CHECK AGAINST DELIVERY

EMBARGOED AGAINST DELIVERY.

PRIME MINISTER

SPEECH BY THE PRIME MINISTER
HEALTH AND RESEARCH EMPLOYEES' ASSOCIATION
SYDNEY, 5 MARCH 1984

MR CHAIRMAN, LADIES AND GENTLEMEN,

I AM VERY PLEASED TO HAVE THIS OPPORTUNITY TO ADDRESS YOUR ASSOCIATION.

TODAY IS THE FIRST ANNIVERSARY OF THE PRESENT LABOR GOVERNMENT'S ELECTION TO OFFICE.

AMONG THE MANY ACHIEVEMENTS OF THE GOVERNMENT HAS BEEN THE INTRODUCTION OF MEDICARE.

WITH THIS HISTORIC INITIATIVE ALL AUSTRALIANS NOW HAVE A NEW, SIMPLER AND FAIRER HEALTH INSURANCE SYSTEM.

YOUR ASSOCIATION AND ITS MEMBERS ARE PARTICULARLY WELL PLACED TO APPRECIATE THE ADVANTAGES THIS BRINGS FOR THE COMMUNITY GENERALLY. QUITE APART FROM IMPROVED COMMUNITY HEALTH STANDARDS, OTHER CONCRETE ADVANTAGES INCLUDE THE ELIMINATION OF MANY COMPLEX BILLING PROCEDURES THAT HAD PREVIOUSLY DIVERTED VALUABLE RESOURCES FROM IMPORTANT SERVICE ACTIVITIES INTO UNNECESSARY ADMINISTRATIVE AND

SUPPORT ACTIVITIES. UNDER MEDICARE THOSE SAME RESOURCES WILL BE USED TO PROVIDE BETTER HEALTH SERVICES FOR ALL AUSTRALIANS.

THERE ARE FUNDAMENTAL AND COMPELLING REASONS WHY THE INTRODUCTION OF MEDICARE HAS BEEN CLOSE TO THE TOP OF THE GOVERNMENT'S AGENDA.

IT WAS TOTALLY UNACCEPTABLE THAT NEARLY 2 MILLION AUSTRALIANS WERE FOR SEVERAL YEARS WITHOUT PRIVATE INSURANCE OR THE COMMONWEALTH GOVERNMENT'S COVER PROVIDED TO PENSIONERS, UNEMPLOYED AND LOW INCOME EARNERS. MANY OF THE TWO MILLION WERE SIMPLY UNABLE TO AFFORD THE COST OF PRIVATE INSURANCE. IRONICALLY THEY AT THE SAME TIME FACED POTENTIAL FINANCIAL RUIN IN THE EVENT OF MAJOR ILLNESS.

THE LABOR GOVERNMENT WAS ELECTED, AMONG OTHER THINGS, TO REDRESS THIS SITUATION. WITH MEDICARE AUSTRALIANS NOW HAVE A STABLE SYSTEM WHICH PROVIDES EVERYONE WITH COVER AT A FAIR COST.

UNDER THE PREVIOUS ARRANGEMENTS THERE WAS SOME PROVISION FOR LOW INCOME PENSIONERS AND FAMILIES TO RECEIVE FREE CARE. BUT THE INCOME TEST ON THESE BENEFITS WAS TOO RESTRICTIVE; MANY FAMILIES WITH INCOMES JUST A LITTLE OVER THE CUT-OFF POINT SIMPLY COULD NOT AFFORD THE $13 MINIMUM PER WEEK WHICH

WAS THE COST OF BASIC COVER. FAMILIES WITH INCOMES AS LOW AS $200 PER WEEK FAILED TO QUALIFY FOR THE CONCESSIONAL ARRANGEMENTS. IF PREVIOUS HEALTH SCHEMES HAD CONTINUED, THE COST OF FAMILY COVER IN FEBRUARY 1984 WOULD CERTAINLY HAVE BEEN GREATER THAN $15 PER WEEK.

MEDICARE ENSURES THAT NO AUSTRALIAN NEED NOW FEAR THAT TREATMENT OF SICKNESS WILL HAVE CRIPPLING FINANCIAL CONSEQUENCES. ALL AUSTRALIANS ARE GUARANTEED - AS A BASIC RIGHT - PROTECTION AGAINST THE FINANCIAL IMPACT OF ESSENTIAL MEDICAL AND HOSPITAL TREATMENT.

ALL AUSTRALIANS ARE CONTRIBUTING TO THE COST OF MEDICARE ACCORDING TO THEIR CAPACITY TO PAY. IMPORTANTLY A MAJORITY OF AUSTRALIAN FAMILIES ARE NOW PAYING LESS FOR HEALTH COVER UNDER MEDICARE.

A VITAL REASON FOR MOVING TO REFORM THE HEALTH INSURANCE SYSTEM IS TO CURB THE INCREASE IN COSTS OF HEALTH CARE, WHETHER THESE COSTS ARE BORNE BY THE COMMUNITY AS A WHOLE OR BY INDIVIDUAL PATIENTS.

THE UPWARD TREND IN COSTS NEEDS TO BE RECOGNISED. HEALTH COSTS AS A PERCENTAGE OF AUSTRALIA'S NATIONAL PRODUCT INCREASED SUBSTANTIALLY DURING THE 1970'S - RISING FROM OVER 5.7 PER CENT TO 8.00 PER CENT OF GDP IN THE PERIOD.

MANY FACTORS WERE RESPONSIBLE FOR THIS; SOME OF THESE WERE SOCIALLY DESIRABLE AND NECESSARY - FOR EXAMPLE THE EQUAL PAY DECISION OF 1973; OTHER ELEMENTS, SUCH AS THOSE INVOLVING MEDICAL FRAUD AND OVERSERVICING, WERE A HEAVY DRAIN ON THE PUBLIC PURSE. WHAT IS CLEAR IS THAT GOVERNMENTS MUST TAKE VIGOROUS AND EFFECTIVE ACTION TO CONTAIN INCREASING MEDICAL SERVICE COSTS TO THE EXTENT POSSIBLE.

MEDICARE THROUGH A SINGLE NATIONAL ORGANISATION, AIMS TO BRING NEEDED EFFICIENCIES AND ECONOMIES TO THE ADMINISTRATION OF THE NATIONAL HEALTH SYSTEM.

THE INTRODUCTION OF MEDICARE HAS BEEN ACCOMPANIED BY THE ESTABLISHMENT OF ONE OF THE LARGEST AND MOST MODERN COMPUTER NETWORKS IN THE WORLD. THIS SYSTEM WILL ENSURE THAT THE STANDARD OF ADMINISTRATIVE BACKUP AND SUPPORT IS SECOND TO NONE.

IT WILL ALSO PROVIDE THE MEANS TO DETECT QUICKLY ATTEMPTS TO ABUSE MEDICARE. WHILE ONLY A SMALL MINORITY OF DOCTORS ARE INVOLVED IN QUESTIONABLE PRACTICES, SUCH A CAPACITY IS NEEDED. INDEED WE HAVE JUDGED IT NECESSARY TO EXTEND THE GOVERNMENT'S ABILITY TO INVESTIGATE AND DEAL WITH ABUSES WHERE THEY EXIST IF RISING COSTS ARE TO BE EFFECTIVELY CONTAINED.

WIDER APPLICATION OF BULK BILLING BY DOCTORS SHOULD ALSO LEAD TO REDUCED COSTS. BULK BILLING, APART FROM BEING MORE CONVENIENT AND CHEAPER TO THE PATIENT, LOWERS ADMINISTRATIVE COSTS FOR BOTH THE DOCTORS AND THE GOVERNMENT. THE PROPORTION OF MEDICAL CLAIMS THAT ARE BULK-BILLED IS EXPECTED TO INCREASE WITHIN 3 MONTHS FROM ABOUT 30 PER CENT, WHICH REFLECTS THE NUMBER OF PENSIONER PATIENTS, TO ABOUT 40 PER CENT. THE GOVERNMENT IS PLEASED THAT VIRTUALLY ALL DOCTORS HAVE CONTINUED THEIR PRACTICE OF BULK BILLING PENSIONERS AND THE DISADVANTAGED IN OUR COMMUNITY, AND THAT AN INCREASING NUMBER ARE EXTENDING THIS TO ALL PATIENTS. BULK BILLING SHOULD BECOME THE NORM - CERTAINLY THIS IS WHAT THE GOVERNMENT INTENDS.

WE ARE ALSO COMMITED TO CONTAINING COSTS ON THE HOSPITAL SIDE OF AUSTRALIA'S HEALTH BUDGET. UNLIKE THE HOSPITAL FUNDING ARRANGEMENTS UNDER MEDIBANK AND IN THE EARLY FRASER YEARS, WE WILL NOT BE SHARING THE COSTS OF STATE HOSPITAL SYSTEMS ON A DOLLAR FOR DOLLAR BASIS. THE OPEN-ENDED COMMITMENT INVOLVED IN THAT SYSTEM CONSIDERABLY REDUCED THE INCENTIVES FOR STATE GOVERNMENTS TO CONTAIN THE COSTS OF THEIR HOSPITAL SYSTEMS.

WE ARE INSTEAD PROVIDING A GREATER LEVEL OF ASSISTANCE TO THE STATES FOR THEIR HOSPITALS, BUT ON A RESPONSIBLE BASIS WHICH ESTABLISHES AT THE BEGINNING OF THE YEAR THEIR LEVEL

OF COMMONWEALTH FUNDS. THIS ENABLES STATE HOSPITALS TO BUDGET ACCORDINGLY AND REPRESENTS A REAL INCENTIVE TO THEM TO CONTAIN COSTS.

AN IMPORTANT PART OF THE HOSPITAL ARRANGEMENTS ARE SPELT OUT IN THE MEDICARE AGREEMENTS WITH THE STATES, ALL OF WHICH ARE NOW SIGNED, SEALED AND DELIVERED. QUEENSLAND SHOWED SOME RELUCTANCE. THERE WAS A TEMPTATION TO BUY OUR WAY OUT OF ARGUMENT IN THIS AREA - NEEDLESS TO SAY I DO NOT GIVE IN TO SUCH TEMPTATIONS.

WHAT WE HAVE AGREED WITH QUEENSLAND, TO ENSURE THAT IT IS EQUITABLY TREATED, IS TO ASK THE GRANTS COMMISSION TO GIVE SPECIAL CONSIDERATION TO THE IMPACT OF THE MEDICARE GRANTS ON QUEENSLAND'S FINANCIAL POSITION, AND TO RECOMMEND ANY NECESSARY ADJUSTMENTS IN THE TAX SHARING AND IDENTIFIED HEALTH GRANTS. I HAVE ASSURED THE QUEENSLAND GOVERNMENT THAT THE COMMONWEALTH WILL RESPOND ON THE BASIS OF PROMPT AND FULL CONSIDERATION OF THE GRANTS COMMISSION'S RECOMMENDATIONS ON THIS MATTER.

ANOTHER INSTANCE OF THE COST CONTAINMENT STRATEGY BEING PURSUED BY THE GOVERNMENT IS THE CHANGES WE ARE MAKING TO PRIVATE PRACTICE RIGHTS FOR DIAGNOSITC SPECIALISTS IN PUBLIC HOSPITALS. I AM REFERRING HERE TO THE RIGHT OF SALARIED AND VISITING DIAGNOSTIC SPECIALISTS TO TREAT THEIR PRIVATE

PATIENTS WITHIN PUBLIC HOSPTIALS, USING HOSPITAL EQUIPMENT AND FACILITIES, AND CHARGING THOSE PATIENTS ON A FEE FOR SERVICE BASIS. THESE PRIVATE PRACTICE RIGHTS DO NOT AFFECT THE TREATMENT OF PUBLIC PATIENTS; NOR DO THEY AFFECT THE RIGHTS OF DIAGNOSTIC SPECIALISTS TO TREAT PATIENTS OUTSIDE PUBLIC HOSPITALS.

I RECOGNISE THAT PRIVATE PRACTICE RIGHTS ARE ESSENTIAL IF WE ARE TO CONTINUE TO ATTRACT THE HIGHEST QUALITY MEDICAL STAFF TO OUR PUBLIC HOSPITALS. BUT FOR SOME YEARS, CONCERN HAS BEEN EXPRESSED BY COMMONWEALTH AND STATE HEALTH MINISTERS, AND BY THE PREVIOUS GOVERNMENT'S JAMISON REPORT INTO HOSPITALS, ABOUT THESE RIGHTS OF PRIVATE PRACTICE.

SEVERAL REPORTS TO GOVERNMENT HAVE HIGHLIGHTED QUITE UNSATISFACTORY FEATURES OF CURRENT PRIVATE PRACTICE ARRANGEMENTS. SOME VISITING DIAGNOSTIC SPECIALISTS HAVE BEEN DRAWING INORDINATELY HIGH INOMCES - FROM THE PUBLIC HOSPITAL SYSTEM - APPROXIMATELY A QUARTER OF A MILLION DOLLARS NET IN SOME KNOWN CASES. IN SOME STATES SALARIED DIAGNOSTICIANS HAVE ALSO BEEN EARNING MORE FROM PRIVATE WORK THAN THROUGH THEIR SALARIED PUBLIC WORK.

AS A RESULT, LATE LAST YEAR, DR BLEWETT PROPOSED NEW ARRANGEMENTS AIMED AT INCREASING THE PUBLIC ACCOUNTABILITY OF DIAGNOSTIC SPECIALISTS AND REDUCING THE INCENTIVES TO

REQUEST AND PERFORM DIAGNOSTIC TESTS. THESE ARRANGMENTS WOULD HAVE ENSURED, FIRST, THAT HOSPITALS CHARGE THE SPECIALISTS FOR THE USE OF EQUIPMENT AND OTHER FACILITIES; SECOND, THAT HOSPITALS, RATHER THAN THE DOCTORS, WOULD BILL PATIENTS; THIRD, THAT REASONABLE RESTRAINTS WOULD BE PLACED ON THE INCOMES DIAGNOSTIC SPECIALISTS COULD EARN; AND FINALLY THAT THE DIAGNOSTIC SPECIALISTS WOULD CHARGE NO MORE THAN THE SCHEDULE FEE.

THE OUTCOME OF THE NEGOTIATIONS WHICH FOLLOWED BETWEEN DR BLEWETT AND THE AMA WAS A VERY SUBSTANTIAL COMPROMISE ON THE GOVERNMENT'S PART. WE AGREED THAT THE QUESTION OF LIMITS ON THE INCOMES OF DIAGNOSTIC SPECIALISTS WOULD BE REFERRED TO A REPRESENTATIVE INQUIRY - THE PENNINGTON INQUIRY. WE ACKNOWLEDGED THAT WHAT WAS INVOLVED WENT TO SENSITIVE AND IMPORTANT ISSUES; WE DID NOT WANT TO DRIVE SPECIALISTS, ESPECIALLY SALARIED SPECIALISTS, OUT OF THE PUBLIC HOSPITAL SYSTEM.

WE HAD EXPECTED THAT, AS A RESULT OF OUR COMPROMISE, THE SPECIALISTS WOULD AGREE TO INTERIM CONTRACTS WHICH WOULD COVER THE OTHER ASPECTS OF THE PROPOSED ARRANGEMENTS. HOWEVER, AS YOU WOULD ALL KNOW, SOME ELEMENTS OF THE MEDICAL PROFESSION HAVE NOW OBJECTED TO OUR INSISTENCE THAT DIAGNOSTIC SPECIALISTS' CHARGES IN PUBLIC HOSPITALS BE LIMITED TO THE SCHEDULE FEE.

ONE OF THE PROBLEMS WE HAVE FACED IN THIS PROCESS IS THAT THE AMA HAS BEEN HAPPY TO OBTAIN CONCESSIONS FROM THE GOVERNMENT, BUT HAS THEN BEEN UNABLE TO RESPOND WITH BINDING COMMITMENTS FROM THE MEDICAL PROFESSION.

THIS NEGOTIATION CANNOT ALL BE ONE WAY. THE GOVERNMENT HAS BEEN PREPARED TO DEMONSTRATE CONSIDERABLE FLEXIBILITY IN THE INTERESTS OF SECURING AGREEMENT. ANY AGREEMENT, HOWEVER, REQUIRES "TWO TO TANGO"; THE GOVERNMENT AND THE COMMUNITY AT LARGE COULD QUITE LEGITIMATELY HAVE EXPECTED A LESS UNCOMPROMISING AND RIGID STAND FROM THE DOCTORS, IF ONLY OUT OF RECOGNITION OF PATIENTS' INTERESTS. THERE ARE, HOWEVER, LIMITS TO THE GOVERNMENT'S FLEXIBILITY. IT HAS A RESPONSIBILITY OT SECURE IMPORTANT NATIONAL INTERESTS. ONE SUCH INTEREST IS THE CONTAINMENT OF RISING HEALTH COSTS. HENCE OUR INSISTENCE THAT DIAGNOSTIC SPECIALISTS, WHO HAVE SUCH PRIVILEGED ACCESS TO PUBLIC FACILITIES, SHOULD CHARGE NO MORE THAN THE SCHEDULE FEE.

LAST WEEK BOTH DR BLEWETT AND THE FOUR STATE LABOR GOVERNMENTS INITIATED ACTION TO ENSURE THAT THE SCHEDULE FEE IS CHARGED FOR DIAGNOSTIC SERVICES IN PUBLIC HOSPTIALS. IN THIS WAY THESE LABOR GOVERNMENTS ARE SEEKING TO ENSURE THAT THE PEOPLE IN THEIR STATES CAN RECEIVE THE MEDICARE BENEFITS TO WHICH THEY ARE ENTITLED. WE WERE NOT PREPARED TO ALLOW THE DISPUTE WITH THE DIAGNOSTICIANS TO REACH A STAGE WHERE

THE PUBLIC WOULD BE INCONVENIENCED THROUGH THE REFUSAL OF MEDICARE BENEFITS TO PATIENTS WHOSE SPECIALISTS HAD NOT SIGNED AN AGREEMENT TO CHARGE THE SCHEDULE FEE. IN QUEENSLAND AND TASMANIA, RIGHTS OF PRIVATE PRACTICE ARRANGEMENTS ARE VERY LIMITED; THERE WE WILL REQUIRE DIAGNOSTIC SPECIALISTS TO AGREE IN WRITING TO CHARGE THE SCHEDULE FEE.

THERE HAS BEEN A LOT OF NONSENSE TALKED ABOUT THE MINISTER FOR HEALTH HAVING SOME ABSOLUTE POWER TO SET THESE FEES. ON THE CONTRARY, THE FEES SET OUT IN THE MEDICAL BENEFITS SCHEDULE ARE NOT DETERMINED BY THE MINISTER OR BY THE GOVERNMENT, BUT BY AN INDEPENDENT TRIBUNAL TO WHICH BOTH THE GOVERNMENT AND THE MEDICAL PROFESSION MAKE SUBMISSIONS. THE CURRENT TRIBUNAL HEARING IS BEING CHAIRED BY THE DEPUTY PRESIDENT OF THE ARBITRATION COMMISSION, MR JUSTICE MCKENZIE.

WE MUST GET THIS DISPUTE INTO PERSPECTIVE. THE GREAT MAJORITY OF DIAGNOSTIC SPECIALISTS ALREADY CHARGE NO MORE THAN THE SCHEDULE FEE. AND MANY ALREADY HAVE CONTRACTS WITH STATE HSOPITAL SYSTEMS WHICH LIMIT THEIR CHARGES TO THAT SCHEDULE FEE. THOSE WHO ARE HOLDING OUT AGAINST THE NEW ARRANGEMENTS ARE DOING SO, AT LEAST IN MANY CASES, FOR NARROW AND SELFISH REASONS.

LET ME STREES THAT THIS GOVERNMENT HAS NO INTENTION OF NATIONALISING HEALTH CARE IN THIS COUNTRY. WHILE WE ARE COMMITTED TO CURBING GROWTH IN COSTS AND ENSURING THE EFFICIENCY OF THE OVERALL SYSTEM, THERE IS NO PLAN TO END PRIVATE PRACTICE. WE REGARD PRIVATE PRACTICE AS A FUNDAMENTAL AND ESSENTIAL PART OF OUR HEALTH CARE SYSTEM.

ANOTHER IMPORTANT PART OF MY GOVERNMENT'S AIM TO SECURE RATIONALISATION OF HEALTH CARE EXPENDITURES, IS THE NEW SYSTEM OF PRIVATE HOSPITAL SUBSIDIES.

THE CHANGES WE HAVE MADE WERE LONG OVERDUE.

PRIVATE HOSPITALS ARE A VERY DIVERSE RANGE OF INSTITUTIONS. AT ONE EXTREME ARE THE MAJOR SURGICAL HOSPITALS, MOSTLY RUN BY RELIGIOUS OR CHARITABLE ORGANISATIONS, WHICH PROVIDE A LEVEL OF CARE AND SERVICES COMPARABLE WITH THAT IN THE MAJOR PUBLIC HOSPITALS. AT THE OTHER EXTREME ARE MANY SMALLER INSTITUTIONS, WHICH ARE IN EFFECT NO MORE THAN NURSING HOMES. DESPITE THE DIFFERENCE IN COST STRUCTURES BETWEEN THESE TWO EXTREMES, THE SAME INSURANCE BENEFITS AND COMMONWEALTH SUBSIDIES USED TO BE PAID TO BOTH. MANY PRIVATE HOSPITALS CAPITALISED ON THIS SITUATION, SOME DREW INORDINATELY HIGH PROFITS FROM THE SYSTEM; OTHERS WERE ABLE TO CONTINUE OPERATING WHEN THEY WERE NOT OTHERWISE ECONOMICALLY VIABLE. THE PREVIOUS GOVERNMENT, WHILE

DEDICATED TO SECURING EFFICIENCY IN THE PUBLIC HOSPITAL SYSTEM, DID NOTHING TO ADDRESS THIS OBVIOUSLY ANOMALOUS SITUATION.

THE NEW SYSTEM OF CATEGORISATION OF PRIVATE HOSPITALS SEEKS TO ENSURE THAT BENEFITS AND BED SUBSIDIES WILL BE FAR MORE CLOSELY RELATED TO THE LEVEL OF SERVICE AND THE COST STRUCTURE OF SPECIFIC HOSPITALS.

WHILE CONVINCED OF THE FAIR AND EQUITABLE CHARACTER OF THE CATEGORISATION PRINCIPLE, THE GOVERNMENT IS AWARE THAT ITS DETAILED APPLICATION WILL REQUIRE SOME FINE-TUNING.

ALREADY WE ARE AWARE THAT SOME OF THE CATEGORISATION RULES NEED TO BE MORE GENEROUS. WE HAVE DECIDED ALSO THAT IT IS NECESSARY TO GIVE THE MINISTER FOR HEALTH A WIDER DISRETIONARY POWER TO UPGRADE INDIVIDUAL HOSPITALS. ON THE BASIS OF EVIDENCE ALREADY AVAILABLE WE INTEND IMMEDIATELY TO UPGRADE 14 HOSPITALS THROUGHOUT AUSTRALIA FROM CATEGORY 3 TO CATEGORY 2, AND AS A RESULT, TO INCREASE THE BENEFITS PAYABLE FOR PATIENTS IN THESE HOSPITALS BY $30 A DAY. SEVERAL OTHER CASES ARE UNDER CLOSE CONSIDERATION.

IN RELATION TO PSYCHIATRIC PRIVATE HOSPITALS I CAN GIVE A CLEAR UNDERTAKING THAT THE BETTER OF THESE INSTITUTIONS WILL BE UPGRADED AS SOON AS THE PRIVATE HOSPITAL INDUSTRY AND THE

MINISTER FOR HEALTH CAN DEVELOP SUITABLE PRINCIPLES FOR DETERMINING WHICH INSTITUTIONS PROVIDE HIGHER LEVELS OF CARE.

FINALLY, LET ME SAY THAT ANY PRIVATE HOSPITAL WHICH CAN OBJECTIVELY PROVE THAT, GIVEN REASONABLE OCCUPANCY LEVELS, IT CANNOT OPERATE ON THE EXISTING BENEFITS WILL BE GIVEN SYMPATHETIC CONSIDERATION FOR RECATEGORISING. IN THIS WE PRESUME THE HOSPITAL WILL BE PREPARED TO MAKE A FULL AND HONEST DISCLOSURE OF ITS OPERATING COSTS. THE GOVERNMENT OBVIOUSLY CANNOT BE EXPECTED TO BE SYMPATHETIC TO SITUATIONS IN WHICH SOME HOSPITALS SIMPLY "CRY POOR" BECAUSE PREVIOUS SUBSTANTIAL PROFITS ARE NOW BEING REDUCED TO REASONABLE LEVELS.

I BELIEVE THE INTRODUCTION OF MEDICARE REPRESENTS A SIGNIFICANT ACHIEVEMENT OF OUR FIRST YEAR IN OFFICE. IT HAS BEEN AN EVENTFUL AND PRODUCTIVE YEAR.

THE RAPID INTRODUCTION OF MEDICARE AND ITS ACCEPTANCE BY MOST AUSTRALIANS ARE DEMONSTRATED BY THE FACT THAT OVER 7.3 MILLION MEDICARE CARDS HAVE BEEN ISSUED, COVERING OVER 14 MILLION PEOPLE OR WELL OVER 90 PER CENT OF AUSTRALIA'S POPULATION. THIS IS A TRULY REMARKABLE ACHIEVEMENT WHEN YOU CONSIDER THAT REGISTRATION IS VOLUNTARY AND THAT IT HAS ONLY BEEN $3\frac{1}{2}$ MONTHS SINCE OUR ADVERTISING CAMPAIGN COMMENCED.

BUT UNFORTUNATELY, IT IS OFTEN THE FEARS AND THE PROBLEMS WHICH CAPTURE THE HEADLINES. THERE IS USUALLY TOO LITTLE CREDIT FOR THOSE WORKING HARD BEHIND THE SCENES.

IT IS A TRIBUTE TO THE MINISTER OF HEALTH, DR NEAL BLEWETT, AND TO THE OFFICERS OF HIS DEPARTMENT AND THE HEALTH INSURANCE COMMISSION THAT IN JUST ONE YEAR THEY HAVE TRANSFORMED MEDICARE FROM NOTHING MORE THAN A POLICY DOCUMENT TO THE SIMPLE, EQUITABLE, EFFICIENT AND UNIVERSAL HEALTH SCHEME WE NOW HAVE IN OPERATION. THIS IS A MAJOR ACHIEVEMENT. THE GOVERNMENT FOR ITS PART IS MORE THAN EVER CONVINCED OF THE ADVANTAGES MEDICARE IS BRINGING TO EACH AND EVERY AUSTRALIAN. WE SHALL CERTAINLY NOT BE DEFLECTED FROM THE TASK OF CONSOLIDATING AND REINFORCING THOSE ADVANTAGES. AFTER ALL, AS I KNOW YOU WOULD ALL AGREE, MEDICARE AS WE HAVE DEVELOPED IT PROVIDES AN EXCELLENT MODEL FOR AUSTRALIAN HEALTH COVER WELL INTO THE 21ST CENTURY.

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