

ESPERANCE DISTRICT HOSPITAL HEALTH SERVICES

Grievance

MR AINSWORTH (Roe) [9.33 am]: My grievance is to the Minister for Health. The health services at the Esperance District Hospital have deteriorated significantly over the past few months, and particularly in the past few weeks. For the second time this month, elective surgery has been cancelled and it will be cancelled for the next six weeks due to the shortage of nurses. The shortage of nurses is a statewide problem but it is also connected to a shortage of funding in the health system. There is a funding shortage in the health system where it is needed most, which is at the coalface, with nurses, doctors and hospital activities.

For patients who require medical attention and who need elective surgery, their nearest alternative hospitals are 400 kilometres away. They do not have the option of going to another hospital up the road, which some patients in Perth would have the opportunity to do. There are a number of trained nurses in the district but they are located on farms or are involved in other activities in the town. They could be brought in to help with the shortage of nurses because part of the problem is due to illness among the nurses in the health service. I heard the minister on the radio this morning as I drove to work and he said that this is the time of the year when influenza and other winter illnesses take their toll on the community, including nurses. There is no scope for the hospital to attract more nurses because of the publicity about how tough things are in the system and the heavy workload that nurses carry. There is no flexibility in the budget for this hospital - or probably any other hospital - to offer incentives to bring in other nurses for a short period and get the hospital over the crisis period of the next six weeks. It is a reflection on the lack of funds where they are most needed - at the coalface.

Another worrying issue was brought to my attention this week. The South-East Coastal Health Service has written to all general practitioners in the town. The health service, among other things, looks after the Esperance District Hospital. The letter advises the general practitioners that the health service has been paying the doctors' accounts on the twenty-fifth day of each month following the month of receipt of the doctor's accounts. The service has generally been able to meet that date each month. That is in line with the Premier's announcement that he had issued a direction that government accounts would be paid within 30 days. The doctors have been advised -

Unfortunately the circumstances under which this commitment was given has changed. The Department of Health is severely restricting the flow of funds to the health service. This restriction will continue, at least until September when the State budget is handed down.

Due to these circumstances, the Health Service is unable to guarantee meeting this commitment however timely payment of accounts for Medical Services will continue to be a priority. The health service will endeavour to pay all its accounts as they fall due, however this is only possible if we have funds available to make payments.

The South-East Coastal Health Service is so worried that it is not able to guarantee that it can meet the commitment it has made to doctors working in the hospital on its behalf that it has seen fit to issue this letter. Under normal circumstances, if there is slippage in the system one way or the other, it would be absorbed in the process and things would get back to normal fairly quickly. This new situation will continue until at least September, when the state budget is handed down. That is five weeks away. Local doctors received their pay cheques a few days ago for last month's work but there is no guarantee about the immediate future until the state budget is delivered.

This situation is clearly contrary to the Premier's promise that government instrumentalities and departments would pay their bills within 30 days. This health service has generally been able to do that, although it said that it could not always do so. That was before the reduction in funding that has left it in a very difficult position. The shortage of funds for the hospital service in Esperance means that patient assisted travel scheme payments for patients who have to travel away for specialist treatment have been delayed. PATS will not receive any further funding from the Government until September. It still has some money in the bank but it has to survive until it gets more money. People who require PATS payments - whether they are citizens who can afford to drive to the nearest specialist 400 kilometres away or pensioners - must pay for their travel and accommodation first and claim a refund when they return. They wait about five weeks for a refund. That is not a problem for most members but it certainly is for a pensioner.

The hospital has suffered problems under this Government and the previous Government, so I am not making any excuses. The hospital has been paying 34c a unit for its electricity, which is the government rate, and because of the power costs in Esperance, it is impacting severely on the hospital's budget. I hope the Government will deal with those sorts of issues to ensure that Esperance is on a level playing field with other hospitals in the State regarding power costs. In the short term, this cash crisis is causing severe difficulties for

the patients, the doctors and the administrators. The whole cross-section of the Esperance health service is being affected by the shortage.

MR KUCERA (Yokine - Minister for Health) [9.40 am]: I thank the member for Roe for raising this concern, because it gives me the opportunity to look at the budgets of country hospitals, the way they are operating, and the entire issue of the health budget. The Treasurer has very clearly given the House a clue about where the budget is going. I will state right now, before the September budget, that the winners will be education, policing and health.

The Esperance health service is not in crisis. For many years, right across the health system, a culture of denigration of the system has existed; a squeaky wheel syndrome, aimed at getting what the administrators want. Last year the Esperance health service received \$10 million. My understanding, from financial managers, is that the service is running on budget, and the budget request is the same this year. All government departments have been asked to very carefully manage their cash flow. Country health services were receiving their money in big lumps, three or four times a year. I stated some time ago in this House, that the Government has asked the health services, and the Health Department, to be responsible, and make sure that money is received on a monthly basis, as applies in any other business. It was found that many millions of dollars were sitting in accounts all around the State, for services that had not been provided or used during the year. That money was required to be brought back into the major health budget to make sure that cash flows across the State were properly managed.

All doctors will be paid. I am advised that previously doctors were paid automatically on the same date each month. The doctors have now been asked to supply proper invoices, and they are paid within 30 days. As the member for Roe quite rightly pointed out, the doctors in Esperance have been paid, and will continue to be paid. Of course, it was the responsibility of the manager of the health service to bring to the notice of the doctors that change in financial operations. The doctors are responsible for presenting invoices to ensure prompt payment. Earlier concerns that payments may not have been made as promptly as usual resulted in a courtesy letter being sent to local general practitioners explaining the change in process. If that has caused alarm among the local general practitioners, it is a matter of interpretation, and that will be fully explained to them. The doctors realise that they will get their money. The Premier was very insistent that local communities be paid within 30 days, which is a darned good thing. The Government is also insistent that hospitals be encouraged to purchase locally whenever possible.

The most important issue, which really does concern me, is the cancellation of elective surgery. It is a key issue, and the hospital management has taken a very responsible position. The decision to cancel elective surgery is specifically the result of a shortage of nurses. This shortage is a worldwide phenomenon, as I said last week when I returned from the national conference of health ministers. I am happy to say that the enterprise bargaining agreement promised to the nurses will cost almost \$200 million more than the previous Government even contemplated. That puts pressure on the health budget, but the money will be there. Already that EBA is kicking in. Every nursing course in the tertiary institutions is full, and, for the first time for many years, there are waiting lists of young men and women wanting to get into nursing. Already Fremantle Hospital is starting to recruit extra staff. The member for Roe is quite right - nurses have traditionally been recruited from the local area. Many nurses marry farmers, move to country areas, and then express a wish to return to their profession. Part of the EBA process involves supplying money and conditions to allow those nurses to return to the work force.

Certainly, Esperance has a shortage of nurses. If there are vacancies, the unspent payroll is not taken back; it is held within the hospital. The hospital then has the capacity to use that payroll to create a casual pool, which takes some innovation on the part of the manager. Managers have to be innovative, and use their money in the way that will cater most effectively for their hospital. Hospital budgets also contain provisions to employ agency nurses, but Esperance has chosen not to do that, because agency nurses cost a considerable amount more. Last week the Australian Nursing Federation complimented hospital managements that cut back on bed numbers because of the shortage of nurses. It is all about the care of the people. Of course, these actions put extra pressure on the people of Esperance, who have to travel 400 kilometres to Kalgoorlie, or even further to Perth, for some treatment.

The member for Roe referred to the spread of funds to country hospitals, and touched on the subject of city hospitals. Most of the serious surgery and treatment is done in Perth, whether we like it or not, because that is where the major hospitals are located. I can assure the member for Roe that the Government is well on top of the problem. The Esperance region is part of global problems in health services, but I hear this constant chorus about what is needed and the complaint levels within the system. The squeaky wheel eventually falls off, and confidence is undermined in the health system. There will be some winners in the next budget, and I am pleased to say that one of them will be health.