

RECONSIDERATION OF AMA FEE INCREASES

Statement by the Prime Minister, Mr William McMahon

The Prime Minister, Mr William McMahon, with the Minister for Health, Senator I. J. Greenwood, and the Director -General of Health, Sir William Refshauge, today met Dr R. H. Macdonald, the President of the AMA and Dr E. G. Thomson, the Federal Secretary-General of the AMA.

Dr Macdonald explained the background to the problem of the recent decision by the AMA to an across-the-board increase in fees and sought to ascertain whether it was now open to the meeting of the Assembly of 17 April to reconsider its position in the light of the new and more complete figures submitted by the Department of Health.

The Prime Minister said that the Government reaffirmed its belief that there was no justification for the across-the-board increases previously submitted and that the existing Government decision still stood that unless there was agreement between the Government and the AMA, there should be recourse to arbitration. However, the Prime Minister said that it was still open for the AMA to reconsider its recommendations and put them before the Government.

The Prime Minister suggested that one possibility which the AMA might explore was a variation of its fee recommendation proposals announced earlier, so as to limit the increases in common fees to general practitioner surgery consultations and home visits as from 1 July 1971, leaving unaltered for the time being the present common fees for all other services such as radiology, pathology, anaesthesia, operations and specialist consultations. These would be considered later in light of all new information available.

Should the AMA wish to advance any further proposals, they could be submitted to the Minister for Health to explore in detail with the AMA.

CANBERRA,
26 March 1971.