

HEALTH SERVICES CHARITABLE GIFTS BILL – 22 February 2011

Adjourned debate on second reading. - (Continued from 10 February 2011.)

Mr PEDERICK (Hammond) (11:48): I rise to speak to the Health Services Charitable Gifts Bill. I note that on 24 November last year the minister introduced and moved the Health Services Charitable Gifts Bill to provide for the administration of gifts to public health entities and to repeal the Public Charities Funds Act 1935.

The Commissioners of Charitable Funds through the Public Charities Funds Act 1935 administers gifts for the maintenance and support of public charitable institutions in South Australia. Funds (this includes bequests, donations and gifts from corporate and community groups and individuals, and proceeds from institutional fundraising programs) vested in the commissioners are only used for the benefit of the particular institutions for which the assets are held.

Proclaimed institutions under the Public Charities Funds Act 1935 include the Royal Adelaide Hospital (Glenside campus), The Queen Elizabeth Hospital, Modbury Hospital, Mount Gambier Hospital, Port Augusta Hospital, Port Lincoln Hospital, Port Pirie Hospital, Wallaroo Hospital, Whyalla Hospital, Strathmont Centre and the South Australian Dental Health Service.

There was a delay by the Commissioners of Charitable Funds in lodging the 2008-09 annual report and financial statements as there had been a number of matters concerning difficulties with the administration of the Public Charities Funds Act 1935. Many of the matters that arose were in relation to the administration of gifts relating to the Hanson Centre for Cancer Research and their impact on the presentation of financial statements. This resulted in a qualified auditor's opinion from the Auditor-General, Simon O'Neill, on 18 February 2010.

The Auditor-General outlined that the gifts received on behalf of these institutions, including the Institute of Medical and Veterinary Science and the Hanson Centre for Cancer Research, do not vest with the commissioners. They were therefore incorrectly recognised as revenue, assets and trust funds (equity) within the statements and were overstated. There were a number of matters relating to this that the commissioners need to address and resolve. The commissioners, under advice from the Crown Solicitor's Office, continue to hold these donations as a 'constructive trust' until they can be properly dealt with.

This has created divisions within the research committee as the Hanson Institute received over \$21 million in research grants in 2009 and works closely in collaboration with the Royal Adelaide Hospital and the University of Adelaide. Concerns about how these funds will be used in the future, through changes introduced in this bill, will be discussed. The minister has argued that the act needs to be updated with current terminology as the act has remained virtually unchanged since its introduction in 1875.

The establishment of advisory committees and investment advisory committees and the requirement for commissioners to seek advice has been a concern. There are concerns that the bill specifically precludes health advisory councils from being proclaimed a public health entity and the property they hold on trust from being vested with the Health Services Charitable Gifts Board that is proposed to be established by the bill. The changes the government has made to

country hospitals, and the introduction of health advisory committees to replace country hospital boards, places questions over whether country hospitals and health services will be able to receive donations and bequests or property unless the minister provides an exemption.

This bill will allow for the South Australian Health and Medical Research Institute to access funds, although originally the funds were donated specifically for the use of a dedicated recipient. This bill also allows commissioners to invest in the share market where previously they were not able to do so.

Some concerns have been raised by the AMA about the transparency of the bill and the fact that there is no immediate public transparency on donations. The AMA has had concerns that funds that were originally donated to a dedicated recipient could be utilised for purposes other than for what they were originally intended. So, it is important to have full transparency whilst the decision is being made rather than information being provided after the fact about where a donation has ended up, and this would only happen through an annual report.

I certainly support the comments by the member for Stuart in regard to country hospitals and the way people have donated funds or specific gifts to hospitals in rural regions. Country health, certainly on this side of the house, is taken very seriously. Hospitals can be hundreds of kilometres apart. Hospitals in my electorate include, in the Mallee, Pinnaroo and Lameroo, both 100 kilometres or so from other major hospitals in the Riverland. Then I have Karoonda, Tailem Bend, and obviously, a larger central hospital in Murray Bridge. Servicing the edges of my electorate is the Mannum Hospital, the Strathalbyn Hospital, Victor Harbor and Meningie.

We certainly must make sure that we support all of these hospitals in the regions because the interesting thing is that they do not just support country people. You get the view sometimes from the other side of this place that city hospitals are the only hospitals that need investment. Certainly we have seen funding cut back by the Labor government in regard to hospitals like the Keith hospital and those at Moonta and Ardrossan. I have a very real fear in regard to the Keith hospital, in that if it shuts I hope that does not have any ramifications, especially for people travelling on the Dukes Highway or for locals down around the Bordertown, Keith, Tintinara area who need health care. They have the right to health care just as anyone does in urban areas—they absolutely do.

In our country electorates, we need our health services, and we need people, and I am sure the minister will tell us either in his closing remarks or in committee how gifts will be handled in country hospitals. People have raised money in various ways; it can be by something as small as cake stalls and trading tables, or by people who want to give significant amounts in their will to their local country health centre. It is a great way for people to put back into the community, and a lot of people want to do this because they have the capacity and, perhaps, in the last years of their lives acknowledge the support they have had from the local health services.

One thing that is certain about health services right across the board in my electorate of Hammond is that they are now also a vital part of the aged-care network. The link is right there. The aged-care sections of hospitals work with the emergency sections, and it is a very good way to get services into the community, so there is that direct link that makes things work. I know that they are both state-funded

and federally-funded—I acknowledge that here today—but it is absolutely vital in the first instance that these hospitals do not turn into just aged-care facilities, because they need the health and the accident emergency sections of these hospitals as well.

I think that, if you looked at it in a business sense, it is very much common sense that these two areas of health work together, and I hope that they work together for a long time yet in this state because it seems to be operating very well in the bush. It irks me at times that, over the last 20-odd years, we have had to stand up and fight for our rural hospitals, and I think we will probably have to keep doing it in the future.

All we are asking for in the bush is a fair go for services because they are needed not just for people who live in the regions but also for people who travel through them. I can tell you that they are more than happy when they get health services if something happens—especially if they are travelling through and a car accident or something similar occurs—and they can get localised services and be linked into road ambulance services or picked up by air evacuation, whether that be by helicopter or fixed wing aircraft.

I seek some clarification from the minister to make sure that when people working in their local communities donate money the money will go to the right place and stay locally so that our hospitals can remain viable. I seek that assurance from the minister because it is absolutely vital in our rural areas of South Australia.