

A Short History of the Doctors Reform Society

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Thirty Years of the Doctors Reform Society

It seems ironic that as the Doctors Reform Society (DRS) passed its 30th birthday, the country was heading toward a Federal election at which a major campaign issue was Medicare. It was the controversy over Medicare's precursor, Medibank, which brought the Society into existence. The full history of the DRS is yet to be written, but here are some highlights.

The Origins of the Doctors Reform Society

In 1973, a group of doctors in Victoria became disturbed at the propaganda campaign waged by the Australian Medical Association (AMA) and its affiliate the General Practitioners' Society of Australia (GPSA) against the Whitlam Government's proposal to introduce a national health scheme. They recognised that there was a need for an alternate voice within the profession.

Writing in *New Doctor* at the time of the DRS 20 year celebration, Keith Benn recalled that on 12 September 1973, a public meeting was held at Monash University in Melbourne. To everyone's delight and surprise, it was attended by some 75 doctors, who 'enthusiastically agreed' to establish the Doctors' Reform Society (1).

Benn became the founding President; academics Rod Andrew, Basil Hetzel, and general practitioners Dorothy Oliver, Graham Oliver, and Bob Kamener formed the management committee (2).

The idea found support in all states. In 1974, a group of 214 doctors, from many backgrounds, including academics Fred Hollows, Gavin Andrews, Neil McConaghy, Rodney Shearman and Ian Webster, signed a letter to the *Sydney Morning Herald* prior to the 1974 double dissolution federal election. Their widely publicised letter included the comment: "Labor proposes an equitable, workable program which provides comprehensive health care and security for the families of Australia" (3).

In 1974, some of the signatories to this letter, Andrew Refshauge, Robert Marr, and Nan Waddy and others, went on to form a branch of Doctors Reform in NSW. This was soon followed by a branch in ACT of salaried doctors angered by the actions of the AMA in opposing salaried services.

In December 1974, a meeting of representatives from the Victorian, NSW and ACT societies held their First National Conference in Canberra (4). They decided to form a national coordinating body, with Victoria being responsible for members from Tasmania and South Australia, and NSW responsible for members from Queensland and Western Australia.

A Queensland branch was formed in 1975 (5). In 1977, Milton Cohen, a founding member of DRS NSW, was in Perth and helped found a WA branch to oppose the actions taken by the Fraser government in dismantling Medibank. Fifty doctors attended that inaugural meeting (6).

In 1977, Nan Waddy, President of the DRS NSW, led a delegation of 24 doctors on a study tour of China (7). By 1979, there were branches in all states. DRS NSW became the largest branch and was fortunate in being able to establish what became the national office.

Early Moves for Health Reform

Movement toward a national health scheme did not start in the 1970's with the Whitlam Government or with the DRS. In Australia in 1941, the National Health and Medical Research Council drew up plans for the post-war establishment of a national salaried medical service available to all, on the principle that the provision of health care was a social duty (8).

It was envisaged that this would run side by side with private practice. The proposals were vigorously debated within the community and strongly opposed by the Australian Medical Association (9).

In support were small groups of doctors in all states who seriously debated the ideas of community health centres, salaried doctors, and use of nurses in general practice. In New South Wales, a group called the Sociological Section of the then NSW Branch of the British Medical Association was established.

The debate reflected the divergent philosophies on health. On the one hand, there was the idea put forward by the NHMRC that the public health was the concern of the whole community and should be paid for from taxation revenue.

And, on the other hand, the view of the AMA was that health was an individual responsibility and that a government's role was to provide for those services outside the sphere of private practice only in cases where patients could not afford to pay.

The AMA has always been strongly opposed to a salaried service and resistant to any control of medical fees. It waged a virulent campaign against the Chifley government's National Health Act of 1948 and its free medicine and public hospital scheme, and was influential in defeating that government.

However, the succeeding Menzies government found it expedient to introduce the modified Pharmaceutical Benefits Scheme without which many of the modern drugs would be

too expensive for most of the population.

The Menzies Government introduced what amounted to a three-tier health system. Some people had private cover, some had government cover and some had neither.

The Government subsidised the rebates for people who joined the new health insurance funds. This rebate was only paid following a medical consultation when a fee was charged. It was not a part of the membership fee. Some doctors were prepared to accept the rebate only.

The means-tested Pensioner Medical Service (PMS) was also introduced. This paid the doctor a proportion of a fixed fee. Public hospitals were means-tested. Those who could not afford to join a fund or who did not qualify for the PMS got no assistance from the Government.

Between 1969 and 1972, the proportion of the health insurance rebates paid by the Australian government rose from 46% to almost 60% (10). Frequently, the reaction of the medical profession was to raise their own fees with each rise in the government rebate.

There were arguments between the Government and the AMA over moves to control fees (11). The AMA complained bitterly that the PMS would result in patients abusing the system when in reality it was more often the doctors who did so.

In June 1967, Gough Whitlam, then leader of the Labor opposition, John Menadue (Whitlam's Chief of Staff), and Doctors Rod Andrew, Jim Lawson, and Harry Jenkins met with the economists Richard Scotton and John Deeble at the home of Dr Moss Cass, in Melbourne. They discussed the possibilities of a national health insurance scheme (12).

Even before becoming leader, Whitlam had envisaged a health scheme based on the model introduced in the UK by the British Labour Party in the 1940s.

Meanwhile Scotton and Deeble had been involved in health service research. They presented their plan in 1968 and the Labor Party adopted it as the basis for their health policy and the introduction of Medibank (13).

It was categorically rejected by the AMA Federal Council which endorsed recommendations on voluntary medical services and insurance (11). After the 1972 election, the Whitlam Government also introduced the Community Health Program, and free treatment in public hospitals. In the ACT, they set up salaried medical centres and appointed salaried specialists to hospitals.

This resulted in advice from the AMA that doctors should refuse to co-operate in any way with the salaried doctors. The *Medical Journal of Australia* carried a permanent advertisement warning doctors to contact the AMA office before applying for any salaried position.

The Medibank Bills met strong opposition from the Liberal/Country Party and the Australian Medical Association. This was despite the fact that Medibank actually enshrined fee-for-service practice.

The opposition of the Democratic Labor Party ensured that the Bills were defeated in the Senate in December 1973 and April 1974. Whitlam then called for a double dissolution (13). This was the stage at which the DRS appeared on the scene, determined to support the new Medibank.

The Bills were finally passed in 1974 at a joint sitting of Parliament and came into effect early in 1975.

In the 1975 election following Whitlam's dismissal by the Governor-General, the Liberal leader, Malcolm Fraser, declared that he would not dismantle Medibank. Over the next five years, he did so anyway (14).

In 1976, Fraser set up the Holmes Committee of Inquiry into Medibank. Under Medibank Mark II, health insurance was made obligatory for people above a low income threshold, otherwise they were required to pay a 2.5% levy on taxable income, with an opt-out provision. Rebates were paid at the rate of 85% of a scheduled fee, which still maintained the fee-for-service system.

In 1978, the Fraser Government introduced Medibank Mark III, under which bulk-billing was to be abolished, except for pensioners. A delegation from DRS NSW, comprised of Ian Webster, Alf Liebhold, Robert Marr and Robert Clarke, lobbied the then federal Minister for Health, Ralph Hunt.

As a result of this intervention, Hunt agreed that bulk billing should also be retained for the 'socially disadvantaged' (15). This gave doctors the right to determine who should be bulk-billed.

By 1981, Medibank was effectively finished. Free hospital inpatient and out-patient treatment was abolished except for pensioners and the disadvantaged; Commonwealth benefits were paid only to the privately insured; private bed subsidies were increased; contributions to health funds were given income tax rebates. The only remaining trace of Medibank was the name of the government private health insurance fund.

The DRS and Medicare

In 1982, the DRS National Conference in Brisbane decided to endorse the Hayden scheme to re-introduce a revised Medibank scheme. This was to be called Medicare.

Bob Hawke led the Labor Party at the federal election in 1983. His announcement that a Labor Government would introduce Medicare, along with the support he received from the DRS, had a strong influence on the election campaign (14).

At the Sydney Conference in 1984, the DRS officially became DRS Australia and developed a list of formal policies (5). Its office bearers have rotated between states. The DRS had al-

ways been a small organisation with its size more than compensated for by the energy and commitment of its activists.

The DRS has, however, fought many battles. Some members have dropped out along the way, differing in their political views over time and also lulled by the success of Medicare. The younger population cannot personally recall the state of health care before Medibank and the advent of bulk-billing.

In the ACT, some of the older salaried doctors dropped out when changes were introduced to the salaried services in the ACT by the Fraser government. In 1981, the ACT Branch, adhering strictly to the rules of its constitution, voted itself out of existence when the attendance at its AGM fell below the required number. The remaining ACT members decided to become members of DRS NSW (18). A not dissimilar fate later befell DRS SA.

DRS has co-operated with many other organisations in the support of improved access to health care – for instance, within the Medicare Alliance with the Public Health Association, the Pensioner and Superannuants Society, and the Consumers Association. In recent years, DRS has vigorously defended the Pharmaceutical Benefits Scheme (PBS), and highlighted problems with the US-Free Trade Agreement, in particular its possible effects on the cost of pharmaceuticals in Australia.

John Howard learned a lesson from the Fraser government and has consistently stated that he supports Medicare. Equally consistently, the DRS has provided the public with explanations of why Howard's policies, under the guise of 'saving Medicare', are actually destroying it.

Private health insurance subsidies have been introduced and people are pressured to join private health insurance funds. Howard has instituted changes taking us back to the three-tiered system of the 1950s.

We again see non-members of private health funds above a threshold level charged additional tax; bulk billing being gradually restricted to pensioners and health-care card holders; increasing copayments; Howard's safety net being demonstrated as middle class welfare; and people without private insurance who don't qualify for bulk billing face high costs to access care.

New Doctor

New Doctor was very much the brainchild of an enthusiastic and energetic young journalist, Lee Patterson, who conceived both the idea and the title. At the DRS's Canberra conference in 1974, Lee Patterson undertook to establish an editorial committee in Sydney to produce a national journal, to be published four times per year (16).

In 1976, the first issue of *New Doctor* was published as the official journal of The Doctors Reform Society of NSW, Victoria and the ACT (17:3). Lee Patterson served variously as press secretary, editorial consultant, general manager and public relations adviser. He left through illness in 1983. Tributes to his

work were given by Keith Benn and Andrew Refshauge in Issue 61 at the time of the 20 year celebration.

New Doctor was not intended as a purely political journal. For the first issue and for many years, it carried this notice:

New Doctor is published, not only to reflect and promote the general philosophical beliefs and aims of DRS, but to serve as a forum for the constructive discussion and evaluation of alternative methods of health care delivery, the improvement of relations and understanding between doctors and the community they serve - and other topics of interest to the medical profession.

New Doctor does not accept advertising for cigarettes or tobacco products and pharmaceutical advertisements are screened by the editorial Board prior to publication for ethical suitability (17).

The first issue of *New Doctor* also included the Constitution of the DRS, NSW. The Aims of the society were:

(a) To promote needed reforms in the health-care delivery system.

(b) To improve communication between doctors, allied health professionals, the public and governments, regardless of their political persuasion.

(c) To study and promote social and environmental reforms in areas relevant to medical practice (17:46-47).

New Doctor was at first published quarterly but costs have now reduced this to twice yearly. One difficulty has been the drop off in select advertising which originally made *New Doctor* virtually self-supporting.

New Doctor has kept faith with its original aims. It remains the flagship of DRS, and the major 'other' voice among the medical profession. Since Lee Patterson, the editorship has passed through a long line of editors and editorial committees, all unpaid volunteers, and for all it has been a rewarding experience.

In 2006, *New Doctor* will be 30 years old. Over that period this journal has covered not only Medibank, Medicare and the Pharmaceutical Benefits Scheme, but also a wide range of medical and social issues including women's, youth and Aboriginal health, medical education, abortion, euthanasia, unnecessary surgery, globalisation and the US-Free Trade Agreement, to name just a few.

On two occasions, joint issues with other organisations have been published: Issue 29 in 1983 with *Social Alternatives* and *Impact* and Issue 31 in 1984 with the *Legal Service Bulletin*.

The DRS WA undertook the production of two issues of *New Doctor* focussed on Aboriginal Health (Issue 70 Summer 1998-99 and Issue 77 Winter 2002).

The DRS acknowledges the work of its editors, and the contri-

butions of its writers and cartoonists. Two DRS office secretaries deserve special mention for their work with *New Doctor* – Lenore Baxter, who worked with the DRS for years before returning to her home in New Zealand, and Carol Zarkesh, who left the organisation at the end of 2003.

New Doctor has helped give the DRS a public profile larger than its membership would suggest, a tribute to the work of its editors and activists. In 1997, after 21 years in the hands of the DRS NSW, the major editorship passed to DRS Queensland.

The DRS and Politics

The DRS has no ties to any political party. Liberal politicians have publicly dismissed the DRS as linked to the ALP, but this claim is false. In fact, the DRS often argues strongly against Labor policies. In 1991, the DRS protested strongly against the Hawke government's proposal to introduce a Medicare co-payment (19). A Caucus working party under Rosemary Crowley scuttled the idea, and in 1992, the new Keating government withdrew the proposals (11).

Nonetheless, a number of DRS members have entered mainstream politics. For instance, in South Australia, Rosemary Crowley became a Labor Senator and in Western Australia, Judy Edwards, a former DRS National President, entered state parliament as a Labor member.

In New South Wales, Andrew Refshauge became a Labor Deputy Premier, and Arthur Chesterfield-Evans became a Democrat member of the Legislative Council. In the recent federal election, Tracy Schrader stood for the Democrats against a former Queensland AMA president.

The DRS: Now and in the Future

Meanwhile, the DRS continues to speak out on issues, both new and old, that affect health. In addition to a regular output of media releases, *New Doctor* and press articles, the DRS has been an early and successful adopter of email and websites. This has significantly improved communication both within the organisation and with the public. DRS continues to host annual national conferences rotating between states – although problems of distance mean only one such conference has been held in Perth.

Before the 2004 federal election, there was much confusion about both Liberal and Labor proposed changes to Medicare. The return of the Howard government dictates Medicare's further emasculation.

The DRS is now over thirty years old. The Society's task – fighting for public health – remains unchanged and is, sadly, still very relevant in the 21st century.

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