



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**PROOF**

**FEDERAL FINANCIAL RELATIONS  
AMENDMENT (NATIONAL HEALTH  
AND HOSPITALS NETWORK) BILL 2010**

**Second Reading**

**SPEECH**

**Wednesday, 24 November 2010**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

<p><b>Date</b> Wednesday, 24 November 2010</p> <p><b>Page</b> 81</p> <p><b>Questioner</b></p> <p><b>Speaker</b> Rishworth, Amanda, MP</p>	<p><b>Source</b> House</p> <p><b>Proof</b> Yes</p> <p><b>Responder</b></p> <p><b>Question No.</b></p>
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**Ms RISHWORTH** (Kingston) (5.51 pm)—I start my contribution on the Federal Financial Relations Amendment (National Health and Hospitals Network) Bill 2010 by saying that it is no wonder the member for Bradfield proposed nothing positive in his contribution and it is no wonder the Liberal Party just wants to wreck any good reforms in the national interest, because the Liberal Party took no health policy whatsoever to the election. The member for Bradfield has asked why the former Prime Minister, why the Minister for Health and Ageing and why people from the government visited hospitals. I will let the member for Bradfield know that it is because we are actually interested in health. We actually want to make our hospital system better. We want to ensure that the residents in electorates such as mine can actually access health services when they need them. I am very pleased to rise in support of the bill. I am very proud to speak on this bill which will ensure that residents in my electorate of Kingston, as around the country, will be able to access a sustainable, affordable healthcare system into the future.

Our health and hospital system is already struggling to keep pace with the growing demand for health care as our population ages. This will only intensify into the future. The National Health and Hospitals Network reform is an essential evolution of the federal-state relations regarding the delivery of health care. This bill will ensure that all Australians get better value for money and receive better quality health care. Reform of the healthcare sector is imperative so that future generations can enjoy world-class, accessible and affordable health care.

The inadequacies of the current health and hospital system is something that is raised from time to time in my electorate of Kingston. Earlier this year, I was informed by a mother of a child with a late diagnosed double pneumonia that she had been told that she would have to be prepared to wait many hours upon arrival at the emergency department of her local hospital. Other residents have been dismayed when they have been informed about the waiting times for elective surgery. Our current health system is struggling to keep pace and this problem will be exacerbated by population growth that is projected to substantially increase by 2050. This growth will create more pressures on Australia's health services.

At the same time, Australia will be faced with an ageing population, which will substantially increase healthcare needs and expenditure. It is for this reason that the government is taking direct action now to plan for the future of our nation's healthcare system.

Since being elected, federal Labor has taken the area of health and hospitals very seriously. We have started by investing in our health and hospitals to meet the current and growing demand in the health system. But we have a lot of work to do because of the disastrous situation we were left with by the previous government. It was the now Leader of the Opposition, as the former Minister for Health and Ageing, who ripped \$1 billion out of our health system and chose to cap GP training places, leading to the severe GP shortage we are suffering from today. In contrast, the \$64 billion COAG 2008 National Healthcare Agreement saw a 50 per cent increase in funding flowing to the states, including \$750 million to take pressure off 37 of our country's busiest emergency departments and to upgrade our hospital equipment across the country. We are now taking action to address the dire workforce shortage—a legacy of the former Liberal government. We are doubling the number of GP training places to 1,200 by the year 2014 and will fund training for over 1,000 new nurses each year to help our ailing health system.

In my electorate of Kingston alone, residents have benefited from investment in an operating theatre and surgical equipment upgrades at the Flinders Medical Centre to improve emergency and elective surgery waiting times. Furthermore, this government has invested \$10 million to redevelop training facilities at the Flinders Medical Centre, Noarlunga Medical Centre and the Repatriation General Hospital. This is so they can attract, train and retrain quality health professionals in the area. We have committed to establishing after hours GP services in communities such as Seaford, Morphett Vale, Huntfield Heights, Sheidow Park and Aldinga. The Noarlunga GP superclinic is expected to be completed in 2011. This will also play a very important role in building the infrastructure necessary to improve front-line health services in my electorate and to bring more GPs and allied health workers under the same roof.

The bill before us today is about building on the significant investments in our health system and implementing comprehensive reform of our health system so that all Australians have access to quality health care well into the future. The bill proposes to amend the Federal Financial Relations Act 2009, which will enable the implementation of a number of major reforms to the governance of the Australian healthcare system. These changes have gone through extensive consultation and the bill implements the changes to federal financial relations as agreed to by the Council of Australian Governments earlier this year.

These major reforms build on the strengths of the current system and ensure the long-term sustainability of our healthcare system. Under the National Health and Hospitals Network, the Commonwealth will become the major funder of Australian public hospital services. The government's reforms are not just about increasing access to and lifting the quality of health services; they are about preparing for our ageing population and ensuring that investment in our health and hospital system is sustainable for the long term.

The government proposes to make three key amendments which will affect all states except Western Australia. First, the government will retain a portion of the GST to be directed by the Commonwealth government towards spending on health and hospitals. Second, funding sourced from the national health care specific purpose payment will now be directed to health and hospital services throughout the National Health and Hospitals Network fund. Third, the government will be able to make an additional top-up payment to states if hospital costs outpace the growth in GST revenue. Additionally, while the Western Australian government has not yet signed the National Health and Hospitals Network agreement, this bill protects Western Australian current health funding ensuring that the Premier of Western Australia would need to agree to any change to the current funding arrangements, and that would have to be tabled in the parliament. These changes will ensure greater federal investment in the health and hospital area. This is something that the previous Liberal government substantially neglected. This will reduce the pressure that rapidly increasing healthcare costs will place on the insufficiently funded state and territory budgets into the future.

I wish to stress that the reform of health and hospitals is not about providing a blank cheque to the states; rather, it is about introducing more efficient pricing based on what health services actually cost. Retaining a portion of the GST will ensure that the federal government is able to invest directly in health and hospital services in all states and territories. This government will invest no less than \$15.6 billion in

additional top-up funding over 2014-15. Retaining and dedicating the GST in 2014-15 provides the base for the Commonwealth then taking on the majority of any growth in costs beyond the growth of GST revenue. As a result, all states and territories will benefit from this reform in the long term. More importantly, Australians will benefit from more efficient, better quality healthcare services.

Unlike those opposite, the Labor Party has always believed that the health of Australians should be a top priority of government. It was a Labor government in 1948 who introduced the PBS, it was a Labor government who introduced Medibank and it was a Labor government who introduced Medicare. The current government will continue this tradition by delivering a National Health and Hospitals Network. This bill is a necessary step in the implementation of essential reform and it would be a shame if those opposite were successful in their reckless opposition to a sustainable healthcare system.

As I have previously mentioned, I am sure that many in this House would remember all too clearly that, when the Liberals were in government, they ripped \$1 billion from our hospital system, capped GP training places and ignored the shortage of nurses in our community. We are now, in my electorate of Kingston and in the rest of the country, experiencing the repercussions of these short-sighted policy decisions, and it is this Labor government who is picking up the pieces and moving forward in the direction of a world-class, accessible and sustainable healthcare system.

Unsurprisingly, those opposite have trumpeted the same old misleading arguments against the national health and hospital reforms. The Liberals have threatened to wreck this reform and this will be to the detriment of all Australians. Their continued mindless opposition to change and necessary reform shows just how uninterested they really are in securing a sustainable and affordable healthcare system for our country's future.

As usual, the opposition has presented a number of misleading excuses as to why they will not pass the bill, and these seem to change daily. The COAG agreement shows the willingness of the state governments to reverse the anti-health trend of the previous government. Seven out of eight states and territories signed the National Health and Hospitals Network Agreement. While Western Australia was not a signatory, the revised intergovernmental agreement will allow Western Australia to join the health reforms or to remain separate. Just because one state has not signed the current agreement, this should not be a barrier to national reform. Western Australia will not stand in the way of these health reforms and neither should the Liberal Party.

The opposition are simply not interested in the long-term viability of our health system. All in all, those opposite will attempt to wreck this bill purely to oppose this government. It is opposition for opposition's sake. Their reckless political strategy is a direct threat to the sustainability of the Australian healthcare system. I urge the members on the other side of the House to see past the rhetoric and join with the government in supporting this necessary reform.

In conclusion, the National Health and Hospitals Network reform is the most significant health reform since the introduction of Medicare by the former Hawke-Keating government. It will mean the efficient provision of better quality, more accessible health care to future generations of Australians. We cannot afford not to act to secure the long-term sustainability of our health and hospital system. My constituents, along with the rest of Australia, deserve a properly funded health and hospital system. For this reason, I commend the bill to the House.