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80 (101)

Department of Social Services,
Reliance House, 301 Flinders Lane,
Melbourne.

ACS:FR
No. C.261/47

6 AUG 1964

The Director-General,
Department of Health,
CANBERRA. A.C.T.

Subject: Invalid pensions for patients at
East Arm Leprosarium.

Reference: Your 75611/1.

It is regretted that a reply to your memorandum of 4th March was not forwarded earlier.

2. The broad policy regarding the payment of pensions for Aborigines is that wherever a pensioner's standard of development is such that he can capably handle it, the full pension should be paid to the pensioner who would then ordinarily be expected to provide for his own maintenance from the pension.

3. Not all Aborigines who qualify for pensions have attained the stage of development at which they are capable of looking after their own affairs, and some are less capable than others. To avoid any waste or misuse of pension money, the scheme was developed, for pensioners in this class living in communities, of paying pensions in two parts - the personal component for the use of the pensioner himself and the maintenance component which would be payable to the authority controlling the community for the maintenance of the pensioner.

4. This is based on the principle applying to pensions for inmates of benevolent homes approved under the Social Services Act i.e. an amount determined by the Act (£2 a week where the standard rate of pension, £5.15.0 a week, is payable) is paid to the pensioner and the balance is paid to the institution. From that point the 'maintenance' portion of the pension paid to the institution loses its identity as an individual payment. In theory, at any rate, the cost of maintaining the pensioner inmates is met from the aggregated maintenance. If the position were that, after meeting the cost of maintenance of the pensioners concerned, there remained some unexpended pension moneys, it would be open to the institution authorities to decide to use it on capital works or other projects for the general benefit of the pensioners.

5. Whilst the same specific authority for dividing the pensions of inmates of benevolent homes does not exist for aboriginal pensioners living in communities, the Government decided that similar principles should be applied and that any accumulated 'maintenance' component of pensions not required to meet the day to day needs of the aboriginal pensioners may be used by authorities in charge of communities on works for the general benefit to the pensioners as a whole. The provision of a swimming pool designed to be of benefit from a remedial and social standpoint would appear to fall within the scope of this principle and on this basis no objection is seen to the proposal contained in your memorandum.

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6. However, since all of the maintenance component in respect of the 73 aboriginal pensioners at East Arm is paid to Revenue, apparently by Treasury direction, you will probably wish to discuss the proposal with Treasury before proceeding. The view of this Department is that the proposal does not conflict with the Government policy for the payment of pensions to aborigines in controlled communities.

7. You mentioned that some dissatisfaction exists in that European pensioners receive the full amount of their pensions and are not charged for treatment or maintenance, whereas aboriginal pensioners are required to contribute towards these costs (while being entitled to free medical service, quarters and food). Although this is unfortunate, it is something that will have to be accepted until such time as the aborigines are able to receive the full amount of their pension. It is understood that, generally, the European inmates have family responsibilities not met by aboriginal pensioners whose dependants may be assisted by the Director of Welfare. For the present, it would seem that the dissatisfaction would be lessened by the diversion of some of the 'maintenance' paid for aboriginal pensioners to finance the proposed swimming pool.

(SIGNED)

(M.C. TRITTON)
Acting Director-General



TELEPHONE: 69
 TELEGRAMS: "HEALTH, CANBERRA"
 P.O. BOX NO. 83
 CANBERRA, A.C.T.

7899
 (3)

IN REPLY PLEASE QUOTE 756/11/1

DEPARTMENT OF HEALTH,
 CANBERRA, A.C.T.

The Secretary,
 Department of the Treasury,
 CANBERRA. A.C.T.

2 Sep 1964.

East Arm Leprosarium: Darwin

Provision of Amenities

As at 30th June, 1964 there were 113 patients at the East Arm Leprosarium, Darwin. Of these, 12 were Europeans or half-caste and 74 were full blood aborigines in receipt of invalid pensions.

Since October 1961 the native patients have been in receipt of the invalid pension. Each pension is paid on an "institutional" basis and the current pension of £11.10.0 per fortnight is divided into three (3) parts as follows :-

- Part 1 : paid to the native pensioner in cash for pocket money £1.10. 0
- Part 2 : deposited in the native's bank account with the Commonwealth Savings Bank, Darwin £2.10. 0
- Part 3 : withheld for maintenance, and paid to N.T. Revenue, Health £7.10. 0

The pensions of the European and half-caste patients at the Leprosarium are paid on a personal basis - i.e., the patient receives his full pension in cash.

The difference in the amount actually received by a native pensioner (£4 per fortnight) when compared to that received by a European or half-caste pensioner (£11.10.0 per fortnight) is the cause for dis-satisfaction in some quarters. It has been suggested that the maintenance content of the native pensions (or some portion of it) should be used to provide amenities for the patients. This Department supports this suggestion.

The cost of maintaining a patient at the Leprosarium exceeds the amount being withheld from native's pension and paid to revenue. During 1962-63 the average weekly cost of maintaining a patient at the Leprosarium was £7/12/10; during 1963/64 the average weekly cost was £10.4.10. Europeans and half-castes make no contribution towards this cost. This is in accordance with Section 7 (d) of the Northern Territory Hospitals and Medical Services Ordinance, 1953-1964, which provides for the free treatment of persons suffering from, or suspected to be suffering from, an infectious disease. Leprosy is specified as an infectious disease. All patients of the Leprosarium therefore are entitled to receive free medical service, quarters and food within the provisions of this Ordinance. The expenditure in providing these services is charged to Divisions 872/1, 872/2 and 872/3.

Since the introduction of invalid pensions for natives in October 1961, sums totalling £52,003 have been withheld

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from the natives' pensions for "maintenance" and paid to M.T. Revenue, Health, as follows :

1961-62	£15,420	- full yr.
1962-63	£21,073	
1963-64	£15,510	- allows. for medical improvement
	<u>£52,003</u>	

The natives have received no additional benefits for this contribution to Commonwealth Revenue over and above those received by the European on half-caste patient. This is the basis of the dis-satisfaction.

Both the Medical Officer in Charge of the Leprosarium and the Reverend Mother Marion, the Mother Superior of the religious order providing the nursing staff, strongly recommend the construction of a swimming pool at the Leprosarium and suggest that this, and possibly other amenities, be provided from accumulated maintenance deductions from natives' pensions. The swimming pool would be of great value to the patients both socially and medically. Preliminary action has been taken to obtain an estimate of cost and it is probable that it would be in the vicinity of £20,000 - £30,000.

This office is favourably disposed towards the utilization of at least part of the maintenance deductions for the provision of amenities. The matter was placed before the Director-General of Social Services in order to determine whether maintenance moneys could be used for such purposes. A copy of the reply received from the Acting Director-General of Social Services is attached. It will be noted that any accumulated "maintenance" component of pensions not required to meet the day to day needs of the aboriginal pensioner may be used on works for the general benefit to the pensioners as a whole.

The matter is now referred for your consideration please, and I would appreciate the early receipt of your advice on:

- (a) whether, as from 1st July 1964, some portion of the maintenance component of these natives' pensions may be withheld from Revenue and paid direct into a Trust Account and used for the provision of amenities for the patients of the Leprosarium upon the recommendation of, say three (3) trustees, the understanding being that the term amenities would include among other things expenditure of a capital nature on works which, though not necessary for their medical care, would provide extra comfort for the inmates, - and
- (b) whether ^{of?} a refund of revenue would be approved as a portion of the accrued total of £52,003 referred to above, to be used for the same purposes as in sub para (a) above with the direct intention of providing a swimming pool for the inmates.

Acting Director-General of Health

(17) (102)
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S.L.64/2586

28th September, 1964.

The Director-General,
Department of Social Services,
Box 503H,
MELBOURNE, Vic.

Invalid Pensions for Patients at East Arm Leprosarium,
Darwin
Your Reference C261/47

I refer to your memorandum of 6th August, 1964, to the Department of Health on the disposition of invalid pension withheld from aboriginal patients at the East Arm Leprosarium.

2.9 Attached is a copy of a memorandum to Treasury dated 2nd September, 1964, wherein the Department of Health asks whether part of that portion of invalid pension now paid to Revenue might in future be used to provide amenities for patients at the leprosarium, and whether part of the sum of £52,003 withheld up to 30th June, 1964 and paid to Revenue, might be refunded for the purpose of providing a swimming pool at the leprosarium.

3. Treasury was not previously aware that invalid pensions are paid in respect of long-term patients at the leprosarium. Having regard to the fact that such patients are fully maintained, without charge, by the Commonwealth, the purpose in paying full pension is not apparent.

4. It would seem to us that a thorough re-examination should be made of all cases where pensions are being paid (without reduction) to long-term inmates who are being fully maintained without charge, at public expense in government institutions. The payment of a means test pension related to "needs" in such circumstances appears to be contrary to the basic concept.

5. If you come to the conclusion that a legal entitlement to pension should continue in such cases, then we consider that Cabinet should be made fully aware of the extent of the total benefits that are being provided in these cases.

(Sgd) L.B. Hamilton

(L.B. HAMILTON)
First Assistant Secretary



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FHM
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TELEPHONE 7 0413.

COMMONWEALTH TREASURY,

CANBERRA, A.C.T.

REFERENCE No. SL. 64/2586

6th January, 1965.

The Secretary,
Department of Territories,
CANBERRA. A.C.T.

Invalid Pensions for Patients
at East Arm Leprosarium, Darwin

The Department of Health in a memorandum of 2nd September, 1964, advised this Department of correspondence it had had with the Department of Social Services regarding an amount of £52,003 that had been withheld from the invalid pension payable to aboriginal patients at the East Arm Leprosarium since 1961 and credited to Northern Territory Revenue - Health. Copies of the relevant correspondence are attached for your information.

2. As a result of this and related correspondence Treasury has concluded that the policy to be followed in respect of invalid pensions for long-term inmates at all institutions under the Department of Health's control, including the East Arm Leprosarium, should be thoroughly re-examined.

3. Accordingly, arrangements are in train to hold an inter-departmental meeting comprising representatives of the Departments of Social Services, Health and Treasury, some time early in February to discuss this question.

4. As the payment of pension to Aborigines in the Northern Territory is of direct interest to your Department you are invited to include a representative on the committee if you so desire.

5. You will be advised of the actual date of the meeting in due course.

Mr Gillies
Pse examine
& discuss
6/11 Encl.

L.B. Hamilton
(L.B. HAMILTON)
First Assistant Secretary

9760 A.M. - 8 JAN

63/3602

His Honour the Administrator
of the Northern Territory,
DARWIN. N.T.

108 JAN 1965

EXPENDITURE OF INVALID PENSIONS
(re East Arm Leprosarium Patients)

I refer to telegrams to Giese from Moy and Gillies on 24th December, 1964 and 12th January, 1965, and to related telephone discussions.

2. Treasury has now arranged a conference on the general policy for expenditure of invalid pensions, to be held in the Treasury conference room in Canberra at about 10 a.m. on 19th February - the date on which Mr. Giese indicated he could attend. Officers of the Departments of Social Services and Health, and of this department, will also attend.

G. Warwick Smith
(G. Warwick Smith)
Secretary

DESPATCHED

Lepers Invalid Pensioners

The Administration telex at folio 89 expresses concern that there is difference in the expenditure of invalid pensions as between Aboriginal and other leper patients.

2. If the Northern Territory Medical and Hospital Services Ordinance intends "free treatment" to include maintenance there appears to be no justification for withholding any of the pension payable to an Aboriginal leper. If it does not then other patients should be contributing to their maintenance. The Department of Health seems to have become a "means testing" authority which has acted to the detriment of the Aboriginal pensioners.

3. The Department should press for removal of the discrimination and obtain for all leper pensioners an equal disbursement of their pensions.

4. Mr Brown of Social Services suggests we meet in their building at 10 am Wednesday 10th February. Is this suitable to you. The meeting with Treasury is on 19 Feb.

Murkeigh.

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Note

Checked with Q DNA 9
All inmates of Palm Island Leprosarium receive whole of their pension and are fully maintained from funds provided by DNA vote. The leprosarium is staffed by the Transvaal Sisters of Mercy.

Use of Social Service Benefits for Aborigines

Mr Browne of ^{sup} Social Services mentioned to me that a swimming pool was to be built out of accumulated funds from social service benefits payable to patients at East Arm Leprosy Hospital. His department agreed to the proposal because it considered there was therapeutic value in the scheme. Health referred the matter to Treasury. The latter objected and asked to have discussions with Social Services and Health. Mr Browne enquired whether the Director of Social Welfare had any ideas.

2. I mentioned the East Arm proposal to Mr Giese when he was last here. He knew nothing of it but considered the outcome of it could have far-reaching effects on the use of social service benefits for Aborigines on settlements and missions e.g. building of pensioner houses and providing communal facilities. He asked to join the discussions.

3. Mr Browne has now informed me that Treasury proposes to convene a meeting, possibly for mid February, with Social Services, Health and Territories to discuss the whole matter. Treasury would be prepared to adjust the date to enable Mr Giese's attendance before he goes back to Darwin. Late January is the earliest suitable to Social Services.

4. When Mr Giese replies to the telegram at folio 75 could Mr Virtue of Treasury be informed of the date suitable to Mr Giese?

5. Prior to the meeting we might have the discussions referred to at folio 52.

Mr Gillies.

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SSA 110



TELEPHONE 7 0413

COMMONWEALTH TREASURY,
CANBERRA, A.C.T.

REFERENCE No. SL.64/2586

19th January, 1965.

The Secretary,
Department of Territories,
CANBERRA. A.C.T.

(Attention: Mr. F. Moy)

Invalid Pensions for Patients at Darwin
Leprosarium and other Institutions under
control of Department of Health

This memorandum confirms telephonic advice that
the meeting to discuss the abovementioned matter will be
held in the Treasury Conference Room on Friday, 19th
February 1965, commencing at 10 a.m.

*Mr Bryce advised
by phone attendance will be
in excess
- may
C.M. ✓*

L.B. Hamilton
(L.B. HAMILTON)

First Assistant Secretary

10 A.M. 21 JAN

63/3602

His Honour the Administrator
of the Northern Territory,
DARWIN, N.T.

27 JAN 1965

INVALID PENSIONS FOR PATIENTS AT EAST ARM LEPER HOSPITAL

Further to my 63/3602 of 18th January, 1965, copies of the following memoranda are attached for your consideration and advice :-

- (a) 6th August, 1964: Acting Director-General of Social Services to the Director-General of Health. f85
- (b) 2nd September, 1964: Acting Director-General of Health to the Department of the Treasury. f80
- (c) 28th September, 1964: Department of the Treasury to the Director-General of Social Services. f78
- (d) 6th January, 1965: Department of the Treasury to this Department. f81

2. While the meeting arranged for 19th February, 1965, should be confined to the use of invalid pensions for long term inmates at institutions under the control of the Department of Health any decisions reached could have an effect on the use of social service benefits paid for Aborigines in other institutions e.g. welfare settlements and missions - paragraph 4 of Treasury memorandum of 28th September, 1964, is relevant.

3. There are a number of points relating to the general use of social service benefits by or on behalf of Aborigines on which a clearer determination of policy seems necessary. Some of these are the different charges raised by missions and pastoralists (even from within the same organization) for maintenance in respect of rations and clothing, the accumulation and non-expenditure of pension funds for the benefit of pensioners, the actual use to which amounts in excess of the personal and maintenance components are put and the protection of accumulated funds (particularly in the case of change of ownership of a pastoral property).

4. Before meeting with Treasury it is desirable that we should confer with the Department of Social Services to determine a joint attitude on -

2.

- (a) the use of benefits paid for Aborigines in institutions under the control of the Department of Health; and (in case the matter is raised)
- (b) the general policy of the control of benefits for Aborigines as outlined in para 3 above.

5. I propose to have discussions with the Department of Social Services during the first week in February and would appreciate your advice before the end of this month.

G. Warwick Smith
(G. Warwick Smith)
Secretary.
R.L.

Encl.

DESPATCHED



89
DEPT. OF TERRITORIES
INWARD
TELEPRINTER MESSAGE

3.57 5.2.65 EPM515/D925

TO TERRITORIES CANBERRA
FROM ADMIN DARWIN

INVALID PENSIONS FOR PATIENTS AT EAST ARM LEPROSY HOSPITAL.
YOU 63/3602 OF 27TH JANUARY E++ REFERS

2. THE DIRECTOR SOCIAL WELFARE RETURNS TO DUTY ON MONDAY 8TH FEBRUARY AND FULL COMMENT ON MATTERS RAISED IN YOUR MEMORANDUM WILL BE SENT AS SOON AS POSSIBLE AFTER HIS RETURN. I TRUST THAT THIS ~~WILL~~ E++ WILL BE EARLY ENOUGH TO ENABLE YOU TO HAVE MEETING WITH SOCIAL SERVICES. BROAD COMMENTS ON SOME MATTERS ARE MADE BELOW

3. IT SEEMS THAT IN RESPECT OF THE LEPROSY HOSPITAL AT EAST ARM ~~AS~~ THERE ARE TWO SEPARATE ISSUES WHICH SHOULD BE DECIDED IRRESPECTIVE OF THE RACE OF THE INDIVIDUAL PENSIONERS:

- (A) IS THE LEPROSY HOSPITAL AN INSTITUTION OR IS IT NOT?
- (B) IF IT IS AN INSTITUTION, BUT IF OTHER LEGISLATION PREVENTS IT FROM RECEIVING ACCOMMODATION CHARGES FROM ITS INMATES, WHAT SHOULD BE DONE WITH THE INSTITUTIONAL PORTION OF THE PENSION?

4. IT APPEARS THAT EVEN MORE SO THAN SETTLEMENTS OR MISSIONS THE LEPROSY HOSPITAL IS AN INSTITUTION, THEREFORE, ITS PENSIONER INMATES SHOULD RECEIVE THE PERSONAL COMPONENT ONLY WHILST THE BALANCE SHOULD BE PASSED TO THE INSTITUTION FOR MAINTENANCE ~~FOR~~ PURPOSES. THIS SHOULD APPLY TO ALL INMATES EQUALLY. IT HAS BEEN APPLIED IN THE CASE OF ABORIGINALS AND IT WOULD SEEM REASONABLE TO CONTINUE THIS AND TO PLACE THE SAME CHARGE ALSO ON NON-ABORIGINAL INMATES. WE CAN ~~SEE~~ SEE NO GROUNDS WHATSOEVER FOR THE ~~AS~~ ARGUMENT IN FAVOUR OF DISCRIMINATION BETWEEN THE TWO GOUPS ADVANCED BY THE DIRECTOR-GENERAL OF SOCIAL SERVICES THAT THE NON-ABORIGINAL SECTOR POSSIBLY HAS RESPONSIBILITIES TO MAINTAIN DEPENDANTS OUTSIDE THE HOSPITAL.

5. IF IT IS AGREED THAT IT IS AN INSTITUTION IT MIGHT BE POSSIBLE TO ARGUE THAT THE FREE MAINTENANCE IS CAPABLE OF BEING REPRESENTED BY A MONEY VALUE AND THAT THIS COULD BE REGARDED AS INCOME TO THE INMATE. IT IS POSSIBLE THAT TREASURY HAD THIS IN MIND WHEN PARAGRAPH 4 OF THE ~~THEIR~~ MEMORANDUM OF 28TH SEPTEMBER WAS WRITTEN. THE MEANING OF THAT PARAGRAPH IS NOT QUITE CLEAR TO OFFICERS OF THE WELFARE BRANCH. IF THIS IS SUCCESSFULLY ARGUED THEN OBVIOUSLY THE PENSIONS OF INMATES WOULD HAVE TO BE REDUCED ALL ON THE SAME BASIS AND PROBABLY A DIRECTIVE WOULD HAVE TO BE REDUCED ALL ON THE SAME BASIS AND PROBABLY A DIRECTIVE WOULD HAVE TO BE GIVEN BY THE DEPARTMENT OF SOCIAL SERVICES TO THE EFFECT THAT ALL OF THE REMAINING PENSION WOULD BE REGARDED AS PERSONAL COMPONENT. (AT THIS STAGE IT IS NOT POSSIBLE FOR THIS ADMINISTRATION TO KNOW WHAT MIGHT HAPPEN AS A LOT WOULD DEPEND ON THE AMOUNT WHICH THE DEPARTMENT OF HEALTH ASSESSES THE PATIENTS MAINTENANCE TO BE WORTH AS AGAINST PATIENTS MEDICAL TREATMENT.)

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5. IF IT IS AGREED THAT IT IS AN INSTITUTION IT MIGHT BE POSSIBLE TO ARGUE THAT THE FREE MAINTENANCE IS CAPABLE OF BEING REPRESENTED BY A MONEY VALUE AND THAT THIS COULD BE REGARDED AS INCOME TO THE INMATE. IT IS POSSIBLE THAT TREASURY HAD THIS IN MIND WHEN PARAGRAPH 4 OF THEIR MEMORANDUM OF 28TH SEPTEMBER WAS WRITTEN. THE MEANING OF THAT PARAGRAPH IS NOT QUITE CLEAR TO OFFICERS OF THE WELFARE BRANCH. IF THIS IS SUCCESSFULLY ARGUED THEN OBVIOUSLY THE PENSIONS OF INMATES WOULD HAVE TO BE REDUCED ALL ON THE SAME BASIS AND ~~PROBABLY A DIRECTIVE WOULD HAVE TO BE REDUCED ALL ON THE SAME BASIS~~ AND PROBABLY A DIRECTIVE WOULD HAVE TO BE GIVEN BY THE DEPARTMENT OF SOCIAL SERVICES TO THE EFFECT THAT ALL OF THE REMAINING PENSION WOULD BE REGARDED AS PERSONAL COMPONENT. (AT THIS STAGE IT IS NOT POSSIBLE FOR THIS ADMINISTRATION TO KNOW WHAT MIGHT HAPPEN AS A LOT WOULD DEPEND ON THE AMOUNT WHICH THE DEPARTMENT OF HEALTH ASSESSES THE PATIENTS MAINTENANCE TO BE WORTH AS AGAINST PATIENTS MEDICAL TREATMENT.)

6. IF THE FREE MAINTENANCE AT THE HOSPITAL IS TO BE DISREGARDED /M/
IN ASSESSING THE AMOUNT OF PENSION PAYABLE TO EACH PENSIONER, A ~~DE~~ DECISION MUST THEN BE MADE AS TO THE WAY IN WHICH THE INSTITUTIONAL COMPONENT MAY BE APPLIED FOR :-

(A) UNDER THE SOCIAL SERVICES ACT THE HOSPITAL WOULD BE ENTITLED TO THE MONEY, BUT

(B) UNDER A NORTHERN TERRITORY ORDINANCE THEY MAY NOT CHARGE IT. IF THERE IS SOME WAY AROUND THIS IMPASSE AND IN FAVOUR OF THE DEPARTMENT OF HEALTH USING THE MONEY FOR OTHER THAN MAINTENANCE OR HOSPITAL TREATMENT, THIS ADMINISTRATION WOULD STRONGLY SUPPORT ANY MOVE TO TRANSFER PENSIONERS MONEY FROM REVENUE TO A TRUST FUND TO BE USED FOR PRIVATE AMENITIES TO ALL PATIENTS. IT IS ARGUED HERE THAT IT CANNOT GO INTO REVENUE AS INDIVIDUALLY THE PATIENTS ARE ENTITLED TO THE PENSION, WHILST GENERALLY THE COMMONWEALTH THROUGH THE HOSPITAL HAS NO RIGHT TO CHARGE THEM MAINTENANCE OR, IT WOULD APPEAR, TO DEDUCT ANYTHING FROM THEIR PENSIONS SIMPLY BECAUSE THEY ARE IN AN INFECTIOUS DISEASES HOSPITAL. IF IT IS AGREED THAT DEPARTMENT OF HEALTH MAY ETHICALLY AND LEGALLY HAVE

BETWEEN THE TWO GOUPS ADVANCED BY THE DIRECTOR-GENERAL OF SOCIAL SERVICES THAT THE NON-ABORIGINAL SECTOR POSSIBLY HAS RESPONSIBILITIES TO MAINTAIN DEPENDANTS OUTSIDE THE HOSPITAL.

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7. PERHAPS A FINAL COMMENT IS NECESSARY ON THIS ISSUE. IT WOULD BE A VERY UNPLEASANT ACT OF DISCRIMINATION IF PATIENTS WHO HAD NOT CONTRIBUTED TO THE PROVISION OF THE SWIMMING POOL WERE PREVENTED FROM USING IT. IT IS EQUALLY UNACCEPTABLE TO ALLOW A DISCRIMINATORY SITUATION TO EXIST WHERE NON-ABORIGINAL ~~BE~~ PENSIONERS RECEIVE A GREATER PERSONAL PAYMENT FROM THEIR PENSION THAN ABORIGINAL PENSIONERS AND WHATEVER OTHER PRINCIPLES EMERGE IN THIS, THIS APPEARS TO BE FUNDAMENTAL ~~PRN~~ PRINCIPLE THAT ALL PENSIONER INMATES MUST BE EQUALLY TREATED IN RESPECT OF THE AMOUNT THEY RECEIVE AS PERSONAL PENSION COMPONENT.

ADMIN FILE 62/2239
ENDS HT

99 (122)

63/3602

The Secretary,
Department of the Treasury,
CANBERRA. A.C.T. (attention Mr. Hamilton)

3 - AUG 1965

INVALID PENSIONS FOR PATIENTS AT EAST ARM LEPER HOSPITAL
AND OTHER INSTITUTIONS UNDER CONTROL OF THE DEPARTMENT OF HEALTH.

I refer to the conference held on 19th February, 1965 (your ref. S.L. 64/2586) when the matter of the payment of invalid pensions to patients at the East Arm Leper Hospital was discussed.

2. I recall that at the time there was an area of difference between the quantum of pensions paid to Aboriginal patients as compared with the total payment of pension to other inmates of the Leper Hospital.

3. Also mentioned was the use of money in excess of the personal component paid to Aborigines - the Department of Health had applied for this to be used for the construction of a swimming pool which was believed to have therapeutic value.

4. Could you please let me know what decisions have been reached?

(G. Warwick Smith)
Secretary.

DESPATCHED



TELEPHONE 7 0413

COMMONWEALTH TREASURY,

CANBERRA, A.C.T.

S.L. 64/2586

REFERENCE NO.

30th December, 1965.

The Director-General,
Department of Health,
CANBERRA. A.C.T.

East Arm Leprosarium: Darwin
Aboriginal inmates - Invalid Pensions

I refer to your memorandum No. 756/11/1 of 2nd September, 1964 and to subsequent joint discussions with the Departments of Territories and Social Services.

2. From these discussions it appears:-
 - (i) that any arrangement made must not be discriminatory against aboriginals except insofar as an aboriginal pensioner may not be capable of handling money;
 - (ii) if proper control is to be exercised within the Leprosarium then inmates can only be given limited sums while they remain patients; and
 - (iii) under the terms of the Northern Territories Hospitals and Medical Services Ordinance persons suffering from Leprosy are provided with free hospitalisation and treatment.
3. There seems to be no immediate prospect of any progress with the proposal that the Leprosarium might be declared a benevolent institution for the purposes of the Social Services Act.
4. Turning to your specific proposal that certain balances of inmates' invalid pensions be used to provide a swimming pool and similar amenities at the Leprosarium we would consider that, if it is agreed that pensions cannot be applied to the direct maintenance of the pensioner while an inmate, then it follows that the funds in question cannot be applied for less direct benefits of the kind proposed.
5. It would seem to us that insofar as your department considers that part of the pension due to an inmate ought to

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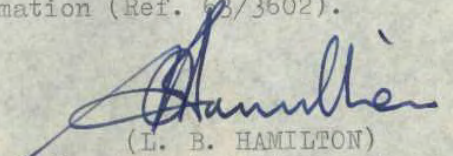
2.

be withheld then the amount so withheld should be placed in trust (possibly under the control of the Director of Welfare) for the benefit of the aboriginal patient or his dependants in a manner to be approved by the Director of Welfare.

(L. B. HAMILTON)
First Assistant Secretary

The Secretary,
Department of Territories,
CANBERRA. A.C.T.

Referred for information (Ref. 63/3602).


(L. B. HAMILTON)
First Assistant Secretary

REC. A.M. 4 JAN

63/3602

His Honour the Administrator
of the Northern Territory,
DARWIN. N.T.

2 MAR 1967

SOCIAL SERVICE BENEFITS FOR ABORIGINES.

Talks were had in Canberra on 1st March 1967, at the request of the Assistant Director General (Policy) and the Regional Director (South Australia) of the Department of Social Services on the matter of social service benefits being paid direct to Aboriginal pensioners.

2. The Regional Director outlined the present position in the Northern Territory.

- (a) Pastoral Properties. The number of properties where the pocket money/maintenance proportion was being paid had been reduced from approximately 100 to about 60. It was intended to increase progressively the payment of individual pensions and it was hoped that all pensioners on pastoral properties would be receiving individual pensions within two years.
- (b) Missions. Pensioners are paid direct on all missions except Bathurst Island. The Bishop of Darwin was quoted as saying that he was unable to accept individual payments for Bathurst Islanders until the system was also operating at Snake Bay.
- (c) East Arm Leper Hospital. All entitlements are paid direct. It was mentioned that there is an amount of \$64000 in trust which accumulated during the period that the Department of Health controlled pension matters and that this had been passed to the Director of Social Welfare for distribution.

134 (51)

(d) Settlements. The pocket money/maintenance system was still being followed. The Regional Director wished to change to direct individual payments as from the beginning of the 1967/68 financial year.

3. The Regional Director said that for full pensioners in categories (a) to (c) he understood that the managements charged the pensioners for their maintenance and accommodation or facilities were available for them to purchase their requirements. We felt that settlement pensioners (d) should be treated in the same manner. He said he realized, of course, that where changes were made there might be difficulties in regard to costing. We can see no objection to pensioners receiving their benefits individually - in fact there would be advantages if the costing difficulties can be overcome.

4. The above is forwarded for your information. We would be glad to know the decision reached after discussions between the Regional Director and the Director of Social Welfare later this month.

5. The Regional Director also said that Roper River Mission had ceased collecting child endowment at the institutional rate of \$1.50 per child and was allowing payment direct to the mothers at the normal rates of .50 for first child; \$1 for the second and \$1.50 for the third and subsequent children. He also said that Hermannsburg proposed to adopt this system.

6. It is, of course, proper that the mothers should have the handling of child endowment but it raises the question of the effect this change will have on mission finances. Where children on missions have been cared for on an "institutional" basis it has been customary to pay the mission an additional subsidy to cover the actual cost of maintenance of those children. What will be the effect on mission budgets where mothers collect child endowment for their children?

DESPATCHED

GWS
(G. Warwick Smith)
Secretary.

GWS



158 (10)

TELEPHONE: 614111
TELEGRAMS: 'HEALTH, CANBERRA'
P.O. BOX NO. 33
CANBERRA, A.C.T. 2600

IN REPLY PLEASE QUOTE 756/11/1

DEPARTMENT OF HEALTH
CANBERRA, A.C.T.

The Secretary,
Department of the Treasury,
CANBERRA. A.C.T. 2600



12 SEP 1967

East Arm Leprosy Hospital, Darwin - Invalid
Pension, Payable to Aboriginal Patients
Your Reference B.L. 64/2536

As you are aware, patients of the Leprosarium have been entitled to receive invalid pensions since October, 1961. A portion of this pension payable to aboriginal patients was for some time, withheld for contribution to the patients' maintenance at the hospital and, up until September, 1964, was paid into Consolidated Revenue. No similar deduction was made from pensions payable to Europeans or half castes.

2. On an approach by this Department to Treasury on this general question, Treasury advised in December, 1965:

"5. It would seem to us that insofar as your Department considers that part of the Pension due to an inmate ought to be withheld then the amount so withheld should be placed in trust (possibly under the control of the Director of Welfare) for the benefit of the aboriginal patient or his dependants in a manner to be approved by the Director of Welfare."

3. An amount totalling \$67,359, representing the "maintenance" portion of pensions payable to aboriginal patients, withheld after September, 1964 had been paid into Trust Fund Other Trust Moneys. On receipt of the Treasury advice, steps were taken to establish a Trust Fund under the control of the Director, Social Welfare Department, Northern Territory Administration and moneys accumulated in T.F.O.T.M. by this Department were transferred to the Welfare Department.

- 2 -

4. The question of the moneys paid to Revenue prior to September, 1964 has, however, yet to be settled. This Department considers that, in line with the Treasury advice, individual entitlements should be assessed and paid to the Director of Social Welfare for allocation on behalf of the aborigines concerned. Adequate records are held in the Darwin Office of this Department to determine each person's entitlement.

5. In all, \$111,792 was credited to Revenue during the period October, 1961 to September, 1964. Your agreement in principle is sought to the payment of this amount to the Director of Welfare for allocation on behalf of the persons involved.

W. D. Refshauge
(W. D. Refshauge)
Director-General of Health

159 (18)

SL.64/2586

20 September 1967

The Director-General,
Department of Health,
CANBERRA, A.C.T. 2600

East Arm Leprosy Hospital - Darwin
Social Service Pensions for Aboriginal Patients
Your reference 756/11/1

I refer to your memorandum of 12 September 1967.

2. The Treasury has no record of the establishment of a "Trust Fund", as referred to in paragraph 3 of your memorandum, into which the amount of \$67,359 and later amounts withheld from pensions have been paid. Possibly the action that has occurred is the opening of individual bank accounts in the name of the Director of Social Welfare, Northern Territory Administration, as trustee for each of the aboriginal pensioners concerned.

3. We are seeking information from the Department of Territories of the nature of the arrangements that have been made and shall write to you again as early as possible.

4. A copy of the correspondence is being sent to the Department of Social Services for information.

(D. STEELE CRAIK)
First Assistant Secretary

The Director-General,
Department of Social Services,
CANBERRA, A.C.T. 2601.

Forwarded for your information.

(D. STEELE CRAIK)
First Assistant Secretary
20 September 1967



TELEPHONE 63 9111

63/3602
MAY 29/9
160/82

The Treasury,
Canberra, A.C.T. 2600

REFERENCE NO. SL.64/2586

20 September 1967


The Secretary,
Department of Territories,
CANBERRA, A.C.T. 2600

Social Service Pensions for Aboriginal Patients
in East Arm Leprosy Hospital, Darwin.
Your reference 63/3602

Attached is a copy of a memorandum dated
12 September 1967 from the Department of Health and
a copy of the Treasury's reply.

Early advice would be appreciated on the matter
referred to in paragraph 2 of our memorandum to the
Department of Health. If bank accounts of the nature
referred to have been opened, information would be
appreciated of the relevant legislative provisions
governing the establishment and control of such bank
accounts.

Encl.


(D. STEELE CRAIK)
First Assistant Secretary

REC'D P.M. 22 SEP





63/3602

2601
- 5 OCT 1967

His Honour the Administrator
of the Northern Territory,
DARWIN, N.T. 5790.

INVALID PENSIONS PAYABLE TO ABORIGINAL PATIENTS - EAST ARM
LEPROSY HOSPITAL.

The Department of Health informed Treasury on 12th September, 1967, that up to September, 1964, a portion of the invalid pension payable to Aboriginal patients was withheld for contribution to the patients' maintenance and paid into consolidated revenue. No similar deduction was made from the pensions of other patients.

2. Treasury advised the Department of Health in December, 1965:

"It would seem to us that insofar as your Department considers that part of the pension due to an inmate ought to be withheld then the amount so withheld should be placed in trust (possibly under the control of the Director of Welfare) for the benefit of the Aboriginal patient or his dependants in a manner to be approved by the Director of Welfare."

3. An amount totalling \$67,359, representing the "maintenance" portion of pensions payable to Aboriginal patients, withheld after September, 1964, had been paid into Trust Fund Other Trust Moneys. On receipt of the Treasury advice steps were taken by the Department of Health to establish a Trust Fund under the control of the Director of Social Welfare and moneys accumulated in T.F.O.T.M. by the Department of Health were transferred to the Welfare Branch.

4. The question of the moneys paid to Revenue prior to September, 1964, remains to be settled. The Department of Health considers that, in line with the Treasury advice, individual entitlements should be assessed and paid to the Director of Social Welfare for allocation on behalf of the Aborigines concerned. Adequate records are held in the Darwin Office of the Department of Health to determine each person's entitlement.

162 (1874)

5. In all, \$111,792 was credited to Revenue during the period October, 1961, to September, 1964. The Department of Health sought Treasury's agreement in principle to the payment of this amount to the Director of Social Welfare for allocation on behalf of the persons involved.

6. Treasury informed the Department of Health that it has no record of a "Trust Fund" as referred to in paragraph 3, into which the amount of \$67,359 and later amounts withheld from persons have been paid. Treasury thought it was possible that the action that has occurred is the opening of individual bank accounts in the name of of Director of Social Welfare as trustee for each of the Aboriginal pensioners concerned.

7. Treasury has referred the matter to the Department and asked for early advice on the matter referred to in paragraph 6 above. Treasury continued:

"If bank accounts of the nature referred to have been opened, information would be appreciated of the relevant legislative provisions governing the establishment and control of such bank accounts".

8. Would you please advise the procedures involved in regard to the bank accounts opened for Aboriginal patients at East Arm so that Treasury can be informed?

GWS
(G. Warwick Smith)
Secretary.
GWS

DESPATCHED



63/3602

164
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ADMINISTRATOR,
DARWIN, N.T.

67/3232

20 OCT 1967

The Secretary,
Department of Territories,
CANBERRA, A.C.T.

INVALID PENSIONS PAYABLE TO ABORIGINAL PATIENTS
- EAST ARM LEPROSY HOSPITAL
(Your reference 63/3602 of 5th October, 1967)

folio 161

When the proposal to transfer these credits to the Director of Welfare was first raised by the Department of Health it was the intention of the Director of Welfare to establish Commonwealth Savings Bank accounts for each of the pensioners concerned. Because there are no legislative provisions enabling the Director of Welfare to control moneys on behalf of Aboriginals trustee accounts were not envisaged.

2. Since the credits have been passed to the Director of Welfare certain practical problems have arisen in regard to the operation of Commonwealth Savings Bank accounts and it has therefore been decided to disburse the money direct to the pensioners concerned. In doing this, however, the cheques are being passed care of the respective responsible superintendents on settlements and mission stations and managers on pastoral properties with the request that wherever possible they encourage the pensioners concerned to open Savings Bank accounts or alternatively to assist the Aboriginals to spend their money wisely.

M. Hennessy

REC'D P.M. 23 OCT

rec'd 6/11/67

R. L. Dean
R. L. DEAN
Administrator

National Archives of Australia

in msg 7/11/67 - can we get Admin reply to go.
NAA: A1724 NT 1969/900



TELEPHONE 63 9111

22 P/2

63/3602 Hennessey

The Treasury,
Canberra, A.C.T. 2600

16/9/11
189

REFERENCE NO. SL.64/2586

21 NOV 1967

The Secretary,
Department of Territories,
CANBERRA, A.C.T. 2600

Social Service Pensions for Aboriginal
Patients in East Arm Leprosy Hospital, Darwin
Your reference 63/3602

Treasury memorandum SL64/2586 of 20 September 1967 sought information of the accounting arrangements made by the Northern Territory Administration in respect of certain amounts of money withheld from pensions for aboriginal patients at the East Arm Leprosy Hospital.

Your early advice would be appreciated.


(D. STEELE CRAIK)
First Assistant Secretary

REC'D P.M. 22 NOV

Mr Bohner

*New
reply memorandum 22/11
[Signature]*

168 (188)

63/3602

2601

The Secretary,
The Treasury,
CANBERRA, A.C.T. 2600.

23 NOV 1967

INVALID PENSIONS PAYABLE TO ABORIGINAL PATIENTS - EAST ARM
LEPER HOSPITAL.

Your SL. 64/2586 of 20th September, 1967,
was referred to the Administrator of the Northern Territory
who has advised -

"When the proposal to transfer these credits to the Director of Welfare was first raised by the Department of Health it was the intention of the Director of Welfare to establish Commonwealth Savings Bank accounts for each of the pensioners concerned. Because there are no legislative provisions enabling the Director of Welfare to control moneys on behalf of Aboriginals trustee accounts were not envisaged.

Since the credits have been passed to the Director on Welfare certain practical problems have arisen in regard to the operation of Commonwealth Savings Bank accounts and it has therefore been decided to disburse the money direct to the pensioners concerned. In doing this, however, the cheques are being passed care of the respective responsible superintendents on settlements and mission stations and managers on pastoral properties with the request that wherever possible they encourage the pensioners concerned to open Savings Bank accounts or alternatively to assist the Aboriginals to spend their money wisely."

Jan

DESPATCHED

la
(C.E. Reseigh)
for Secretary.



TELEPHONE 63 9111

168 (190)
The Treasury,
Canberra, A.C.T. 2600

REFERENCE NO. 64/2586

22 December 1967

The Director-General,
Department of Health,
CANBERRA, A.C.T. 2600

East Arm Leprosy Hospital - Invalid
Pension payable to Aboriginal Patients
Your reference 756/1/1

Reference is made to your memorandum of 12 September 1967, and our interim reply of 20 September.

2. Attached is a copy of a memorandum dated 23 November 1967 that we have received from the Department of Territories. We infer from the Department's advice that if the withheld amounts of pension totalling \$111,792 were now to be paid to the Northern Territory Administration, the Director of Welfare would disburse them to the individual pensioners concerned, or to their nominees, or to the estates of deceased pensioners. It would presumably be the Director of Welfare's prerogative to determine the appropriate course in any particular case. We would imagine, however, that the Director of Welfare might find it useful to discuss the manner of disbursements with the Department of Social Services.
3. Given that the Department of Health had the necessary authority to arrange for the payment of pensions through the medium of the Director of Welfare, and subject to any views that the Department of Social Services may wish to advance to you or the Treasury or to the Department of Territories on the general proposition, we have no objection in principle to a Refund of Revenue of \$111,792 being made by your Department for payment to the Northern Territory Administration for credit of Trust Fund - Other Trust Moneys and eventual disbursement to or in respect of individual pensioners.
4. If the situation is that your Department has no authority to pay the sum of \$111,792 to the Northern Territory Administration, the alternative would seem to be to return the amount to the Department of Social Services for credit of Trust Fund - Other Trust Moneys. It would then be a matter for the Department of Social Services to arrange for payments to or in respect of the individual pensioners concerned - either through the Director of Welfare or otherwise.

2.

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169 (M)
Nov 13/12

5. When your Department requires the sum of \$111,792, application should be made to the Treasury for the necessary warrant authority.

6. We are sending copies of this memorandum to the Departments of Territories and Social Services.

(D. STEELE CRAIK)
First Assistant Secretary

The Secretary,
Department of Territories,
CANBERRA, A.C.T. 2601

For your information. (Your reference 63/3602.)

REC'D A.M. 28 DEC

D. Steele Craik

(D. STEELE CRAIK)
First Assistant Secretary
22 December 1967