declare his or her interest and withdraw from any discussion on that matter. I see no other way of avoiding such a situation, because if one were to rule out the possibility of that, one would be appointing to the board people who had no interest in tourism, which is self-defeating.

Mr SLATER: I suggest that to give these people a task of making determinations in regard to money available to

tourist ventures in South Australia appears to me to be somewhat conflicting. I ask the Minister whether the board is an independent advisory body.

The Hon. Jennifer Adamson: The board is an advisory body to the Government and is independent in so far as members are not members of the Public Service. They are people appointed for terms and are there to advise the Government. I am not sure of the intent of the question.

Mr SLATER: I asked whether it was an independent advisory body because comments have been made, and I want to follow them up. The first is that the Director of the department is Chairman of the board. Does the Minister believe that that is inconsistent with the independence of the board? I also understand that Mr Don Laidlaw, M.L.C., is acting in some way as an adviser or has an activity associated with the Tourism Development Board. Is that the case? I would also like to know whether the Minister believes that having the Director as Chairman is inconsistent with the activities of the board.

The Hon. Jennifer Adamson: The position of the Director as Chairman is a position to which I chose to appoint him. The constitution of the board does not require that the Director of Tourism shall be Chairman of the board but it seemed to me appropriate, with the newly organised department and a newly established board, to appoint the Director as the first Chairman.

I believe that the member may have misinterpreted, or that I may not have made myself clear in referring to Mr Laidlaw. Mr Laidlaw and the member for Brighton have been appointed by me as observers on the Tourism Development Board. They do not participate in the discussions or the decision making of the board. They are there as Parliamentary observers in the same way as Mr Laidlaw has been appointed by the Premier as a Parliamentary observer on the State Development Board. I think there is considerable merit in people from outside industry, as most of them on the Tourism Development Board are, having the benefit of any comment that a member of Parliament may make at the invitation of the board through his or her extended knowledge of the processes of government.

Mr SLATER: I ask what recommendations the Tourism Development Board has made to the Minister and what initiatives it has proposed. We have heard about the State Tourism Development Plan and the task force. Apart from that, what other initiatives or recommendations has it taken or made to the Minister in its short term of office?

The Hon. Jennifer Adamson: The member acknowledges that it is a short term. As far as I am aware, there have been three meetings and the first was devoted, as I recall from the minutes, largely to procedural matters, so there were no major decisions arising out of that. I would say that the principal recommendation made and on which considerable time has been spent is that relating to the development of a State Tourism Development Plan and the consultation process that should take place in the development of that plan. Regarding consideration of the manner in which the loan scheme should operate, I stress that at this stage there is no finality as to the criteria for that. Another project which the board is actively considering and upon which it will make recommendations to me is the establishment of a tourism awareness campaign, which the Government and the board see as necessary to alert South Australians, both those in industry and the community at large, to the importance of tourism.

I should add that the tourism awareness campaign, or the need for such a campaign, was raised at the National Tourism Outlook Conference in Canberra earlier in the year. It was recognised that Australians generally are not well aware of the benefits of tourism. For example, it is not generally known that it is expected by the year 2000 to be

the biggest industry in the world, and that it is the fastest growing industry in the world at the moment.

Generally, Australians are not aware of how much economic importance can be attached to tourism in Australia, and we think that the facts and figures need to be brought to the notice of the South Australian community through a well planned and properly developed campaign. That is one project which the board is considering and upon which it will make recommendations to the Government. There are other matters of a minor nature and, if the honourable member would like details, I can give them, but they are the three principal areas so far.

Mr SLATER: Does the Minister believe that day tours should be the prerogative of the private operators, or is that a minor matter?

The Hon. Jennifer Adamson: I was just going to mention day tours and the question of whether the Government should provide funds for promotional material for private operators in the promotion of their operations. The question of day tours was considered by the board, and I will ask the Director, who chaired that meeting, to summarise the recommendation which was made to me and the grounds upon which it was made.

Mr Inns: The recommendation of the Tourism Development Board to the Minister was that the existing method of operating day tours continue in its present form, and that a contract be re-let as from the beginning of next year for a period of two years.

Mr LEWIS: My question applies equally to any other department and I did intend to ask it earlier, but I did not have the opportunity. Of the 105 full-time equivalent staff, how many of those officers have administrative responsibilities for at least half of the time they spend at work?

The Hon. Jennifer Adamson: I suppose it depends on the definition of 'administrative', but looking at the organisation chart it is clear that research is not an administrative function, nor is marketing. I will ask the Director to identify the breakdown of functions that are performed by his staff.

Mr Inns: Of those staff whose duties are predominantly administrative, there would be 26 in the department who are classified in that way. It is also true that within each division, whether it is marketing or development, regional liaison, planning and research or even the travel centre (the booking office), there are certain administrative functions and one could go through the programme and allocate the estimated percentage of time that is spent in each of those areas on administrative duties. If the honourable member is looking for a precise answer to the number of staff engaged on administrative duties, it is 26.

Mr LEWIS: I wish to establish how many of those 26 have had formal training relative to their administrative responsibilities, whether it is either money control or people control, according to the relevance of the job. What formal training do they have other than what has been obtained in the broader school of experience?

The Hon. Jennifer Adamson: If the honourable member refers to page 380 and 'Administrative and clerical' under the support service category the number is listed as 28. The Director gave the figure of 26, and the difference results from the reduction to which he referred earlier. There is a recognised need in the department for much improved staff development training. This point was strongly made by the Tonge Report.

I will ask the Director to reply and perhaps I will ask the Chief Administrative Officer, Mr Packer, if he would like to come to the table and outline to the Committee the programmes that the department has in mind to show that staff development and training occurs.

Mr Inns: One of the purposes in the appointment of Mr Packer to the staff was the recognition of the need in the

Tonge Report. Mr Packer has had considerable experience in personnel and staff development in a number of departments in the Public Service. He has already commenced a programme of staff development in the very brief time he has been with the department. There have been two courses, to my knowledge, which have commenced and have finished. Mr Packer has been with the department for only a month, but already he has developed some plans and he may be able to give some indication of those plans.

Mr Packer: I think the staff development training needs are basically in-house and concentrated mainly on developing the interpersonal skills of the travel consultants staff; in other words, we have already conducted some courses in public contact, and we are intending to cover the Sydney and Melbourne offices next week with similar courses. We have developed a proper training programme of familiarisation tours of various parts of the State. The training is largely in-house and directed towards those sorts of end.

Mr LEWIS: I am grateful for that information, but it does not exactly answer the concern that I have and the action that I understood was being taken to rectify it. It is the only general area of abysmal indifference demonstrated by the previous Administration to the real needs within this department, if it is to function in a way that it can produce the sort of jobs that this industry ought to be able to produce for South Australia. All the other areas that I had planned to ask questions about of a general nature have been canvassed by other members. They have referred to the considerable initiatives taken by this Minister in the short time she has had the responsibilities of this portfolio and reflected in the same approach adopted by her with regard to the present Health Commission.

Mr KENEALLY: Do we stand and applaud now?

Mr LEWIS: You should.

Mr Keneally interjecting:

Mr LEWIS: The problem with the Opposition is that it does not understand the difference between industrial development and politics; it ought to know that the business of politics is not the politics of business.

Members interjecting:

The CHAIRMAN: Order!

Mr LEWIS: In this instance the department now has programmes afoot to analyse the potential areas in which the market can develop and the kind of priorities that need to be established in developing the infra-structure without wasting capital out of sequence in the course of that development, as well as programmes which will stimulate demand for the services that a non-existent industry in terms of its potential may ultimately be able to supply.

Having made those background comments that relate to the material that other members have had the Committee consider, and which more recently in the management area, and the administrative and supervisory area we have now come to understand, and the in-house training programme that is going on, I want to ask a question about the desirability of avoiding in future a confusion of the kind that I referred a minute ago by establishing something akin to the Land Settlement Committee in functional terms within the tourist industry. The cynicism of members opposite in their levity (misplaced or otherwise I do not know), did not amuse me, in that as long as we proceed to develop tourism in South Australia, using the board with some Government observers on it, but no one necessarily accountable to the Parliament, members of any Opposition may feel justified in accusing the Government of the day of playing politics and favouritism.

I ask the Minister whether she would consider doing what was done when similar criticisms arose after the Second World War (of the kind of land settlement, that is, agricultural development programmes—a huge industry at

that time), whether it might be possible to consider ensuring that both members of the Government and Opposition could belong to a committee or some organisation that would enable both to accept the desirability of encouraging development of the industry and understanding the reasons why it was being developed in the way in which it was developing.

The Hon. Jennifer Adamson: The Government has not given any thought to the establishment of a Parliamentary committee of the nature which the honourable member describes, and at this stage I would not see the value of such a committee. I think the Land Settlement Committee was established for a highly specific purpose, and I cannot relate that highly specific purpose to the diverse and complex requirements of the tourism industry which, as the honourable member knows, is an industry which is very largely in the hands of the private sector.

I do not foresee that Parliament would have a great deal to contribute through a committee established to examine and monitor trends in tourism. I think the action the Government has taken in setting up an advisory board, and thus having ready access to consultation and advice from members of the industry itself, is in the best way, as things stand at this moment, of ensuring that the views of the industry are taken into account by the Government in its decision-making across the board not only in the tourism portfolio, but in the very many other portfolios that impinge upon tourism, notably local government, marine and harbours, environment, transport and industrial affairs.

Mr LEWIS: I thank the Minister for that reply. Nonetheless, I point out that land settlement and development also entail a large number of portfolios at the same time. I am interested to know whether the concept of developing a houseboat fleet in South Australia has been considered to provide waters-edge or on-water facilities for those people who seek that kind of recreational activity, as one way in which those people with families can afford to vary the type of holiday they take and thereby expand the total range of holidays within the industry.

The Hon. Jennifer Adamson: I am not sure that I understand the honourable member's question. There are already houseboat fleets, which are operated on the Murray River by tourist operators. Perhaps the honourable member will clarify what he intended by his question.

Mr LEWIS: Thirty years ago there were not many caravans around, but people still hired caravans. At present, there are not many houseboats around and the demand for them has outstripped the supply. Is it an area in which the Minister considers that there might be some capital investment and therefore some encouragement for that capital investment by the department.

The Hon. Jennifer Adamson: I do not know that it is correct to say that the demand outstrips the supply. The demand for houseboats is seasonal and peaks in school holidays, particularly at times of the year when it is most pleasant to be on the Murray. There are four fleets available for hire. There are also some houseboats privately owned by people who prefer to purchase a houseboat rather than a caravan or holiday house. If there was to be any expansion in this area, I would see that as an initiative to be taken by private enterprise in response to market demand. I do not see that the Government need involve itself, nor would it be necessarily appropriate for the Government to involve itself in what is essentially an operation determined by market forces. The judgments are made on a commercial basis by the private operators who choose to participate in that area.

Mr MAX BROWN: I was interested in the Minister's remarks when we first started the proceedings tonight. She said that there is every likelihood of an international airway

service coming to Adelaide and operating from the Adelaide Airport. First, I would like to know when this is likely to happen, and which service we are talking about.

The Hon. Jennifer Adamson: The Minister of Transport has already indicated that the Commonwealth Government has made a commitment to provide facilities to enable limited international flights to come into Adelaide Airport before the end of 1982. In one sense, it is a chicken and egg operation. To get the flights we need the carriers. The carriers will not make a commitment until they know that the facilities are there. Now that the Commonwealth Government has committed itself to the provision of these facilities, the Minister of Transport is actively negotiating with the airlines which could introduce these flights. He has already indicated that negotiations have taken place with British Caledonian, and he is also having discussions with Qantas. The State Government is willing to hold discussions with any carrier which expresses an interest in establishing limited international flights into Adelaide Airport.

Mr MAX BROWN: Is the Government still actively pursuing the possibility of an international airport? If so, has it had discussions with the Federal Government as to resiting the present Adelaide Airport?

The Hon. Jennifer Adamson: For the answer to that question I refer the honourable member to two recent statements, one by the Premier and one by the Minister of Transport made in the House of Assembly during Question Time as to the present status of an international airport, which is foreseen by the Government as something very much in the distant future. I have nothing to add to what the Premier and the Minister of Transport have told the House.

Mr MAX BROWN: Can the Minister say whether the Department of Tourism is doing anything to promote this State overseas, outside of the appointment of a consultant in the United Kingdom? Has the South Australian Government embarked on a promotion programme overseas? If it has, can the Minister say in what countries the Government has embarked on promoting South Australia overseas, and what is the cost?

The Hon. Jennifer Adamson: The principal responsibility for promoting Australia as a tourist destination overseas lies with the Australian Tourist Commission, not with individual State Governments. It is the role of individual State Governments to ensure that destinations within their States are incorporated as part of packages provided by tour operators. It is outside the realms of possibility for any State to devote the resources to promotion of individual State destinations on an overseas basis. The cost would be prohibitive and, in addition, there is no point in selling a product unless you have a product available for someone to buy. It is not the role of State Governments to set up travel offices throughout the world; that is the function of the private sector, through tourist operators.

Nevertheless, there is one overseas campaign to which South Australia does contribute and that is the Blue Chip campaign conducted in New Zealand by the Australian Tourist Commission and to which the States contribute. South Australia will contribute \$15 000 in 1981-82. We will also contribute \$20 000 in 1981-82 towards the International Tourism Fair in Berlin, at which the Australian Tourist Commission presents the total Australian package and each State is represented on the Australian Tourist Commission stand. The last Director of Tourism attended the last two International Tourism Fairs in Berlin. I would expect South Australian representation at the 1982 fair, which will be held in early March.

Mr MAX BROWN: I do not believe that South Australia will improve its tourist potential if it continues to go along

with the policy we have had for a long time, that this is the responsibility of the Federal Government. History has proved that the Federal Government is not selling South Australia and does not intend to do so. I have yet to be convinced that, for example, Bjelke-Petersen in Queensland is not selling that State outside of the normal guidelines laid down by the Minister. Will the Minister vigorously attempt to sell South Australia to the Federal Government?

The Hon. Jennifer Adamson: I will vigorously represent the interests of South Australia to the Federal Government in respect of promoting this State as part of an overall Australian destination for international travellers. The honourable member may be interested to know that membership of the Australian Tourist Commission is on a rotational basis as between the States and in this current year it is South Australia's turn to be represented for two years, so the Director of Tourism (Mr Inns) is at the moment a Commissioner of the Australian Tourist Commission. He flew back from a commission meeting currently being held in Perth yesterday and today so that he could be present before the Estimates Committee and I feel confident that, as a result of South Australia's representation on the commission, greater consideration will be given to South Australia's case for more vigorous selling overseas as a tourist destination.

I reiterate that all States can obtain the most cost effective benefits by selling the State to tourist operators, and that will be one of Mr Joselin's jobs. Already, South Australia appears as a destination on the package of some principal overseas operators, and that is borne out by the fact that we receive more than our anticipated proportionate share of overseas visitors. For a State that does not have an international airport, we receive a higher proportion of visitors than Western Australia and Tasmania receive, both of which have international gateways.

Mr LANGLEY: On the two Estimates Committee on which I have sat, it has always appeared that it takes a long time for the Government to appoint people to vacant positions. As the Minister has said, the Government is in the process of doing these things. I wonder how long it will be before the department will be able to fill these positions.

The Hon. Jennifer Adamson: I understand that interviews are in train for the position of Director of Marketing and, as the Director indicated earlier this evening, I would expect the position to be filled by the end of November or early December. The remaining positions of Regional Managers are expected to be filled in the next few months. The Director has told me that we will be fully operational in all positions by March next year.

Mr LANGLEY: For how long have these positions been vacant?

The Hon. Jennifer Adamson: Most of them have only just been created. The honourable member will appreciate that, where positions are filled from within the Public Service, as some have been, time must be allowed for appeals, if appeals are lodged, and all these things have to be taken into account. It is not possible in Government to advertise a position one day and fill it next day, as may be possible in private enterprise. We are proceeding with all possible speed to fill the positions that have been created as a result of the organisational review, and the principal positions, with the exception of that of Director of Marketing, have already been filled.

Mr BECKER: Can the Minister tell the Committee what the impact of the VISA campaign was on the accommodation industry in South Australia, and what was the percentage increase in bed occupancy?

The CHAIRMAN: Considering the time, I would like the Minister to take the question on notice and bring down a reply later.

The Hon. Jennifer Adamson: I shall be happy to do that.

The CHAIRMAN: I declare the examination of the vote completed.

Minister of Tourism, Miscellaneous, \$240 000—
examination declared completed.

ADJOURNMENT

At 10 p.m. the Committee adjourned until Thursday 15 October at 11 a.m.