

COMMONWEALTH OF AUSTRALIA

ELIZABETH THE SECOND, by the Grace of God Queen of Australia and Her Other Realms and Territories, Head of the Commonwealth:

TO

JAMES HARDIE JAMISON, O.B.E.
JOHN SAMUEL YEATMAN,
CHARLES WILLIAM LANE de BOOS

GREETING:

WHEREAS the Commonwealth, the States and the Northern Territory are concerned at escalating expenditure on recognized hospitals (including hospitals conducted by the Repatriation Commission) and on associated and related institutions and services:

AND WHEREAS it is the desire of the Commonwealth, the States and the Northern Territory that the high quality of the care provided by such hospitals, institutions and services be maintained:

AND WHEREAS the Commonwealth, the States and the Northern Territory have agreed that it is desirable that there be a Commission of Inquiry to make inquiries in relation to these matters:

NOW THEREFORE We do, by these Our Letters Patent issued in Our name by Our Governor-General of the Commonwealth of Australia on the advice of the Federal Executive Council and in pursuance of the Constitution of the Commonwealth of Australia, the Royal Commissions Act 1902 and other enabling powers, appoint you to be Commissioners to make inquiry, for the purpose of the exercise and performance of the powers and functions of the Parliament and Government of the Commonwealth (including powers and functions in relation to the Territories) either alone or in conjunction with the States, into the following matters, namely:

- (1) factors behind the costs and escalation of costs of hospitals and associated or related institutions and services;
- (2) effectiveness of machinery for determining objectives, policy and resource allocation in hospitals and associated or related institutions and services;
- (3) ways in which the efficiency of the hospital and associated or related health systems and services might be improved; and
- (4) ways in which cost increases in hospital and associated or related services can be constrained:

AND WE direct you to make such recommendations arising out of your inquiries into the above matters as you think appropriate:

AND, without restricting the scope of your inquiry, We further direct you, for the purposes of your inquiry and recommendations, to give particular attention to the following matters:

- (a) the budgetary process for, and cost accountability of, hospitals;
- (b) the effectiveness of existing organisational structures, and the relationships between central health authorities (Commonwealth, State and Territory), hospital boards and managements, and medical and other staff, including any constraints adversely affecting efficiency in hospital management;
- (c) staff utilisation and training, purchasing policy, management methods and advisory services;
- (d) methods of payment and conditions of service for medical and other practitioners using hospital facilities and other associated or related services, including charging practitioners for use of hospital facilities and resources, and the effect of these matters on the level of services provided;
- (e) the effect of current financing methods (including health insurance) on hospital utilisation including the provision of medical services in hospitals;
- (f) the relationship between community based health and related services and hospitals;
- (g) the value of accreditation of hospitals;
- (h) existing and possible Commonwealth/State arrangements for meeting operating costs of hospitals and associated or related services; and
- (i) any other matters of significant importance to (1) to (4) above:

AND, without restricting the nature of your recommendations, We further direct you, in making your recommendations, to have regard to the scope for rationalisation of facilities, services and resources of all types (including those provided by the Department of Veterans' Affairs, private hospitals, medical practitioners and other health-care practitioners) and to any barriers to the achievement of such rationalisation:

AND We appoint you the same JAMES HARDIE JAMISON to be the Chairman of the said Commissioners:

AND We direct that, for the purpose of taking evidence, two Commissioners shall be sufficient to constitute a quorum and may proceed with the inquiry under these Letters Patent:

AND We declare that you are authorized to conduct your inquiry into the matters mentioned in paragraphs (1) to (4) in combination with any inquiry into the same matters that you are

directed or authorised to make by any Commission issued, or in pursuance of any order or appointment made, by any of Our Governors of Our States:

AND We further declare that, for the purpose of conducting your inquiry, you are authorized to have regard to any evidence received by, and any matters submitted to, the Commissioners appointed, by Letters Patent issued in Our name by Our Governor-General of the Commonwealth of Australia on 29 August 1979, to inquire into and report upon certain matters relating to the costs of hospitals and associated or related institutions and services as if the evidence had been received by you, or those matters had been submitted to you, as the case may be, for the purposes of your inquiry:

AND We require you as expeditiously as possible to make your inquiry and -

- (j) not later than 30 June 1980, to furnish to our Governor-General of the Commonwealth of Australia an interim report of the results of your inquiry; and
- (k) not later than 31 December 1980 or such later date as We may be pleased to fix, to furnish to Our Governor-General of the Commonwealth of Australia a report of the results of your inquiry and your recommendations.

WITNESS His Excellency Sir Zelman Cowen, Knight of the Order of Australia, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight of the Most Venerable Order of the Hospital of Saint John of Jerusalem, one of Her Majesty's Counsel learned in the law, Governor-General of the Commonwealth of Australia and Commander-in-Chief of the Defence Force.

Dated this sixth day of March 1980

Zelma Cowen
Governor-General

By His Excellency's Command,

Malcolm Fraser
Prime Minister