

Royal Australasian College of Medical Administrators 2000 Conference
Opening Address
Wednesday 23 August
Sheraton Brisbane Hotel and Towers

The Hon Paul de Jersey AC, Chief Justice of Queensland

Salutations.

I am very pleased to be here with you this afternoon. The conference theme, “*New Millennium, New Reality*” suggests these next days will stimulate and challenge, as you explore new key issues for medical administration. I have been asked to address you briefly on my perceptions of health care as we enter the 21st century. My own perceptions in that area derive from my experience as Chairman of the Queensland Cancer Fund and President of the Australian Cancer Society. As such, the issues I will touch upon briefly today are those presently interesting such non-profit health care organisations – but they are nonetheless relevant to the administration of hospitals. I will speak briefly about electronic communication, the GST, and aspects of volunteerism.

A new millennium fires the imagination. What kind of changes will it bring, indeed what change should we ourselves engender? The medical profession has changed startlingly over the last century. Medical science has over that period, as but one example of its influence, dramatically increased life expectancy: in industrial countries, rising from 45 years at end of last century to a present 75 years; for the rest of the world, an increase no less dramatic, from 25 years to 63 years. The medical profession now looks after a world population of almost 6 billion people – 1.6 billion in 1907. With the experience of the last

100 years behind us, a forecaster could reasonably safely adopt the epithet “exponential” if anticipating future development.

One massively significant recent development concerns technologically assisted communication. To survive in this new millennium, health care organisations obviously must be able to adapt to, indeed flourish in a changing business and communications environment - from real space into virtual cyber-space. As e-commerce, e-mail and the internet transform other sections of society, so too will their utilisation be of great advantage to health care organisations: and I know this is already happening.

Doubling in users every 100 days, the internet’s pace of adoption eclipses that of all preceding technologies¹. It promises our organisations an incredible opportunity to educate, inform and advertise to internet users everywhere, 24 hours a day. Homepages can cater for all potential e-customers: providing basic information about organisations, detailed updates on recent events, e-newsletters, and particulars for potential volunteers. Where organisations such as the QCF have over time built up rich resources of detailed research and reports, the internet provides a way of publicising the existence of this often little-known information. Reports themselves can be summarised or published in full on the web². We use these facilities in the courts. We publish, for example, on the Supreme

¹ US Department of Commerce, 1998. “The Emerging Digital Economy”, quoted in Johnson, M. 1998. “Non-Profit Organisations and the Internet”, www.firstmonday.dk/issues/issue4_2/mjohnson/

² Cerejo, L. “Non Profits can profit from the Net”, www.thats.nu/articles/marketing/nonprofit.htm

Court's web page (www.courts.qld.gov.au) details of our work, including case disposition rates, for the information of the people we serve: a public increasingly interested in the work of its courts, and to whom the judges are of course rightly accountable.

The Queensland Cancer Fund relies entirely on donations and bequests for funding its programs and services. Internet appeals for donations would allow such a charity to reach a younger generation of potential donors by a new and effective means. Raising charitable donations is of course closely relevant to the administration of modern hospitals. Seeking donations via the internet has been successful elsewhere – donations to the American Cancer Society are reported to have trebled since it started using this resource³. Similarly, as e-commerce transactions become increasingly popular, charitable organisations can capture this trend in selling fundraising merchandise online.

Creatively utilising email to replace traditional communication methods will increase efficiency and reduce cost. Particularly, where donors and supporters of charities are sensitive to the cost involved in large-scale mail-outs, regular group emails provide an almost cost-free means of keeping supporters informed.

However utilising this sort of new technology requires careful planning and involves some cost. Organisations will have to purchase new equipment and learn how effectively

³ Johnson, M., 1998

to use it. Structures for fulfilling orders and processing donations will need to be created, and staff employed continually to update online presentations. Organisations will need to tailor their websites to meet the needs of their “customers”, and advertise to ensure online sites can be found⁴. But surviving, and hopefully thriving in a changed commercial environment, seem well worth these measures!

Another current issue, of vast impact upon charity organisations, is the introduction of the GST. This is the first time these organisations have been part of the tax system, and their position is unique. Broadly speaking, while their commercial activities are subject to GST, non-commercial activities remain exempt. Practically implemented, this is somewhat more complex. For example, the Queensland Cancer Fund must levy tax on what are deemed to be commercial supplies, but it supplies all charitable activities GST free, and all donations are exempt. So at “Australia’s Biggest Morning Tea”, one of our major annual fundraising events, host donations are GST exempt, but coffee cups attract the tax. Similarly, entry fees for the “Terry Fox Fun Run” do not attract GST, while the event’s publicity T-shirts do. In our Sun Smart shop, GST is charged on all merchandise bar sunscreen.

And while the Queensland Cancer Fund can claim input tax credits for the GST **it** pays when purchasing items in the course of supplying charitable activities, elsewhere the high

⁴ Williams, M. “E-Commerce and Nonprofits: Three Case Studies”, www.benton.org/Practice/Ecommerce/

cost of compliance has forced it to forego reimbursement. Were the Fund to register Branch Committees and fundraising events such as the fabled “Nurse of the Year” and “Challenge for Cancer” campaigns, the high cost of maintaining requisite accounting records would simply be beyond our capacities. Here, then, we have effectively had ourselves to accept the cost of paying the GST.

Our preparing for the GST has been costly overall. The QCF has of course not been alone in bearing substantial expenses apart from registration - in upgraded accounting software, employee education and specialised training, stocktaking and professionally conducted reviews. With GST only recently implemented, we must wait to see the **overall** effect on charities of their inclusion in the tax system.

I have said the QCF relies entirely on donations to fund its activities. Equally vital to the Fund is its volunteer workforce: again a feature prominent in the management of hospitals. The Fund was started by volunteers in 1961 and, although now supported by paid staff, volunteers remain the heart, soul and backbone of the organisation. The nature of Australian volunteering is presently changing, and all volunteer-based organisations will need to respond to these changes as we move into the new millennium.

A 1997 study into **American** volunteering identified a number of social, economic and

political pressures which affect it⁵. Social factors included changes to the nature of the family, an overall increased pace of life, frustration with the welfare state, tempered by greater overall concern for humanity, the aging population, and increasing litigiousness. Economic factors identified included decreased government funding, increased professionalisation of volunteering, and increasing use of computer technology; while political pressures were the seduction of organisations into serving political ends, and a concept of “mandatory volunteering” – a good example of the oxymoron.

Statistics in the United States and Australia show both that the number of volunteers is increasing world-wide, and that the current profile of volunteers is rapidly changing. Increasing numbers of young people volunteer, as well as people from a wider range of cultures, more students, more disabled people and more people already engaged in full-time employment. But despite this volunteering increase, retention rates amongst volunteers within organisations are dropping⁶.

Chief Executive Officer of “Volunteering Queensland Inc”, Ms Diane Morgan, has identified a number of challenges for volunteer-based organisations faced with a

⁵ Polegato, R. 1997. “Emerging Social, Economic and Political Pressures on Volunteerism: Implications for Services Marketing in Non-Profit Organisations”, Atlantic Schools of Business, Fredericton, New Brunswick; www.fadmin.unb.ca/asb/paper41.htm

⁶ statistics from Volunteering Queensland Inc and the Points of Light Foundation, quoted in Morgan, D. 2000. “The Value of Volunteers”, paper delivered at the Australian Society of CPAs’ “Not For Profit” Conference, 10-11 April 2000

changing workforce⁷. Firstly, she argues greater recognition and development of volunteer management are required. Unlike in such countries as the UK, the US and Canada, Australian volunteer managers receive no professional or academic recognition. Yet this role is distinct from generic management – it extends beyond “mere” management to community leadership, recognising potential human resources, and developing them to meet the organisation’s requirements. While the number of Volunteering Queensland member organisations with a paid volunteer manager has increased over the past 10 years from 5% to 20%, Ms Morgan argues there is still a “long way to go”.

Second, the increasingly litigious environment in which volunteers work means community organisations must seriously address issues of risk management, ensuring volunteers sufficiently supportive infrastructure and procedures. It is startling that Ms Morgan cites Victoria as having raised the highest number of recorded voluntary worker insurance claims outside the United States.

Third, volunteer-based organisations must look to build partnerships with government and the corporate sector. The stereotypic image of exploitative corporations is somewhat displaced by their initiating fundraising and project support, and employee-volunteer programs, allowing staff to work during paid-work hours in various community

⁷ Ibid

organisations.

Fourth, information technology utilisation within organisations has impacted upon the kinds of jobs available to volunteers, and these new volunteers' motives. While “infotech” students provide a wonderful resource when practising skills for future paid employment, a high turnover of such volunteers can be problematic for organisations. This new ‘short term’ volunteer workforce will need to be managed carefully to maintain services of a consistently high standard.

And finally, organisations must adapt to the changing nature of work and leisure in society. Addressing particularly the concept of “work for the dole” schemes, Ms Morgan sees both benefit and detriment for volunteer-based organisations. She argues it is a shame to marginalise volunteering as a “punishment” for unemployment. But while volunteering typically aids job seekers in finding paid employment, short-term volunteers again need to be managed carefully by organisations to ensure that time – and donated money – are not wasted in constantly training new participants.

Volunteering is overall of tremendous benefit for the whole community. The challenge is for organisations to manage most effectively this wonderful resource as it evolves over time.

These are just three of a range of issues of importance to health care organisations such as my Queensland Cancer Fund, and your hospital administrations, as we venture together into the 21st century. The next century will see increasing competition as worthwhile charities become more and more numerous. Those relying heavily on donations, such as the Cancer Fund, will need to ensure they address growing concerns amongst donors that generous gifts be used most effectively. Will Australian organisations in time follow the example of the American fundraising and philanthropic associations, who jointly developed a “Donor’s Bill of Rights”, adopted and publicly quoted by many American non profit organisations?

The twentieth century saw man’s medical knowledge explode, each new discovery challenging policy-makers and administrators afresh. As we enter a new century, indeed a new millennium, greater challenge, perhaps fresh frustration, and ultimately greater good for mankind seem assured. I wish you all a stimulating conference, and the very best as you administer medical care into the next millennium.