

was not concerned with niceties between Federal and State responsibilities, and the cry of 'nationalisation' and 'socialisation' was easily aroused and a safe defence.

There was stress and an atmosphere of uncertainty within the administration of State health services. In my sector there was consistent denigration of the board of Health and Baby Health Centres (to mention but two examples) which produced emotional over-reaction and wary caution and suspicion. The newly elected Liberal Government had succeeded unexpectedly after a prolonged period in opposition. It was anxious to consolidate its image in government, and somewhat chary of its public service advisors, whose loyalties had for twenty-three years been directed to a Labor Government. There were demands from within the Department, and more vociferously from academics, proclaiming a new concept of community medicine and preaching a form of social medicine, with emphasis on total care of the individual and family in their social environment. Their models were based on Scandinavian and British experience, reinforced by theoretical propositions from the United States which were very experimental.

There was no doubt that health services were at the crossroads when old and tried values were being challenged, and new values novel and untested. Some method of review was inevitable. The question was in what form? I favoured a Royal

Commission to evaluate existing services and set guidelines for the future. I had spoken and written of this need at scientific and other meetings although realised that Royal Commissions were expensive and not in good repute as agents of change. The Under Secretary and the Minister were supportive of a review mechanism but one which was less spectacular and informal. The memory of the Royal Commission into the Callan Park Hospital still lingered. The initiative was taken by Mr H.H. Dickensen (now Sir Harold), a member of the Public Service Board, through the Administrative Research Committee of the Board (ISI).

Department to Commission

From the mid-1960s there were frequent although informal discussions at Ministerial, Departmental and Public Service Board levels, of the possibility of reorganisation of the health services, with the immediate objective of integrating the public hospital system into the central health administration by a form of Health Commission. At one stage there was serious discussion that the composition of the Commission should comprise the Director-General of Public Health, the Chairman of the Hospitals Commission and the Under Secretary of the Department. In principle the proposition of a Commission was favourably regarded, but the obstacle was to create the opportunity and devise an appropriate mechanism whereby the proposal could be studied in depth and its implications assessed and evaluated.

Within the Department, the Public Health and Mental Health Services were operating independently of each other, each on the assumption, and with reasonable justification, that their objectives were valid and their administrations efficient and effective. External to the Department, the Hospitals Commission of NSW was pursuing its course to the apparent satisfaction of the general hospital system, and such voluntary agencies as were included in the schedules of the *Public Hospitals Act*. Individual general hospitals were very possessive of their executive authority, and sensitive to any action which might disturb the 'status quo'. Equally, the medical profession was involved in an acrimonious campaign to protect its independent status, which it saw as being threatened by the National Health Scheme. When faced with challenge, the profession

After Dr Morris' retirement in 1952 the administration of psychiatric services and public health services were again separated; the Department reverted essentially to the organisation which existed prior to the Morris Report.

The Eglington Report

The method and form of inquiry were unusual and, in my experience, unique. Mr G.C. Eglington, a young solicitor and Administrative Research Officer of the Consultant and Research Division of the Public Service Board, was permitted to undertake 'independent research and investigations of *Community Health Services and the Public Hospitals Act of NSW*' (152). Mr W.K. Pilz, Director of the Division, had laid down guidelines for such exercises including tentative recommendations only, which would not obligate the agency under study as would a more formal inquiry.

The action was unexpected and confusing to Officers of the Department because of the vagueness of any official imprimatur. We were restrained in offering frank criticism for fear that this might rebound to our disadvantage – a reservation which was justified in part when some candid comments were quoted verbatim in supporting documents to the report. Mr Eglington embarked upon his task with elan and enthusiasm, giving the impression that he was already converted to the philosophies inherent in the British system. The report lent credence to this supposition.

His report was published in three parts, the first of which, in accordance with the guidelines, was the *Interim Report of Conclusions and Recommendations*. The two supporting parts summarised his personal discussions and listed his resource documents. These latter parts were not generally distributed with the interim report, which itself was classified as a confidential document by the Public Service Board, not to be released without authority.

His conclusions were predictable although overstated. He was critical of the administration of health services, of 'voluntary' hospitals, of health districts, of public health and psychiatric services and of the independence of voluntary bodies. In fact there was hardly a word of praise for any component of the existing organisation. This is understandable although nonetheless regrettable. The report carried the stigmata of an incomplete study resembling an intellectual exercise in preparation for an academic qualification. Basically his conclusions should have relied on a studied audit and assessment of existing services. No such study was conducted by him. Rather, his approach was a

comparative study of systems and not results.

There were three main principles underlying his recommendations:

- “1. Central Government ('the Crown') should assume responsibility for organisation and distribution of all health services.
2. There should be a Central Ministry of Health patterned on the English system, which would be the employer of health services personnel, and the coordinating, central planning and policy agency. It would have additional inspectorial and arbitration functions, and remain 'the clearing house for technical specialist and general advisory services, and medical research' (153).
3. Regional distribution of services should be centered on the hospital as the primary medical community instrument. Here he was influenced by the New Zealand model.”

Although he protested naively that the private practice of medicine would be uninfluenced by his plan, it is inconceivable that a Government monopoly could function adequately without control of the medical profession; without disruption of voluntary and religious organisations and private charities; and without intrusion into the areas of responsibility of local government and official and voluntary health and welfare organisations. It was a contentious report which contained areas of merit; a courageous attempt to solve a serious problem, but too inaccurate and abrasive to be seriously considered. The preface admits this in apologetic terms:

“The contents of this interim report are tentative only. It is designed to form the basis for much closer work should any plan for reorganisation go forward. Little attempt has been made to justify the conclusions reached or recommendations made as the reasoning behind them will be embodied on the body of the *Final report on community health services* when completed.”

The final report was never completed. The interim report had achieved a purpose totally different from Mr Eglington's expectations. It did not receive serious considerations or study, but became the basic document on which a formal inquiry could be mounted. This was to result in the *Starr Report* on which action was taken to reorganise the health services and establish the Health Commission of NSW. Eglington was frustrated and disappointed. After a short term in the London office of the NSW Government, during which he suffered ill-health, he left the public service.

The Starr Report of 1969*

The report which was to sound the death knell of the Department of Public Health and the Hospitals Commission was the *Starr Report of 1969*. The committee was established in April 1968, and comprised:

Chairman: **K.W. Starr**, C.M.G., O.B.E., E.D., M.B., B.S. (Syd.), M.S. (Melb.), F.R.C.S. (Eng.), F.A.C.S., F.A.C.S. (Hon.), F.R.A.C.S.; President, NSW Medical Board; Medical Director, NSW State Cancer Council; Past President, Royal Australasian College of Surgeons; Elected Member (with gold medal) of James IV International Association of Surgeons.

Members: **Sir Edward Ford**, Kt, O.B.E., M.D. (Melb.), D.P.H. (Lond.), D.T.M. (Syd.), F.R.C.P., F.R.A.C.P., F.Z.C., F.R.S.H., F.R.A.Hist.S. (Hon.); Professor Emeritus of Preventive Medicine, Sydney University and former Director, School of Public Health; Member, Board of Health.

R. L. Harris, M.B., B.S. (Syd.), F.R.A.C.P.; Member, NSW Medical Board; Member, Board of Royal Prince Alfred Hospital; Hon. Physician, Royal Prince Alfred Hospital.

N. Larkins, M.B. B.S. (Syd.), M.R.A.C.G.P., F.A.C.M.A.; Medical Secretary, NSW Branch, Australian Medical Association; Member, Board of Health.

John H.D. Marks, C.B.E., F.C.A.; Chairman and Managing Director, Development and Finance Corporation Limited; Chairman, Boards of Directors of Prince Henry Hospital, Prince of Wales Hospital, and Eastern Suburbs Hospital.

N. Oakes, B.Ec. Assistant Under Secretary, NSW State Treasury.

J.D. Rimes, LL.B., Dip.Com.; Under Secretary and Permanent Head, NSW Department of Public Health.

H. Selle, B.A., B.M., B.S. (Syd.), F.H.A., F.A.C.M.A.; Chairman, Hospitals Commission of NSW.

Dennis Smith, Chairman, Riverina Region Hospitals Advisory Council; Member of Board of Deniliquin Hospital.

*Sir Kenneth Starr was the chairman of a previous committee which reported on the structure of a second Medical School at the University of NSW. That report has no relevance to this publication..

I was invited to join the committee and I declined because of my loyalty to the Board of Health and the Public Health Services of the Department, which considered would be dismembered by the committee without valid reason, other than to replace them with an alternative administrative device which was untried and improved in Australia. I was disappointed, as also was my Deputy, Dr E.S.A. Meyers, that no inquiry was envisaged to disprove their efficiency. In fact we both believed that they were regarded throughout Australia as a model of achievement and success. We both appeared in person before the committee to defend this situation, myself concentrating on the general principles of public health administration, and Dr Meyers on the validity of the Board of Health.

The terms of reference of the committee were restrictive and left to the interpretation of the committee:

“The committee throughout its operation regarded its scope as being the recommendation to the Minister of the acceptance, modification, or rejection of any matter contained in the report (*Eglington Report*) and the submission of any alternative proposals(154).”

The Minister justified the establishment of the committee in his press statement.

“I have received a report suggesting very radical changes in the Hospital and Health Services of NSW ... It represents the opinions of the Research Division of the Public Service Board and since its implications are far-reaching, I have appointed an expert committee to consider them. It includes men prominent in those sections of the community which will be most affected – hospitals, the medical profession and the university medical schools – as well as senior officials from the Treasury and Department of Health(155).”

The inaugural meeting of the committee was held on 22 April, and was for the purpose of publishing its functions. Its method of procedure was established at its second meeting, and invitations were extended to interested persons generally by public advertisement, and to others and major organisations, which had a direct interest in the

administration of the State's health services, by invitation to make written submissions. Seven personal interviews were granted including myself and Dr E.S.A. Meyers, Director of State Health Services. We had made submissions to the committee by mutual agreement, myself defending public health administration and proposing an alternative form of commission by bureaux to Mr Eglington's monolithic central authority, and Dr Meyers in support of the continuance of the Board of Health (Appendix 10).

I still remember vividly my interview. Never have I been so disconcerted or embarrassed. I was ushered in, invited to sit facing the Chairman, who made a few perfunctory remarks of introduction, and then abruptly:

“Now you may begin.”

I had expected a more friendly and informal reception and I was flabbergasted – I had forgotten where to begin. Nor did I regain my composure as I was heard in stony silence and then thanked and invited to depart. I fear my performance was poor and unimpressive. I felt like a condemned person, attending his appeal, who could read in the faces of the judges that his cause was lost.

Dr Meyers' experience was not dissimilar, although he had hopes of success, with two members of the Board of Health on the committee. Both had endorsed the defending document before it was submitted to the committee. His hopes were dashed even more than mine.

The report of the committee was published in November 1969, and was unanimous. I was pleasantly surprised with its proposed form of Health Commission which preserved the identity of public health services, although without the support of the Board of Health. It recommended a Commission of five all of whom should be full time appointments(156):

Director-General of Health Services (Chairman)
Director of Public Health
Director of Hospitals
Director of Administration
Director of Finance

The Commission would be assisted by three advisory committees; the Health Advisory Council comprising persons and organisations associated with health services; the Medical Services Advisory Council, representing medical, nursing and allied professions; and a Public Health Services Advisory Council, which was to be a reconstituted Board of Health without executive function.

It proposed that health services should be administered on a regional and integrated basis, the distribution of the regions to be modelled on existing Health Districts, expanded or retracted as need demanded. There was to be a Regional Director for each Region, who should be a medical practitioner, and who would be assisted by regional advisory committees.

The third major and most revolutionary series of recommendations proposed that the general hospitals should lose their executive independence, and be managed by Boards of Trustees, over whom the Commission would have power of direction. Further to this issue, the committee recommended that the 'Health Commission, by legislative action, should be deemed to be the 'employer' of employees of public hospitals for the purposes of the *Industrial Arbitration Act*(157). This was one area where it was in consonance with the *Eglington Report*.

The report was received favourably by the Government. The Premier in his policy speech of 28 January 1971, stated the Government's intention(158):

"to establish a Health Commission and integrate the activities at present associated with the Department of Health, the Hospitals Commission and the Ambulance Transport Board."

After the publication of the report, and throughout 1971, a working party under Mr G. Slough was set up to study and report on the reorganisation implicit in the recommendations of the *Starr Report*. The working party was responsible to a steering committee with the Minister as Chairman, the Chairman of the Public Service Board, the Under Secretary of the Department of Health, the Chairman of the Hospital Commission of NSW and

myself, as Director-General of Public Health. A prototype Act had already been drawn up to constitute the Health Commission and it was proposed to publish this and other material in a consultative document. The steering committee was more nominal than actual, and verified decisions already taken. It met only once or twice, otherwise consensus was by telephone.

The consultative document

The consultative document was published by the Minister for Health in April 1972, as a vehicle to stimulate public comment prior to the Government committing itself by legislative action. It proposed two stages of legislation:

- Stage 1: Involved the establishment of a Health Commission from 1973. In this respect the Government's intentions were firm and an enabling Bill was introduced almost simultaneously, and allowed to remain in Parliament for some months after the first reading.
- Stage 2: Set out the Commission's role should reaction be favourable to the Starr Committee's proposals over the general hospital system.

In the interim between the publication of the *Starr Committee Report* and the consultative document the format of the Health Commission had been altered to provide(159):

"A Chairman and Deputy Chairman, appointed by the Governor on the recommendation of the Public Service Board, one of whom must be a doctor. The Deputy Chairman would be one of the Members."

Four members were designated:

- Personal Health Services
- Environmental and Special Health Services
- Manpower and Management Services
- Finance and Physical Resources

I realised that the battle for Public Health was lost, and from that point I resolved not to apply for appointment to the Commission. I made a final gesture as Chief Medical Officer to the Government and provided a personal submission to the Minister to modify the proposed Act and retain the Board of Health. I was deeply disappointed with lack of response from the medical profession and its organisations to the variation of the consultative document from the *Starr Report*.

The reaction to Stage 2 was the reverse to the apathy to Stage 1. The Minister was inundated with protests against interfering with the autonomy of the public hospital system, with very few submissions in favour. So vigorous and organised were these protests that one organisation, representing Catholic hospitals, engaged senior counsel to present and support its submission. One wonders how much of the opposition from the medical profession was stimulated by consideration of the challenge to economics of private practice, and the autonomy of the profession to direct events to its advantage. The Government retreated in face of this opposition and Stage 2 was abandoned.

The Health Commission Act No. 63 of 1972

The *Health Commission Act* received assent on 23 November 1972. It provided for a Commission as set out in the consultative document (Section 6) and dissolved the Health Department and the Hospitals Commission (Section 16). The function of the Health Commission was described in Section 18.1:

“For the purposes of promoting, protecting, developing, maintaining and improving the health and wellbeing of the people of NSW to the maximum extent possible...”

It was given wide powers to investigate, plan, conduct health services, and support research. Powers of delegation, essential to regionalisation, were granted in Section 22, and a schedule to the Act amended appropriate Acts to invest executive function in the Commission. The Board of Health

was converted into an Advisory Board of Health and continued as such for approximately one year when it was allowed to dissolve. Two advisory bodies were created under Section 23: The Professional Services Advisory Council and the Health Advisory Council (not to be confused with the Health Advisory Council of 1961).

The Health Commission of NSW

The Health Commission was established on 1 April 1973. Dr R. McEwin was appointed Chairman, but as he could not take up office until July, Mr J. D. Rimes, Under Secretary of the Department, was appointed for the interim. Other appointments were Mr G. Slough, Commissioner for Manpower and Management Services (previously Assistant Under Secretary of the Department and later a Member of the Hospitals Commission of NSW); Dr D. Storey, Commissioner for Environmental and Special Health Services (previously Member of the Hospitals Commission of NSW); Dr W. Barclay, Commissioner for Personal Health Services (previously Director of Establishments and State Psychiatric Services); and Mr K. Boylan (previously Chief Executive Officer of the Balmain District Hospital). Neither I nor Dr H. Selle, Chairman of the Hospitals Commission, applied for appointment. The Ambulance Transport Board was not transferred to the Commission until 1976.

And so my tale is ended. I make no apology for my personal intrusion into its pages. I have attempted to record events in which I was personally involved and on which I can now reflect, without arousing emotions which have since subsided. I have tried to be impartial and yet stress the influence of persons and personalities in promoting change over the past two decades. I was privileged to participate in a Department with a long and proud record of service despite its vicissitudes and disappointments. I am proud to have been the last Director-General of Public Health in direct lineage with the first progenitor, Principal Surgeon John White. One possession I cherish is the original agenda of the last meeting of the Board of Health.