

JOINT COMMITTEE OF PUBLIC ACCOUNTS

FIFTEENTH REPORT

REPATRIATION DEPARTMENT

Byrne - 13-4-54

Mr. President

On behalf of the Committee, I bring up  
the Fifteenth Report, on the Repatriation  
Department.

THE DUTIES OF THE COMMITTEE.

Section 8 of the Public Accounts Committee Act 1951 reads as follows :-

8. The duties of the Committee are -
- (a) to examine the accounts of the receipts and expenditure of the Commonwealth and each statement and report transmitted to the Houses of the Parliament by the Auditor-General in pursuance of sub-section (1.) of section fifty-three of the Audit Act 1901-1950;
  - (b) to report to both Houses of the Parliament, with such comment as it thinks fit, any items or matters in those accounts, statements and reports, or any circumstances connected with them, to which the Committee is of the opinion that the attention of the Parliament should be directed;
  - (c) to report to both Houses of the Parliament any alteration which the Committee thinks desirable in the form of the public accounts or in the method of keeping them, or in the mode of receipt, control, issue or payment of public moneys; and
  - (d) to inquire into any question in connexion with the public accounts which is referred to it by either House of the Parliament, and to report to that House upon that question,

and include such other duties as are assigned to the Committee by Joint Standing Orders approved by both Houses of the Parliament.

REPATRIATION DEPARTMENT

INDEX.

	Page
(1) Functions of the Department	2
(2) History of the Department	3
(a) Expenditure of the Department	3
(b) Administrative Development of the Department	4
(c) Benefits	10
(3) Present Organisation and Staff of the Department	10
(a) Present Organisation of the Department	10
(b) Staff of the Department	13
(c) Adjustment of Establishments	16
(d) Age Distribution of Permanent Officers of the Department	19
(4) Administration of Pensions	22
(a) The Pensions Payable	22
(b) Rates of Pensions and Number of Pensioners	23
(c) Comparison of Costs of Administration of Pensions by the Repatriation Department and the Department of Social Services	26
(d) Appeal Tribunals	34
(5) The Department's Institutions	39
(a) General	39
(b) Hospitals	41
(i) Occupancy of Repatriation Hospitals	41
(ii) Average Stay of Patients in Repatriation Hospitals	46
(iii) Ward Staff in Repatriation Hospitals	53
(iv) Costs of the Repatriation Hospitals	54
(v) United Kingdom Hospitals under National Health Service Act 1946-51	72
(c) Sanatoria	74
(i) Sanatoria Statistics	74
(ii) Sanatoria Costs	77

	Page
(d) Outpatient Clinics	82
(e) Laundries	84
(f) Limb Factories	87
(g) General Observations on Repatriation Institutions	90
(6) Medical Treatment	91
(a) Local Medical Officer Service	91
(b) Pharmaceutical Benefits	94
(i) Repatriation Department's Scheme	94
(ii) Comparison with Department of Health Pharmaceutical Benefits Scheme	94
(c) Medical Specialists other than at Repatriation Institutions	102
(d) Medical Sustenance	104
(7) Annual Report of the Department	106
(8) Conclusions of the Committee	108

#### APPENDICES

Appendix No. 1: Statements submitted to the Committee	
" " 2: Statement of Functions of Repatriation Department in Administrative Arrangements Order dated 21st June, 1951	
" " 3: Table of Rates (per week) War Pensions for Members, Wives, Widows and Children under the War Pensions Act 1914 and, since 1st July, 1920, under the Repatriation Act	
" " 4: Organisation of the Head Office of the Repatriation Department and of a typical Branch Office of the Department	
" " 5: Statement by Public Service Board on the Establishment of, and Staffs employed by, Commonwealth Departments	
" " 6: Procedure for Review of Pensions	
" " 7: Statement of the Number of War Pensions in force and Designations of Pensioners (1914 and 1939 Wars), also showing the fortnightly and annual liability and average fortnightly Rates payable as at 30th June, 1953	

Appendix No. 8: Legislation establishing the  
War Pensions Appeal  
Tribunals

" " 9: State Public Hospitals'  
Costs 1952/53

" " 10: State Sanatoria Costs  
1952/53

" " 11: Civilian Orders filled by  
Repatriation Artificial  
Limb Factories 1952/53

JOINT COMMITTEE OF PUBLIC ACCOUNTS

FIFTEENTH REPORT

REPATRIATION DEPARTMENT

In pursuance of Section 8(a) and (b) of the Public Accounts Committee Act 1951, the Committee submits to the Parliament its Report upon the accounts of the Repatriation Department.

2. From a large range of activities of the Department the Committee selected a number of them for special investigation. Those selected were the Administration of Pensions, of Departmental Institutions and of Medical Treatment. The Committee did not examine the Administration of Re-establishment and Reconstruction Benefits by the Department, having been informed that these activities had declined steeply from the peak reached during the post-war years.

3. For the purpose of the examination, the Committee obtained a number of statements from the Department and other authorities as listed in Appendix No. 1. Witnesses from the Department, the Department of the Treasury, the Public Service Board, the Audit Office and the Departments of Health and Social Services were examined on 14th and 16th November, 1953, in Canberra.

4. This Report is, accordingly, prepared from information provided to the Committee as at 16th November, 1953, or from additional material prepared at the request of the Committee after 16th November, 1953. The Report is divided into the following Parts :-

- (1) Functions of the Department
- (2) History of the Department
- (3) Present Organisation and Staff of the Department
- (4) Administration of Pensions
- (5) The Department's Institutions
- (6) Medical Treatment
- (7) Annual Report of the Department

(1) FUNCTIONS OF THE DEPARTMENT

5. The Committee approached its investigation of the accounts of the Department of Repatriation with the knowledge that the Department was enjoined, both by the Acts it administered and government policy, to adopt a sympathetic attitude towards ex-servicemen and women and their dependants. In all cases where doubt existed in deciding claims, the ex-serviceman and his dependants were to receive the benefit of the doubt. The Committee therefore wishes to make it clear that nowhere has its investigation been directed to reviewing allowances and assistance provided for beneficiaries under the Repatriation Act and other measures. Having regard to the provisions of Section 8 of the Public Accounts Committee Act 1951, its inquiry has been concentrated upon the accounts, upon organisation and methods, and upon the administration of the legislation for which the Department is responsible.

6. The functions of the Department are set out in the Administrative Arrangements Order of 21st June, 1951 (see Appendix No. 2 attached). The Permanent Head of the Department stated that the Department carried out functions in relation to Division 2 and Divisions 3 and 4 (other than agricultural occupations) of Part VI of the Re-establishment and Employment Act 1945-1952, which were not covered by that Order. By an inadvertance, the necessary corrections were not brought to the notice of the Prime Minister's Department when the Order was being prepared in 1951. It had not been possible to have the Order adjusted subsequently to record correctly the responsibility of the Minister of Repatriation.

7. A new Part XI had been inserted in the Re-establishment and Employment Act 1945-1952 (the old Part XI is now Part XII) to provide for members of the Forces in Korea and Malaya and this had also to be provided in the Order.

8. The Department informed the Committee that the Prime Minister's Department had written to it on 9th November, 1953 to say that the existing Administrative Arrangements Order was to be revised.

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See Third Report on Administrative Arrangements Order, presented to the Parliament on 15th September, 1953.



As a result, an up-to-date statement of the statutes it administers and the functions it discharges had been forwarded to the Prime Minister's Department for inclusion in the revised Order.

(2) HISTORY OF THE DEPARTMENT

(a) Expenditure of the Department

9. The gross expenditure of the Department for the years 1949-50 to 1953-54 is as follows :-

Div.		1949-50	1950-51	1951-52	1952-53	1953-54 Estimate
	<u>Administration</u>	£000	£000	£000	£000	£000
207A	Salaries	1,750	2,203	2,208	2,375	2,393
B	General Expenses	262	343	443	454	478
209	Rent	19	19	16	14	19
	Sub-total (1)	2,031	2,565	2,667	2,843	2,890
	<u>Benefits</u>					
Spec. Am.	War Pensions	22,023	27,532	33,566	36,577	38,887
207C	Benefits (2)	6,662	7,834	9,758	10,822	11,421
D	Children's Education	193	184	209	287	304
208	Miscellaneous	69	77	89	101	107
210	Maintenance of Establishments	441	496	530	591	620
	Sub-total	29,388	36,123	44,152	48,378	51,339
	<u>Capital Works and Services</u>					
23	Acquisitions	19		4		30
24	Buildings	278	342	267	203	320
	Sub-total	297	342	271	203	350
	Total	31,716	39,030	47,090	51,424	54,579

(1) Audit and Superannuation Costs of the Department are not available.

(2) The expenditure under the heading of "Benefits" is the total of the amounts spent in each year on small business loans, medical treatment, maintenance of departmental institutions, living allowances and other benefits. The amounts of (a) recoveries of principal and interest on loans, insurance premiums and the proceeds of realisations of property, and (b) charges for services, recoveries of grants revoked and other general items, are as follows :-

Year	Recoveries of principal and interest on loans, insurance premiums and proceeds of realisations of property	Charges for services, recoveries of grants revoked and other general items	Total
	£000	£000	£000
1949-50	1,357	594	1,951
1950-51	1,130	646	1,776
1951-52	764	851	1,615
1952-53	496	1,038	1,534
1953-54 (Est.)	346	994	1,340

(b) Administrative Development of the Department

10. The Department submitted to the Committee a comprehensive statement of the history of the Department since its establishment in 1917, supported by statistics to illustrate the work it had performed. As the history has not hitherto been published, the Committee regrets the more that the length of the history prevents its being printed as an appendix to this Report. Copious notes, however, have been taken from the Department's statement to record the stages in the evolution of the Department's administrative organisation, the development of the benefits which it administers and the unfolding of the eligibility provisions.

11. War pensions were first authorised by the War Pensions Act 1914. The Act was administered by the Commonwealth Treasury.

12. No Commonwealth scheme of re-establishment benefits for returning soldiers was instituted in the early years of 1914-18 war. Voluntary efforts by the community led the way until, in 1915, the Commonwealth Government set up voluntary councils - local, State and Federal, to direct the community effort. The local councils were the forerunner of the present Repatriation Local Committees.

13. In 1916, the Commonwealth Government recognised the inadequacies of this system, such as the shortage of finance, the limited areas of activity and the differing benefits to ex-servicemen from State to State. The Australian Soldiers' Repatriation Fund

Act 1916 was passed providing for a Board of Trustees to conduct an appeal for funds and to co-ordinate local and State organisations.

14. The Board of Trustees encountered considerable difficulties in raising adequate funds and a further difficulty was that the State Councils, staffed and financed by State Governments, were really State bodies outside the control of the Trustees. A Commonwealth-State Ministers' conference met in January, 1917 and received a recommendation from the Trustees that the Commonwealth should take over direct control of all re-establishment activities (subject to qualification for land settlement). The recommendation was substantially adopted by the conference. Subsequently the Trustees advised the Prime Minister of the day that the new Commonwealth Department to be set up to handle these activities should be administered by a commission.

15. The Australian Soldiers' Repatriation Act 1917 provided for the formation of a Repatriation Commission of seven members, including the Minister for Repatriation as ex officio Chairman, State Repatriation Boards of seven members and local committees. All these were honorary bodies. The Commission was an advisory body. The Act empowered the Governor-General, on the recommendation of the Minister, to appoint staff for the Commission with a Comptroller in charge.

16. The administrative organisation was altered by the Australian Soldiers' Repatriation Act 1920. The administration of war pensions was taken over from the Commonwealth Treasury; the honorary Commission and State Boards were replaced by a Commission of three paid members (the Minister was not a member) and State Boards of three paid members. The general control of policy remained with the Minister but the Commission was vested with administrative duties as well as with the advisory functions formerly the duty of the honorary Commission :

"The Boards were given power to determine claims for pensions and assessment of rates of pension, and to determine, as formerly, applications for certain types of general benefits, leaving the remainder for determination by Deputy Commissioners in charge of State Branches (the title Deputy Comptroller was discontinued). The Commission could direct that any particular case or classes of cases be referred to it for determination, and was to determine appeals against determinations of a Board or Deputy Commissioner."

17. In 1923, the scope of the State Boards was restricted to pensions and the responsibility for general benefits was placed with the Deputy Commissioners in the States, with some reservations to the Commission itself.

18. A Royal Commission was appointed in 1924 to enquire into and report upon the assessment of war service disabilities under the Act. So far as the administrative organisation of the Department was concerned, the Royal Commission only recommended : (a)

"(h) there be no medical representative on the Repatriation Commission or the State Board. (It is considered that the medical staff should be regarded as technical advisers and referees only);"

The Repatriation Department informed the Committee that all Governments had observed the principle of this recommendation.

19. A substantial change was made in the organisation of the Department by the creation of the Appeal Tribunals under the Australian Soldiers' Repatriation Act 1929. The War Pensions Entitlement Appeal Tribunals were to be established by the Governor-General and the Assessment Appeal Tribunals by the Minister.

20. A Joint Committee of both Houses of the Parliament reviewed the Act in 1942 and, as a result of that Committee's recommendations, the membership of the Commission was increased to permit the appointment of not more than five, but not less than three, members and the appointment of one or more Assistant Commissioners.

21. In 1947, the Public Service Act was amended to remove the staff from the sole control of the Repatriation Commission and bring it under the jurisdiction of the Public Service Board.

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(a) Report of the Royal Commission on the Assessment of war Service Disabilities, 22nd December, 1924.

22. In an earlier Report (a), the Committee has touched on the status of the statutory corporation in Commonwealth administration, including its accountability to the Parliament for public funds entrusted to it. The Repatriation Commission is also a statutory corporation but it is different from the corporation mentioned above in that it discharges quasi-judicial functions as well as administrative duties of the type performed by the conventional governmental departments.

23. From the official history of 'repatriation', it will be seen that initially this responsibility was left to voluntary community effort (except for the payment of war pensions) and when the first steps were taken to introduce governmental responsibility, the voluntary principle was still preserved by Boards of Trustees, an honorary Commission, State Boards, and local Committees. On the Commission so created, the Minister acted as Chairman. When this organisation was revised, the voluntary principle was considerably contracted and Commonwealth responsibility for finance carried with it administrative control and direction. But it was still thought that there was room for the exercise of voluntary effort in the operation of Local Repatriation Committees.

24. The Australian Soldiers' Repatriation Act 1920 established the Repatriation Commission as a statutory corporation with perpetual succession, a common seal, the power to hold assets, and employ and control its own staff. Subject to control by the Minister, the Commission was charged with the administration of the Australian Soldiers' Repatriation Act. It had to obtain the Minister's approval for expenditure exceeding £5,000. Its funds were voted by Parliament to whom it had to submit an Annual Report, and its accounts were audited by the Auditor General.

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(a) See Eleventh Report - Joint Coal Board - Plant and Equipment.

25. The status of the Commission under the 1920 Act was discussed by the High Court in 'Repatriation Commission v Kirkland (1923 32 C.L.R.1)' a case which revolved around the question whether or not the status of the Repatriation Commission was that of a Commonwealth department. It was held by the Court that the Commission, established by the Australian Soldiers' Repatriation Act 1920, was a Commonwealth department. At page 21, Mr. Justice Rich said :-

"The whole scheme is a Governmental scheme intimately connected with defence. For convenience, efficiency and justice, the Commission is created to act for the Crown in disbursing Crown moneys for services to the Crown immediately in right of the Commonwealth, but in reality to the Crown as representing the Empire. There is no reason whatever for introducing any element of detachment from the Crown in action or in interest. Parliament has simply created a very special department for a very special purpose ....."

26. No further change in the status of the Repatriation Commission occurred until, as part of a rationalization of public departments, the staff of the Commission was brought under the jurisdiction of the Public Service Board in 1947 (a). The effect of this transfer was to make the organisation of, and indirectly the execution of policy by, the Repatriation Commission subject to the jurisdiction of the Public Service Board.

27. The position would therefore seem to be that there is a Repatriation Commission discharging (a) quasi-judicial functions vested in it by statute, and (b) administrative duties also vested in it by statute, to ensure that the decisions of the Commission are carried out, as well as a Chairman of the Commission who is at the same time Permanent Head of the Department. The peculiar status of the Repatriation Commission may be contrasted with that of the Department of Social Services. While the Repatriation Act emphasises the quasi-judicial function of the Commission, the Social Services Consolidation Act 1947-1953, Part 11, merely

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(a) Commonwealth Public Service Act 1947 (Section 12)

provides for the conventional public service organisation consisting of a permanent head, (a Director-General of Social Services), a Deputy Director-General, Assistant Directors-General, State Directors (and other officers) some of whom will discharge quasi-judicial functions. Much will depend upon the extent to which the quasi-judicial functions overshadow the 'ministerial' or administrative duties.

28. In discussing the status of the Repatriation Commission, consideration must be given to the objectives sought in its establishment. It is clear that it was desired to set up an organisation that would be free from the vagaries of party politics, and that would, at the same time, enlist the greatest degree of public interest in the character of the 'repatriation' afforded, by ensuring that one of its members should represent ex-service men. It may be that the character of the changes brought about by the amendment of the Public Service Act in 1947 may not affect the degree of specific control by the Minister over the policy and administration of 'repatriation'. It is probable that the freedom the Repatriation Commission has enjoyed has sprung less from its character as a 'statutory corporation' than from the deliberate policies of successive governments to keep politics out of 'repatriation'.

29. For the reasons set out above, the Committee believes that a review of the status of the Repatriation Commission is justified.

30. Since the amendment of the Public Service Act in 1947, the description of the Repatriation Commission has changed. When the Permanent Head of the Department was asked why the Estimates of the Department read: "Department of Repatriation, Division 207 Repatriation Commission", he said that "the correct title is Department of Repatriation

in view of the fact that there is a Minister for Repatriation". Whether this is a sufficient answer or not, the Committee was told the Repatriation Commission was, of course, very closely related to the Department of Repatriation; the Treasury representative thought that any costs of the Commission should be included in the Estimates for the Department without specific distinction.

31. Since both the Permanent Head of the Department and the Treasury representative suggest that the correct title should be "Department of Repatriation" or "Repatriation Department", the Committee thinks that this lends additional support to its proposal that the status of the Department should be reviewed.

(c) Benefits

32. The Department detailed the steady expansion in the range of benefits, cash, medical and welfare, provided under the Repatriation Acts. As examples of the additional benefits provided these might be cited:

- 1921 - Soldiers' Children Education Scheme,
- 1924 - Medical Benefits for Widows and Others,
- 1935 - Service Pensions,
- 1945 - Re-establishment Benefits,
- 1947 - Domestic Allowance.

33. Appendix No. 3 sets out the rates of war pensions and other allowances since 1st July, 1920 and it shows the steady increase in the rates of those benefits.

34. Similarly the record of the benefits administered by the Department is one of a continued expansion in the classes of persons eligible for benefits under the Repatriation Act 1920-1953.

(3) PRESENT ORGANISATION AND STAFF OF THE DEPARTMENT

(a) Present Organisation of the Department

35. The Repatriation Department has a head office situated in Melbourne and a branch office in each State.



The Head Office organisation provides for a Commission of, at present, a Chairman and two Commissioners, one being the Deputy Chairman. A State Branch Office is controlled by a Deputy Commissioner. Details of the organisation at the Head Office and at a typical State Branch Office are set out in Appendix No. 4 attached.

36. The Commission meets regularly as an administrative body to determine matters of policy, consider the lines of advice to be offered to the Minister on new matters, or new facets of established matters, and to decide the form of instructions to Deputy Commissioners, and, as a quasi-judicial authority, to determine applications in personal cases which have special features and to hear appeals. Determination of general matters which are beyond the authority of a Deputy Commissioner or have unusual or special features, and confirmation of decisions given individually by Commissioners, are functions also undertaken by the Commission.

37. Commissioners individually deal with matters either by way of preliminary consideration prior to submission to the Commission, or by determination of the matter within the scope of the policy already determined by the Commission. Each has a field allotted to him. The Assistant Commissioners administer particular sections of the Department's activities.

38. The Principal Medical Officer is responsible to the Repatriation Commission for technical medical matters throughout the Department's medical service. On matters of technical medical detail not involving questions of policy, he is authorised to issue written instructions to the Senior Medical Officer of a State. On technical medical matters, the Principal Medical Officer of the Department and the Senior Medical Officer of a State are permitted to correspond direct with one another in their official capacities, subject to supplying the Commission and the Deputy Commissioner

in the State with copies of all such correspondence. He visits the medical institutions in all States at least once yearly and attends all meetings of the Repatriation Commission in an advisory capacity.

39. The Deputy Principal Medical Officer assists the Principal Medical Officer generally and acts as the Principal Medical Officer in the latter's absence. He is responsible for the oversight of the staff in all medical institutions and visits medical institutions in all States at least once in each half year.

40. The Consultants in Chest Diseases and Psychological Medicine advise the Commission, the Principal Medical Officer and the departmental medical services in their respective specialities.

41. In view of the magnitude of the organisation and the need to ensure economy and efficiency in administration, the Committee enquired whether or not the organisation of the Department had been "reviewed" by professional consultants. The Department stated that there had been no detailed review of this nature, except an investigation in 1932-34 by the Public Service Board into the staffing arrangements of the Department at the direction of the Government. The major conclusions of that investigation were as follows:-

- "(i) The general scheme of organisation and the administrative arrangements adopted by the Commission are generally sound and satisfactory in the particular field subjected to investigation.
- (ii) Adjustments in local organisation, system and procedure have been suggested to the Commission which should be productive of salary economies of approximately £4,000 per annum.
- (iii) Possibilities of securing further substantial staff and other economies are suggested in the following directions:-
  - (a) by adjustments in present practices in relation to pension assessments and reviews.

- (b) by transfer of Repatriation Medical Institutions to the State authorities and conclusion of arrangements with those authorities for suitable medical treatment of returned soldier patients.
- (c) by treatment of country cases in country hospitals at per capita rates in lieu of Repatriation General Hospitals.
- (d) by possible restriction of the use of special tests and examinations.
- (iv) Except for possible reductions in expenditure arising from matters alluded to in (ii) and (iii), further substantial reductions of administrative and other expenditure cannot be expected for a considerable period unless legislative limitation of benefits at present available is introduced."

42. The Public Service Board has informed the Department that it proposes shortly to examine the management and working of the Department under the authority of Section 17 of the Public Service Act 1922-53.

(b) Staff of the Department

43. The actual staff and the establishment of the Department at 30th June, 1953 were :-

(See table next page).

	Actual Staff				Establishment	Excess of Establishment over actual Staff
	Perm.	Temp.	Exempt	Total		
<u>Administrative</u>						
Headquarters	101	25	6	132	140	8
N.S.W.	592	384	6	982	1,061	79
Victoria	372	332	38	742	748	6
Queensland	252	93	11	356	356	
S.A.	150	62	3	215	235	20
W.A.	186	62	2	250	263	13
Tasmania	84	23	2	109	111	2
Sub-total	1,737	981	68	2,786	2,914	128
<u>Institutions</u>						
N.S.W.	626	311	1,273	2,210	2,118	- 92
Victoria	480	105	1,095	1,680	1,646	- 34
Queensland	314	15	345	674	691	17
S.A.	212	15	249	476	507	31
W.A.	235	16	363	614	622	8
Tasmania	45	6	85	136	136	
Sub-Total	1,912	468	3,410	5,790	5,720	- 70
Total	3,649	1,449	3,478	8,576	8,634	58

44. The Department also supplied the Committee with the figures of actual staff and the establishment of the Department at 30th June, 1950, 1951, 1952 and 1953 as follows:-

(a) Administrative

Date	Actual Staff				Establishment	Excess of Establishment over actual staff
	Perm.	Temp.	Exempt	Total		
30th June, 1950	1,772	1,537	128	3,437	3,179	- 258
1951	1,736	1,247	120	3,103	3,029	- 74
1952	1,673	1,025	95	2,793	2,926	133
1953	1,737	981	68	2,786	2,914	128

(b) Institutions

Date	Actual Staff				Establishment	Excess of Establishment over actual Staff
	Perm.	Temp.	Exempt	Total		
30th June, 1950	1,930	298	4,047	6,275	6,476	201
1951	1,827	281	4,156	6,264	6,476	212
1952	1,795	486	3,665	5,946	5,857	- 89
1953	1,912	468	3,410	5,790	5,720	- 70

(c) Total

Date	Actual Staff				Establishment	Excess of Establishment over actual Staff
	Perm.	Temp.	Exempt	Total		
30th June, 1950	3,702	1,835	4,175	9,712	9,655	- 57
1951	3,563	1,528	4,276	9,367	9,505	138
1952	3,468	1,511	3,760	8,739	8,783	44
1953	3,649	1,449	3,478	8,576	8,634	58

45. The Department explained that the "Establishment" had not been decided by the Public Service Board after a review of the Department's functions, when its staff came under the jurisdiction of the Public Service Board in 1947. The Department had provided the Board with a statement of the employment position and had prepared staffing establishments for various institutions. These had been forwarded to the Public Service Board in 1949-50 but they had not

been approved by the Board before the Government decided to reduce the number of public servants by 10,000 and to impose a 'Ceiling' on the number to be employed in each Department. In fact, there is no 'establishment' for the Department in the sense in which that term is used for other departments, but the figures presented to the Committee are the number of permanent and temporary positions recorded at the Department. The Department stated, that it had not used the figures in the 'establishment' in determining the total number of persons employed but, instead, now relied on the 'ceiling' on employment approved for it as a result of the Government's decision of 1951.

46. The Committee is surprised that this position has persisted for so long a time.

47. In the institutional figures for 1952-53, the number of the staff employed was, in some cases, in excess of the 'establishment'. The Department explained that the number of trainee nurses was included in these employment figures but was not included in the 'establishment' figures. However, the Public Service Board has since approached this question differently and has agreed that the number of trainee nurses should be included in the 'establishment' figures. The number of trainee nurses to be added to the 'establishment' figures at 30th June, 1953 is 172.

48. Actual employment by the Department at 30th September, 1953, including trainee nurses, was 8,590 and the Board stated:

"It might be added that the approved establishment, i.e., the number of approved permanent and temporary positions is at present 9,326. This figure is substantially that operating prior to the reductions in employment which took place in 1951. This formal establishment is now under review by the Board with a view to its reduction to a level more in keeping with the current employment figure of the Department, and the Department's future staffing requirements."

(c) Adjustment of Establishments

49. In its examination of some other Commonwealth departments, the Committee had noted that the number of

positions under the approved establishment exceeded the number of actual staff employed, at times by a large percentage. The position of the Repatriation Department has been reported above, but, as a result of its experiences, the Committee has taken the general question up with the Public Service Board.

50. The Committee makes the following comment upon the general situation :-

(For comments, see next page)

- (1) Establishment figures have, in fact, been set aside as a result of the Government's decision in 1951 to reduce Commonwealth employment and the "ceiling" figures, then approved, with subsequent modifications, have been used in their place.
- (2) An establishment may provide for temporary staff positions, as well as permanent staff positions, as a part of the balanced staffing of the department concerned.
- (3) Vacant positions on an establishment, expressed as a percentage of the establishment, are as high as 21.7% for the Department of Supply and 20.9% for the Department of Works.
- (4) Establishment and actual employment figures can rarely be precisely the same, for fluctuations in employment, apart from future requirements, will always cause differences between the two figures.

The Public Service Board is reviewing those departments where the percentage appears to be high and explained to the Committee that :-

"The Board would not like to convey the impression that, although the differences between establishment and staff can be fairly readily explained, it is satisfied that such wide differences should continue to exist. The process of examination is, however, a very detailed one involving the pinpointing of every particular position and (where it is to be abolished) consequential changes in the organisation records. It will take some time before the Board can have the establishment of each department examined from this angle. Its importance was stressed to the departments at a recent conference of Permanent Heads and the Board will follow up its examination department by department as staff can be made available for the purpose". (See Appendix No. 5)

51.

The Committee believes that

- (a) at least there should be an adjustment of establishments to the "ceilings" now operating, and



- (b) the authority to employ staff should be constantly reviewed by checking the relation between the approvals given by the Board and the actual staff employed by a department.

A continued high percentage of vacancies noted in the Estimates suggests that the large number of positions approved is not required. The figures should be taken out regularly each month and where the percentage of vacancies exceeds, say 4% or 5%, the Public Service Board should immediately obtain an explanation from the department concerned and, if necessary, revise its approvals.

52. The Committee realises that the problem is not easily solved :

- (a) A department cannot properly discharge its functions when it cannot get suitable staff. In some categories, staff is hard to get. If the department maintains its vacancies over-long the Board may cancel its approval to filling the vacancies. If subsequently suitable staff becomes available, the Board may not then think the appointment necessary.
- (b) A department may seek to fill positions for which it has approval although the additional staff may not be justified by the work to be done.

It is, however, quite unreal for departments to have establishments which cannot be made effective and to show them as vacancies in the salaries schedules. The "establishment" staff of a department should take into account the functions of departments and, also, broadly, the availability of staff.

(d) Age Distribution of Permanent Officers of the Repatriation Department

53. The Public Service Board supplied the Committee with a statement of the number of permanent officers at 30th June, 1951, in each age group for the Repatriation Department and the Commonwealth Public Service as a whole. The numbers and percentage figures of permanent officers in the older age groups and the total employment of permanent officers by the Department and in the Commonwealth Public Service as a whole are as follows :-

Age Group	Repatriation Department		Commonwealth Public Service	
	Number	%	Number	%
Up to 50 years	2,777	77.3	56,783	81.9
51-55 years	374	10.4	5,993	8.6
56-60 years	328	9.1	4,865	7.0
61-65 years and over	115	3.2	1,728	2.5
TOTAL	3,594	100.0	69,309	100.0

54. For permanent officers of the 1st, 2nd and 3rd Divisions, the higher percentage of older employees in the Department than in the Commonwealth Public Service was even more marked:

Age Group	Repatriation Department		Commonwealth Public Service	
	Number	%	Number	%
Up to 50 years	1,265	74.1	19,176	80.4
51-55 years	206	12.1	2,288	9.6
56-60 years	178	10.4	1,784	7.5
61-65 years and over	59	3.4	605	2.5
TOTAL	1,708	100.0	23,853	100.0

The Department stated that it was its practice to keep the employees who worked efficiently and usefully, as long as

possible but, in other cases, the practice was to make a recommendation to the Public Service Board that the employees should not be retained after 60 years of age.

55. The position is governed by Sections 85 and 86 of the Public Service Act 1922-1953, the principles of which were first adopted by the Commonwealth in 1901 when social conditions as well as "expectations of life" were vastly different from what they now are. The Sections now read as follows :-

Section 85. (1) Every officer having attained the age of sixty years shall be entitled to retire from the Commonwealth Service if he desires so to do; but any such officer may (unless retired as hereinafter provided) continue in the Service until he attains the age of sixtyfive years.

(2) If any officer continues in the Service after he has attained the age of sixty years, he may at any time before he attains the age of sixtyfive years be retired from the Service by the Board, or, in the case of an officer of the First Division, by the Governor-General.

Section 86. When an officer has attained the age of sixtyfive years and in the opinion of the Board it is desirable in the interests of the Commonwealth that the officer should continue in the performance of the duties of his office, and the officer is able and willing to do so, the Board may direct the officer to continue in his office for a fixed time not exceeding twelve months, otherwise every officer on attaining sixtyfive years of age shall retire from the Service.

These principles were apparently adopted from the Victorian Public Service Act of 1889<sup>(a)</sup> and the New South Wales Public Service Act of 1895.

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(a) Prior to 1889, the Victorian Public Service Act provided for the retirement of employees at 60 years of age. That Act was amended in 1889 to permit of the extension of employment to 65 years of age.

56. The Committee raised this question specifically with the Repatriation Department and generally with the Public Service Board for the Public Service as a whole: it is apparent that early retirements could result in the loss of efficient staff whose replacement would mean unnecessary cost in administration. The matter has a particular relevance for the Repatriation Department as the figures above show. The Public Service Board submitted its views to the Committee on the matter and the main points were as follows :-

- (1) The nature of the work of the Repatriation Department is such that, setting aside the possibility of another war, the present work load is not likely to increase substantially.

"It may not fall rapidly for a few years but within the next five years or so, it should begin to drop away; this for two main reasons - the first being that the ranks of the first war returned soldiers under Repatriation benefits are thinning and the second that the Repatriation effects of the second war are stabilising."

- (2) There is, therefore, generally no serious long-term problem for staff replacements for the Department.
- (3) On the staff statistics available, vacancies occurring from retirement should be capable of being filled adequately by the promotion of officers from the lower age groups within the Department. This should be of advantage to the Department.

For these reasons the Board was not unduly concerned about the uneven age grouping.

57. The Department stated that the peak of its rehabilitation and reconstruction work, and of medical treatment, had passed; the peak of demand for hospital treatment was expected in 1955, mental cases in 1965.

58. The Committee agrees that the circumstances of the Department are perhaps unique and might justify the views expressed by the Public Service Board. Nevertheless, there is the more general issue of the retention of employees beyond the present retiring age of 60-65 years. Your Committee has had communications from the Public Service Board which it notes without expressing any opinion. It suggests, however, that to conserve man-power and to administer the Commonwealth Public Service efficiently, the whole matter should be reviewed. In the United Kingdom, the Minister of Labour and National Service has set up, to examine this problem, a National Advisory Committee on the Employment of Older Men and Women; a First Report, dated 11th September, 1953 (Cmd. 8963) has already been issued.

(4) ADMINISTRATION OF PENSIONS

(a) The Pensions Payable

59. The two main classes of pensions and allowances payable under the Repatriation Act 1920-53 are :-

War Pensions, and  
Service Pensions.

There are also a number of allowances payable to relatives of a member of the forces, and to members themselves.

(1) War Pensions

60. War Pensions are paid in respect of the incapacity, or the death due to war service, of a member of the forces.

61. Claims for war pensions are determined by Repatriation Boards or the Repatriation Commission. An appeal against the rejection of a claim by a Board lies to the Commission.

62. A member has the right of appeal to a War Pensions Entitlement Appeal Tribunal against a determination by the Commission that his incapacity is not due to war service. A dependant has the right of appeal against a determination by the Commission that the death of the member concerned is not due to war service. A member also has the right of appeal to an

Assessment Appeal Tribunal against the Commission's or Board's assessment of his pension.

63. Appeals to the Commission are determined by Assistant Commissioners under an instrument of delegation from the Commission. The Assistant Commissioners also determine all cases referred to the Commission under Section 27 (2) of the Act.

(There are two Assistant Commissioners engaged on these duties).

64. The procedure for handling all claims in respect of incapacity or death of a member is described briefly by the Department in a statement attached as Appendix No.6.

(11) Service Pensions

65. Service Pensions may be granted to a member who served in a theatre of war (or, in the case of a female member, who embarked for service abroad) and who has attained the age of 60 years (55 in the case of a female member) and who is permanently unemployable. A service pension may also be paid to a member who is suffering from pulmonary tuberculosis.

66. Unlike the war pension, a service pension is subject to a means test which is that applicable to an age or invalid pension payable under the Social Services Consolidation Act 1947-1953. When a service pension is granted, it is reviewed annually.

(b) Rates of Pensions and Numbers of Pensioners

67. The rates of war pensions are set out in detail in Appendix No.3, the main rates being :-

WAR PENSIONS

		In respect of					
		Incapacitated Member Per Week			Deceased Member Per Week		
Member		£	s	d	£	s	d
General	Rate	4	2	6 (a)			
	Special	9	5	0 (a)			
Wife/Widow		1	15	6 (b)	3	12	6 (a)
Children			13	9 each (b)	1	6	6 for 1st child (b) and 18 6 for other children (b)
Domestic Allowance					1	14	6 (a)

(a) Rates payable since 5.11.53

(b) Rates payable since 2.10.52

68. The rates of Service Pension are as follows :-

<u>SERVICE PENSIONS</u>	£. s. d
Member	3.10. 0 per week
Wife	1.15. 0 " "
One Child	11. 6 " "
Two Children	14. 0 " "
Three Children	16. 6 " "
Four or more Children	19. 0 " "

The rate of service pension for a member was increased from £3. 7. 6 per week to £3.10. 0 per week from 5th November, 1953. The present rate for a wife has been in operation from 2nd October, 1952, and the rates for children from 25th October, 1951.

69. The number of beneficiaries, and the total amount payable at 30th June, 1953, are listed in detail in the statement prepared by the Department and attached as Appendix No. 7. These details are summarised as follows :-

(For table, see next page)

Number of Pensions in force, and Annual Pension Liability at  
30th June, 1953

(1) WAR PENSIONS

	Number in Force at 30th June, 1953	Annual Pension Liability 30th June, 1953 £'000's
<u>1914-1918 War</u>		
Dependants of Deceased Members	20,793	3,595
Dependants of Incapacitated Members	60,000	2,602
Incapacitated Members	62,703	9,477
	143,496	15,674
<u>1939-1945 War</u>		
Dependants of Deceased Members	25,885	3,380
Dependants of Incapacitated Members	248,483	4,770
Incapacitated Members	125,366	10,353
	399,734	18,503
<u>Korea and Malaya</u>		
Dependants of Deceased Members	147	18
Dependants of Incapacitated Members	270	6
Incapacitated Members	327	30
	744	54
<b>TOTAL WAR PENSIONS</b>	<b>543,974</b>	<b>34,231</b>



(2) SERVICE PENSIONS

	Number in Force at 30th June, 1953	Annual Pension Liability 30th June, 1953 £'000's
<u>1914-1918 War (a)</u>		
Dependants of Deceased Members	1,364	89
Dependants of Incapacitated Members	3,339	230
Incapacitated Members	13,460	1,990
	18,163	2,309
<u>1939-1945 War</u>		
Dependants of Deceased Members	82	3
Dependants of Incapacitated Members	427	19
Incapacitated Members	505	74
	1,014	96
<u>Korea and Malaya</u>		
	-	-
TOTAL SERVICE PENSIONS	19,177	2,405
TOTAL WAR AND SERVICE PENSIONS	563,151	36,636

(a) including South African War Veterans - Number 662  
Annual Liability £83,442

(c) Comparison of Costs of Administration of Pensions by  
Repatriation Department and the Department of Social Services

70. Claims for pensions go through four main operations :-

- (1) the application,
- (2) the determination of eligibility; the assessment of the degree of disability; the amount payable in accordance with the assessment,
- (3) the payment, and
- (4) the review.

These four stages can be seen in the administration of all pensions although the actual work done during each stage may vary from one pension scheme to another.

71. Both the Repatriation Department and the Department of Social Services administer pensions and the four stages are involved in both cases.

72. Naturally there are differences between the pension schemes of the two Departments, and the procedure adopted by each, but the Committee feels that it is valuable to compare the scope of the two schemes, and the costs of administering them. Statistics were obtained from both Departments for the purpose and the two Departments were asked to consult together to ensure that their statements of costs would be known to each other and prepared as nearly as possible on a comparable basis.

73. The figures provided to the Committee by the Departments are summarised as follows :-

Comparison of Costs of Administration 1951-52 and 1952-53

(a)	<u>Repatriation Department</u>		<u>Department of Social Services</u>			
	<u>Benefits</u>	<u>1951-52</u> £m.	<u>1952-53</u> £m.	<u>1951-52</u> £m.	<u>1952-53</u> £m.	
War Pensions		31.8	34.4	Age and Invalid Pensions	59.8	72.4
Service Pensions		1.8	2.2	Widows' Pensions	5.6	6.3
Payments for other Countries		1.0	1.1	Other Allowances	(75,814)	(89,484)
Living allowance		<u>1.4</u>	<u>1.9</u>		65.4	78.8
		36.0	39.6			
(b) <u>Cost of Administration</u>		£'000	£'000		£'000	£'000
Salaries		690	806	Salaries	445	493
General Expenses		<u>250</u>	<u>267</u>	General Expenses	<u>306</u>	<u>344</u>
		940	1,073		751	837
(c) <u>Cost of Administration (b) as a Percentage of Benefits paid (a)</u>		2.61%	2.71%		1.15%	1.06%
(d) <u>Number of Full-time Staff on Pensions</u>		940	930		600	623

74. The differences between the two schemes were mentioned by both Departments and they have been summarised as follows :-

- (1) The background of the two schemes differs.  
The ex-serviceman is to be given the benefit of any doubt when applying for a war or service pension.
- (2) The entitlement to, and the amount of, a war pension depends on the degree of incapacity as a result of war service. The civil pensions are for the aged, the invalid and the widowed, at a fixed rate, and subject to a means test.
- (3) Medical investigation and an appeals system are features of the war pension scheme not associated with the civil pension scheme.
- (4) The Department of Social Services made the following points in regard to the comparison of costs set out above :-

".....in the Repatriation Department, the basis of entitlement to most of the pensions paid is the degree of incapacity whereas, in this Department, a means test operates in respect to both income and property. The investigation and determination procedures are therefore so different that ..... an overall comparison of the cost of administration (is) impracticable.

- (a) No staff or expenditure figures in respect of the Central Administration of this Department have been included as no members of the staff are employed exclusively on pensions work;
- (b) No Medical Officers have been included as there are no doctors attached to this Department engaged exclusively on pensions work. Medical examinations for invalid pension purposes are made either by Medical Officers of the Health Department for which no payment is made, or by private doctors to whom a fee of £1/1/-

per examination is paid. The cost of such examination is included under General Expenses.

- (c) Pensions paid by this Department on behalf of overseas authorities are handled only in the Accounts Branch whereas in the Repatriation Department it is necessary for such persons to be dealt with in the Pensions Branch also as reviews, etc., are involved.
- (d) Because all pensions paid by this Department are subject to the means test a much bigger investigation staff is required - Special Magistrates, Examiners, Inquiry Officers, etc.
- (e) Internal Audit work has apparently been developed to a much greater extent than in the Repatriation Department and as a result it would probably be found that Commonwealth Audit Office staff effort on pensions work is less in this Department than in Repatriation.
- (f) All pensions are subject to an annual means test review. Invalid pensions are reviewed regarding incapacity only where the doctor so suggests or there is any indication that health has improved or may improve."

75. The Committee has not been able to measure the effect of these differences in precise money terms, but it has noted the following facts in relation to the differences mentioned :-

In regard to (2) above, the Department of Social Services has laid stress on the large investigational and reviewing staffing which it is required to maintain but the Repatriation Department is not.

In regard to (3) above, the costs of the Appeal Tribunals have been omitted from the Repatriation Department's figures and these costs do not therefore affect the comparison.

In regard to (4) above, some factors weigh against the Repatriation Department (the larger medical staff, the greater costs of administering overseas pensions) and some factors weigh against the

Department of Social Services (the greater cost of internal auditing, investigations and reviewing staff).

The Department of Social Services would have, perhaps, twelve officers engaged in its Head Office for over 50% of their time on civil pensions administration. The cost of the larger medical staff would mean an extra charge of about £100,000 a year for the Repatriation Department. Overseas pensions amount to about 3% of the total pension payments of the Repatriation Department, whilst the amount of overseas pensions which are paid by the Department of Social Services, would be less than 2% of the total amount of pensions it pays.

76. Another comparison made by the Committee took the cost of administration in relation to the number of persons dealt with. For this purpose, the number of pensioners and dependants is sufficient without the number of rejected claimants in the year. This comparison avoids any difficulty arising from the differing rates of the pensions of the two Departments. The figures setting out the position are as follows :-

(A) Comparison (excluding Wives and Children)

	<u>Cost of Administration of Pensions per Pensioner</u>			
	<u>Repatriation Department</u>		<u>Department of Social Services</u>	
	<u>1951-52</u>	<u>1952-53</u>	<u>1951-52</u>	<u>1952-53</u>
1. <u>Cost of Administration</u> (a) £'000's	934	1,067	751	837
2. <u>Pensioners</u>				
Dependants of deceased Members (excluding Children)	34,900	35,352		
Incapacitated Members	184,848	188,396		
Dependants of incapacitated Members (excluding Wives and Children)	<u>6,885</u>	<u>7,292</u>		
	226,633	231,040		
Service Pensioners (excluding Wives and Children)	13,630	15,272		
Other Dominion Pensioners (excluding Wives and Children)	<u>7,932</u>	<u>7,999</u>		
	<u>248,195</u>	<u>254,311</u>		
2. <u>Pensioners</u>				
Age Pensioners			352,049	374,791
Invalid Pensioners			67,963	70,232
Benevolent Asylum Pensioners			5,625	6,309
Widow Pensioners			<u>40,769</u>	<u>41,044</u>
			<u>466,406</u>	<u>492,376</u>
3. <u>Cost of Administration per Pensioner</u>	£3.15. 3	£4. 3.11	£1.12. 2	£1.14. 0

(a) Excluding small sums not appropriate in this comparison.

77. As there are many more wives' allowances payable by the Repatriation Department than by the Department of Social Services, a further comparison has been made, adding in the number of wives involved :-

(B) Comparison excluding Children

Cost of Administration of Pensions  
per Pensioner

	<u>Repatriation Department</u>		<u>Department of Social Services</u>	
	<u>1951-52</u>	<u>1952-53</u>	<u>1951-52</u>	<u>1952-53</u>
1. <u>Cost of Administration</u> £'000's	934	1,067	751	837
2. <u>Pensioners</u> (including Wives but excluding Children)	384,325	395,246	477,872	503,969
Other Dominion Pensioners	<u>7,932</u>	<u>7,999</u>		
	392,257	403,245		
3. <u>Cost of Administration per Pensioner</u>	£2. 7. 7.	£2.12.11	£1.11. 5	£1.13. 3

78. It was also suggested to the Committee that as service pensions administered by the Repatriation Department were practically identical with age pensions, (except for the age at which the claimant was eligible for the service pension), a comparison could reasonably be made between the costs of administering the two. The Repatriation Department provided a further statement on this matter as follows :-

"It is not possible to estimate accurately the cost of administration of Service Pensions but it is considered that a reasonable estimate can be made by holding against service pensions the percentage they represent of all pensions with the exception of children in each case.

. . . . .

At 30th June, 1953, there were 18,135 service pensioners and 377,111 war pensioners (children excluded). Service pensioners represent 4.6% of all pensioners.

.....the whole of the Entitlement Sub-Section has been excluded as this Sub-Section deals only with war pensions. The salaries of medical officers under the heading 'Pensions Section' have been excluded as the number of medical examinations for service pensions purposes is negligible. As to whether or not a member is 'permanently unemployable' generally is established when his claim for war pension is investigated or at review of his war pension.

The following items have been excluded from 'General Administration Expenses' as they do not apply to service pensions :-

Item 1. Travelling and Subsistence.

Item 7. Fares and expenses of war pensions under review.

Item 5. 'Medical Examinations (Pensions Reviews)' has been included as 'in some country cases the members have to be examined by Local Medical Officers.

'Salaries and Wages' and 'General Administration Expenses' amounted to £649,278 and 4.6% of this figure is £29,867. To the latter figure is added the amount paid to the Postmaster-General's Department (9/- per hundred pounds) which was £10,012, giving a total of £39,879.

The actual expenditure for service pensions was £2,225,044 therefore, the estimate of the cost of administration of service pensions is 1.8%."

The figure of 1.8% should be compared with that of the Department of Social Services of 1.06% in the table in paragraph 73 above.

79. The Committee has calculated the figure for the cost of administering service pensions per pensioner. The number of service pensioners (paragraph 78 above) is 18,135, which, less the number of wives, 2,863, results in a total number of service pensioners of 15,272. The cost of administering the service pensions on this basis in 1952-53 is £2.12. 2. per pensioner compared with £1.14. 6. for the Department of Social Services.

80.

In the light of these calculations, the Committee expresses the opinion that :-

- (1) Both Departments are administering pension schemes financed by the Commonwealth.
- (2) Both schemes exhibit many differences in approach and in procedure.
- (3) There is no doubt that some of the differences involve the Repatriation Department in additional expenditure not encountered by the Department of Social Services; other differences involve the Department of Social Services in additional expenditure not



encountered by the Repatriation Department. It has not been possible to assess accurately the balance of cost for, or against, the Repatriation Department. Nevertheless the figures suggest that the balance could not be over-large, one way or the other, in relation to the total costs of administration.

- (4) The costs of administration by the Repatriation Department in the field of Service Pensions, where there is a reasonably close parallel with the administration of pensions by the Department of Social Services, are relatively higher than those of that Department.

81. The Committee suggests that the Public Service Board should pay attention to this aspect of the Repatriation Department's administration when it makes its investigation under Section 17 of the Public Service Act, 1922-1953, and that the relative costs in other fields of pensions administration, where the parallel is not so close, might also engage the attention of the Public Service Board.

(d) Appeal Tribunals

82. The Appeal Tribunals of the Repatriation pension scheme are :-

- (1) the War Pensions Entitlement Appeal Tribunal, and
- (2) the War Pensions Assessment Appeal Tribunal.

83. The Entitlement Appeal Tribunals are established by Section 64 of the Repatriation Act (see Appendix No. 8). (They were first created by an amendment to the Act in 1929.) There are two Tribunals, each consisting of a Chairman, who has been admitted to practice as a barrister or solicitor, and two other members (vide section 55 of the Repatriation Act). When an appeal to an Entitlement Appeal Tribunal is lodged, it is necessary for the particulars of the case to be summarised by the Department before transmission to the Tribunal.

84. An appellant is entitled to attend in person at any sittings at which his appeal is being heard. He is also entitled to be represented at the hearing, at his own expense, by a person other than a legal practitioner.

85. The Assessment Appeal Tribunals are established by Sections 67 and 70 of the Repatriation Act. (They were first created by an amendment to the Act in 1929.) There are five Tribunals at present (an additional one having been appointed from 1st December, 1952). The Tribunals which were in existence in 1952/53, were Nos. 2,4,5,6, and 7, Tribunals Nos. 1 and 3 having been disbanded. Each Tribunal consists of a Chairman, who must have been admitted to practice as a barrister or solicitor, and two other members, who must both be medical practitioners. When an appeal to an Assessment Appeal Tribunal is lodged, a brief summary of the case is prepared by the Department before the case is transmitted to the Tribunal.

86. An appellant is entitled to attend in person at any sittings at which his appeal is being heard, and is entitled to be represented, at his own expense, at the hearings, by a person other than a legal practitioner.

87. The cost of the Appeal Tribunals in 1951-52 and 1952-53 is as follows:-

	1951-52			1952-53		
	Entitlement Appeal Tribunals	Assessment Appeal Tribunals	Total	Entitlement Appeal Tribunals	Assessment Appeal Tribunals	Total
	£	£	£	£	£	£
A. Salaries and Allowances	19,468	28,814	48,282	20,398	33,280	53,678
B. General Expenses	5,527	24,971	30,498	6,624	30,791	37,415
TOTAL	24,995	53,785	78,780	27,022	64,071	91,093

88. Statistics of the assessments of war pensions by Repatriation Boards or the Repatriation Commission, and of appeals against those assessments to the Assessment Appeal Tribunals, are set out to show the extent to which these appellate Tribunals are used:-

Financial Year	Total Number of Assessments	Number of Appeals to Tribunals	Percentage of Appeals Against Assessments	Number of Appeals allowed by Tribunals	Number of Appeals disallowed, lapsed or withdrawn	Percentage of Finalised Appeals allowed by Tribunals
	(1)	(A)	%	(B)	(B)	%
1948-49	83,017	6,922	8.4	4,158	2,711	60.5
1949-50	84,724	5,985	7.1	4,047	2,305	63.7
1950-51	90,547	5,655	6.2	3,785	1,668	69.4
1951-52	95,951	7,083	7.4	4,557	1,728	72.5
1952-53	91,589	7,720	8.4	5,301	2,478 (2)	68.1

- (1) The number of appeals referred to in the columns headed B is the number of appeals actually dealt with in the financial year. Some may have been carried over from previous years and new appeals in the current year may have been carried forward to the next year. The appeals under this heading are therefore not identical with - but overlap - those listed in the column headed A.
- (2) Included in these figures are reductions of pensions by Assessment Appeal Tribunals 1948-49 (1), 1949-50 (15), 1950-51 (5), 1951-52 (6), 1952-53 (15).

89. At the request of the Committee, the appeals to the four Assessment Appeal Tribunals sitting in Victoria in 1952-53 have been analysed as a sample of the operation of the Tribunals, and the figures obtained are as follows:-

Tribunal Number	Appeals Heard	Number Allowed	Percentage Allowed	Fort-nightly Liability at Time of Hearing	Amount of Increase in Fort-nightly Liability	Percentage Increase in Liability
2	975	582	59.7	£ 3,569	£ 1,791	50.1
4	129	81	62.8	281	216	77.1
5	131	93	71.0	337	302	89.3
6	235	146	62.1	811	367	45.25
	1,470	902	61.4	4,998	2,676	53.5

On the basis of the statistics above, about 7% to 8% of assessments each year are the subject matter of appeal and, of these appeals, about 3/5ths are successful, say 4% to 5% of the total number of assessments. The average increase in pension liability for the successful appellants is about 50%.

90. The Department pointed out that a further analysis of the figures was needed to ascertain the true position:-

(1) A large proportion of the increase

would be due to:-

"tribunals deciding that certain members were 'Totally and permanently incapacitated' or 'Temporarily totally incapacitated'. The increase of a member from the 100% 'General Pensions Rate' (see First Schedule to the Act) to the Special Rate (see Second Schedule to the Act) would cause an increase of £9.10.0 per fortnight in the liability and when the increase to the Special Rate is from an assessment of less than the 'General Pensions Rate' the increased liability becomes greater.

Of the appeals set out above, the following gives particulars of the increases to Special Rate or the equivalent amount provided under paragraph 3 of the First Schedule to the Act :-

Tribunal Number	Number Increased	Amount of Increase in Fortnightly Liability
		£. S. d
2	113	1,116.10. 0
4	12	121. 4. 0
5	19	185. 8. 0
6	18	176.12. 0
	162	1,599.14. 0

Analysis of the figures shows that approximately 60% of the increase in pension liability was received by fewer than 18% of the successful appellants.

- (2) Of the total of 902 appeals allowed according to the sample, 556 or 62%, were increased by up to 20%.
- (3) A number of appeals were lodged against 'Nil' determinations that the incapacity did not warrant a pension assessment. In the sample, there were 288 'nil' assessments subject to appeal, and of these 132 were allowed as follows :-

Increase from Nil to 20%	157	appeals
Increase from Nil to more than 20%	<u>25</u>	"
	<u>182</u>	"

91. The Tribunals are established by the Parliament with specific functions and are beyond the authority of the Department. The Department thought that there would always be a demand for an appeals system in view of the peculiar nature of the pension system. The figures suggest that the number of appeals is a small percentage of total assessments although the number of successful appellants is a large proportion of the number of appeals made. The Department has agreed that the Repatriation Boards, the Commission and the Tribunals are bound by the same degree of relativity of evidence and of standards of proof : the figures show that the Commission's determinations are usually accepted by the applicant.

92. The number of appeals to the Entitlement and Assessment Appeal Tribunals outstanding at various recent dates are :-

	<u>Entitlement Appeal Tribunals</u>	<u>Assessment Appeal Tribunals</u>
Appeals outstanding at		
30th June, 1951	688	1,468
30th June, 1952	928	2,266
30th June, 1953	1,189	2,207

Both the Minister and the Department were aware of the position. The fifth Assessment Appeal Tribunal had only recently been appointed and consideration was being given to the appointment of a third Entitlement Appeal Tribunal to catch up the arrears of work.

(5) THE DEPARTMENT'S INSTITUTIONS

(a) General

93. The Department administers directly the following institutions:-

Hospitals

Concord, New South Wales,  
Heidelberg, Victoria,  
Caulfield, Victoria,  
Greenslopes, Queensland,  
Springbank, South Australia,  
Hollywood, West Australia,  
Hobart, Tasmania.

Sanatoria

Lady Davidson Home, New South Wales,  
Macleod, Victoria,  
Kenmore, Queensland,  
Birralee, South Australia,  
Edward Millen Home, West Australia.

Outpatient Clinics

Grace Building, Sydney, New South Wales,  
St. Kilda Road, Melbourne, Victoria,  
Windsor, Queensland,

Outpatient Clinics (Continued)

Keswick, South Australia,

Perth, West Australia,

Laundries

Departmental laundries are operated with all hospitals except South Australia and Tasmania.

Limb Factories

Departmental limb factories are established in all States.

Hostels

Anzac Hostel, Victoria,

Anzac Hostel, Queensland.

In addition, the Department has arrangements with State authorities for the care of mental cases, country hospital cases and convalescent cases, at the expense of the Department.

94. The Committee did not visit any of the institutions - as a Committee. It knows that all the institutions are subject to similar controls, and provide for similar classes of patients in all States. It is satisfied that, by an examination of unit costs and uniformly prepared statistics, it can gain an understanding of the general management of the departmental institutions. There will, of course, always be the personal factor which invariably provides the plus or minus in the results of every kind of management.

95. The Department provided the Committee with statements for the years 1951-52 and 1952-53 showing staff and patient statistics and, under accounting headings, in total and on a unit basis, the costs of each institution. Differences in the figures for the institutions under each group have been examined and explanations sought from the qualified officers of the Department. They are discussed later in this Report.

96. In addition, the Committee has obtained from the State Health Authorities statistics and costs of a number

of State hospitals and sanatoria which might be regarded as reasonably comparable with the Repatriation Department's institutions. The difficulties in the way of a comparison of the costs of the State and Repatriation Department's institutions have been emphasised to the Committee (see para. 130 following) but the Committee is satisfied that, despite these difficulties, the comparison suggests avenues of investigation into the administration of the Repatriation Department's institutions.

97. The Committee has not tried to examine every aspect of the Repatriation institutions. It has been content with sampling a number of aspects (as it usually does) and, through those samples, it has been able to form an opinion of the general efficiency of the whole organisation.

98. The Committee notes in passing that many of the Repatriation institutions, particularly the hospitals, have not been built to the specifications or requirements of the Department, and this fact will obviously influence the administrative efficiency of particular institutions.

(b) Hospitals

(i) Occupancy of Repatriation Hospitals

99. The statistics of occupancy of the beds in the Repatriation hospitals for the six months to 30th June, 1953 are :-

	Concord N.S.W.	Heidel- berg Vic.	Caul- field Vic.	Green- slopes Q.	Spring- bank S.A.	Holly- wood W.A.	Ho- bart Tas.	Total
Designed Bed Capacity	1,617	1,248	201	551	368	508	127	4,620
Beds erected	1,607	1,071	201	529	357	462	128	4,355
Average Beds occupied	1,442	950	138	428	264	359	116	3,697
Empty Beds	165	121	63	101	93	103	12	658
% of Empty Beds to Beds erected	10.3%	11.3%	31.3%	19.1%	26.0%	22.3%	9.4%	15.1%



100. The statistics show that :-

- (1) the hospitals could, at 30th June, 1953, have accommodated more beds than were erected in them, and
- (2) there were, during the six months period, a large number of empty beds in the hospitals.

(1) Excess Capacity in Repatriation Hospitals

101. The Department explained that the figures in the table above did not disclose the true position. More beds had been erected in ward space than had been allowed for in the official capacity figures for the wards, so that the bed capacity not being used for inpatient accommodation is greater than is disclosed by the figures in the table. For example, the 1,607 beds erected at the Concord Hospital were erected in ward space designed to accommodate 1,521 beds; at Springbank Hospital, wards designed to accommodate 34 beds had 40 beds erected in them. The figures submitted to the Committee suggest that the position has existed for some time.

102. The excess capacity was, the Department said, used to some degree for the accommodation of staff. At the Concord Hospital, 3 wards of 96 beds were used for this purpose. This principle was not followed at Heidelberg Hospital where, the Committee was informed, 8 wards of 284 beds were unused because of the lack of staff accommodation.

103. The Department emphasised that the majority of the hospital buildings had been built for the service departments and not to the Department's design.

(2) Empty Beds

104. The table above also shows that, on an average during the six months to 30th June, 1953, there were 658 beds vacant out of a total of 4,355 : 15.1%. The percentage of vacant beds varied from hospital to hospital and the hospitals could be classified into two groups. One group, comprising the Concord, Heidelberg and Hobart Hospitals, had empty beds which, in number, ranged from 0.4% to 11.3% of the beds erected

in each; the other group, comprising Caulfield, Greenslopes, Springbank and Hollywood Hospitals, had empty beds which, in number, ranged from 19.1% to 31.3% of the beds erected.

105. The Department explained that it was necessary to organise the hospitals into wards for different types of cases and to provide a margin of beds for fluctuations in the number of patients to be accommodated. For these reasons, it could always be expected that there would be a certain percentage of empty beds. The percentage of empty beds in the first group (about 10%) would, the Committee thought, seem to be reasonable in view of these explanations.

106. In regard to the second group, a further analysis was necessary. For example, at the Springbank Hospital, the empty beds were to be found in a large number of wards: tuberculosis, medical, orthopaedic and female, and it could not be said that, by closing one ward, the empty beds could be eliminated. At the Hollywood Hospital, there were two wards of 50 beds vacant.

107. Statistics of the bed occupancy for the years 1950-51 to 1952-53 in six monthly periods, in the following table, show that the percentage of empty beds in the table above had, in the by and large, existed during these three years.

Period		Concord N.S.W.	Heidelberg Vic.	Caulfield Vic.	Greenslopes Q.	Springbank S.A.	Hollywood T.A.	Hobart Tas.	Total
6 months to 31.12.50	Empty beds	207	112	47	130	99	111	19	725
	% of beds erected	12.9%	10.3%	23.2%	25.3%	24.1%	22.8%	14.2%	16.4%
6 months to 31.12.51	Empty beds	208	124	48	135	66	75	15	671
	% of beds erected	13.2%	11.5%	23.9%	26.0%	18.9%	16.5%	11.4%	15.6%
6 months to 31.12.52	Empty beds	227	121	42	119	90	87	13	749
	% of beds erected	17.3%	11.2%	20.9%	22.6%	24.1%	19.0%	10.2%	17.2%
6 months to 30.6.53	Empty beds	165	121	63	101	93	103	12	658
	% of beds erected	10.3%	11.3%	31.3%	19.1%	26.0%	22.3%	9.4%	15.1%

It will be seen that the hospitals during this period could be classified into two groups as mentioned above, one with a low percentage of empty beds, and one with a higher percentage.

108. The Department stated that the position was being closely watched.

109. There is much in the argument that the hospitals were not built for the Department's particular needs but it also seems to the Committee that a change is taking place in the general pattern of illness to be treated by the Department, away from acute cases to chronic cases. The most economical hospital accommodation for the Department's needs can be expected to change, and what was suitable for those needs immediately after World War II, can be expected to become progressively less suitable in future years.

110. The Committee has already reported in paragraph 57 above, that the Department estimates the peak of demand for hospital treatment to be likely to occur in 1955. In view of the excess capacity and the margin of empty beds now existing, it is apparent that the Department should not require any additional hospital beds in order to cope with the likely demand. On the contrary, it has a capacity in excess of its needs. It has recently handed back to the New South Wales Government the accommodation at the Randwick Hospital which it formerly occupied. Part of the accommodation at the Cœulfield Hospital has been handed over to the Victorian Government.

111. Within three to five years, it would appear that the excess capacity in the Repatriation hospitals will, in default of another war, increase so that more than the present excess capacity will stand empty. The Committee points out there is, therefore, the prospect of the Department maintaining and safeguarding idle buildings, grounds and equipment at a substantial cost to the Commonwealth. The Committee is aware of the urgent need of the community for additional facilities for hospital treatment and it has been anxious to ascert

the excess capacity. The Department stated that its authority to provide hospital accommodation was derived from the Repatriation Act 1920-1953 and that it could not, itself, admit into its hospitals any persons other than those eligible for treatment under the Act.

112. Some exceptions to this position exist ; the Department provides hospital accommodation and treatment for :-

- (a) Service personnel, the service departments paying the Department in cash for the cost of treatment involved. At 30th June, 1951, there were 470 defence patients in the general hospitals and, at 30th June, 1952, 578.
- (b) Tuberculosis patients who are not eligible for treatment under the Repatriation Act. The statistics show that the number of bed-days involved was 8,877 for 1949-50 and 23,546 for 1952-53. The cost of treatment of these patients is paid to the Department by the State Governments, who, in turn, are re-imbursed by the Commonwealth under the Commonwealth and State Tuberculosis Agreement.

113. The Department stated that, under its existing authority, it could not charge patients for treatment and in any event, the Department would not welcome the task of collecting charges for treatment.

114. One alternative would be to present the empty ward space to the State Health Authorities but even to do this there were difficulties. The hospitals had been built around common services, such as kitchens and laundries, and the State would have to be provided with those services by the Department. The whole matter was, the Department stated, one for the Government.

115. The Committee draws attention to the prospect of increasing costs of maintenance of idle hospital facilities and it urges that the matter should receive consideration.

(ii) Average Stay of Patients in Repatriation Hospitals

(1) Repatriation Hospitals' Statistics

116. The Department has provided the following statistics to show the average stay of inpatients in Repatriation hospitals (in days) for the years 1947-48 to 1952-53:-

	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
Concord, N.S.W.	Days 27	Days 29	Days 30	Days 30	Days 32	Days 30
Heidelberg, Vic.	33	34	38	41	38	36
Greenslopes, Qld.	24	24	24	23	22	21
Springbank, S.A.	25	27	27	27	26	28
Hollywood, W.A.	29	30	31	31	29	29
Hobart, Tas.	37	43	41	38	36	28
All R.G.Hs.	28	30	31	31	31	29

117. The figures show:-

- (1) an overall increase in the average stay of inpatients in Repatriation hospitals from 28 days in 1947-48, to 31 days for the three years 1949-50 to 1951-52, and 29 days in 1952-53, and
- (2) a wide range of averages for the individual hospitals, for 1952-53, from 21 days at Greenslopes Hospital to 36 days at Heidelberg Hospital.

118. The following table gives a further analysis of the average stay of inpatients in the Repatriation hospitals by the main classes of patients treated:-

	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
General Medical & Surgical	Days 24	Days 24	Days 26	Days 27	Days 26	Days 25
Psychiatric	32	34	31	33	34	30
Tuberculosis	86	92	80	73	76	70
All R.G.H's	28	30	31	31	31	29

The figures show that there has been a small increase in the average stay of general medical and surgical inpatients, that psychiatric inpatients have averaged about the same number of days and that the average stay of tuberculosis inpatients during the period has fallen from 86 days to 70 days. The Consultant (Chest Diseases) has suggested that the true picture for the tuberculosis inpatients would be the total of the inpatient days for the tuberculosis inpatients at the general hospitals and at the Repatriation sanatoria. For New South Wales and Victoria, the following are the figures:-

	<u>N.S.W.</u> Days	<u>Victoria</u> Days
1947-48	220	195
1948-49	241	193
1949-50	213	197
1950-51	217	165
1951-52	227	178
1952-53	209	168

He attributes the overall decline of the average stay of tuberculosis inpatients to the more extensive use of surgery and of drugs in treatment.

119. The average in-patient stay in days for 1952-53 for each of the classes of patients in the general hospitals is as follows:-

	General Medical and Surgical	Psychiatric	Tuber- cul- losis	Total
	Days	Days	Days	Days
Concord, N.S.W.	25	28	67	30
Heidelberg, Vic.	31	43	79	36
Greenslopes, Q'ld.	19	26	38	21
Springbank, S.A.	25	23	74	28
Hollywood, W.A.	22	35	103	29
Hobart, Tas.	19	-	64	28
All R.G.H's.	25	30	70	29

These figures and those in other tables above, show consistently low figures for Greenslopes Hospital and, apart from tuberculosis inpatients, consistently high figures for Heidelberg Hospital.

120. Comments on the variation between the hospitals were obtained as follows :-

For general medical and surgical cases, the Principal Medical Officer stated :-

"The only reason I can suggest for this is that changes of resident staff are probably more frequent and younger practitioners are, on the whole, employed at Heidelberg than at other hospitals. If I am correct in this impression, the length of stay can be expected to be increased because of the greater reliance placed on the Visiting Specialists in the determination of fitness for discharge, with the consequent waiting for the visiting days.

....The Medical Superintendent of Concord has been fortunate in having the services of Resident Medical Officers who possess higher academic qualifications. This has enabled him to use these medical officers as 'supervisors', who, because of their qualifications and experience, have been able to advise the younger or less experienced medical officers on both treatment and fitness for discharge. The success of this procedure is reflected not only in the shorter in-patient stay but also in the proportionately smaller number of visiting specialists employed at Concord.

Similar results are confidentially expected at Heidelberg when the full effects of the employment of full-time specialists and 'Registrars' become apparent. Just as the 'supervisors', in attendance daily, have been able to keep the inpatient periods down to a minimum consistent with necessary investigations and treatment, so will the newly-created 'Specialists' and 'Registrars' be able to ensure against unnecessary stay in hospitals due to awaiting the concurrence of visiting specialists."

For psychiatric cases, the Consultant (Psychological Medicine) stated:-

"50% of the beds at R.G.H. (Heidelberg) are for severer forms of mental disorder as compared with 25-30% in R.G.H. (Concord);

medical staffing at R.G.H. (Heidelberg) has never been so regular and consistent as at R.G.H. (Concord), nor of such good quality;

certainly, in the past year, much delay has occurred in getting patients to Bundoora Mental Hospital because of the explosion in one of its wards;

local differences in treatment play a part, in that more full-coma insulin is used in Victoria, and each such case has a stay of at least four months. Many leucotomies have been done in Victoria as compared with New South Wales, and this increases the average stay considerably.... The Specialist, Psychiatry, Victoria, favours prolonged psychotherapy and this is undertaken more often than in New South Wales;

finally more effort is being made in Victoria, to handle the long-standing personality dis-orders, to see whether those principles can be applied elsewhere;

R.G.H. (Hollywood) may appear high, but long-continuing physical dis-orders have been handled in this ward, besides psychiatric cases. I do not think the average stay of psychiatric cases would be long here, as very little full-coma insulin and no leucotomies have been done."

For tuberculosis cases, the Consultant (Chest Diseases) stated:-

"The longer period of stay in Western Australia is due to the distances from any treatment centre, and the patients are therefore retained for longer periods prior to discharge to their homes.

The relatively low average for Tasmania is due to many brief stays (3-4 days) of patients brought to Hobart from the north of the island for assessment and review. Accommodation for these patients can be arranged only by admission as an in-patient.

121. In Queensland, there is a good working arrangement between the Greenslopes Hospital and the Brisbane and South Coast Hospitals' Board for the transfer to the civil hospital of cases accepted into the Repatriation hospital but, subsequently found not to be entitled to treatment there. In New South Wales and Victoria, the Department cannot get these cases into State hospitals. In the other States, the position is said to be not so bad.



122. Just as unit costs (a) can be used to aid an inquiry into the results of different administrations of similar institutions, so the Committee considers that the figures of the average stay of in-patients can be used in a similar way. If, all things being equal, the figures for one hospital over a period show that its in-patients remain for a shorter average period than is the case at another hospital, the reasons for this position are likely to be found in the policy of the hospital administration. This is clearly illustrated in the opinion of the Principal Medical Officer of the Department quoted above : the use at Concord of experienced medical officers as 'Supervisors' is shown to have reduced both the average stay of patients and the use of visiting specialists.

123. The Committee's particular interest in the figures is to ascertain whether the Head Office of the Department uses them as a guide to inquire :

- (a) into the differences which were revealed, and
- (b) into its reasons for the differences.

With that information in hand, the Head Office would be in a position to consider whether or not any changes in hospital administrative policy should be made.

124. The Department has stated that the figures of the length of stay of in-patients at its hospitals are constantly under review.

125. Unfortunately, the impression left with the Committee from the constant inability to offer reasons for differences, was that the figures were not used in the Head Office management of the hospitals as fully as the Committee believes to be warranted.

Comparison of Patient Statistics of  
Repatriation Hospitals and State Hospitals

126. The figures of the average stay of in-patients in State public hospitals, which the Committee has obtained, are:-

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(a) For a discussion on unit costs, see Twelfth Report on Postmaster-General's Department.

Hospital	1951-52 Days	1952-53 Days
<u>NEW SOUTH WALES</u>		
Royal Prince Alfred	12.0	11.9
Sydney	14.1	13.7
<u>VICTORIA</u>		
Alfred	16.49	15.6
Royal Melbourne	16.8	15.1
<u>SOUTH AUSTRALIA</u>		
Royal Adelaide	18.4	17.2
<u>WESTERN AUSTRALIA</u>		
Royal Perth	16.89	17.31
Fremantle	12.44	12.15
<u>TASMANIA</u>		
Royal Hobart	10.4	10.9
Launceston	15.5	15.7
Latrobe	14.4	13.4

127. The average stay of inpatients in State hospitals, as revealed by these figures, is much less than in Repatriation hospitals. The State figures also show, generally, a decline in the length of the average stay from 1951-52 to 1952-53.

128. The Department stated that a number of factors had to be borne in mind in a comparison of Repatriation hospital and State hospital figures :-

"The longer average at Repatriation General Hospitals is accounted for by the following facts :-

- (1) very few chronic medical or surgical cases are admitted to or remain in the acute general hospitals, whereas a member with an entitled disability will receive full inpatient treatment for that condition even though it be chronic. This is particularly seen in chronic cardiac and pulmonary cases, carcinomas, cerebral cases (strokes) and orthopaedic conditions;

- (2) acute general hospitals may and do discharge long term cases to convalescent homes, then re-admit for observation, etc. This is seen particularly in fracture and orthopaedic cases, as well as in post-operative surgical cases, e.g. following appendicectomy, hernia, etc., a patient is discharged from an acute hospital to a convalescent hospital after 5-7 days. This is not the case at R.G.Hs., where the member remains in the hospital until he has reached a stage of stability;
- (3) in acute general hospitals, it is possible for admitting officers to select only patients with acute conditions, and selection of suitable cases is one of the chief duties of the admitting officer. At R.G.Hs., the question of admission is determined by entitlement, or by the gravity of the illness, and therefore, selection is largely out of the hands of the admitting officer.

More comparable figures for average in-patient stay are derived from the Austin Hospital, Melbourne, where the figures have been:

1946	55 days
1947	37.6 days
1948	36.3 days
1949	33.2 days
1950	37.0 days.

With these figures, the Repatriation General Hospitals' figures compare favourably, and allowing for the greater proportion of chronic cases at the Austin Hospital, are probably comparable."

129. The Department pointed out that Repatriation hospitals do not treat many female patients or cases under the age of 30 years. Its hospitals are required to observe a different relationship to patients than is the case with State hospitals.

130. This is, of course, a policy matter but within the scope of that policy, it would appear that the Department should constantly study methods adopted in the public hospitals system in an endeavour to find new methods for improving the administration of Repatriation hospitals. One means of doing this is to compare regularly the figures of the average stay of in-patients in hospitals under the two systems, and to discuss with the State hospital authorities the latest methods used in their

hospital administration. For example, as ex-servicemen grow older, it may be expected that there will be more chronic cases for whom convalescent homes and home nursing services, as developed by State hospital systems, may be advantageous.

(iii) Ward Staff in Repatriation Hospitals

131. The Repatriation Department provided figures of the following ward staff at Repatriation hospitals:-

Medical Officers	
Trained Nurses	
Trainee Nurses	
Hospital Assistants Grade 11	
Hospital Assistants	" 1
Orderlies	" 11
Orderlies	" 1

The ward staff figures, and their relation to the number of beds erected and in-patients in 1953, are as follows:-

Hospital	Ward Staff 30th June, 1953	Beds erected 30th June, 1953	Number of Beds erected to Ward Staff  ( $\frac{B}{A}$ )	Average Beds occupied 6 months to 30th June, 1953 (C)	Average Beds occupied to Ward Staff  $\frac{C}{A}$
	(A)	(B)			
Concord, N.S.W.	867	1,607	1.85	1,442	1.66
Heidelberg, Vic.	531	1,071	2.02	950	1.79
Caulfield, Vic.	89	201	2.26	138	1.55
Greenslopes, Q.	271	529	1.95	428	1.58
Springbank, S.A.	178	357	2.00	264	1.48
Hollywood, W.A.	252	462	1.83	359	1.42
Hobart, Tas.	75	128	1.71	116	1.55
	2,263	4,355	1.92	3,697	1.63

The figures show some variation from hospital to hospital. Some of the variations in figures between hospitals can be attributed to the design of the hospitals and the differing employment outlook in the various States.

132. The number of patients in the hospital varies from time to time so that the comparison of an average figure for six months should, the Department stated, be treated with caution.

133. An interesting comparison can be obtained by omitting from the figures of the ward staff the figures of Hospital Assistants Grade 1 (who do domestic work including serving of meals in wards) and Orderlies Grade 1 (who are the cleaners and general assistants in the wards). The figures of the medical officers and nursing staff remaining are then as follows:-

Hospital	Medical and Nursing Staff, 30th June, 1953.	Number of Beds erected 30th June, 1953.	Number of Beds erected to Medical and Nursing Staff	Average Beds occupied Six Months to 30th June, 1953	Average Beds occupied to Medical and Nursing Staff
Concord, N.S.W.	572	1,607	2.81	1,442	2.52
Heidelberg, Vic.	358	1,071	3.00	950	2.65
Caulfield, Vic.	44	201	4.57	138	3.14
Greenslopes, Q.	147	529	3.60	428	2.91
Springbank, S.A.	110	357	3.25	264	2.40
Hollywood, W.A.	155	462	2.98	359	2.32
Hobart, Tas.	45	128	2.84	116	2.58
	1,431	4,355	3.04	3,697	2.58

A further analysis shows other striking differences. For example, there are about twice the number of beds erected at Heidelberg Hospital as at Greenslopes Hospital, but the number of medical officers at Heidelberg Hospital is five times the number at Greenslopes Hospital. Hollywood Hospital with ten percent fewer beds than Greenslopes Hospital has more medical officers than Greenslopes Hospital. To the Committee's inquiry for the reasons for the differences, the Department was again not able to give a precise explanation and it appeared that the facts had not been examined before the statements had been prepared for the purpose of the Committee's investigation. Establishments for the hospitals in Queensland, South Australia, Western Australia and Tasmania had been agreed with the Public Service Board some time ago. The Department referred to the forthcoming examination by the Public Service Board as an occasion when staffing would be examined in detail.

134. The changes in the comparison between the calculations made on 'beds erected' and those made on 'beds occupied' are large. The Department states that for the most part, staff is provided for each individual ward and according to the beds for which the ward is designed. If the occupancy is increased and remains at a high level, more staff has to be provided.

(iv) Costs of Repatriation Hospitals

(1) Two Difficulties encountered in examining the Costs of the Repatriation Department's Hospitals:

135. The Repatriation Department receives from each hospital each month a costing statement which sets out in total, and per in-patient day, the costs of the hospital for the current month, and for the year up to the last month, under a large number of headings and a credit for sales of materials, laundry output and the treatment of outpatients.

From these statements, the Department was able to supply the Committee with costs of its hospitals, in total and per in-patient day, for 1951-52 and 1952-53.

136. The Committee's intention was to compare the unit costs per in-patient day under each heading at the hospitals and to have any differences explained. The Department raised two difficulties in the way of a straightforward comparison of the unit costs:

- (a) the effect of out-patient costs, and
- (b) the effect of the number of in-patient days.

137. At Heidelberg, Hollywood and Hobart Hospitals, a relatively large number of out-patients are treated, particularly tuberculosis cases. At Caulfield Hospital, a large number of diagnosis and report cases are treated. By comparison, the numbers of out-patients treated at Concord and Greenslopes Hospitals are small. None were treated at Springbank Hospital in 1952-53. The costs of treating the out-patients are included in the hospital costs under the headings of salaries, medicines and other costs, so that the costs under these headings are gross costs for in-patients and out-patients. The unit costs are obtained by dividing the gross costs by the number of in-patients' bed-days and no allowance is made in the unit cost under each heading for the cost of treating out-patients. As one hospital may spend more on out-patients than another, the unit costs obtained under each heading do not provide as sound a comparison as could be desired. For example, at Hollywood Hospital, the gross unit cost of salaries in 1952-53 was £2.15.9 per in-patient day which was not much less than that at Springbank Hospital but higher than at other hospitals: but Hollywood Hospital treated a large number of out-patients and Springbank Hospital did not treat any out-patients in that year. Some allowance would have to be made in favour of Hollywood Hospital.

138. The value of unit costs lies in their comparability and in the disclosure of differences. The basis on which the Department prepares these unit costs for the hospitals

detracts from their value, so much so, that while the total net unit costs could be compared, a close comparison of individual items of unit costs could be a matter of some difficulty. The information which the Committee has obtained from the State Health Authorities indicate that the large State hospitals, such as the Royal Prince Alfred Hospital, the Royal Melbourne Hospital, the Royal Adelaide Hospital and the Royal Perth Hospital, cost their out-patient departments separately. The number of out-patients attending these hospitals is probably considerably larger than the number attending the Repatriation hospitals.

139. The Committee considers that comparable unit costs are essential for the proper control of the hospitals and, for this purpose, the Department, with the Department of the Treasury and the Public Service Board, should investigate alternate methods for obtaining comparable unit costs. This may, perhaps, be done by a simple procedure of separate out-patient costing in the hospitals, or of converting out-patient attendances into an equivalent of "in-patient days".

140. The second difficulty in relation to the unit costs is the effect of the number of in-patient days. As the total expenditure at each hospital, and each item of expenditure, are divided by the total number of in-patient days to obtain the unit costs, a variation in the numbers of in-patients from one period to another could, the Department frequently stated, materially affect the resulting unit costs. Overhead costs remain fairly constant and a decline in the number of in-patients would mean an increase in the unit costs.

141. In the case of fixed costs, the explanation is sound, but the Committee is not convinced that it is completely adequate for moving costs, such as salaries. In the case of Springbank Hospital, the Department has stated that it has:-

"tried to go into the costs there but could not explain all the costs except by the divisor. The medical superintendent is particularly aware of the problem and is trying to bring his costs down. He is very economical with the staff. If any staff is not required, he dispenses with it immediately."

142. Having in mind the comments above, the Committee notes that the salaries cost at Springbank Hospital is the highest per inpatient day of all of the hospitals in 1951-52 and 1952-53. It is further noted that the percentage of empty beds is high. The Committee believes that the Head Office of the Department should have had a more adequate explanation of the cause of the high costs.

(2) Costs of Repatriation Hospitals 1952-53

143. The unit costs of the Repatriation hospitals for 1952/53 per inpatient day are :-

	Concord N.S.W.	Heidelberg Vic.	Caulfield Vic.	Green-slopes Q'land	Spring- bank S.A.	Holly- wood W.A.	Hob- art Tas.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Salaries	2. 6. 11	2. 7. 0	2. 18. 8	2. 9. 3	2. 16. 9	2. 15. 9	2. 1. 8
Reserve for Marriage Allowance	4	4	6	7	8	6	4
Medicines	2. 8	5. 2	4. 8	2. 8	3. 10	4. 8	4. 11
Provisions	11. 5	11. 4	10. 5	9. 11	10. 2	8. 4	11. 10
General Mainten- ance	6	6	5	10	9	6	5
Fuel, Light Power and Water	3. 10	6. 7	6. 5	3. 6	6. 3	3. 5	2. 11
Laundry	1. 7	2. 1	1. 7	1. 9	3. 11	2. 1	1. 8
Reserve for Maint- enance of Equipment	4. 4	5. 11	2. 0	5. 0	5. 8	4. 9	1. 6
Reserve for Dep- reciation of Build- ings	1. 2	10	11	1. 1	1. 3	1. 0	9
Incidentals	2. 3	4. 2	1. 10	2. 11	2. 5	2. 6	2. 7
Occupat- ional Therapy	1	3		4	4	10	7
Special Expenditure	9	2. 7	1. 2	2. 0	2. 7	2. 6	6. 5
Sub-total	3. 15. 10	4. 6. 9	4. 8. 7	3. 19. 10	4. 14. 7	4. 6. 10	3. 15. 7
Less Credits	3. 1	4. 5	12. 3	4. 3	10	6. 5	5. 2
Net Total	3. 12. 9	4. 2. 4	3. 16. 4	3. 15. 7	4. 13. 9	4. 0. 5	3. 10. 5



(3) Costs of State Public Hospitals 1952-53

144. The unit costs of the State public hospitals provided to the Committee are set out in detail in Appendix No.9 and are summarised as follows:-

<u>Hospital</u>	<u>Cost per In-patient Day 1952-53</u>		
	£.	s.	d.
<u>NEW SOUTH WALES</u>			
Royal Prince Alfred	3	18	6
Sydney	4	6	9
<u>VICTORIA</u>			
Alfred	4	3	9
Royal Melbourne	4	5	9
<u>SOUTH AUSTRALIA</u>			
Royal Adelaide	4	3	6
<u>WEST AUSTRALIA</u>			
Royal Perth	3	12	4
Fremantle	3	16	0
<u>TASMANIA</u>			
Royal Hobart	3	5	8
Launceston	3	10	9
Latrobe	4	5	2

(4) Comparison of Individual Items of Unit Costs

(a) Salaries

145. The Department stated:-

"These variations generally indicate a falling off in the number of beds occupied, consequently the divisor is lower, but certain staff must be retained to allow the institutions to function efficiently.

At Caulfield, a number of out-patients are treated and 'Diagnosis and Report' cases examined, the cost of which is offset by the credits received." (See Credits in the table in Para.143)

146. In discussion on this item, the Department referred to a large occupational therapy unit at Hollywood Hospital as an explanation of a small part of the higher unit cost there for salaries, but, otherwise, it was not able to give the Committee a precise explanation of the variations.

147. As between the Repatriation and State hospitals, the unit costs of salaries were not very different, but these points should be noted:-

- (1) There is a greater proportion of trainee staff to trained staff in the public hospitals, although the Repatriation hospitals have recently commenced the training of nurses<sup>(a)</sup>.
- (2) The salaries of State hospitals staff are determined under State Acts, Awards or Agreements and those of Repatriation hospitals under Commonwealth Acts, Awards or Agreements.
- (3) Most of the State hospitals still use the honorary doctor system, whilst the Repatriation hospitals pay fees for all visiting doctors, the amounts of which are shown under the heading 'Special Expenditure'.
- (4) The Repatriation hospitals' staff includes Amenities Officers, Peace Officers, Fire Protection Officers and Padres but the State hospitals' staff does not.

148. The Committee also notes that the amounts of any overtime paid in the Repatriation hospitals are charged to a separate heading under 'Incidentals'. The Committee suggests that the amounts of any overtime should be posted under 'Salaries and payments in the nature of salaries' in accordance with the practice of the Commonwealth Treasury accounting system and of State public hospitals.

(b) Medicines

149. The number of out-patients will also affect the consumption of medicine because the cost of out-patient medicine is included in the item and the offset is included in the 'credits'. The hospitals with the large out-patient attendances, Heidelberg, Caulfield, Hollywood and Hobart Hospitals, all show higher unit costs of medicine. The actual amounts for out-patients at each hospital were not available.

(a) The statistics for Royal Prince Alfred Hospital and Concord Hospital for 1952-53 showed:-

	<u>Trained Nurses</u>	<u>Trainee Nurses</u>
Royal Prince Alfred	172	674
Concord	320	123

150. The Department's views were sought on the suggested use of a hospital dispensary list in the Repatriation hospitals (as is frequently the case in State hospitals) as a means to controlling costs. The Department stated:-

"When the requisitions for supplies of drugs and dressings for the ensuing six months are being prepared, they are subject first to the endorsement of the Medical Superintendent, then of the Senior Medical Officer in the State concerned and, after being recommended by the Deputy Commissioner, are forwarded to the Repatriation Commission where they are subject to the scrutiny of the Deputy Principal Medical Officer before final approval is given by a senior administrative lay officer.

When, for some unforeseen reason, any drugs or dressings additional to those approved are required for the six month period, the same procedure is necessary, except that small quantities of drugs may be purchased to meet an emergency. Covering approval to the purchase of drugs in an emergency is later obtained from the Repatriation Commission.

Prescribing of proprietary preparations is allowed, but Departmental Instructions to Medical Institutions direct that British Pharmacopoeia and Australian Pharmaceutical Formulary preparations will be prescribed as far as possible. In addition, the Medical Superintendent may instruct that certain expensive or short-supply items may not be dispensed without his authority.

In this regard, the Repatriation Commission has, in the past, issued directions in connection with the use of certain drugs, as in the case of Cortisone, A.C.T.H., and P.A.S.

It has not been Government policy to restrict the prescribing of any drug necessary to the full and adequate treatment of a patient eligible for treatment as a responsibility of the Repatriation Department."

151. The Department's procedure is to let contracts periodically to wholesale drug houses. When explaining its actions at individual hospitals the Department stated that little bulk dispensing or preparation of drugs is permitted at the hospitals. The methods adopted by the State hospitals, and the Department's comments, as a result of discussions with the State Health Authorities concerned, are:-

<u>State Hospitals</u>	<u>Purchasing Arrangements</u>	<u>Department's Comments</u>
Royal Prince Alfred, New South Wales	Most drugs are purchased from the Government Stores Department or under contracts arranged by that Department. A five percent handling charge is made on purchases from the Government Stores Department.	No comments

<u>State Hospitals</u>	<u>Purchasing Arrangements</u>	<u>Department's Comments.</u>
Royal Melbourne, Victoria	Most drugs are purchased under contracts arranged with suppliers by the Victorian Hospitals Association which charges a five percent handling fee. The Hospital also manufactures many tablets, etc., druggists sundries.	Considerable saving accrues to Royal Melbourne Hospital because of bulk dispensing alone.
Royal Adelaide, South Australia	Most drugs are purchased under contracts arranged by the Supply and Tender Board which charges a five per cent (5%) handling fee. Royal Adelaide Hospital has its own dispensary and manufactures many tablets etc., and druggists' sundries. Royal Adelaide Hospital supplies Bedford Park Sanatorium with its requirements of this nature.	Because of bulk dispensing and manufacture, Royal Adelaide Hospital would have a considerable saving.
Royal Perth, West Australia	Wherever possible, supplies are drawn from the State Government stores, but the hospital also has the right of buying direct from warehouses that it chooses. A small amount of dispensing is done for other State concerns.	Royal Perth Hospital authorities favour the method of a certain freedom in buying which gives better choice and availability.
Launceston General, Tasmania	Most drugs are purchased under contracts arranged with suppliers by the State Supply and Tender Department. Launceston General Hospital does manufacture Tablets, etc., but the Devon Hospital does not.	Very little difference in method of purchasing drugs exists.

152. The Department thought that it could buy tablets more cheaply than it could manufacture them.

153. The Committee points out that the Repatriation Department administers a group of large hospitals from which there can be expected a steady demand for the more common types of drugs and medicines. The expenditure on drugs and medicines is large and the Committee considers that the Department and the Department of the Treasury should investigate the possibility of obtaining supplies more cheaply, either by the establishment of central or local procurement or manufacturing agencies<sup>(a)</sup> or by arrangements with State Drug Stores.

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(a) The Committee has been informed of the operation of the Victorian Hospital Association which acts as a procurement agent on behalf of the Victorian public hospitals.

(c) Provisions

154. The cost of provisions per in-patient day varies from 8/4d at Hollywood Hospital to 11/10d at Hobart Hospital. The cost is not effected by the number of out-patients attending the hospitals.

155. The Department's comments on the variations in costs are:-

"In Queensland, South Australia and Western Australia the price of commodities is cheaper.

It will be noted that Western Australia is cheaper than Queensland or South Australia. This is considered to be due to the fact that the Head Dietitian at Repatriation General Hospital, Hollywood, is an outstandingly efficient dietitian and kitchen manageress and has been able to maintain at the institution a staff of competent dietitians .

In South Australia and in Queensland, it has not been possible to retain, permanently, dietitians on the staff, and there have been long periods when responsibility for catering and kitchen management has fallen on the Supply Officer and cooks."

156. The Committee examined the costs of 11/4d per in-patient day at Heidelberg Hospital and 10/5d at Caulfield Hospital to ascertain the reason for this difference in the one State. The Department stated that the supply contractors and prices were the same for both hospitals, except for meat and bread. The price for bread under the two contracts showed a very small difference but the prices under the two contracts for meat varied widely, the overall result being a difference of about 6d. per in-patient day in favour of Caulfield Hospital.

157. The Department pointed out that a better comparison of the cost would be of the unit cost 'per person fed', because, in addition to in-patients, 'living-in-staff' were provided with meals. The figures for the two hospitals for 1952-53 were:-

	<u>Heidelberg Hospital</u>	<u>Caulfield Hospital</u>
In-patient days	347,847	54,361
'Living-in' Staff days	217,302	31,804
Total	565,149	86,165

If the total figures are used, the cost 'per person fed' is 6/11d. at Heidelberg Hospital per day and 6/7d at Caulfield Hospital.

158. The Department purchases its provisions under contracts arranged by the Branch Purchases and Contract Board, either at a firm price, or at prices advertised daily in the local newspapers. The contracts are for three to twelve months.

159. The State hospitals' methods, and the Department's comments upon them for the Committee are as follows:-

<u>State Hospitals</u>	<u>Purchasing Arrangements</u>	<u>Department's Comments</u>
Royal Prince Alfred, New South Wales	Food supplies are bought by the Hospitals' Purchasing Officer, and advantage is taken of Government Stores contracts for groceries where prices are favourable. Hospitals, however, are free to purchase outside such contracts when lower prices can be obtained. Purchases of vegetables in the case of Royal Prince Alfred Hospital are arranged through a supplier at the Markets, who buys at the best rates daily.	No comments
Royal Melbourne, Victoria	All food is purchased by the Institutional Purchasing Officer and periodical contracts are entered into by the Victorian Hospitals Association for milk, bread and meat. The Victorian Hospitals Association calls tenders, etc., but acceptance lies with the Hospital. Purchases of fruit and vegetables are arranged through a supplier who buys at the best rates daily at the market and charges a ten percent handling fee.	The Accountant of the Royal Melbourne Hospital indicated that the daily rates as per the Argus plus a percentage for handling was not as economical as their present method.
Royal Adelaide, South Australia	All contracts for the purchase of provisions are arranged by the Supply and Tender Board. Certain other supplies obtained at ruling market rates.	The purchase of provisions is very much the same as that in operation in this Department.

State Hospitals

Purchasing  
Arrangements

Department's  
Comments

Royal Perth,  
West Australia

Commodities such as groceries, meat, bread and milk are purchased from the contractors arranged by the State Government Tender Board. Other supplies such as potatoes and eggs are drawn direct from the appropriate Marketing Boards at current rates. A Hospital employee attends the Metropolitan Markets, and as an ordinary floor buyer does the purchasing of all fruit and vegetables.

The Royal Perth Hospital system of purchasing fruit and vegetables has proved so successful and economical that the Hospital has also been called upon to buy for a number of other Institutions.

Launceston  
General and  
Devon,  
Tasmania

Most provisions are obtained through contracts arranged with suppliers by the State Supply and Tender Department. A Purchasing Officer is responsible for obtaining all other supplies not covered by Contracts.

Little difference exists, except the Purchasing Officer attends markets and purchases vegetables and fruit for the Launceston and Latrobe Hospitals. Supplies for Repatriation General Hospital, Hobart, are supplied by the Contractor.

As some of the State hospitals appeared to place some reliance on direct market purchasing for cheap supplies, the Department was asked for its views, which are as follows :-

"Purchase by contract in effect means that the contract price includes market purchase price plus charges for handling, transportation and delivery of goods of appropriate quality at the particular Repatriation Institution.

Direct market purchase would, in addition to payment of all the above expenses, entail the employment of an experienced buyer or buyers, according to the type of goods purchased, otherwise such purchases could result in inferior goods being obtained.

Further, unless the goods were purchased in large quantities when the market price was cheap, it is considered that the chief benefit of direct buying could be lost. Perishable goods bought in large quantities would require suitable storage, which would involve additional expense.

It is also considered that it would be extremely difficult to ensure that no secret commissions were paid or other malpractices allowed in relation to such dealings at the open market.

. . . . .

Inquiries made from Department of Army, which has to provision many thousands of personnel throughout the Commonwealth, indicate that that Department has retained the contract system. The Commission is of the opinion that, taking all factors into consideration, 'direct market purchase' would not be more economical "

160. Having considered the above views, the Committee believes that it is worth looking at the methods in use in State hospitals. It, therefore, recommends that the Repatriation Department, the Department of the Treasury and the Audit Office should seek the co-operation of the State Health Authorities to allow of a survey being made of the purchasing methods used by the State hospital authorities.

(d) General Maintenance

161. The unit costs for general maintenance at Greenslopes and Springbank Hospitals are noticeably higher than those of the other hospitals. (see para. 143). The Committee obtained the following explanation from the Department:-

"In Greenslopes Hospital, Queensland, the cost of X-ray films was charged to this item instead of Item 2, Druggists' Sundries, etc. This has been corrected during the current year.

In Springbank Hospital, South Australia, the cost of providing disposable sputum flasks and containers was being charged to this item instead of Item 2 Druggists' Sundries etc. This also has been corrected."

(e) Fuel, Light, Power and Water

162. The raising of steam at the Concord, Heidelberg, Greenslopes, Springbank and Hollywood Hospitals is undertaken by the Department of Works and the cost is met from a separate vote in the Estimates, under the control of that Department, for example, in 1952-53:

(Under the control of the Department of Works)

Division 210 - Repatriation Establishments

Item 2. Operation and maintenance of equipment  
£300,000.

This is the bulk of the expenditure under this heading and the Repatriation Department obtains monthly the figures of expenditure from the Department of Works. The boiler-houses at the Caulfield and Hobart Hospitals (and where they exist at other Repatriation institutions) are operated by the Repatriation Department.

163. Light, power and water accounts are paid by the Repatriation Department.



164. The Repatriation Department's view is that, in the light of the responsibility of the Department of Works for the boiler-houses under its control, it is for the Department of Works to watch the costs of steam under those arrangements.

165. It seems to the Committee that, as the Repatriation Department is the department administering the hospitals and responsible for their operation, the Department of Works stands, in relation to the Repatriation Department, as a contractor operating the boiler-houses. The Repatriation Department should exercise a general supervision over the costs, comparing them with its own costs and pressing for economy in those instances where the costs appear to warrant it.

(f) Laundries

166. The Committee examines the operation of the Department's laundries in detail in paragraph 212 below.

167. A complication in the presentation of unit costs of the hospitals arises from the desire of the Department -

- (a) to show the cost of the hospital's laundry under a separate costing heading, and
- (b) to include the cost of the laundry as a whole, in wages, general maintenance, power and other costs.

In the costing statement, the total costs of the laundries are debited to the headings for wages and other costs. The total value of the laundry output is offset against the total costs in the 'Credit' for the hospital, and the actual cost of the laundry work done for the hospital is then debited under the heading 'Laundry'.

168. Although the laundries are attached to and are primarily to service the hospitals, they operate as separate units and undertake the work of other Departments. It seems to the Committee that, as far as costs are concerned, consideration might be given to costing the laundries as separate undertakings charging into the hospital costs only the cost of the work done for the hospitals. This would remove the present complication in the costing arrangements.

(g) Incidentals

169. The Department explained the high unit costs for Heidelberg Hospital as follows:- (a)

"The lack of staff at Heidelberg has been for a long time a factor in the necessity to work treatment staff on overtime.

To obtain and retain staff at Repatriation General Hospital, Heidelberg, it was necessary to provide bus transport to and from the hospital and city - the need to retain this bus service is under review.

In considering the number of treatment staff employed, it is worth noting that at May, 1951, which was the date on which staff reductions were based, the number of staff was well below establishment strength and consequently overtime is necessary to offset the deficiency."

170. In regard to the use of transport at the hospitals the Department provided the following comments:-

"At all Repatriation General Hospitals except Hobart there are ambulances and/or cars attached from the Department of Supply for the conveyance of patients to and from the institutions. This type of transport is only used where a medical officer certifies that car or ambulance transport is required. Use is also made of the cars for the transport of staff when essential (such as nurses living at departmental quarters not within the hospital grounds - as at Brisbane) or to provide a courier service to and from the Branch Office and Outpatient Clinic. The transport is arranged through a central section at the institution where care is exercised to ensure economical use is made of the vehicles and in particular whether, before the vehicle leaves the institution, there are any patients or staff to be taken to or picked up from the area concerned.

The authorisation for use of any transport is restricted to a senior administrative officer at the institution, and a review of transport requirements and use is conducted by each Deputy Commissioner periodically.

There are other vehicles - utilities and/or trucks, attached to Repatriation medical institutions for the transport of stores, laundry, etc., and the Secretary and/or Supply Officer at the institution exercise control over the use of these vehicles.

At Repatriation General Hospital, Heidelberg, Victoria, there is an omnibus service provided by the Department for transportation of staff to and from the city. This service was instituted because of the particular difficulty in obtaining staff for Repatriation General Hospital, Heidelberg, which was, in a large measure, due to the inconveniences and time taken in travelling by public transport... necessity to retain this service is under review."

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(a) See Para. 148 above.

(h) Occupational Therapy

171. This cost is the cost of materials only, salaries of the staff being included with other salaries. The Committee notes the wide variations between the level of the occupational therapy costs which range from 1d. per inpatient day at Concord Hospital, 3d. at Heidelberg Hospital, 4d. at Greenslopes and Springbank Hospitals, 7d. at Hobart Hospital to 10d. at Hollywood Hospital. These variations in unit costs appear to be in proportion to the extent of the development of the section in each case: for example, the high unit costs at Hollywood Hospital are due to the wood-work and metal workshops which are operating, as well as the normal leather and basket work. For the workshops, two full-time instructors and a pottery instructress are on loan from the Regional Director of Industrial Training.

(i) Special Expenditure

172. At the Hobart Hospital, adequate facilities do not exist for the X-ray of, and other special investigations for, inpatients and outpatients. The work is done by specialists outside the hospital (see paragraph 257 following).

173. The low unit costs at Concord Hospital are explained by the Department as follows :-

"The Medical Superintendent of Concord has been fortunate in having the services of Resident Medical Officers who possess higher academic qualifications. This has enabled him to use these medical officers as 'supervisors', who, because of their qualifications and experience, have been able to advise the younger or less experienced medical officers on both treatment and fitness for discharge. The success of this procedure is reflected not only in the shorter inpatient stay but also in the proportionately smaller number of visiting specialists employed at Concord".

It seems to the Committee that, if such excellent results can be achieved at the Concord Hospital, the Department should consider why it is not possible to obtain them at its other hospitals.

(j) Reserves for Maintenance of Equipment and Buildings

174. The bulk of the maintenance of buildings is undertaken by the Department of Works. The Repatriation Department

debits an even amount to the reserves monthly in order to equalise the debits in each month's costing statement. The accounts which it receives from the Department of Works are charged to the reserve accounts.

175. The Committee refers to its observations in paragraph 165 above on the relationship to the Department of Works for Fuel, Light, Power and Water costs : they apply equally to these maintenance costs.

176. The Department explained the procedure in respect of the accounts and the change in procedure which was made in 1952 as follows :-

"Prior to the takeover of the Army hospitals in 1947 it was the practice to keep three Reserves for Maintenance Accounts in respect of each Repatriation Institution as under :-

Reserve for Maintenance of Equipment,  
Reserve for Maintenance of Buildings,  
Reserve for Maintenance of Improvements,  
and a percentage of the on-charge value of the equipment, buildings and improvements was debited each month to Cost Account and credited to the relative Reserve for Maintenance Account.

The same system was continued up to 30.6.52 but owing to the necessity to carry out very large maintenance works and replace damaged and worn out equipment at the hospitals taken over from the Army which had not been done under Army control, it was found, despite an increase in the percentage charges in 1950, the debits to these accounts exceeded the credits by large amounts at these hospitals.

Another problem was the allocation between the Reserve Accounts of the large amounts spent on repairs and maintenance to buildings, equipment and improvements out of the amount made available for day to day maintenance carried out by the Department of Works at former Army hospitals. It was found a very difficult matter for the Department of Works to satisfactorily split up this expenditure between buildings, equipment and improvements.

In order to simplify this matter for both the Department of Works and this Department, it was decided to close off the Reserve for Maintenance Accounts as at 30.6.52 as they then stood, and make a fresh start on an entirely new basis as follows :-

- (a) Open as at 1.7.52 one Reserve for Maintenance Account for each institution styled "Reserve for Maintenance of Buildings, Improvements and Equipment";
- (b) Ascertain the total amount debited to all Reserve for Maintenance Accounts (Buildings, Improvements and Equipment) for the three years ended 30.6.52 and debit cost Account and credit Reserve for Maintenance of Buildings, Improvements and Equipment Account each month commencing in July, 1952, with 1/36th of this amount.
- (c) Statements showing the position of Reserve for Maintenance Account are submitted to Headquarters at the end of December and June each year following the half year ended 31.12.52 and Deputy Commissioners advised as early as possible after the end of each half year of any alteration in the amount to be debited to Cost Account and credited to Reserve for Maintenance Account each month during the ensuing six months.

This system has only been operating for one full financial year but it is thought it will give a much better result than that obtained previously and it does simplify the work in the Branch Offices of this Department. For the purposes of this statement the three (3) Reserve for Maintenance Accounts operating prior to 1.7.52 have been combined into the one account".

177. The examination of the details of the Reserve Accounts of the hospitals from 1st July, 1948 to 30th June, 1953 showed that, up to 30th June, 1952 the system had not worked well. For example, the Reserve account for the Concord Hospital, perhaps the worst case, was:-

	Debits from Expenditure	Credits to establish Reserve	Debit Balance at end of Year
	£'000	£'000	£'000
1948-49	115	33	123
1949-50	115	42	196
1950-51	150	109	237
1951-52	124	107	253

The Account shows a constant short credit to the Account for the years up to 30th June, 1952 and, as a result, the cost of this item has been understated in the hospitals' costing statements.

178. The Reserve Accounts for other hospitals show varying results, some in debit and some in credit, but the overall result at 30th June, 1952 when the system was changed, was, for all hospitals, sanatoria, outpatient clinics and hostels, as follows:-

Total of balances of Reserve Accounts in debit	£475,131
Total of balances of Reserve Accounts in credit	<u>50,083</u>
Net Debit	<u>£425,048</u>

The Reserve Accounts are book entries only and the writing off of the balances of the Accounts at 30th June, 1952, did not present any difficulties.

179. The Accounts have not reflected the position correctly for some years and it has apparently taken some time to adopt a new procedure. The Committee believes that, if the cost accounts are to be of value, the figures of accounts such as these should be scrutinised regularly.

(k) Reserve for Depreciation of Buildings

180. An amount of two percent of the 'on charge' value of buildings is debited to the cost account of each hospital

and credited to a Reserve Account for each hospital. From 30th June, 1949 to 30th June, 1953, the balance of the Reserve Accounts for all hospitals, sanatoria, outpatient clinics and hostels, rose from £185,385 to £475,308. Charges to the Reserve Accounts during the period amounted to only £9,410.

181. A Depreciation Reserve is not generally provided for by the State hospitals in their accounts.

182. The Committee doubts whether a Depreciation Reserve of this nature is necessary for Repatriation hospitals and suggests that the Department, with the Department of the Treasury and the Audit Office, should consider the point.

(v) United Kingdom Hospitals under the United Kingdom National Health Service Act 1946-1951

183. The costing and control problems confronting the Repatriation Department in relation to its hospitals have been encountered by the United Kingdom Government, through the United Kingdom Ministry of Health, on a much larger scale in respect of the hospitals operating under the United Kingdom National Health Service Act, 1946-1951.

184. In his Report on the 1951-1952 Accounts of the hospitals<sup>(a)</sup> under the United Kingdom National Health Service Act, 1946-1951, the United Kingdom Comptroller and Auditor-General reports on the cost accounting aspects as follows :-

"For 1950-51 the Ministry introduced a simple uniform system of cost accounting under which hospitals submitted annual returns giving figures of cost per patient-week after adjustments designed to eliminate outpatient costs and to take some account of variations in the extent of occupancy of beds. In June 1952 the Ministry published these returns for 1950-51 and informed hospital authorities that the primary object of the publication was to enable them to compare their costs with those of comparable hospitals and with the regional and national average costs. They suggested that investigation of the causes of differences thrown up would be of value in securing economy and improving efficiency."

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(a) National Health Service Act, 1946-1951: Accounts 1951-1952 and the Report of the Comptroller and Auditor-General, House of Commons Paper 139, dated 31st March, 1953.

I asked the Ministry what arrangements they had made to ensure that relatively high costs shown by the returns were investigated, and whether hospital authorities would be required to report to the Ministry the outcome of these investigations. They informed me that it was not their intention to undertake a detailed central inquiry into hospital unit costs, but that they proposed to seek information on broad lines from Regional Hospital Boards and Boards of Governors of teaching hospitals as to the action they had taken. They asked for this information in December, 1952. Most of the replies so far received from Boards of Governors of teaching hospitals state that their functions are so dissimilar to those of other hospitals that comparison of costs cannot be made. Those received from Regional Hospital Boards indicate that some comparisons are being made, but information is not yet available to show how far economies have been made as a result of the inquiries.

Cost returns for 1951-52 were published in March, 1953. The Ministry have asked Boards of Governors and Regional Boards to submit by 30th September, 1953 reports showing what action has been taken on these returns."

In the same Paper, the Accounting Officer of the Ministry also refers to the problem in the following terms :-

"The present analysis of costs is under the subjective headings of the financial accounts. An investigation into objective costing, by departments and services, was carried out as a practical experiment at a number of hospitals by the King Edward's Hospital Fund for London, and the Nuffield Provincial Hospitals Trust at the request of the Minister during 1951-52. The results of the investigation have been embodied in separate reports. Both reports, though differing in detail in the recommendations they put forward, advocate discontinuance of the existing subjective accounting system, the introduction of a system based on the departments and services of the hospital, and the reduction, where appropriate, of the expenditure of departments to costs per unit of work performed. The Minister is consulting representative hospital bodies as to the value to hospital administration of the system advocated in each report, its practicability and its likely cost in money and manpower. Pending a decision on the complex issues raised, the present system will be continued."

185. This matter has been discussed by the United Kingdom Public Accounts Committee which, in its Third Report for 1952-53, (House of Commons Paper No. 203) paragraphs 18 and 19, comments as follows :-

"Your Committee inquired into the use made of the cost returns obtained from hospitals as a result of the simple uniform system of costing introduced by the Departments. The Department



of Health for Scotland began investigations early in 1951 into 43 hospitals where costs were 25 per cent. or more higher than the average of similar types of hospitals. They stated that reductions in costs of varying amounts were obtained in twenty of these hospitals. The Ministry of Health introduced a system of costing in 1950-51. The first cost returns for England and Wales were published in June, 1952, and Regional Boards and Boards of Governors of teaching hospitals were asked to inquire into the causes of differences in cost at comparable hospitals. From reports received from Regional Boards the Ministry are satisfied that these inquiries have been of real value. The Boards of Governors of teaching hospitals, however, have mainly taken the view that they cannot be compared with non-teaching hospitals.

Your Committee note that these returns have been found generally useful in securing economical administration. They realise that the differing functions of the various hospitals may make comparison difficult, but they would have thought comparisons of many items of cost both possible and useful and they trust that all hospital authorities will co-operate in making them. They understand that discussions are proceeding with the hospital authorities as to the desirability of introducing more detailed departmental hospital costing. They consider that these investigations should be vigorously pursued, as they believe that a more detailed system of costing could give a better basis for comparison between one hospital and another, and could give those working within the hospital fuller knowledge of the expenses they were incurring."

Subsequently, the United Kingdom Treasury agreed with the Public Accounts Committee that the costing of hospital expenditure offered considerable possibilities for the securing of economical administration.

(c) Sanatoria

186. Many of the matters discussed in regard to Repatriation hospitals apply equally to the Repatriation sanatoria, for the systems and procedures are the same. There are a number of matters arising from the sanatoria statistics and costs which the Committee discusses in the following paragraphs :-

(1) Sanatoria Statistics

187. The following table shows the capacity of the sanatoria, the beds erected and the average number of beds occupied:-

	Lady Davidson N. S. W.	Macleod Vic.	Kenmore Q'lnd.	Birralee S. A.	Edward Millen W. A.	Total
Designed Bed Capacity 30th June, 1953	255	120	64	52	38	529
Beds erected 30th June, 1953	236	120	64	44	39	503
Average Beds occupied six months to 30th June, 1953	191	88	60	36	36	411
Average Empty Beds for six months to 30th June, 1953	45	32	4	8	3	92
% Empty Beds to Beds erected	19.1%	26.6%	6.2%	18.2%	7.7%	18.3%

183. The sanatoria are reasonably well occupied up to their bed capacity and to a much greater extent than is the case with the Repatriation hospitals (paragraph 99 above).

189. The number of empty beds, and the percentage of the empty beds to the total number of beds erected, have been consistently high at the Macleod Sanatorium and are now also high at the Lady Davidson Home. The Department said that there was, at times, a reluctance among patients to go to the sanatoria.

190. The average stay of inpatients in Repatriation sanatoria, in days, for the six years to 30th June, 1953, is as follows :-

	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
	Days	Days	Days	Days	Days	Days
Lady Davidson Home, N. S. W.	133	157	144	153	154	142
Macleod, Vic.	129	100	93	87	97	89
Kenmore, Q'lnd.	102	107	103	94	109	117
Birralee, S. A.	79	139	79	85	100	107
Edward Millen Home, W. A.	-	-	169	172	121	119
All Sanatoria	127	132	122	120	124	119

The figures show a sharp decline in the length of stay at Macleod Sanatorium and the Edward Millen Home, but an increase in the length of stay at the other sanatoria. In paragraph 118 above, the Committee refers to the view of the Consultant (Chest Diseases) that the statistics for the tuberculosis inpatients in the general hospitals and the sanatoria should be combined in order to obtain the correct record.

191. Figures supplied to the Committee by the State Health Authorities of the average stay in days of inpatients in State tuberculosis sanatoria are :-

Sanatoria	1951-52	1952-53
	Days	Days
<u>NEW SOUTH WALES</u>		
Bodington	150.6	134
Queen Victoria Homes	167.3	183
<u>VICTORIA</u>		
Gresswell	322	338
<u>SOUTH AUSTRALIA</u>		
Bedford Park	141.7	158.3
<u>WEST AUSTRALIA</u>		
Wooroloo	242.9	229.2

192. Ward staff figures for the sanatoria are as follows :-

		Lady Davidson N. S. W.	Macleod Vic.	Kenmore Q'ld.	Birralee S. A.	Edward Millen W. A.
31.12.51	Ward Staff	67	27	22	14	17
	Number of Beds occupied to Ward Staff	3.0	3.0	2.6	2.6	2.1
30.6.52	Ward Staff	72	28	28	16	17
	Number of Beds occupied to Ward Staff	2.6	2.7	2.0	2.4	1.9
31.12.52	Ward Staff	73	28	18	13	17
	Number of Beds occupied to Ward Staff	2.8	2.5	3.2	3.2	2.0
30.6.53	Ward Staff	75	28	26	16	17
	Number of Beds occupied to Ward Staff	2.5	3.1	2.3	2.3	2.1

(ii) Sanatoria Costs

193. The costs of the Repatriation sanatoria for 1952-53 per inpatient day are as follows :-

	Lady Davidson Home N. S. W.	Macleod Vic.	Kenmore Q'Ind.	Birrallee S. A.	Edward Millen W. A.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Salaries	1 4 7	1 14 10	1 17 2	1 7 6	1 13 2
Reserve for Marriage Allowances	3	3	5	2	3
Medicines	1 2	1 8	1 3	1 6	1 3
Provisions	10 1	10 1.	10 8	8 8	6 2
General Maintenance	2	3	9	6	6
Fuel, Light, Power and Water	2 5	3 6	3 0	2 0	3 2
Laundry	6	1 0	10	1 1	1 0
Reserve for Maintenance of Equipment	7 7	6 2	3 9	1 8	2 8
Reserve for Depreciation of Buildings	11	1 1	1 6	1 1	7
Incidentals	2 1	3 0	4 4	2 11	1 10
Occupational Therapy	4	1 0	1 0	6	6
Special Expenditure	3	1 10	11	2 0	7
Sub-total	2 10 4	3 4 11	3 5 7	2 9 7	2 11 8
Less Credits	1	3	4	3	6
Net Total	£2 10 3	£3 4 8	£3 5 3	£2 9 4	£2 11 2

194. The costs of inpatients at State sanatoria per inpatient day for 1952-53 are set out in detail in Appendix No. 10 and are summarised as follows :-

	<u>Cost per Inpatient day</u>		
	<u>1952-53</u>		
	£	s.	d.
<u>NEW SOUTH WALES</u>			
Bodington	3	6	2
Queen Victoria Homes	2	0	9
<u>VICTORIA</u>			
Gresswell	2	14	8
<u>SOUTH AUSTRALIA</u>			
Bedford Park	2	7	2
<u>WESTERN AUSTRALIA</u>			
Woolloomoo	3	5	10

(a) Salaries

195. The Department provided the following explanations of the high unit cost of salaries at Macleod and Kenmore Sanatoria :-

MACLEOD SANATORIUM, VICTORIA

"The difference in the cost of salaries at the sanatoria in Victoria and New South Wales is due mainly to the ratio of staff apart from staff working in wards in the Victorian Sanatorium being much greater than in New South Wales.

This staff is necessary to conduct the institution, and, if the patient strength were to increase to the full capacity of the institution, would not need to be increased to any great extent.

The salaries which would not be affected, or affected very little by the increase in the number of patients are as follows. The cost per patient per day is shown in respect of these items for each institution :

<u>Medical Superintendent -- Annual Salary £2,068</u>		<u>Difference</u>
Turrumurra, N. S. W.	= 8d. per patient per day	
Macleod, Victoria	= 1/5d. "	9d.
<u>Matrons:</u>		
£911 - Turrumurra, N. S. W.	= 3d. "	
£827 - Macleod, Victoria	= 7d. "	4d.
<u>Cooks:</u>		
1 Chef £ 878	} Turramurra, N. S. W. = 1/1d. "	
1 Grade II £ 798		
3 " I £2,256		
1 Grade II £ 798	} Macleod, Victoria = 2/1d. "	1/0d.
3 " I £2,256		
<u>Hospital Assistants (working outside of Wards):</u>		
Cost £7,549 Turrumurra, N. S. W.	= 2/1d. "	1/10d.
" £5,645 Macleod, Victoria	= 3/11d. "	
<u>Orderlies (working outside of Wards):</u>		
Cost £21,557 Turrumurra, N. S. W.	= 5/11d. "	5/0d.
" £15,515 Macleod, Victoria	= 10/11d. "	
<u>Occupational and Educational Therapy :</u>		
Cost £2,103 Turrumurra, N. S. W.	= 6d. "	<u>6d.</u>
" £1,420 Macleod, Victoria	= 1/0d. "	
Total		<u>9/5d.</u>

KENMORE SANATORIUM, QUEENSLAND

"The increased cost of salaries at this institution as compared with other institutions is due to several factors - the most important being the necessity to have three motor drivers for the 'bus service necessary to transport staff and patients to and from the institution. There is no regular public transport from the nearest railway station to Kenmore, a distance of six miles, and the 'bus route is approximately three miles away. The cost of such drivers' salaries represents 2/1d. per patient per day. In addition, four gardeners are employed at this institution as compared with two at Birraloe, South Australia, and two at Macleod, Victoria. Another aspect is that female hospital assistants are difficult to obtain, consequently, male orderlies at increased salary, are employed in their stead. There are more hospital type patients at this institution, and, therefore, additional nursing staff (compared with other institutions) is required."

196. At the Lady Davidson Home, the Department's statement shows that one chef and four cooks are provided for an average of 191 patients (for six months to 30th June, 1953) while at the Macleod Sanatorium, one chef and three cooks are provided for less than half the number of patients (an average of 88 for the six months to 30th June, 1953).

197. The Committee believes that the staffing of Repatriation sanatoria should receive attention from the Public Service Board in its examination of the Department under Section 17 of the Public Service Act 1922-1953.

(b) Medicines

198. The Department attributed the higher unit costs of medicine at Macleod Sanatorium to the shorter stay of inpatients (an average of 89 days as against the Commonwealth average of 119 days for 1952-53): this was brought about by the greater use of expensive drugs which resulted in a more rapid cure.

(c) Provisions

199. The Department's explanation of the variations in the costs of provisions is as follows :-

"In Queensland, Western Australia and South Australia, provisions are cheaper, which explains why South Australia and Western Australia show lower costs than New South Wales and Victoria.

Western Australia is lower than South Australia because of the influence of the very efficient head dietitian in that State, whereas South Australia has not had the same advantage.

Queensland has lacked also the advantage of supervision by an experienced dietitian. Another factor might well be that Kenmore has been kept full of patients of whom a larger proportion are sicker patients than at either 'Bivalee' or 'Edward Millen Home'. The patients require more expensive diets."

(d) General Maintenance

200. The higher cost of general maintenance at Kenmore Sanatorium was due to charging to that item the cost of X-ray films. The Department stated this was incorrect and would be remedied.



(e) Fuel, Light, Power and Water

201. The high cost of coke accounted for the greater unit cost under this heading at Macleod Sanatorium. The Edward Millen Home is a small institution with large grounds which are lighted by electricity. A relatively heavy charge for electricity results.

(f) Laundries

202. The Committee discusses the arrangements for laundries in South Australia in paragraph 217 below.

(g) Incidentals

203. The higher cost of incidentals at MacLeod Sanatorium is attributed to the amount of overtime which has to be worked to make up for shortages in treatment staff.<sup>(a)</sup> At Kenmore Sanatorium, a bus service is provided for the transport of the staff and patient visitors, and the cost, apart from the wages of the drivers, is charged to this heading. The question of the transport of patient visitors is, at present, being considered by the Department of Supply and the Treasury.

(h) Occupational Therapy

204. Occupational therapy has been developed to a greater extent at the Macleod and Kenmore sanatoria than at the other sanatoria.

(i) Special Expenditure

205. Medical specialists attend more frequently at Macleod Sanatorium than elsewhere. For Birralee Sanatorium, all X-ray and pathological work is done outside the Sanatorium.

(d) Outpatient Clinics

206. The costs of the outpatient clinics are prepared in total and on a unit basis as for the other institutions, the unit in this case being "an attendance by an outpatient".

207. In the case of out-patients attending Repatriation hospitals, if the out-patient visits more than one section of the Repatriation hospital whilst there, each visit to a separate section is counted as an outpatient attendance, so that the out-patient may be counted as attending the hospital more than once

(a) See Para. 148 above.

on the one visit. This does not conform with what the Committee understands is the practice of State public hospitals generally. In those hospitals, the outpatient is registered for medical treatment at the Outpatient's Department of the public hospital and his visit is counted as one, no matter how many sections of the public hospital are visited. The Committee suggests that the Department should investigate the position so that it may be able to prepare its statistics on a basis similar to that adopted by the State hospitals to facilitate valid comparisons.

208. The unit costs of the Department's outpatient clinics for 1952-53 per attendance are as follows:-

	Sydney N. S. W.	Melbourne V'c.	Windsor Q.	Keswick S. A.	Perth W. A.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
Salaries	17. 1.	13. 6.	1. 0. 8.	15. 0.	18. 2
Reserve for Marriage Allowance	. 2	. 1	. 4	. 3	. 4
Medicines	4. 4	4. 0	3. 8	4. 7	3. 8
General Maintenance	. 1	. 36	. 1	-	-
Fuel, Light, Power & Water	. 4	. 4	. 2	. 6	. 6
Laundry	. 2	. 3	. 3	. 2	. 1
Reserve for Main- tenance of Equipment	1. 5	. 1	1. 5	. 10	. 1
Reserve for Depreciation of Buildings	-	. 2	. 4	. 1	. 6
Incidentals	2. 1	. 4	. 8	1. 1	1. 2
Occupational Therapy	-	-	. 3	-	-
Special Expenditure	3. 6	2. 8	5. 5	5. 5	8. 5
Sub-total	1. 9. 2	1. 1. 5	1. 13. 3	1. 7. 11	1. 12. 11
Less Credits	8. 1.	1. 2	3. 1	3. 8	1. 8
Nett Cost per Outpatient Attendance	£1. 1. 1	1. 0. 3	1. 10. 2	1. 4. 3	1. 11. 3

209. The number of attendances at the outpatient clinics for 1951/52 and 1952/53 were:

Year	Sydney N. S. W.	Melbourne Vic.	Windsor Q.	Keswick S. A.	Perth W. A.	Total
1951/52	135,214	87,814	24,101	28,234	16,263	291,626
1952/53	131,727	86,117	24,496	28,680	13,795	284,815

210. Some of the Department's explanations of particular costs at clinics are:-

- (a) the reduced number of attendances of outpatients in 1952-53, as compared with 1951-52, was advanced as being a contributing factor to the higher costs at the New South Wales, Victorian and, particularly, West Australian clinics,
- (b) The high incidentals cost at the New South Wales Clinic arose from the rent payable for two floors occupied by the Clinic in the Grace Building, Sydney,
- (c) the high 'Credit' for New South Wales Clinic is for the large number of examinations for pensions reviews undertaken on behalf of the Branch Office, which is in the same building as the Clinic.

211. The Committee draws attention to the variations in the unit costs of the different clinics.

(e) Laundries

212. The Repatriation Department operated laundries at the following hospitals:-

Concord Hospital, New South Wales,  
Heidelberg Hospital, Victoria,  
Caulfield Hospital, Victoria,  
Greenslopes Hospital, Queensland, and  
Hollywood Hospital, West Australia.

A laundry was operated at the Randwick Hospital, New South Wales until the hospital was handed over to the State Government in

December, 1952.

213. The laundries do the laundry work of the Repatriation hospitals, sanatoria, outpatient clinics, limb factories and offices. Where surplus capacity is available, the laundries undertake work for other Commonwealth Departments. In 1952-53, the value of this work amounted to \$41,000 out of a total turnover of £162,000 - 25 percent.

214. The laundries' accounts are debited with wages, the cost of stores, power and other relevant charges. Prices for the work are calculated to cover these costs. The prices quoted in respect of Repatriation laundries are standard for every Repatriation laundry in the Commonwealth. A quarterly review is carried out and a discount is allowed from list prices where this can be done. If, on the other hand, it is proved that the cost exceeds the turnover calculated at list prices, a percentage is added. At present, 10 percent discount is allowed from the standard list prices in Queensland and 20 percent in Western Australia. In New South Wales and Victoria, standard list prices are charged without any addition or discount.

215. For 1952-53, the trading results of the laundries were as follows:-

Laundry	Number of Pieces Treated	1952-53	
		Turnover	Cost
New South Wales	3,939,560	£ 61,877. 2 3	£ 61,040. 3. 6
Victoria	3,832,789	62,514. 9. 0	54,045.19. 8
Queensland	1,547,833	19,743. 3. 7	17,271.12. 3
West Australia	1,319,258	18,108.15. 3	16,816. 3. 8
	10,639,440	£162,243.10. 1	£149,173.19. 1
		Net Surplus	£13,069.11.0

216. The Committee has compared the prices charged by the laundries with those of large commercial laundries obtained by the Department at the Committee's request. The Department's prices are generally much cheaper than those of the commercial laundries, for example:-

ITEM (per doz.)	N. S. W.	Vic.	Q'Ind.	W. A.	S. A.	Répat. Dept.
Aprons (Cook)	8/-	7/-	5/-	3/-	11/-	2/6
Blankets	30/-	28/-	21/6	15/-	23/-	12/-
Caps (Nurses)			4/-		6/-	4/-
Cases Slip pillow	3/9	3/5	3/-	3/-	5/3	3/3
Cloths Table (Large)	9/2	9/9	7/8	12/-	9/6	7/-
Cloths Table (Small)	9/-	9/2	7/6	9/-	-	5/-
Jackets Pyjama	12/-	11/-	8/-	4/-	7/6	3/6
Trousers "	12/-	11/-	8/-	4/-	7/6	3/6
Serviettes	5/0	5/-	3/-	no quote	4/3	2/-
Sheets Hospital	5/6	4/11	5/6	3/4	7/	4/-
Towels Bath, Face or Hand	3/9	3/5	3/-	3/-	5/3	2/6
Towels Surgical	3/9	3/5	3/-	3/-	5/3	3/6
Towels Tea (Glass)	3/9	1/11	3/-	2/-	4/3	2/-
Uniforms Nurses	36/-	55/-	30/-	no quote	35/-	24/-

Note: See paragraph 214 above for current departmental discounts.

217. There is no departmental laundry in South Australia or Tasmania, and the laundry work there is done by private firms at prices which are higher than those of the Department's laundries in other States. In regard to South Australia, the Department stated that it had used the Department of Supply laundry at Salisbury, but that laundry was now used only for the requirements of the Department of Supply in South Australia. A new laundry for the Department's work, and that of other Commonwealth departments in South Australia, had been under consideration for approximately three years but no decision had been reached. The Department thought that the cost of a new laundry would be about £90,000 but it would do its work more cheaply

than the private contractors. It had not recently explored the possibility of having the work done at the Salisbury laundry as an alternative to the new laundry.

218. It seems to the Committee that the matter discussed in paragraph 217 is one where an investigation should have been made long ago. The Department, in consultation with the Department of the Treasury and other Commonwealth departments concerned, should give the matter immediate consideration.

(f) Limb Factories

219. The total expenditure of the Department's limb factories in 1951/52 and 1952/53 was as follows :-

Artificial Limb Factory	1951-52	1952-53
	£	£
New South Wales	60,097	80,871
Victoria	66,480	81,484
Queensland	23,007	24,886
South Australia	14,507	15,963
Western Australia	18,486	20,199
Tasmania	8,514	11,243
	£191,091	£234,646

220. The Committee obtained details of the work done at each limb factory and the average cost for each job. Its object was to compare the costs of similar types of work at the various factories. The Department explained that :-

"It is not practicable to compare costs of limbs, etc., in one State with those manufactured in another because of the wide variations in the types of stumps which have to be fitted and the various types of malformed feet which require surgical boots.

For example, two members with an above the knee amputation may have a leg commenced at the same time, but because the stump of one is different from the other, the artisans may spend 60 or more hours on his leg and only 40 on the other.

As far as surgical boots are concerned, one pair of boots may be for a member with hammer toes, whilst another pair may be for a member with a bad gun shot wound which has shortened his leg, thereby requiring cork soles. The time taken on one pair may be much less than the other and so may the material used.

In the manufacture of all surgical aids the requirements of the Orthopaedic Surgeon in charge of the case also has a bearing."

The greater proportion of costs would be in measuring the individual and adapting the artificial limb or appliance, a matter largely, and necessarily, done by trial and error.

221. Stump socks are produced in two States, New South Wales and Victoria, and the number and average cost for 1952-53 were :-

	No.	Average Cost £. s. d
New South Wales	6,014	13. 1
Victoria	6,980	1. 2. 3

The Department explained the difference in costs as follows :-

"One of the reasons for the discrepancy in prices is that the New South Wales Factory, 1952-53, issued yarn purchased a considerable time previously, at 22/6d. lb., whereas Victoria in 1952-53 used yarn purchased at 31 3d. lb. This does not, of course, account for all the difference, as the average weight of a stump sock is only 3½ ozs.

The New South Wales Factory does not manufacture stump socks. It issues the yarn to a manufacturer in Adelaide who makes up a quantity of socks and advises the New South Wales Factory the quantity of yarn used and the cost of manufacture. The Stock Job cost card at the New South Wales Factory is debited with these particulars and, after charging Administration (at present 25%) the average cost per sock is ascertained.

In Victoria, the stump socks are manufactured completely in the factory by male labour - disabled ex-servicemen, whereas the contractor in Adelaide uses female labour. Consideration is being given to closing this section in the Victorian Factory."

222. A large proportion of the work is in the production of surgical boots, the average costs for 1952/53 being :-

	Number of Pairs	Average Cost £. s. d
New South Wales	3,311½	9. 4.10
Victoria	1,827	10.11. 5
Queensland	709	9. 8. 0
South Australia	530	8. 1.10
Western Australia	546	12.10. 6
Tasmania	450	9.13. 9

As the numbers were large enough to suggest that the costs of the various States could be compared, the Committee inquired whether an examination of these costs had been made. The Department stated that it had been aware of the variation in the average costs, but, as it had not made any close investigation, it found it difficult to arrive at any clear answer. It thought that the best solution would be an expert committee to investigate each factory on the spot.

223. The Committee endorses the principle of the Department's suggestion that there should be an expert investigation of the costs of the factories; it thinks that there should also be a closer review of the costs of current production of the factories.

224. The Department claimed that its costs were much cheaper than the costs of private manufacturers and, to substantiate this claim, it submitted to the Committee a statement of the prices of artificial limbs and appliances from the Department's factories and from private firms in all States. Examples of the prices are as follows :-

	Repatriation Department's Average Cost <u>1953</u>	Private Firms' Prices
<u>New South Wales</u>		
Above Knee Metal	£71.16.11	£125-145
Below Knee Metal	48.16. 4	£100
<u>Queensland</u>		
Above Knee Hanger	54. 3.10	Metal 99.10. 0 Wood 88.10. 0 plus about £4 air freight Melbourne to Brisbane
Below Knee - Wood	41.13.11	56. 0. 0

In only one instance was the cost of the Department higher than that of the outside manufacturer: viz:- for the 'above knee' wooden limb in Western Australia, where an association made limbs at a 'standard' cost for its members only.



225. The Department supplies a small number of appliances to persons not eligible under the Repatriation Act 1920-1953 through the Commonwealth Department of Social Services, other Commonwealth and State Departments, the Australian Red Cross Society and other patriotic and philanthropic societies, and to ex-members and dependants not eligible under the Repatriation Act 1920-1953. The percentage of the output of the factories supplied in these cases was not large - See Appendix No. 11. The Department stated that it had a high level instruction to support its policy and urged that it was desirable to maintain the capacity and quality of the work of the factories.

(g) General Observations on Repatriation Institutions

226. The Committee has obtained details of the costs on a unit basis and has inquired into the reasons for differences revealed between the unit costs of the several institutions serving similar classes of patients.

227. The Committee's purpose has been to discover the degree of effectiveness of the Head Office administrative surveillance over its institutions. The Committee does not doubt that statistics and costs are taken out regularly but it would appear that they have not been subjected to any effective scrutiny at a high administrative level. If this had been done, the Department would not have found itself in the position that it could merely suggest reasons for differences where exact causes might have been advanced; and could not offer reasons where causes should have been known. The failure to take obvious steps to remedy defects in organisation followed naturally from a lack of effective scrutiny of statistics and unit costs. The Committee confidently expects that the Public Service Board will pay attention to these aspects of the Department's administration during its investigation under Section 17 of the Public Service Act 1922-1953. The long delay in making this investigation will have been noted.

228. As an indication of the purpose which the Committee has in mind, the Committee suggests that the Public Service Board might consider, after consultation with the Department,

establishing a small section (under the present Repatriation organisation attached to a Commissioner) whose responsibility would be the scrutiny and investigation of institutional statistics, accounts and costs. The investigator should be of senior standing, used to following up lines of inquiry suggested as a result of the examination of statistics and unit figures of large scale institutions.

229. It would also be of value, the Committee believes, to circulate monthly to all States and managers of institutions, the statistics and unit costs of all institutions so that each will be aware of its own position in relation to other States.

230. The Department should also maintain a close contact with the State Health Authorities.

(6) MEDICAL TREATMENT

(a) Local Medical Officer Service

231. The Department explained to the Committee the details of the Local Medical Officer service as follows :-

"The Repatriation Commission provided, free of cost, all necessary medical and surgical treatment, including dressings, artificial replacements and surgical aids, to 'members of the Forces' of the war which commenced in August, 1914 and September, 1939 and of the Korea/Malaya operations, in respect of :-

- (a) Disabilities accepted as due to war service;
- (b) Pulmonary tuberculosis irrespective of whether due to war service or not;
- (c) Venereal disease contracted during war service;
- (d) The Repatriation Commission may also provide active remedial treatment for ex-members of the Forces who are in receipt of war pensions at the full general rate payable upon total incapacity or at the Special Rate in respect of any disease or disabling condition not due to war service, except infectious or contagious diseases, alcoholism, drug addiction or chronic or incurable diseases requiring prolonged inpatient treatment or in respect of any condition for which the member is eligible under Commonwealth or State Law, or any scheme of contract medical attention.

Subsequent to the 1914-18 war, in order to provide treatment for Repatriation patients, Outpatient Clinics were established for the convenience of Metropolitan cases and a Local Medical Officer was appointed in each country district.

It became apparent during the 1939-45 war that these arrangements would not be sufficient to cope with the needs of incapacitated ex-servicemen from that war and, accordingly, in August, 1946 the Local Medical Officer scheme was extended to permit the appointment of Local Medical Officers in the metropolitan areas and additional Local Medical Officers in Country Areas. Thus, an appointment as Local Medical Officer was open to any registered medical practitioner who made application, irrespective of the number of Local Medical Officers appointed in a particular area, and ex-service personnel were given the opportunity of selecting the doctor of their choice rather than being restricted to the one medical practitioner. There are, at present, 3,023 Local Medical Officers."

232. The ex-serviceman eligible for treatment is given a free choice of a Local Medical Officer in the area in which he resides and, in metropolitan areas he may obtain treatment at Repatriation outpatients' clinics.

233. The fees payable are as under :-

- (1) Local Medical Officers are paid a fee of 12/6d. for each attendance by the patient or visit to the patient's home. There are fees laid down for specific reports, examinations and certificates for varying purposes.
- (2) There is provision for payment of special fees in respect of specific injections and/or types of transfusions, etc..
- (3) The fees payable to Local Medical Officers cover all mileage rates up to a two-mile radius from the surgery, or branch surgery, beyond which the mileage rate of 2/6d. per half mile or part thereof (one way) is paid provided that it is necessary for the Local Medical Officer to make a special visit to the patient."

The Department thought that the present procedure in respect of the submission of claims by local medical officers for services rendered, and the subsequent internal checking of the claims, were adequate and that the cost of a more detailed check would not be warranted.

234. There had been little evidence of any abuse of the scheme. In the event of a suggestion of abuse, either by

an ex-serviceman or a Local Medical Officer, the Department would discuss the position with the person concerned but, as it was so often a matter of opinion, the question was a difficult one.

235. Over recent years the cost of the scheme had increased, as follows, because of higher fees paid to Local Medical Officers and the greater use of the scheme by ex-servicemen :-

	£
1949-50	174,712
1950-51	231,512
1951-52	334,404
1952-53	416,375

236. A ten percent sample of all Local Medical Officers' claims in all States in 1952/53 gave the following statistics on Local Medical Officers' visits to patients :-

Number of Visits 1952-53	Number of Local Medical Officers		
	Metropolitan	Country	Total
up to 250	22	54	76
251 - 500	19	37	56
501 - 1,000	39	26	65
1,001 - 2,000	40	18	58
over 2,000	22	3	25
	142	138	280

237. The Committee was informed of a case in which a Local Medical Officer claimed for payment for visits once or twice a day to one patient over a number of years. The patient in question refused the Department's request to enter a Repatriation hospital for a possible cure. The Committee understands that the case is not a typical one but nevertheless it believes that the Department should give consideration to the issues which the case raises including that of applying a limit to the liability of the Commonwealth when the patient refuses to co-operate with the Department for treatment.

(b) Pharmaceutical Benefits

(i) Repatriation Department Scheme

238. For the treatment of an accepted disability of an ex-serviceman, the Local Medical Officer may prescribe medicines, lotions or other drugs and dressings from a pharmacist. Where there is no pharmacist in the district the Local Medical Officer may do his own dispensing.

239. The Local Medical Officer uses the Department's prescription form which is in triplicate; the ex-serviceman patient signs on the form for the receipt of the medicine from the pharmacist and the pharmacist then claims on the Department for payment.

240. The prescriptions are checked by the Pricing Bureau of the Federated Pharmaceutical Service Guild of Australia under an agreement which provides for the Department to pay one and a half percent of the gross amount payable to the pharmacists each year. For the year 1952/53, the payment amounted to £9,562.

(ii) Comparison with Commonwealth Department of Health Pharmaceutical Benefits Schemes

241. The Committee thought that it would facilitate its examination of the Repatriation Department's scheme for pharmaceutical benefits if it could compare it with the schemes recently introduced and administered by the Commonwealth Department of Health. The Departments were invited to discuss the following aspects with the Committee :-

- (1) the control of wasteful prescribing,
- (2) the cost of administration, and
- (3) prices.

The Committee's comments on these aspects are as follows :-

(1) Control of Wasteful Prescribing

242. The Commonwealth Department of Health stated that the following measures were taken to prevent wasteful prescribing :-

- "(1) Restriction of certain of the costly drugs to the treatment of specified diseases, under Regulation 14A under the Pharmaceutical Benefits Act 1947-1952. Prescriptions for these drugs must be endorsed by the Medical Practitioner written in accordance with Regulation 14A.

- (2) Limitation of the quantity of any particular drug that may be prescribed, to the maximum quantity set out in the Second Schedule of the Regulations and also the limitation of the number of repeats that may be ordered.
- (3) The Minister has appointed a panel of experts comprising eminent medical men, and a Pharmacologist, to advise on drugs to be supplied as benefits and maximum quantities to be allowed. Following the recommendation of that Committee the maximum quantity that can be prescribed of certain drugs was recently reduced.
- (4) Checking of all prescriptions and to the extent of the staff available, investigating prima facie cases of irregular or wasteful prescribing.
- (5) Regulations are about to be promulgated for the setting up of special Committees to inquire into and report upon matters in respect of or arising out of the services or conduct of medical practitioners or chemists in connection with the supply of pharmaceutical benefits. The position is being strengthened in the National Health Bill<sup>(a)</sup> which is ready for Parliament.
- (6) Maximum prices the Department is prepared to pay the chemists are fixed for the more important drugs; manufacturers whose products are in excess of these prices, are not listed in the Chemists' Pricing Book - 'Notes for Approved Chemists'.
- (7) Exclusion of Proprietaries from Pensioner pharmaceutical benefits, i.e., these benefits must be ordered by their chemical or official names only."

These measures were designed to maintain control of the scheme and to prevent waste. The Department thought that these measures were reasonably effective and cited as evidence, that the average cost per prescription under the Pharmaceutical Benefits Act scheme had fallen from 20/7d. in 1951-52 to 18/1d. in 1952-53.

243. The Repatriation Department referred to the following precautionary measures which it took:-

- (a) Ten percent of its prescriptions are checked by a departmental medical officer,
- (b) the prescriptions are examined for any obvious over-prescribing,
- (c) a register is kept of the authorisations for "repeat" prescriptions, and
- (d) the prescriptions are checked by the Department as to the form, the existence of a signature and the calculations.

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(a) Now the National Health Act 1953.

The Committee wanted to know the kind of check made to ensure that the medicine ordered by the Local Medical Officer, including 'repeat' prescriptions, and paid for by the Department, had been actually received by a 'qualified patient from the pharmacist. The Department stated that the prescription form was checked to show that there was a signature on the form but the signature itself was not verified. The Department did not think that the cost of verifying signatures, or a percentage of them, would be warranted. It had picked up a case which subsequently resulted in a pharmacist being fined for obtaining payment from the Commonwealth for medicines not, in fact, supplied, but this case was only revealed because the amounts of the medicines ordered appeared excessive.

244. The Department stated:-

"During the checking of chemists' claims it has been found that in some instances the L.M.O. has authorised 'repeats' of prescriptions which were considered to be excessive, and in these cases the L.M.O. has been contacted and requested to watch this aspect.

The Commission has had this matter under review for some time and a proposal that the number of 'repeats' to be authorised be restricted, also that the amount of medicine to be prescribed for each prescription, be limited to perhaps one month's supply, is now being considered. A further recommendation that the validity of the prescription form (Form 70) be limited to two months from date of issue by the L.M.O., is also receiving attention."

The Department had had these new measures under consideration for at least twelve months. The new proposal was designed to keep down the high cost of some prescriptions as a result of the quantity and number of 'repeat' prescriptions ordered. From a general point of view, the operations of the Commonwealth Department of Health schemes had influenced the Department.

245. The Repatriation Department was not considering the adoption of other new measures of control under the Department of Health's schemes, such as the restriction of the use of certain costly drugs, the limitation, to the extent undertaken by the Department of Health, of the maximum quantity which may be

prescribed, the establishment of maximum prices and the exclusion of references to proprietary lines. The Repatriation Department would do so once it obtained a clearer picture of the Department of Health's measures and their practical effect. 246. The Department considered that, generally, the present checks in force on the claims were reasonably adequate and that the cost of more detailed checks would be uneconomical.

(2) Cost of Administration

247. The cost of administration, in total and per prescription, of the two Department's schemes for 1952-53 was:-

	<u>Repatriation Department</u>	<u>Department of Health</u>
	£	£.
Salaries	16,345	112,416
General Expenses	10,255	25,312
	<hr/>	<hr/>
	£26,600	£137,728
	<hr/>	<hr/>

Notes:

Repatriation Department

The costs of salaries include the proportions of times of all officers in Accounts and Medical Sections directly concerned with the checking and paying of claims received.

General Expenses include the amount of the payment to the Pricing Bureau.

Health Department

In addition to the above costs, there are costs incurred in the following Sections - Records, Accounts, Personnel etc., which cannot be apportioned between Pharmaceutical Benefits and the other Sections in the Department.

	<u>Repatriation Department</u>	<u>Dept. of Health</u>
No. of Prescriptions	1,368,234	9,399,157
	(1st April, 1952 to 31st March, 1953)	(1st July, 1952 to 30th June, 1953)
Cost of Administration per Prescription	4. 7d.	3. 5d.

As the notes to the table state, some costs have not been added to the Department of Health's figures but the Committee believes that the amounts are not likely to be large.



248. The prescriptions received by the Repatriation Department are, as already mentioned in paragraph 240 above, forwarded to the Pricing Bureau of the Federated Pharmaceutical Service Guild of Australia for checking. The Department did not check the Bureau's work.

249. The basis of the Department of Health's scheme was the pre-pricing of prescriptions, the prices being promulgated in Regulations, for example, the Pharmaceutical Benefits Regulations, Statutory Rule 1950 No. 48 dated 16th August, 1950. The pharmacists priced their claims using the statutory list, and that pricing was checked by departmental checkers before payment was made to the pharmacists.

250. The Committee inquired whether the Repatriation Department could check its prescriptions more cheaply than the Pricing Bureau. The Department stated that it had not considered that question for many years. Subsequently, the Department reviewed the matter and informed the Committee that :-

"The Repatriation Commission is of the opinion that if suitable qualified pharmacists could be obtained for employment on its staff the cost of checking the prices of prescriptions would be less than that now paid to the Federated Pharmaceutical Service Guild of Australia for this service.

For some years, and up to the present time, the Commission has found difficulty in recruiting qualified pharmacists for employment in dispensaries in the various Repatriation medical institutions. It has been necessary on occasions to temporarily transfer a pharmacist from one State to another for relief purposes.

If any of its qualified pharmacists now employed in dispensaries were to be transferred from their duties there to checking prescriptions, the pharmaceutical service in Repatriation medical institutions would deteriorate to the detriment of the patients receiving treatment.

Whether the requisite number of pharmacists for such checking could now be attracted to the Department can only be tested finally in a practical manner. The Commission therefore proposes to seek the authority of the Public Service Board to create positions for the staff required to establish its own price checking section."

The Committee considers that the further point of the Department's knowledge of the adequacy of the check under its own control, which will come from the new proposal, should not be overlooked.

(3) Prices of Prescriptions under the two Departments' Schemes

251. The Local Medical Officer may order any medicine, dressing or the like for an accepted disability of an ex-serviceman, except in the case of a few imported costly drugs to which restrictions were applied.

252. The Department of Health's schemes are :-

(a) the pensioner scheme under the National Health Service Act 1948-49 (Medicine for Pensioners Regulations) which provides that medicines listed in the British Pharmacopoeia and other drugs prescribed by regulation, are available for pensioners, and

(b) The general scheme under the Pharmaceutical Benefits Act 1947-52 and Regulations which provides that a number of life saving and disease prevention drugs (at the present time 219) may be ordered by a doctor for a member of the public.

253. The costs of the schemes in 1952-53 were :-

Repatriation Department

Cost	(a)	£623,378
Number of Prescriptions		1,368,234
Average Cost per Prescription		9/1d.

Department of Health

Pensioner Scheme - National Health Service Act

Cost	(b)	£707,343
Number of Prescriptions		2,656,729
Average Cost per Prescription		5/4d.

General Scheme - Pharmaceutical Benefits Act

Cost (b)	£6,099,221
Number of Prescriptions	6,742,428
Average Cost per Prescription	18/1d.

(a) period 1st April, 1952 to 31st March, 1953.

(b) period 1st July, 1952 to 30th June, 1953.

In view of the different classes of medicines covered by the schemes, a comparison of the average cost per prescription is no indication of the relative economy of each. The Committee therefore compared the prices of a number of prescriptions selected as representative of the schemes and the price formulae. It appeared that, generally:-

(a) Preparations made up by the pharmacist himself, such as mixtures, powders and lotions, would cost more to the Repatriation Department than to the Department of Health. The reason for this is that the discounts obtained by the Department of Health are greater than the discount obtained by the Repatriation Department from retail prices.

(b) 'For sale' items, such as proprietary medicines, tablets and ampoules which are sold without preparation by the pharmacist would, in view of the high average cost, be cheaper to the Repatriation Department than to the Department of Health. The reason is that, for these preparations, the discount from the retail price which the Repatriation Department receives from the pharmacist is greater than that received by the Department of Health.

The lists of prices of the sample prescriptions provided by the two Departments show large differences in individual prices.

254. The particular aspects of the situation discussed must arouse general interest :

- (1) The ex-serviceman can obtain medicine for an ailment, either under the Repatriation Department's scheme if it is an accepted disability, or under the Department of Health's schemes if it is within the limits of those schemes. Of course, he has to comply with the conditions of the schemes, depending on a Local Medical Officer in the one case, and the possession of a doctor's prescription in the other case.
- (2) It appeared to the Committee to be unusual that the Commonwealth should have two Departments administering schemes for the provision of drugs and medicines, free to the patients, with pricing arrangements which result in widely differing prices to the Commonwealth for the same medicine.
- (3) Differing administrative procedures and forms are adopted.

255. The Committee asked the Repatriation Department whether it had considered coming into line with the more extensive Department of Health schemes, so far as they were applicable, but it was informed that the matter was one for the Government.

(c) Medical Specialists other than at the Repatriation Institutions

256. The following table gives details of the cost and number of cases, by States, which are referred for attention to medical specialists outside Repatriation institutions:-

State	1951-52		1952-53	
	Number of Cases	Cost	Number of Cases	Cost
New South Wales	5,120	£ 9,739	6,242	£ 11,117
Victoria	9,102	23,534	8,807	21,837
Queensland	1,631	2,298	1,220	2,169
South Australia	509	1,287	117	335
Western Australia	4,323	10,060	4,657	10,564
Tasmania	5,479	11,421	5,443	10,885
Total	26,164	£58,339	26,486	£56,907

During the two years there was some variation in the scale of fees paid to specialists from State to State, but, from 1st July, 1953, a scale of fees has been agreed with the Department of the Treasury and the Department of Health for the whole Commonwealth.

257. The table above shows that, in the States of Victoria, Western Australia and Tasmania, a much greater use was made of specialists outside Repatriation institutions than in other States. The Department's comments were :-

"It cannot be doubted that the use of Specialists on the sessional basis is more economical, and just as efficient, as their use at their rooms and endeavours have been made, particularly during the last 3 or 4 years, to substitute sessions wherever possible.

Even more economical and efficient is the employment of full-time Specialists in those specialities in which the number of examinations warrant a full-time appointment. The use of Specialists on the

sessional basis depends on the availability of accommodation and of Specialists, and on the possession of adequate equipment.

Accommodation is lacking in Victoria, Western Australia and Tasmania. It will remain a problem in Victoria unless additional space can be made available at the Headquarters Office. The Psychiatric Annex to the Outpatient Clinic is already located in the Headquarters building and occupies some 1,650 square feet. Neither the Branch Office building nor the Outpatient Clinic lends itself to additions or further alterations. The Clinic was built in 1935 or 1936 and alterations have been made to the limit possible, the most recent being the provision of a room suitable for eye examinations; this will decrease the number of members referred to Ophthalmologists' rooms.

There is no prospect of increasing the accommodation in Western Australia and Tasmania until the proposed buildings are completed.

There are not the number of Specialists able and willing to work on the sessional basis in Western Australia and Tasmania: it is not always easy to get them in Victoria.

The effect of adequate equipment and staff is illustrated in the Victorian X-ray figures. Expensive plant was lost in the fire at Repatriation General Hospital, Heidelberg, and, until alterations had been made to the building and the new equipment had been installed, many members had to be referred to private Radiologists. Although the new plant has been in operation only a few months, there was a decrease of about 40% in the numbers referred during 1952-53, and now very few cases are so referred.

.....

The efficiency and economy resulting from the use of full-time Specialists have been amply demonstrated, and it is hoped that additional positions will soon be created. In the establishment tables submitted to the Public Service Board some time ago the creation of several such positions was recommended, together with Registrar positions. The Board has, within the past few months, created some positions of full-time Specialist and Registrar, but more are desired."

One reason for the lag in recruiting was that, in recent years, many specialists considered the fees offered to be too low.

258. The Department stated that the authority of the State Branch of the Department had to be obtained before a case could be referred to a specialist.

259. The Department's view was that, if additional accommodation could be found at its institutions, it would then have the opportunity to engage specialists, full-time or on a sessional basis. Equipment was not a difficulty. It seems to the Committee that, in view of the savings in cost which appear to be possible, a good deal more could have been done by the Department to meet the situation. The Committee suggests that the Department and the Public Service Board should investigate it as soon as possible.

(d) Medical Sustenance

260. Medical sustenance is an allowance payable under conditions set down under the Repatriation Regulations to members of the forces :

"Where a member is prevented from following his usual occupation through -

- (a) the necessities of treatment for an incapacity due to war service;
- (b) the necessities of treatment for, or institutional care in consequence of, venereal disease contracted during war service, or
- (c) awaiting the supply of, or repairs to, an artificial replacement or other Surgical aid or appliance necessitated by an incapacity due to war service,"

or whilst his claim for pension is under investigation.

261. The rates of sustenance are :-

Member	£4. 2. 6	per week
Wife	1.15. 6	" "
Each Child	13. 9	" "

262. A further provision is :-

"Where a member is, with the authority of the Deputy Commissioner, receiving inpatient treatment at a hospital or similar institution for an incapacity

due to war service and his total income during the period for which he is receiving that treatment is less than the amount of pension payable for a like period to a member in receipt of the Special Rate of pension under the Second Schedule to the Act, his wife and children, as the case may be, a Deputy Commissioner may, subject to the directions of the Commission, grant to the member a sustenance allowance or an additional sustenance allowance of a sum not exceeding the difference between his total income and that amount of pension."

In this case, the scale of allowances payable is :-

Member (Special Rate Pension)	£9. 5. 0 per wk.
Wife	1.15. 6 " "
Each Child	13. 9 " "

The Department explained to the Committee the procedure for the control of the allowance and claimed that :-

".....subject to proper supervision by responsible officers and strict compliance with the relating instructions and with Treasury instructions, provision has been made for adequate control of the payment of sustenance allowance."

263. The overpayments which had occurred in the two years 1951-52 and 1952-53 amounted to £1,720 out of the total sustenance paid of £1,185,995 -.14%, or £1. 8. 0 in each £1,000 paid. Of the amount of £1,720 overpaid, £1,290 had been recovered and £72 written off, leaving £358 outstanding.

264. Cases of fraud, in which court orders had been obtained for restitution, involved £292. 6. 10. These were cases where men said they had not been working and, in fact, they had been working.

265. The Department explained that it was checking 10% of the claims and the frauds were located by that check. It did not have any later figures to give to the Committee than those set out above.

266. The Committee suggested to the Department that, to safeguard itself against fraud, it should obtain a certificate from the employer, or check with the employer, that each claimant was away from work. The



Department had no doubt that the expense of a complete check of this nature would be unjustified.

267. The Audit Office pointed out that there was no internal audit section in the Department, except, to a small degree, for new pension grants. Following on a defalcation in the Victorian Branch, the position had been examined by an interdepartmental meeting of representatives of the Department, the Audit Office and the Public Service Board, and the meeting had recommended the establishment of an internal audit or checking section, responsible to the Deputy Director in each State Branch:

"to carry out the normal internal audit work of the Department in lieu of the present arrangements under which internal checks are made by Accounts Officers."

The Department felt that, having in mind the work of the Audit Office, whatever deficiencies there were in the existing system did not warrant an internal audit involving the considerable expense of about £17,000 per annum. Subsequently :-

"the Chairman of the Commission has discussed the matter with certain officers of the Public Service Board, and has heard views in relation to this matter expressed by the Auditor-General, and as a result the Repatriation Commission has decided to establish an Internal Audit Section, and Department of the Treasury has been so informed and its directions sought."

(7) ANNUAL REPORT OF THE DEPARTMENT

268. The statistics produced to it by the Department on departmental hospitals, sanatoria, outpatient clinics, laundries, hostels, limb factories and administrative costs of particular schemes, were essential to the Committee's understanding of the Department. The patient statistics and unit costs of the institutions were particularly valuable. The Committee suggested to the Department that it might consider the inclusion of these in its Annual Reports and its suggestion has been

adopted. In addition, the Committee considers that a short summary of the buildings of the Department should be included in the Annual Report.

260. The Committee draws attention to the delay in presenting the Department's Annual Report to the Parliament.

Dates on which its Annual Report has been presented are :-

<u>Report for Year</u>	<u>Date presented to the Parliament</u>
1948-49	18th May, 1950
1949-50	26th September, 1951
1950-51	21st May, 1952
1951-52	9th September, 1953.

The Committee stresses the desirability of the early presentation of Annual Reports to the Parliament and, in this case, urges the Restriction Department to endeavour to present its Annual Report at an earlier date than it has done in the past.

270. The Balance Sheet in the Department's Annual Report shows an entry among the Assets, of the Buildings and Improvements of the Department (for 1951-52 amounting to £8,459,909. 2.10) and, as an offset, entries among the Liabilities of :-

Trust Fund under the control of the Commission	£8,395,200.15. 0	
Sundry Creditors	<u>64,708. 7.10</u>	£8,459,909. 2.10

There is, in fact, no Trust Fund, the account being a departmental book-keeping account only. The Committee suggests that the Department should consider a new wording for this item.

(8) CONCLUSIONS OF THE COMMITTEE

(a) Status of the Commission

271. Throughout its survey of the activities of the Repatriation Department, including its management of its institutions, the Committee has been at pains to make it clear that it is not discussing the adequacy or otherwise of the benefits provided under repatriation legislation, nor the policy upon which those benefits are based. In simple terms, the Committee has been concerned with how the Repatriation Department does its work, and why it does it that way.

272. Earlier in this Report, the Committee has drawn attention to the changes made or implied by bringing the staff of the Commission under the jurisdiction of the Public Service Board. Whereas the initial activities dealing with 'repatriation' stressed the quasi-judicial functions of the Repatriation Commission, whether of first instance or on appeal, the Permanent Head of the Department informed the Committee that the correct description should now be 'Repatriation Department', which suggests that the administrative functions of the Department will now take precedence over the quasi-judicial functions of the Commission. Because there may be some substance in this contention, the Committee suggests that the status and functions of both the Department and the Commission should be reviewed.

273. That such a review should be undertaken springs also from the suggestion that because the Repatriation Department has been placed under the control of the Public Service Board, the relation of 'repatriation' to the Parliament has been changed. It has been stressed that one reason for placing 'repatriation' under the control of a statutory corporation was to remove the functions of the Commission from direct Parliamentary control. It is worth discussing whether the change that took place in 1947 was intended to change the status quo ante.

(b) Organisation by the Commission

274. On the other hand, the Committee feels that, hitherto, the Repatriation Commission has concentrated more upon the quasi-judicial aspects of its work, (i.e. in determining the benefits applicants were entitled to), than upon the now familiar O. and M. - organisation and methods (i.e. in seeing that the institutions and activities were so managed as to provide the maximum of value for the minimum of cost).

275. Despite the fact that, for the past thirty years, the Repatriation Commission has been concerned with spending immense sums in both benefits and administration, the only examination of the administrative aspects was that made by the Public Service Board in 1932-1934. Nor did it develop any effective internal section for the purpose of examining critically the relative costs of the operations of the large institutions it was managing in the different States of the Commonwealth.

276. The Head of the Department told the Committee that he was aware of the differing costs, but he could not explain to the Committee the reasons for those differences. The discovery of the reasons for such differences may well result in large administrative economies.

277. The detailed comments of the Committee upon the several aspects of the work of the Repatriation Department are stated hereunder :-

Status of Commission

- (1) The status of the Repatriation Commission should be reviewed in the light of recent changes.

Staff - Repatriation Department

- (2) (a) The delay in fixing the 'establishment' of the Repatriation Department is regrettable.

Staff -  
Repatriation  
Department  
(contd.)

(b) Although the proportion of staff in the higher age ranges is greater than is normal in other departments, future retirements should not, under existing circumstances, present any serious long term problem of staff replacement.

Staff -  
General

- (3) (a) In the Commonwealth Public Service generally, 'establishments' should be adjusted to actual 'ceilings' now operating and should be constantly reviewed.
- (b) Margins between 'establishment' and actual staff of Commonwealth departments in excess of 4% to 5% should be examined by the Public Service Board and action taken.
- (c) The general issue of the employment of Commonwealth employees beyond present retiring ages should be examined.

Pensions  
Administration

- (4) The cost of administering service pensions by the Repatriation Department appears to be relatively higher than the costs of administering pensions by the Department of Social Services, even allowing for differences between the two schemes. This matter might suitably engage the attention of the Public Service Board.

Unit Costs

- (5) Statistics, and particularly the unit costs of institutions, supplied by the Repatriation Department can be used to apply test checks of the Department's administration.

Hospitals

- (6) (a) It seems clear that in existing circumstances, the Repatriation Department should not require additional hospital beds to handle the estimated future demand under the Repatriation Act 1920-1953 for acute hospital treatment.
- (b) The prospect of mounting costs of maintenance of excess hospital beds should receive consideration.
- (c) The comparisons of figures of the average stay of inpatients in the various departmental hospitals should be used to a greater degree than at present by the Repatriation Department in its management of the hospitals.
- (d) The Repatriation Department should co-operate with the State Health Authorities to study and discuss the methods, statistics and costs of the leading State public hospitals in an endeavour to improve the administration of

Repatriation hospitals.

- (e) The staff 'establishments' of the Repatriation hospitals, including ward staff, should particularly engage the attention of the Public Service Board.
- (f) In view of the importance of unit costs the Repatriation Department, with the Department of the Treasury and the Public Service Board, should examine methods of obtaining satisfactory unit costs of inpatient treatment at departmental hospitals.
- (g) If the Repatriation Department had examined the causes of high unit costs at individual Repatriation hospitals, it is possible that some of the criticisms of the Committee might not have been made.
- (h) Overtime paid to staff at Repatriation hospitals ought properly to be costed as 'salaries and payments in the nature of salaries' and not regarded as 'incidental expenses'.
- (i) The Repatriation Department and the Department of the Treasury should investigate the possibilities of obtaining cheaper supplies of medicines by using central or local procurement agencies or by making arrangements with the State Drug Stores.
- (j) The Repatriation Department, with the Department of the Treasury and the Audit Office, should co-operate with the State Health Authorities to survey the methods of leading State hospitals in purchasing provisions.

Hospitals  
(contd.)

- (k) The Repatriation Department should exercise constant surveillance over the costs incurred by the Department of Works in raising steam for and maintaining Repatriation hospitals.
- (l) Repatriation laundries should be separately costed and only the cost of laundry actually used by Repatriation institutions should be charged against the relative institutions.
- (m) The Repatriation Department should consider extending the system of supervision now operating at the Concord Hospital to other Repatriation hospitals.
- (n) The amounts charged in the costing statements of the Repatriation institutions for maintenance of equipment, improvements and buildings should have been much greater for the purpose of avoiding the large debit balances in the reserve accounts for the year ended 30th June, 1952; the Repatriation Department should maintain a rigorous oversight of the reserve accounts.
- (o) The Repatriation Department, with the Department of the Treasury and the Audit Office, should consider the necessity for reserves for depreciation for the Repatriation institutions.

Sanatoria

- (7) (a) Because of the trends in the use of Repatriation hospitals the Department should consider the growing needs for sanatoria and convalescent homes,



Sanatoria  
(contd.)

especially for the chronic cases and the aged sick to relieve or replace existing general hospitals.

- (b) Staffing at Repatriation Sanatoria under present conditions should be examined by the Public Service Board.

Out-patient Clinics

- (8) (a) The Repatriation Department should seek to establish its out-patient statistics on the basis of the practice of leading State public hospitals.
- (b) The variations in unit costs of Repatriation out-patient clinics under the differing costing headings should be investigated by the Department.

Laundries

- (9) The Repatriation Department and the Department of the Treasury, with the other departments concerned, should consider urgently the provision of laundry facilities for the Department in South Australia.

Limb Factories

- (10) The Committee agrees that an expert investigation should be made into the differences in costs of production at the different Repatriation limb factories, and the current costs should be constantly reviewed.

Scrutiny of Institutional Costs

- (11) (a) The Public Service Board and the Repatriation Department, should consider the appointment of an expert to scrutinise unit costs of Repatriation institutions.

Scrutiny of  
Institutional  
Costs (contd.)

- (b) Statements of the unit costs of operating Repatriation institutions should be distributed monthly to State Branches of the Repatriation Department and managers of Repatriation institutions.

Pharmaceutical  
Benefits

- (12) (a) The Repatriation Department might with advantage consider the new methods in the Department of Health's pharmaceutical benefits schemes and consider adapting them to its own scheme.
- (b) The Repatriation Department, with the Public Service Board and the Department of the Treasury, should speedily determine whether it should undertake the responsibility of pricing prescriptions under its pharmaceutical benefits scheme.
- (c) The Committee suggests that the Government should investigate the working of the two pharmaceutical benefits schemes to avoid differing prices being paid by the Commonwealth under the two schemes for the same prescriptions, and also the possibility of overlapping since benefits from both schemes may be available to the same patient.

Medical Specialists outside Repatriation Institutions (13) The Department, with the Public Service Board, should investigate ways of providing additional medical specialists at Repatriation institutions, either full time or on a sessional basis.

Annual Report of the Department (14) (a) Statistics, costs and other information on the Repatriation Department's activities and institutions should be included in the Repatriation Department's Annual Report.

(b) The Repatriation Department should eliminate the present delay in submitting its Annual Report to the Parliament.

*F. A. Bland*

On behalf of the Committee

(F. A. Bland)  
Chairman.

*Neil R. Caffra*  
Neil R. Caffra,  
Secretary,  
Parliament House,  
CANBERRA. A.C.T.

25th March, 1954.

JOINT COMMITTEE OF PUBLIC ACCOUNTS

APPENDIX NO. 1 : STATEMENTS SUBMITTED TO THE COMMITTEE

REPATRIATION DEPARTMENT

Statement No.1	-	History of the Commission.
Appendix A	-	" " " "
Appendix B	-	" " " "
Appendix C	-	" " " "
Statement No.2	-	Functions and Organisation of the Repatriation Department.
Statement No.3	-	Permanent, Temporary and Exempt Staff as at 30th June, 1950, 1951, 1952 and 1953.
	-	Additional Note to Statement No.3.
Statement No.4	-	Statement showing Receipts and Expenditure by or on behalf of the Commission in 1949-50 - 1952-53.
Statement No. 5(a)	-	Various Steps in Administration of Pensions.
Statement No.5 (b)	-	Pensions Statistics, Staff and Administrative Costs.
	-	Additional Notes to Statement No. 5 (b).
Statement No. 5(c)	-	Arrangements for and Accounts of Payment of Pensions on Behalf of Other Countries.
Statement No.6	-	Medical Sustenance and its Administration Measures taken to Control Claims and Comments on the Adequacy of the Controls over Doctors' Claims.
Statement No.7	-	Local Medical Officer Services - Its Administration, Measures to control claims - Comments on the Adequacy of the Controls over Doctors' Claims.
Statement No.8	-	(Replaced by Statement No. 34).
Statement No.9	-	Pharmaceutical Benefits Supplied by Chemists.
Statement No.10(a)	-	Statement showing costs - For Departmental Hospitals - For Sanatoria and Hostels.
Statement No.10(b)	-	Statement showing Bed Capacity, Occupied Beds and Staff Assistance at half-yearly intervals 1950-51, 1951-52 and 1952-53 - For Departmental Hospitals and Sanatoria.

- Statement No.10(c) - Output, Accounts and Comparable Costs between States - For Laundries and for Limb Factories.
- Statement No.11 - Statement of comments on the present form of the Commission's Estimates and the Balance Sheet published in its Report - its purposes, the basis of valuation of assets, depreciation, stores and debtors.
- Statement No.12 - Notes on Comparison of Daily Costs of Hospitals and other Institutions.
- Foreword to Statement No.13.
- Statement No.13 - Average stay per patient for the years 1947-48 to 1952-53.
- Statement No.14 - Comparison of costs for common lines between private laundries and Repatriation Department, and other Statistics.
- Statement No.15 - Outpatient Clinics - Statistics - Including Attendances and Cost for years 1951-52 and 1952-53.
- Statement No.16 - Comparison of Repatriation Hospital Costing Procedure with Public Hospitals in :
- New South Wales,  
Victoria,  
South Australia,  
Western Australia, and  
Tasmania.
- Statement No.17 - Inpatient Days 1949-50 - 1952-53.
- Statement No.18 - Medical Sustenance - Overpayments (All States) for the years 1951-52-1952-53.
- Statement No.19 - Cost of Administration of Pharmaceutical Benefits.
- Statement No.20 - Variations in Expenditure on Medical Examinations.
- Statement No.21 - Repatriation Department's Views on Statement of Functions and Statutes in Administrative Arrangements Order of 21st June, 1951.
- Statement No.22 - Pensions Grants and Appeals.
- Statement No.23 - Analysis of Appeals.
- Statement No.24 - Cost of Administration of Service Pensions.
- Statement No.25 - Reserve Accounts 1947-48 to 1952-53.
- Statement No.26 - Reasons for Differences in Pensions Costs at Heidelberg and Caulfield Hospitals.

- Statement No. 27 - Supply Contractors and Prices for Heidelberg and Caulfield Hospitals.
- Statement No. 28 - Differences in Costs between Repatriation Artificial Limb Factories.
- Statement No. 29 - Adjustment in Cost of Medicines at Windsor, Queensland in 1952-53.
- Statement No. 30(a) - Case of Fraud in New South Wales.
- Statement No. 30(b) - Pricing Cost of Prescriptions.
- Statement No. 30(c) - Administration of Pharmaceutical Benefits.
- Statement No. 31 - Transport Facilities.
- Statement No. 32 - (Not relevant to this Report).
- Statement No. 33 - Sample of Visits by Doctors under Local Medical Officer's Scheme.
- Statement No. 34 - Statement on the Use of Medical Specialists.
- Statement No. 35 - Differences in Average Cost of Cases in the various States.
- Statement No. 36 - Views on an Internal Audit Section.
- Statement No. 37 - Statement tendered by the Repatriation Department as a Confidential Statement.
- Statement No. 38 - (Not relevant to this Report).
- Statement No. 39 - Prices of Artificial Limbs.
- Statement No. 40 - (Not relevant to this Report).
- Statement No. 41 - (Not relevant to this Report).
- Statement No. 42 - Inclusion of Information in Annual Reports.
- Statement No. 43 - Civilian Orders filled by Repatriation Artificial Limb Factories 1951-52 and 1952-53.
- Statement No. 44 - Convalescent Cases in Repatriation Hospitals.
- Statement No. 45 - Ration Scales in Repatriation Hospitals.
- Statement No. 46 - Hospitals Dispensary List in Repatriation Hospitals.
- Statement No. 47 - Direct Market Purchasing in Repatriation Hospitals.

Letter dated 13th November, 1953 with amendment for Statement No. 1.

Letter dated 19th February, 1954 on the Cost of Administration of Pensions per Pensioner.

DEPARTMENT OF HEALTH

Letter dated 4th August, 1953 on Pharmaceutical Benefits.

Letter dated 22nd September, 1953 with Statistics of Average Stay of Patients in Public Hospitals.

PUBLIC SERVICE BOARD

Letter dated 5th November, 1953 with Age Distribution of Permanent Officers at 30th June, 1951.

Letter dated 21st December, 1953, concerning Age Distribution of Permanent Officers of the Repatriation Department.

Statement dated January, 1954 concerning departmental establishments.

Letter dated 22nd February, 1954 concerning departmental establishments.

DEPARTMENT OF SOCIAL SERVICES

Letter dated 10th November, 1953 on Cost of Administration of Pensions.

STATE HEALTH AUTHORITIES CONCERNING CERTAIN STATE PUBLIC HOSPITALS

Letter dated 23rd October, 1953 from the Minister for Health, New South Wales.

Letter dated 23rd October, 1953 from the Chairman, Hospitals and Charities Commission, Victoria.

Letter dated 27th October, 1953 from the Secretary, Department of Health, Victoria.

Letter dated 29th October, 1953 from the Secretary to the Minister of Health, South Australia.

Letter dated 22nd October, 1953 from the Under Secretary, Department of Public Health, Western Australia.

Letter dated 14th October, 1953 from the Minister for Health, Tasmania.

JOINT COMMITTEE OF PUBLIC ACCOUNTS.

Appendix No.2. Statement of Functions of Repatriation Department  
in Administrative Arrangement Order dated 21st June, 1951.

Name of Department	Matters dealt with by the Department.	Acts administered by the Minister of the Department.
The Department of Repatriation	<p>Functions - For Members of Forces -</p> <p>Determination of applications for the acceptance of disabilities as war-caused</p> <p>Provision of in-patient and out-patient treatment in general hospitals, special institutions, sanatoria and hostels</p> <p>War pensions and living allowances (including acting as agent for British and Dominion pensions authorities)</p> <p>Artificial replacements and surgical aids for members whose accepted incapacities necessitate the use of such aids</p> <p>Administration of members' trust funds (pensions and war gratuities)</p> <p>Service pensions</p> <p>Funeral benefits in certain circumstances</p> <p>Placement in employment of problem cases</p> <p>Supplementation of apprenticeship wages</p> <p>Repatriation Vocational Training Scheme - Special training of problem cases which cannot be trained by normal methods</p> <p>Issue of books, requisites, equipment to trainees under the Commonwealth Reconstruction Training Scheme by arrangement with Universities Commission</p> <p>Provision of grants by way of gift and under hire-purchase agreements for tools of trade to members and widows to enable them to engage in their calling or in a remunerative occupation</p> <p>Provision of grants to provide immediate relief for members in necessitous circumstances</p> <p>Provision of free passages to Australia for the wives, widows and children of members of the Forces still on active service or who have been discharged who married during the</p>	<p>Interim Forces Benefits Act 1947-1950, except sections 5 and 8</p> <p>Re-establishment and Employment Act 1945: Part 1.; Part 11. - Division 4, and Sections 43 and 44 of Division 3; Parts 111., V., VI., except Divisions 3 and 4, and Part XI.</p> <p>Repatriation Act 1920-1950 Repatriation Fund (Baillieu Gift) Act 1937.</p> <p>Seamen's War Pensions and Allowances Act 1940-1950: Parts 111. and 1V. (also Parts 1., 11. and VI. to the extent to which they apply to Parts 111. and 1V).</p>



Name of Department	Matters dealt with by each Department	Acts administered by the Minister of each Department
The Department of Repatriation	<p>Functions - For members of Forces -</p> <p>period of their active service outside Australia</p> <p>Provision of grants by way of loan for small businesses and prescribed occupations</p> <p>Provision of gifts for the purchase in certain cases of furniture for totally and permanently incapacitated or blinded members</p> <p>Provision of free passages from the Commonwealth for incapacitated members and their wives and children; and for the widows and children of deceased members who desire to return to relatives or friends living outside the Commonwealth</p> <p>Payment of fares in certain cases of a member and his family</p> <p>Sustenance allowances</p> <p>Payment of seamen's war pensions and allowances For Dependants -</p> <p>War and service pensions, medical benefits and living allowances</p> <p>Provision of grants by way of business loans under certain conditions</p> <p>Gifts for the purchase in certain cases of furniture for widows with children whose husbands' deaths were due to war service</p> <p>Provision of funeral benefits in certain cases</p> <p>Administration of soldiers' children education scheme</p> <p>Administration of soldiers' trust funds (pensions and gratuities)</p> <p>Payment of seamen's war pensions and allowances</p> <p>War Pensions Entitlement Appeal Tribunals</p> <p>War Pensions Assessment Appeal Tribunals</p>	

## PART 1 - TABLE OF RATES (PER WEEK) OF WAR PENSIONS FOR MEMBERS, WIVES, WIDOWS AND CHILDREN UNDER THE WAR PENSIONS ACT 1914 AND SINCE 1.7.1920, UNDER THE REPATRIATION ACT.

Date of operation of Rates (1)	In respect of incapacitated member				In respect of deceased member		Remarks (8)
	Member		Wife of member under Col. (2) or (3). (See Footnote (2)). (4)	Children of member under Col. (2) or (3). (See Footnote (2)). (5)	Widow (See Footnote (1)). (6)	Children (7)	
	General Rate for total incapacity. (See Footnotes (1), (2) and (4) (2)	Special Rate (3)					
21.12.14	20/-d.	-	10/-d.	5/- each	20/-d.	5/- each	
1916, retrospective to 21.12.14	30/-d.	-	15/-d.	1st Child 10/-d. 2nd " 7/6d. Each other 5/-d.	20/-d.	1st Child 10/-d. 2nd " 7/6d. Each other 5/-d.	
1. 7.20	42/-d.	80/-d.	18/-d.	"	23/6 to 42/- according to circs.	"	Re Column (See (6) Footnote (3))
27. 5.31	"	"	"	6/- each	"	"	Re Column (5) - Common rate instituted.
1.10.36	"	"	"	7/6d. "	"	First Child Child	
6, 5.43	50/-d.	96/-d.	22/-d.	9/-d. "	50/-	17/6 12/6	
10. 7.47	"	101/-d.	"	" "	55/-d. (See Col. 8).	" "	Widows 1947 - Domestic Allowance of 7/6d. instituted for widow with 1 or 2 children, but not more than 2 children.
28.10.48	55/-d.	106/-d.	24/-d.	" "	60/-d. "	" "	
2.11.50	70/-d.	140/-d.	30/6d.	11/6d.	70/-d. "	22/-d. 15/6d.	1950: Domestic Allowance increased to 10/- and paid to all widows with children and to widows 50 years or over.
25.10.51	"	175/-d.	"	" "	" "	" "	1951: Domestic allowance increased to 32/- and extended to widows permanently unemployable.
2.10.52	80/-d.	"	35/6d.	13/9d.	" "	26/6d. 18/6d.	
5.11.53	82/6d.	185/-d.	"	"	72/6d.	" "	1953: Domestic Allowance increased to 34/6d.

## Notes:

- (1) Re General Rate for members and the rates for widows: The rates shown are those where the members were of lower ranks; higher rates are paid for other ranks. The same applied to wives of incapacitated members up till 1931, when the rate was made common for all wives.
- (2) Where incapacity of member is less than total, a proportionate lesser rate is paid.
- (3) Widows, 1920 to 1943: The full range according to rank of member was 23/6d. to 60/-d. Where the rate was less than 42/-d. it could be increased to an amount not exceeding 42/-d. where the widow had dependent children, or the Commission was of the opinion that the widow's circumstances warranted an increase in pension. This was altered in 1943, vide paragraph 96 of Statement No. 1, but the principle was restored in 1947 by the institution of a domestic allowance in supplementation of pension.
- (4) Since October, 1922, "amounts" under the Fifth Schedule in addition to General Rate pension have been paid to 14 classes of members suffering loss of a limb or limbs, or loss of a limb or limbs and of vision in one eye. The amounts originally ranged from 3/6d. to 38/-d.; they were increased in 1943, 1947, 1950 and 1951 - present range is 7/6d. to 95/-d.. In August 1954, a further item, "Loss of vision in one eye", was added, the amount being 7/6d.; it is now 12/-d..

PART 11

War Pensions to "other dependants" of incapacitated or deceased members, i.e. other than wife, widow and child of member. They comprise parent, grandparent, step-parent, adoptive parent, foster-mother, brother, sister, half-brother, half-sister, grandchild, mother-in-law.

There has always been a scale of maximum rates for these dependants, scaled according to rank of the member concerned. From 1914 to 1943 there were 14 rates ranging from 20/-d. to 60/-d.; from 1943 to 1950 there were 20 rates ranging from 25/-d. to 68/-d., and now the new scale based definitely, instead of inferentially, on rank of the member gives 11 rates ranging from 45/-d. to 83/-d.

.. widowed mother of a deceased unmarried member, if widowed before or within three years after the member's death, may be paid the maximum rate according to rank of the member, solely on relationship, irrespective of whether or not dependent upon the member, and irrespective of means. Additional pension, subject to reasonable limitations and to a means test, may be paid if she was dependent upon the member.

A father, mother, step-mother or adoptive mother of a deceased member who is without adequate means of support may be paid a rate assessed according to a means test.

Eligibility of all other dependants in this group of "other dependants" is subject to dependence upon the member at the time of his enlistment or during his war service (for 1914 war, the condition is within the twelve months immediately preceding his enlistment), and the rate of pension is subject to a means test.

JOINT COMMITTEE OF PUBLIC ACCOUNTS  
APPENDIX NO. 4 : ORGANISATION OF THE HEAD OFFICE OF THE REPATRIATION DEPARTMENT AND OF A TYPICAL BRANCH OFFICE OF THE DEPARTMENT

(1) HEAD OFFICE

MINISTER

CHAIRMAN

COMMISSIONERS

ASSISTANT COMMISSIONERS (3)

PRINCIPAL MEDICAL OFFICER

SECRETARY ASST. SECRETARY

PERSONNEL SECTION

Personnel administration of Department.  
Examination of staff organisation, work methods and procedures. Staff training. Staff and industrial matters, including salaries, leave, appointments, transfers and promotions and general conditions of employment and service.

PENSIONS SECTION

Conferring with Commission in matters of pension policy, living allowances and proposed new legislation. General oversight throughout Department of pensions and pension procedure to ensure observance of policy and instructions of Commission. Senior Pensions Officer exercises authority and power of Commission under Part III of Repatriation Act, except Sections 51 and 59.

EXECUTIVE SECTION

Generally, such matters not within activities of other Sections. Advice by Legal Officers. Periodical inspection of general administration at Branch Offices and Institutions. Revision of Commission's General Orders for administration of pensions, medical treatment and other forms of assistance. Preparation of Departmental publications.

Headquarters examination of appeals to Commission against decisions of the Repatriation Boards and special cases. Listing of appeals in connection with Itinerary of War Pensions Entitlement Appeal Tribunals and ensuring all files are available to the Tribunal.

Determinations and directions in regard to Australian pensions paid overseas. The control and direction of British and other Dominion pensions paid by Repatriation Department as agent of overseas authorities.

MEDICAL AND GENERAL SECTION

Administration of the medical services of the Department, including such matters as hospital and out-patient accommodation, medical treatment facilities and equipment, and generally to ensure that adequate provision is made for medical treatment of "members of the Forces" for disabilities for which they are entitled to treatment at Repatriation Commission's expense. The provision of such other benefits as are approved under the Regulations, and amenities approved by the Commission, are also the responsibilities of this Section. General oversight of the Repatriation Artificial Limb Factories established for the supply, repair and replacement of surgical aids and appliances.

ACCOUNTS SECTION

Responsible for the accounting practice, procedure and instructions throughout Department.  
Classification of expenditure for statistical purposes.  
Preparing estimates and attending to the allocation of funds to the States.  
Institutional costing.  
Trust Funds.  
Repayment of loans by beneficiaries.

ASSISTANCE & RE-ESTABLISHMENT SECTION

Administration of all schemes of vocational training, i.e., C.R.T.S. (Commonwealth Reconstruction Training Scheme), D.M.W.T.S. (Disabled Members' and Widows' Training Scheme) and K.M.T.S. (Korea and Malaya Operations Training Scheme).  
Soldiers' Children Education Scheme.  
Re-establishment loans and Business re-establishment allowances.  
Repatriation Local Committees.  
Funeral benefits and other forms of miscellaneous assistance.

(2) 1. TYPICAL STATE BRANCH OFFICE

DEPUTY COMMISSIONER

Responsible for all activities at, and associated with, the Branch Office.

ASSISTANT DEPUTY COMMISSIONER

General administrative assistance to Deputy Commissioners, exercise of Delegated powers.

CHIEF CLERK

General administrative assistance to Deputy Commissioner; exercise of delegated powers; supervision of all sections except Personnel Section.

SENIOR MEDICAL OFFICER

Subject to overall control of Deputy Commissioner, responsible for technical medical matters in the State; adviser to Deputy Commissioner in all matters of medical policy, medical aspects of personal cases, medical nursing and technical staffs, and accommodation, equipment and administration of institutions.

PERSONNEL SECTION

Personnel administration.  
Staff and Industrial matters.  
Organisation and Methods of work.  
Staff training.

ASSISTANCE & RE-ESTABLISHMENT SECTION

Vocational Training (C.R.T.S., D.M.W.T.S., and K.M.T.S.)  
Soldiers' Children Education Scheme.  
Granting of Re-establishment loans (business loans).  
Repatriation Local Committees.  
Funeral Benefits and other forms of miscellaneous assistance other than medical treatment and associated benefits.

MEDICAL AND GENERAL SECTION

Medical Services of Department and control of medical institutions.  
Medical examinations and entitlements; widows' medical benefits.  
Metropolitan and country treatment.  
Artificial Limbs and surgical appliances.  
Educational Therapy.

PENSIONS SECTION

War pension and service pension applications, examinations and assessments.  
Grants, reviews and variations.  
British and other Dominion pensions.  
Preparation of submissions to Repatriation Board and summaries of cases going to Appeal Tribunals.

ACCOUNTS SECTION

Estimates, Costing Reviews, Trusts, Salaries.  
Collection of loan repayments.  
Classification of expenditure for statistical purposes.  
Pension Pay Registers.  
Recoverable expenditure.  
Institutional Accounts.  
Stocktaking, Stores.

RECORDS SECTION

Personal Records.  
General Records.

NOTE:

- K.M.T.S. (Kroea & Malaya Operations Training Scheme).
- C.R.T.S. (Commonwealth Reconstruction Training Scheme).
- D.M.W.T.S. (Disabled Members' and Widows' Training Scheme).

APPENDIX No.5. STATEMENT BY PUBLIC SERVICE BOARD ON THE ESTABLISHMENT OF, AND STAFFS EMPLOYED BY, COMMONWEALTH DEPARTMENTS.

The procedure outlined briefly hereunder is followed in the provision of an establishment in a Commonwealth Department under the Public Service Act.

1. The Department submits Recommendations to the Board under the provisions of Section 29 of the Public Service Act supported by functional statements, organisation charts, and statements of duties for all positions required. This is usually preceded by discussions between the Department and the Board in regard to the nature and extent of the organisation necessary.
2. The Public Service Board carries out such investigations as are necessary to enable it to determine establishment requirements based on the functions to be performed.

In Departments where the functions are static, establishment requirements are capable of reasonably precise measurement and staffing is provided on a permanent basis. In the case of Departments where the nature of the functions are subject to programme or project fluctuation precise measurement of establishments presents difficulties. In these circumstances the position must be viewed from the point of view of both immediate and long term requirements in order to meet variable workload volume. The Department of Works may be quoted as an illustration as its functions include new works projects and also repairs and maintenance of Commonwealth owned property. Work may be executed by day labour or by contract and the extent of these operations are governed by availability of funds under Parliamentary appropriations. To meet such circumstances establishment is provided partly on a permanent and partly on a temporary basis. This provides necessary flexibility to enable staffing requirements to be adjusted to fluctuating needs whilst at the same time covering long term establishment requirements.

In the staffing of approved establishments the objective is to fill permanent positions with permanent officers. This frequently takes time particularly in the professional ranks owing, in some measure, to the non-availability of professionally qualified staff and the somewhat complex procedure required in making permanent appointments to positions of this character. (This involves public advertisement, interviews, medical examinations, etc.). It has been necessary, from time to time, to extend the field of recruitment in the professional categories to countries outside Australia.

There are also other factors listed below which at any given point of time, cause a variation between approved establishment figures and staff employed. These are:-

- (1) Vacant positions in process of being filled in accordance with the provisions of the Public Service Act;
- (2) New positions recently added to establishment and in process of being filled in the normal course;
- (3) Positions provided in the establishment but no longer required and in respect of which action is in train for abolition;
- (4) Permanent officers temporarily on the unattached list. These include trainees who will fill permanent positions on completion of their course, officers whose positions have been reclassified and are, therefore, temporarily vacant and others held for varying reasons against establishments pending allotment to specific permanent positions.

In addition to the above, a factor which affects the Postmaster-General's Department only at the present time is the provision of certain positions on a "bulk" or "group" basis. The



positions governed by this group scheme are those for which there is a prescribed loading basis or which carry common functions and classifications within each designation or grade such as Postal Assistant, Postal Clerk, Junior Postal Officer, Lineman, Technician's Assistant, Technician, etc. These positions are numerous and widespread throughout the Commonwealth. In lieu of providing separate positions at each locality a "pool" or "group" system was provided in 1950 in each State and a separate pool is provided for each separate class of position and is utilised by the Department within the State as and when required to meet specific workload. The positions provided in the pool are reviewed annually and the number of positions increased or decreased to meet requirements within the ensuing year. This group scheme was introduced with a view to reducing the amount of correspondence and recording work, which had reached considerable proportions, and to obviate delay in staffing of positions the number of which fluctuate according to seasonal and other requirements.

The position outlined above is that associated with normal staffing procedure. It might be mentioned, however, that in some Departments the margin between establishment figures and staff employed has been accentuated in some respects as a consequence of the Government direction in May, 1951, for reduction in Public Service Staff. Staff employed has been maintained within the approved ceiling in each Department in accordance with the Government directive. The ceilings have been varied in a number of Departments to meet particular circumstances but adjustments in establishment figures, particularly permanent positions, have not been immediately possible for various reasons, mainly on account of the necessity to review organisation structures, which is a complicated task. The main recent emphasis has rested on staff control within the approved ceiling. Establishment figures cannot be so speedily adjusted. The Board, however, has reviewed the position in some Departments and is continuing to review the position in Departments where the margin between establishment figures and staff employed appears somewhat high (as for example, in the Department of Works) with a view to reducing the approved establishment to more appropriate figures.

The procedures outlined above refer only to establishments and staff employed within the provisions of the Public Service Act. Various Departments employ staffs under authority of Acts other than the Public Service Act and such staff are not subject to the jurisdiction of the Public Service Board. At the end of August, 1953, there were 36,778 persons so employed. The following indicates the main bulk of the Departments and the various Acts under which the staffs are employed and the number employed at August, 1953.

Department or Branch	Other Act	August Employ- ment
Labour and National Service	Stevedoring Industry Act	364
Shipping and Transport	National Security (Shipping Co-ordination) Regulations	442
Territories	Northern Territory Administra- tion Act	79
Attorney-General's	Peace Officers' Act	457
Interior	Police Ordinance	59
Commerce and Agriculture	Flax Industry Act	265
Postmaster-General's	Posts and Telegraphs Act	15,354
Repatriation	Repatriation Act	40
Supply	Supply and Development Act	4,033
Defence Production	Supply and Development Act	8,396
Taxation	Taxation Administration Act	2
Navy	Naval Defence Act	6,653
	Total of Above	36,144

x The number of persons shown as employed under the Posts and Telegraphs Act represent those conducting non-official Post Offices and mail contractors, etc.

In addition to those shown in the preceding paragraph, there are a number of Commonwealth instrumentalities employing staffs who work under the provisions of specific Acts of Parliament. These include the Snowy Mountains Hydro-Electric Authority, Council for Scientific and Industrial Research, Commonwealth Railways, Commonwealth Bank, etc.

Attached is a statement showing for all Departments the following information in regard to staff employed under the Public Service Act as at 31st October, 1953:-

- (a) Total approved establishment (permanent and temporary positions).
- (b) Total staff employed.
- (c) Approved ceiling.
- (d) Vacancies on establishment expressed as percentage of establishment.

Public Service Board.

January, 1954.

(4)

COMMONWEALTH PUBLIC SERVICE.

Comparison between Establishment and Staff employed  
under Public Service Act,  
at 31/10/1953.

Department	Approved Estab- lishment	Total Staff	Approved ceiling	Vacancies on Establishment expressed as percentage of Establishment
Air	2,363	2,377	-	%
Army	5,693	4,837	-	15.0
Attorney-General	909	816	875	10.2
Civil Aviation	5,110	4,845	5,054	5.2
Commerce and Agriculture	566	494	509	12.7
	379	299)	Note (1)	-
	-	272)		
		(Note (2))		
Defence	615	577	-	6.2
Defence Production	4,011	3,613	-	9.9
External Affairs	462	422)	751	8.7
	329	329)		
		(Note (3))		
Health	2,543	2,327	2,986 (Note (4))	8.5
Immigration	882	749	808	15.0
Interior	4,107	3,965	3,988	3.4
Labour and National Service	1,884	1,819	1,820	3.4
National Development	547	528	591	3.5
Navy	2,525	2,381	-	5.7
Prime Minister	1,147	1,104	1,177	3.7
Postmaster-General	76,466	72,874	73,539	4.6
Repatriation	9,358	8,507	8,266	9.1
Shipping and Trans- port	780	679	705	12.9
Social Services	3,146	3,000	3,009	4.6
Supply	4,748	3,718	-	21.7

Department	Approved Establishment	Total Staff	Approved ceiling	Vacancies on Establishment expressed as percentage of Establishment
Trade and Customs Territories	3,119	3,002	3,060	3.7
	506	444)	736	12.2
	-	196)		-
		(Note (5))		
Treasury	8,653	8,349	8,745	3.5
Works	4,385	3,466	4,190	20.9
	-	8,225)	12,421	-
		(Note (6))		

Notes

General

Ceilings are not imposed on the Service Departments, including Defence Production and Supply.

1. Inspection staff--no ceiling imposed.
2. Seasonal inspection staff--no approved establishment.
3. Locally engaged staff at overseas posts.
4. Includes approved ceiling of 825 for Immigration Medical Services; employment in I.M.S. reduced to 250 at 31/10/1953; unused portion of ceiling frozen.
5. Exempt staff--no approved establishment.
6. Day labour staff--no approved establishment.

APPENDIX No.6. PROCEDURE FOR PAYING OF PENSIONS.WAR PENSIONS.(a) CLAIMS IN RESPECT OF DEATH.

When a claim for pension is made by a dependant in respect of the death of a member, the member's service documents are obtained. If the death occurred whilst the member was in the Forces, little difficulty is experienced in determining whether or not death was due to war service if the member had been "employed on active service".

If a claim is made in respect of the death of a member who had not been "employed on active service", it usually is necessary to obtain further evidence, including medical evidence, before it can be determined whether death "has arisen out of or is attributable" to war service.

When a member dies after discharge from the Forces, the matter of determining whether death was due to war service is simple, if death was due to a disability already accepted by the Commission, a Board or an Appeal Tribunal, but when death is due to some other cause considerable investigation may be necessary.

In all claims in respect of death, it has to be established that the claimant is a "dependant" within the meaning of the Act.

When death is accepted as due to war service and pension granted, the case is noted for review. The review may be noted for a number of reasons, e.g., a child attaining the age of 16 years, to ascertain whether the dependant is still "without adequate means of support", to terminate the pension because it has been in force for two years.

(b) CLAIMS IN RESPECT OF INCAPACITY.

If a member claims pension in respect of incapacity, his service documents are obtained and the case investigated. Where the claim was made at the time of discharge from the Forces, little difficulty is experienced in determining it as, usually, the member was medically boarded for discharge and the nature of the incapacity described and the degree assessed.

A claim lodged by a member some time after discharge from the Forces requires a considerable amount of investigation. The member's post-discharge history has to be obtained in relation to employment and illnesses (and frequently verified). At times his prior-to-enlistment history also is necessary. The Department then has to ascertain (as far as is reasonably possible) the exact nature of the member's incapacity, e.g., the particular disease, or diseases, from which the incapacity arises.

Section 47 of the Repatriation Act reads :-

- "47.- (1) The Commission, a Board, an Appeal Tribunal and an Assessment Appeal Tribunal, in hearing, determining or deciding a claim, application or appeal, shall act according to substantial justice and the merits of the case, shall not be bound by technicalities or legal forms or rules of evidence and shall give to the claimant, applicant or appellant the benefit of any doubt -
- " (a) as to the existence of any fact, matter, cause, or circumstances which would be favourable to the claimant, applicant or appellant; or

(2)

"(b) as to any question whatsoever (including the question  
" whether the incapacity from which the member of the  
" Forces is suffering or from which he has died was  
" contributed to in any material degree, or was aggravated,  
" by the conditions of his war service) which arises for  
" decision under his claim, application or appeal.

" (2) It shall not be necessary for the claimant, applicant  
" or appellant to furnish proof to support his claim,  
" application or appeal but the Commission, Board, Appeal  
" Tribunal or Assessment Appeal Tribunal determining or  
" deciding the claim, application or appeal shall be  
" entitled to draw, and shall draw, from all the circumstances  
" of the case, from the evidence furnished and from medical  
" opinions, all reasonable inferences in favour of the claimant,  
" applicant or appellant, and in all cases whatsoever the  
" onus of proof shall lie on the person or authority who  
" contends that the claim, application or appeal should not  
" be granted or allowed to the full extent claimed."

Many claimants are found to be suffering from more than one disability, and the determining authority has to decide which are due to war service and which are not so caused. When an incapacity is accepted as due to war service, pension is assessed and the case set down for review unless there is no probability of the degree of incapacity fluctuating (e.g., loss of fingers, facial disfigurement).

The Fourth Schedule to the Act provides the assessment for certain specific disabilities - loss of a limb, loss of vision in one eye, etc. In respect of pulmonary tuberculosis, Section 37 of the Act provides -

" 37.--(1.) The rate of pension payable under this Division  
" to a member of the Forces in respect of incapacity caused  
" by pulmonary tuberculosis shall be not less than the rate  
" specified in Column 4 of the scale in the First Schedule to  
" this Act in relation to the rank or rating of the member.

" (2.) Any such pension shall not be terminated or  
" reduced below the rate so specified unless it is shown that  
" the pension was obtained by fraud or impersonation.

" (3.) Where a member of the Forces -

" (a) served in a theatre of war; and  
" (b) at any time after his discharge from  
" the Forces, became or becomes incapacitated,  
" or died or dies, from pulmonary tuberculosis,

" and pension in respect of the incapacity or death would not,  
" but for this sub-section, be payable, the Commonwealth shall,  
" subject to this Act and upon receipt of an application in  
" writing, be liable to pay to the member or his dependants, or  
" both, as the case may be, from the date of the application,  
" pension in accordance with Division 1 of this Part as if the  
" incapacity or death resulted from an occurrence that happened  
" during his war service. "

With organic disabilities the degree of incapacity can vary from time to time. The incapacity arising from some skin conditions can vary from negligible to temporary total incapacity, especially if there is a neurogenic or allergic factor present.

Many members in receipt of pension for an accepted disability make claims in respect of further disabilities which manifest themselves many years after discharge from the Forces. These claims have to be investigated and a determination given.

STATEMENT OF THE NUMBER OF WAR PENSIONS IN FORCE AND DESIGNATIONS OF PENSIONERS (1914 AND 1939 WARS), ALSO SHOWING THE FORTNIGHTLY AND ANNUAL LIABILITY AND AVERAGE FORTNIGHTLY RATES PAYABLE AS AT 30TH JUNE, 1953.

DESIGNATION OF PENSIONER	NUMBER IN FORCE			FORTNIGHTLY LIABILITY				ANNUAL LIABILITY				AVERAGE FORTNIGHTLY RATE PER PENSIONER				
	1914 WAR	1939 WAR Male Members	Female Members	TOTAL	1914 WAR	1939 WAR Male Members	Female Members	TOTAL	1914 WAR	1939 WAR Male Members	Female Members	TOTAL	1914 WAR	1939 WAR Male Members	Female Members	TOTAL
(1) DEPENDANTS OF DECEASED MEMBERS OF THE FORCES																
WIDOWS	17,020	5,184	-	26,204	119,658	64,925	-	184,583	3,111,111	1,688,052	-	4,799,163	7. 6. 7	7. 1. 5	-	7. 0. 11
CHILDREN	936	10,483	1	11,420	2,326	25,585	3	27,915	60,484	665,222	85	725,791	2. 9. 8	2. 8. 10	3. 5. 0	2. 8. 11
WIDOWED MOTHERS	680	2,693	7	3,380	4,569	19,561	47	24,177	118,795	508,583	1,215	628,593	6. 14. 5	7. 5. 3	6. 15. 6	7. 3. 1
OTHER MOTHERS	1,739	2,608	5	4,352	10,091	15,287	36	25,415	262,375	397,464	942	660,781	5. 16. 1	5. 17. 3	7. 4. 11	5. 16. 10
FATHERS	233	757	-	990	1,173	4,185	-	5,357	30,488	108,805	-	139,293	5. 0. 8	5. 10. 7	-	5. 8. 3
SISTERS AND BROTHERS	84	94	-	178	137	181	-	318	3,549	4,718	-	8,267	1. 12. 6	1. 18. 7	-	1. 15. 9
OTHERS	101	53	-	154	315	172	-	486	8,186	4,460	-	12,646	3. 2. 4	3. 4. 9	-	3. 3. 2
TOTALS	20,793	25,872	13	46,678	138,269	129,896	86	268,251	3,594,988	3,377,304	2,242	6,974,534	6. 13. 0	5. 0. 5	6. 12. 8	5. 14. 11
(2) DEPENDANTS OF INCAPACITATED MEMBERS OF THE FORCES																
WIVES	47,266	98,681	-	145,947	87,128	116,661	-	203,789	2,265,311	3,033,190	-	5,298,501	1. 16. 10	1. 3. 8	-	1. 7. 11
WIVES (WIDOWS)	5,436	556	-	5,992	6,789	585	-	7,374	176,522	15,203	-	191,725	1. 5. 0	1. 1. 0	-	1. 4. 7
CHILDREN	6,629	148,612	3	155,244	5,129	65,078	3	70,210	133,357	1,692,020	82	1,825,460	15. 6	8. 9	1. 1. 1	9. 1
MOTHERS (WIDOWS)	206	380	9	595	339	691	18	1,049	8,819	17,976	479	27,273	1. 12. 11	1. 16. 5	2. 0. 11	1. 15. 3
OTHER MOTHERS	327	180	1	508	422	308	5	734	10,969	8,006	120	19,095	1. 5. 10	1. 14. 3	4. 12. 4	1. 8. 11
FATHERS	29	13	-	42	44	29	-	73	1,149	760	-	1,909	1. 10. 6	2. 5. 0	-	1. 15. 0
SISTERS AND BROTHERS	22	22	-	44	25	23	-	49	655	609	-	1,264	1. 2. 11	1. 1. 3	-	1. 2. 1
OTHERS	85	26	-	111	217	52	-	269	5,648	1,343	-	6,990	2. 11. 1	1. 19. 9	-	2. 8. 5
TOTALS	60,000	248,470	13	308,483	100,093	183,427	26	283,547	2,602,430	4,769,107	681	7,372,217	1. 13. 4	14. 9	2. 0. 3	18. 5
MEMBERS	62,703	222,416	2,950	188,069	364,498	387,510	10,695	762,704	9,476,955	10,075,263	278,078	19,830,297	5. 16. 3	3. 3. 4	3. 12. 6	4. 1. 1
ALL WAR PENSIONERS	143,496	396,758	2,976	543,230	602,860	700,834	10,808	1,314,502	15,674,373	18,221,674	281,000	34,177,048	4. 4. 0	1. 15. 4	3. 12. 8	2. 8. 5

KOREA AND MALAYA OPERATIONS

DESIGNATION OF PENSIONER	NUMBER IN FORCE	FORTNIGHTLY LIABILITY	ANNUAL LIABILITY	AVERAGE FORTNIGHTLY RATE PER PENSIONER
(1) DEPENDANTS OF DECEASED MEMBERS OF THE FORCES				
WIDOWS	45	332	8,626	7. 7. 5
CHILDREN	53	127	3,312	2. 8. 1
WIDOWED MOTHERS	22	126	3,258	5. 13. 11
OTHER MOTHERS	18	86	2,242	4. 15. 10
FATHERS	6	22	578	3. 14. 1
BROTHER OR SISTER	3	6	157	2. 0. 4
TOTALS	147	699	18,173	4. 15. 1
(2) DEPENDANTS OF INCAPACITATED MEMBERS OF THE FORCES				
WIVES	124	164	4,281	1. 6. 7
CHILDREN	146	70	1,814	9. 7
TOTALS	270	234	6,095	17. 4
(3) INCAPACITATED MEMBERS OF THE FORCES				
MEMBERS	327	1,125	29,250	3. 8. 10
(4) TOTAL NUMBER OF PENSIONS IN FORCE AT 30TH JUN., 1953				
ALL PENSIONERS	744	2,058	53,519	2. 15. 4

## APPENDIX NO. 7

## STATEMENT SHOWING THE NUMBERS IN FORCE AND DESIGNATIONS OF SERVICE PENSIONERS AND THE FORTNIGHTLY AND ANNUAL LIABILITY AND AVERAGE FORTNIGHTLY RATES PAYABLE AT 30TH JUNE, 1953.

	NUMBER IN FORCE				FORTNIGHTLY LIABILITY				ANNUAL LIABILITY				AVERAGE FORTNIGHTLY RATE PER PENSIONER			
	1914 War	South Afr. War Vets.	1939 War	TOTAL	1914 War	South Afr. War Vets.	1939 War	TOTAL	1914 War	South Afr. War Vets.	1939 War	TOTAL	1914 War	South Afr. War Vets.	1939 War	TOTAL
					£	£	£	£	£	£	£	£	£. s. d.	£. s. d.	£. s. d.	£. s. d.
							(1)	DEPENDANTS OF DECEASED (MEMBER) SERVICE PENSIONERS								
Widows	1,204	66	37	1,307	3,182	169	104	3,455	82,723	4,405	2,714	89,841	2.12.10	2.11.4	2.16.5	2.12.11
Children	94	-	45	139	75	-	34	109	1,946	-	881	2,828	16.0	-	15.0	15.8
TOTAL	1,298	66	82	1,446	3,257	169	138	3,564	84,669	4,405	3,595	92,669	2.10.2	2.11.4	1.13.9	2.9.4
							(2)	DEPENDANTS OF (MEMBER) SERVICE PENSIONERS								
Wives	2,623	68	172	2,863	8,179	162	558	8,900	212,667	4,216	14,514	231,398	3.2.4	2.7.8	3.4.11	3.2.2
Children	647	1	255	903	495	1	177	673	12,867	30	4,597	17,494	15.4	1.3.0	13.10	14.11
TOTAL	3,270	69	427	3,766	8,674	163	735	9,573	225,534	4,246	19,111	248,892	2.13.1	2.7.4	1.14.5	2.10.10
ALL DEPENDANTS	4,568	135	509	5,212	11,931	333	873	13,137	310,203	8,651	22,706	341,561	2.12.3	2.9.4	1.14.4	2.10.5
							(3)	SERVICE PENSIONERS (MEMBER)								
MEMBERS	12,933	527	505	13,965	73,680	2,877	2,835	79,392	195,677	74,791	73,714	206,412	5.13.11	5.9.2	5.12.3	5.13.8
							(4)	TOTAL NUMBER OF SERVICE PENSIONERS								
ALL SERVICE PENSIONERS	17,501	662	1,014	19,177	85,611	3,209	3,708	92,529	225,880	83,442	96,421	240,573	4.17.10	4.17.0	3.13.2	4.16.6



APPENDIX NO. 8. LEGISLATION ESTABLISHING THE WAR PENSIONS APPEAL  
ENTITLEMENT APPEAL TRIBUNALS. TRIBUNALS

Section 64(1) of the Repatriation Act provides:-

- " 64.-(1) A person who has claimed, as a member of the  
 " Forces, or as a dependant of a member of the Forces, a  
 " pension under this Act (other than a service pension),  
 " and whose claim has been refused by the Commission on the  
 " ground -  
 " (a) that the incapacity or death of the member has  
 " not resulted from any occurrence that happened  
 " during the period of his war service, or from  
 " his employment in connection with naval or  
 " military preparations or operations, or did not  
 " arise out of or is not attributable to his war  
 " service, as the case may be; or  
 " (b) that the incapacity from which the member is  
 " suffering or from which he has died has not  
 " been contributed to in any material degree, or  
 " has not been aggravated, by the conditions of  
 " his war service,  
 " may, within twelve months after the date of the  
 " determination by the Commission, or within such further  
 " time as is allowed by an Appeal Tribunal on special  
 " circumstances being shown, lodge with the prescribed  
 " person, in the prescribed form, an appeal to an Appeal  
 " Tribunal against the determination of the Commission."

War Pensions Entitlement Appeal Tribunals were created by an amendment to the Act in 1929. There are two such Tribunals. Each Tribunal consists of a Chairman, who has been admitted to practice as a barrister or solicitor, and two other members (vide section 55).

When an appeal to an Entitlement Appeal Tribunal is lodged, it is necessary for the case to be summarised by the Department before transmission to the Tribunal.

An appellant is entitled to attend in person at any sittings at which his appeal is being heard. An appellant also is entitled to be represented, at his own expense, at the hearing by a person other than a legal practitioner.

ASSESSMENT APPEAL TRIBUNALS.

Section 67(1) of the Repatriation Act provides:-

- " 67.-(1) Any member of the Forces -  
 " (a) who is in receipt of a pension under this Act  
 " (other than a service pension); or  
 " (b) who is not in receipt of such a pension but as to  
 " whom the Commission, a Board or an Appeal Tribunal  
 " has determined that he has an incapacity that -  
 " (i) is the result of any occurrence that happened  
 " during his war service;  
 " (ii) is the result of his employment in connection  
 " with naval or military preparations or  
 " operations;  
 " (iii) is directly attributable to his war service;  
 " (iv) arose out of or is attributable to his war  
 " service;  
 " (v) has been contributed to in any material degree,  
 " or has been aggravated, by the conditions of  
 " his war service,

"and the Commission or a Board has decided that the incapacity is  
"so slight that it does not warrant a pension assessment,

"may, within three months after -

" (c) the commencement of this section;

" (d) the date of the notification of the assessment by the  
Commission or a Board of his pension, or the date of  
refusal by the Commission or a Board to alter the  
existing assessment; or

" (e) the date of the notification by the Commission or a  
Board that the incapacity of the member of the Forces  
did not warrant a pension assessment, ..

"whichever is the later, lodge with the prescribed person an  
"appeal in the prescribed form against the current assessment  
"of the rate of his pension, or against the decision that a  
"pension assessment is not warranted, as the case may be."

A member also has the right of appeal to an  
Assessment Appeal Tribunal when his claim for service pension has  
been refused solely on the ground that he is not -

(a) permanent unemployable; or

(b) suffering from pulmonary tuberculosis.

Assessment Appeal Tribunals were created by an  
amendment to the Act in 1929. There are five such Tribunals at  
present (an additional one having been appointed from 1.12.52).  
Each Tribunal consists of a Chairman, who must have been admitted  
to practice as a barrister or solicitor, and two other members,  
who must be medical practitioners.

An appellant is entitled to attend in person at any  
sittings at which his appeal is being heard, and is entitled to  
be represented, at his own expense, at the hearing by a person  
other than a legal practitioner.

JOINT COMMITTEE OF PUBLIC ACCOUNTS

APPENDIX NO. 9 : STATE PUBLIC HOSPITALS' COSTS 1952-53

New South Wales Hospitals			Victorian Hospitals		
	Royal Prince Alfred	Sydney		Alfred	Royal Mel-bourne
	Per Bed Day £	Per Bed Day £		Per Bed Day £ s. d.	Per Bed Day £ s. d.
Salaries and Wages	2.559	2.939	Salaries and Wages	2 10 5	2.13. 4
Provisions	.508	.497	Reserve for Marriage Allowance		
Drugs and Surgical	.314	.314	Medicines, Surgery and Dispensary	9 10	7 5
Fuel, Light & Power	.143	.156	Provisions	9 2	9 0
Domestic Charges	.114	.106	Domestic (covering general maintenance, Fuel, Light Power, Laundry)	6 7	11 10
Special Departments	.071	.121	Reserve for Maintenance of Equipment	5 2	1 1½
Establishment Items	.086	.115	Reserve for Depreciation		
Renewals, Renovations and Repairs	.098	.087	Incidentals (covering miscellaneous administration and Finance)	2 7	2 4
Interest on Loans and Overdrafts - Guaranteed by Government	.028				
Not Guaranteed by Government					
(a) Total Inpatient Cost	3.925	4.338	Total Inpatient Cost	4 3 9	4 5 9
Average Beds Occupied	1077.5	316.5	Average Beds Occupied	476	536

(a) adjusted for outpatients

Royal Adelaide Hospital

				<u>Total</u>		
	£	s.	d.	£	s.	d.
Salaries and Wages				634,265	4	9
Administration, Telegrams, Telephones, Printing, Advertising, etc.				11,791	7	7
Medicines, surgical appliances, etc.				99,727	13	1
Crockery, ironmongery, glassware, etc.				3,634	13	11
Cleansing Materials, soaps, etc. (including toilet and laundry, excluding medicinal				5,676	9	6
Drapery, clothing, bedding, etc.				11,594	10	8
Provisions for Patients and Staff :-						
Meat, including poultry and fish	32,522	2	1			
Bread	3,350	4	10			
Milk and Cream	19,671	4	2			
Butter	5,114	17	6			
Eggs	11,718	7	6			
Groceries including cakes and small goods	9,182	12	11			
Sugar	2,192	14	5			
Aerated Waters and alcoholic stimu- lants	1,181	9	1			
Vegetables and Fruit	18,927	17	10			
Ice	320	15	9	104,182	6	1
X-ray Appliances				26,390	17	5
Electric power and lighting				17,808	6	0
Gas				2,968	2	9
Fuel -						
Coal	28,937	4	7			
Coke	750	11	3			
Firewood	595	18	11			
Diesel Fuel	18,506	2	2	48,789	16	11
Water and Sewer Rates				4,847	2	0
Cleaning Contracts				1,205	0	0
Ambulance - Departmental running costs				57	4	6
Sundries - Miscellaneous				13,373	12	9
Minor Furnishings -						
Garden requirements, vegetables and flowers	267	7	3			
Furnishings	118	12	10			
Timber, etc., for repairs	434	10	10	820	10	11
Rent of Premises for Nurses' Quarters				1,901	14	8
Womens' Hospital - Subsidy on Expenditure by Hospital Auxiliary				2,901	0	0
Repairs to General Equipment				218	7	1
Motor Truck repairs				28	9	4
Petrol Motor Truck				19	1	2
Departmental Car - Petrol and running expenses				33	14	4
Court charges Account Prosecution for Maintenance Fees				1	10	0
Agent General Charges				3,196	7	0
Architect-in-Chief's Department - Repairs, Interest, Supn. Administration, etc.				140,856	18	6
Magill Wards -						
Salaries and Wages	33,309	9	9			
Contingencies, Provisions, Medicines, etc.	19,507	12	0	52,817	1	9

	£ s. d.	£ s. d.
Northfield Wards -		
Salaries and Wages	136,187 11 6	
Contingencies, Provisions, Medicines, etc.	<u>49,230 11 11</u>	<u>185,418 3 5</u>
GROSS COST GRAND TOTAL		£1,374,525 6 1
Less Credits - Sales of Fats, etc.		91,964 19 4
Less Cost of Outpatients		<u>62,072 6 11</u>
Net Cost of Inpatients		<u>£1,220,487 19 10</u>
Daily Average Cost (Excluding Outpatients)		£4 3. 6.
Average Beds Occupied		801

WESTERN AUSTRALIAN HOSPITALS

	Royal Perth			Fremantle		
	Per Bed Day			Per Bed Day		
	£	s.	d.	£	s.	d.
<u>TOTAL COSTS</u>						
Salaries and Payments in the nature of Salaries	2	15	3	2	11	4
Reserves for Marriage Allowance and Furlough						
Medicines, Lotions, etc.		7	10	7	9	
Provisions		8	11	9	5	
General Maintenance (Domestic)		2	9	5	5	
Fuel, Light, Power and Water		4	8	4	5	(d)
Laundry		(a)			4	
Reserve for Maintenance of Equipment, etc.						
Maintenance and Depreciation of Buildings and Improvements			8	(b)		
Incidentals		3	1	2	11	
Occupational Therapy		(c)				
Establishment		2	4			
Special Expenditure						10
GROSS COST GRAND TOTAL	£4	5	6	£4	2	5
Less Credits - Sale of Kitchen Waste						
Sundry Recoupable etc. Items		13	2			
Less Estimated Cost of Outpatients				6	5	
Net Cost of Inpatients	£3	12	3.5	3	16	0
Average Beds Occupied		546.5			149.55	

- (a) Laundry cost is included in total Salaries, General Maintenance, Fuel, Light, Power and Water, Incidentals etc.
- (b) Estimate for this year's use only, of actual amounts paid for certain Maintenance, Building improvements, etc.
- (c) Occupational Therapy. Salaries included by supplying total Salaries.
- (d) Excluding Wages.

TASMANIAN HOSPITALS

	Royal Hobart	Launceston	Devon Latrobe
	Total £	Total £	Total £
Salaries and Wages	312,472	251,428	70,655
Provisions	62,165	42,549	17,271
Domestic	38,595	28,495	10,091
Dispensary and Surgical	52,070	36,981	10,039
Administration and Miscellaneous	15,521	11,325	3,696
Repairs	5,766	6,827	1,459
GRAND TOTAL (net)	£486,589	£377,605	£113,211
Less estimated cost of Out- patients	67,747	38,065	1,895
Net Cost of Inpatients	£418,842	£339,540	£111,316
Cost per bed-day	£3. 5. 8	£3.10. 9	£4. 5. 2
Average Beds Occupied	349.7	263.0	71.6

Note :

The figures allow for outpatients as follows :-

Royal Prince Alfred and Sydney Hospitals, New South Wales.

Generally, inpatient costs are not obtainable by costing methods, and approximate costs are obtained by the following formula :-

$$\frac{\text{Total Maintenance Expenditure}}{\text{Total Average of Inpatients}} + \frac{\text{Number of Individual Outpatients}}{700} = \text{Annual Bed Cost (Adjusted for Outpatients)}$$

At Royal Prince Alfred Hospital cost accounts are available to determine inpatient costs. The hospital advised that the inpatient cost for the General Hospital, Gloucester House, King George V and Yaralla for the year ended 30th June, 1953, was \$23.14. 7 per week.

In determining bed costs of hospitals generally, the method is to make an adjustment for outpatients on the basis of 700 outpatients being equivalent to one inpatient per annum. The adjusted daily average obtained is divided into the total maintenance cost to obtain the average bed cost (adjusted on account of outpatients). It will be evident, therefore, that the result obtained by this method is affected considerably by the accuracy of the figure used to make the adjustment for outpatients. In the case of Royal Prince Alfred Hospital, however, the actual cost of treating 478 individual outpatients was equivalent to the cost of treating one inpatient for one year. The number of individual outpatients for each hospital for the year 1952/53 are shown hereunder :-

Royal Prince Alfred	70,801
Sydney	85,071
Bodington	224
Queen Victoria Homes	233

Royal Melbourne Hospital, Victoria.

Every Department handling patients is costed to ascertain the portion of the costs chargeable to inpatients according to the number of attendances and tests etc..

Royal Adelaide Hospital, South Australia.

Separate costs are kept for the General Outpatients' Department.

Royal Perth Hospital, Western Australia.

There is a full system of unit costing for each section of the hospital, and detailed costing of inpatients and outpatients. The salaries of staff handling inpatients are debited direct to the cost account for inpatient treatment, whilst the salaries for all engaged treating outpatients go direct to that cost account. Likewise all other charges, services and supplies are broken at the source where possible, or split on a percentage or ascertained basis.

Fremantle Hospital, Western Australia.

The total cost of treating outpatients is determined on actual salaries of Outpatient Staff, plus a proportion of salaries of other staff partially engaged, and drugs and other charges on the basis of an average percentage which is reviewed periodically.

Launceston and Latrobe Hospitals, Tasmania

There is no actual costing of outpatients : at the end of each year an estimate of outpatient costs is made.



JOINT COMMITTEE OF PUBLIC ACCOUNTS

APPENDIX NO.10 : STATE SANATORIA COSTS 1952-53

NEW SOUTH WALES SANATORIA

	Australian Red Cross Society Bodington	Queen Victoria Homes
	Per Bed Day £	Per Bed Day £
Salaries and Wages	2.091	1.094
Provisions	.530	.432
Drugs and Surgical	7.157	.049
Fuel, Light and Power	.128	.063
Domestic Charges	.057	.072
Special Departments	.140	.014
Establishment Items	.110	.118
Renewals, Renovations and Repairs	.093	.192
Interest on Loans and Overdrafts - Guaranteed by Government		
Not guaranteed by Government		
TOTAL	3.309	2.039
Average Beds Occupied	115	116.1

GRESSWELL SANATORIUM, VICTORIA

	<u>Per Bed Day</u>		
	<u>£</u>	<u>s.</u>	<u>d.</u>
Salaries	1	5	7.7
Medicine, etc.		1	4.3
Provisions		12	9.8
Fuel, Light, etc.		2	2.4
Laundry Gleaning		1	3.6
Domestic, other			6.8
Equipment including X-Ray, Clothing, Bedding, Furniture, Hardward, Crockery		1	9.9
Maintenance of Building and Grounds		3	3.1
Incidentals		1	6.2
Penalty and Overtime		3	11.0
Specialists Fees including Occupational Therapy Instructors			4.1
			<hr/>
GROSS GRAND TOTAL	£2	14	8.9
Less Credits - sale of fat, etc.			.6
Net cost of inpatients	£2	14	8.3
			<hr/>
Average Beds Occupied			172.3

NOTE:

1. No reserve funds are created for Sanatoria.
2. There are no outpatients connected with Sanatoria.

## BEDFORD PARK SANATORIUM

## WOOROLOO SANATORIUM

	South Australia			Western Australia	
	Bedford Park			Wooroloo	
	£	s.	d.		Per Bed Day d.
Salaries and Wages	59,713	7	10	Salaries and Payments in the nature of Salaries	465.23
Provisions	14,899	17	0	Reserves for Marriage Allowance and Furlough	
Medicines, etc.	5,102	10	0	Medicines, Lotions, etc	46.80
Fuel, Power, etc.	3,741	3	10	Provisions	123.97
Drapery & Crockery etc.	2,097	2	5	General Maintenance (Domestic)	
Miscellaneous	7,801	16	8	Fuel, Light, Power and Water	24.38
Cost of repairs, Architect-in-Chief's Department	5,229	0	0	Laundry	1.95
Interest, Loan Expenditure	348	0	0	Maintenance of Equipment	32.85
Superannuation	585	0	0	Maintenance and Depreciation of Buildings and improvements	15.72
Sinking Fund	10	0	0	Incidentals	78.52
Head Office Administration	1,985	0	0	Occupational Therapy	.77
Payment to Officer on retirement, etc.	508	0	0	Special Expenditure	
Sub-Total	£101,816	17	9	GRAND COST GRAND TOTAL	790.19
Less Credits - Sale of Fat, etc.	10,255	16	7	Less Credits - Sale of Fat	-
	£91,561	1	2	Average Beds Occupied	236.1
Average Daily Cost	£2	7	3		
Average Beds Occupied			105		

JOINT COMMITTEE OF PUBLIC ACCOUNTS

APPENDIX NO. 11 : CIVILIAN ORDERS FILLED BY REPATRIATION ARTIFICIAL LIMB FACTORIES 1952-53

Type of Work	Production					C o s t										
	No. of Jobs Completed					Civilian			Department			Total				
	Civ.	%	Dept.	%	Total	£	s.	d.	%	£	s.	d.	£	s.	d.	
Artificial Limbs (N.S.W.)	88	35.1	163	64.9	251	4665.	12.	3	33.3	9363.	4.	2	66.7	14028.	16.	6
Other Surgical Appliances	464	2.4	1854	97.6	19006	2432.	8.	2	3.7	63905.	8.	6	96.3	66337.	16.	8
Work for : (Medical Institutions) (Branch Office) X (Buildings and Plant)			25	100	25					504.	6.	1	100	504.	6.	1
TOTAL	552	2.8	18730	97.2	19282	7098.	-.	5	8.8	73772.	18.	10	91.2	80870.	19.	3
Artificial Limbs (Vic.)	25	21.4	92	78.6	117	1207.	3.	9	20.3	4752.	2.	9	79.7	5959.	6.	6
Other Surgical Appliances	349½	.5	71861	99.5	72210½	789.	5.	5	1.3	58362.	11.	3	98.7	59151.	16.	8
TOTAL	374½	.5	71953	99.5	72327½	1996.	9.	2	3.1	63114.	14.	0	96.9	65111.	3.	2
Artificial Limbs (Q'land)	84	71.2	34	28.8	118	3597.	13.	1	70.1	1536.	17.	10	29.9	5134.	10.	11
Other Surgical Appliances	332	6.7	4632	93.3	4964	1052.	1.	7	5.4	18571.	0.	3	94.6	19623.	1.	10
Work for Medical Institutions			52	100	52					128.	9.	8	100	128.	9.	8
TOTAL	416	8.1	4718	91.9	5134	4649.	14.	8	18.7	20236.	7.	9	81.3	24886.	2.	5
Artificial Limbs (S.A.)	22	31	49	69	71	893.	7.	1	30.1	2077.	18.	2	69.9	2971.	5.	3
Other Surgical Appliances	103	3.1	3271	96.9	3374	308.	8.	2	2.4	12388.	4.	1	97.6	12696.	12.	3
Work for Branch Office			14	100	14					294.	14.	8	100	294.	14.	8
TOTAL	125	3.6	3334	96.4	3459	1201.	15.	3	7.5	14760.	16.	11	92.5	15962.	12.	2
Artificial Limbs (W.A.)	13	21.3	48	78.7	61	582.	3.	0	19	2474.	16.	8	81	3056.	19.	8
Other Surgical Appliances	48	1.6	3052	98.4	3100	357.	3.	9	2.1	16371.	14.	10	97.9	16728.	18.	7
Work for Medical Institutions			51	100	51					412.	17.	8	100	412.	17.	8
TOTAL	61	2	3151	98	3212	939.	6.	9	4.6	19259.	9.	2	95.4	20198.	15.	11
Artificial Limbs (Tas.)	16	64	9	36	25	669.	1.	7	59.6	452.	13.	5	40.4	1121.	15.	0
Other Surgical Appliances	76	3.7	1973	96.3	2049	243.	18.	11	2.5	9573.	10.	11	97.5	9817.	9.	10
Work for Medical Institutions			43	100	43					304.	0.	9	100	304.	0.	9
TOTAL	92	4.3	2025	95.7	2117	913.	0.	6	8.1	10330.	5.	1	91.9	11243.	5.	7

Note: X In Repatriation Artificial Limb Factories certain repair work is carried out for our Medical Institutions and Branch Offices, and maintenance on Buildings and Plant at the R. A. L. F. is also undertaken.