

PUBLIC HEALTH SYSTEM

Matter of Public Interest

THE SPEAKER (Mr Riebeling): Members, today I received within the prescribed time a letter from the member for Murdoch in the following terms -

That this House condemns the Minister for Health for presiding over a deteriorating public health system and calls on the Minister to provide a full explanation of:

1. The amount of expenditure on providing health services across the State to date this financial year, including a breakdown of expenditure to date in each of our tertiary hospitals, and whether or not expenditure to 30 June 2002 will exceed the amount allocated in the 2001/02 budget;
2. What changes will be made in the provision of health services to ensure that the expenditure does not exceed the amount allocated;
3. The outcome of audit investigations of public hospital trust accounts which have so far been undertaken; and

further calls on the Minister to table all audit reports and other relevant information which have been produced in relation to public hospital trust accounts.

If sufficient members agree to this motion, I will allow it.

[At least five members rose in their places.]

The SPEAKER: The matter shall proceed on the usual basis.

MR BOARD (Murdoch) [2.44 pm]: I move the motion.

Wherever we focus our attention on public health in Western Australia, we find evidence of a deteriorating health system. On numerous occasions, we have raised in this House, and will continue to raise, the issue of our public health system falling into a situation in which people do not receive the necessary services they require because of the inaction and lack of funding by this State Government. The evidence of the conflict in the system can be seen on television, members can read about it in the newspapers, or they can hear about it from hospital personnel, members of a country hospital board, doctors or nurses. Stoppages are occurring throughout Western Australia. Public meetings are being held throughout the State, wards are closing and, since February, ambulance bypasses have increased by 1 000 per cent, which has already been highlighted in this place. The Government has taken no action to stop those difficulties from spiralling out of control. There is continual conflict between this minister and health professionals in this State who blame each other while the health services deteriorate.

Unless the Government is able to provide a constructive plan to address these serious issues, about which most Western Australians are concerned, we will continue to raise them in the House and to hold the minister accountable for public policy and funding. On a number of occasions I have raised in this House the difficulties we have had finding information in the budget. I thank the minister for giving us that break down today as a result of a direct question on notice. However, I was not able to get that information through the estimates committee or by way of supplementary information. The minister might be interested to know that I have not received any of the supplementary information that I was promised during the estimates committee hearing.

The increase in funding for the health budget was the lowest increase in the past 10 years. This Government had promised to substantially increase health funds, yet health received only a 0.85 per cent increase after inflation. If that were not bad enough, the estimates project that it will increase by only one and two per cent for the following two years which, in real terms, is a budgetary cut. That reduction is occurring at a time when the health system is growing by nine per cent because more people want to use the public hospital system. Change is required in the system. There is a greater need for capital equipment, further improvement to buildings, and more staff need to be recruited, not only nurses but also doctors throughout the State. However, the health budget has been constrained.

There is no better place to see that constraint than in our country hospitals. As I stand here today, boards around Western Australia are meeting to determine the services they will cut due to the budgetary constraints placed on them. The figures provided to me today back that up. Regardless of how much the minister might say is packed into the first quarter of the budget, we know that our tertiary hospitals are running way over budget and are having difficulty continuing to provide the required services. Memorandums have been sent to chief executive

Speaker; Mr Mike Board; Mrs Cheryl Edwardes; Mr John Day; Mr Ross Ainsworth; Mr Kucera; Mr Eric Ripper

officers and other people in the health administration, and in the Department of Health itself, telling them about the constraints within the budget to curtail various services. Wards in public hospitals are closing in the metropolitan area.

There is estimated to be a \$50 million blow-out in the budget of the Royal Perth Hospital. The Sir Charles Gairdner Hospital expects a budget blow-out in the order of \$25 million to \$30 million. At this very moment, crisis meetings are taking place between the health administrators of this State and the hospitals. They are discussing the fact that the budget does not meet their expectations of what is needed for the delivery of services at this point. How they will be able to meet the increased demands in the system is beyond us. The Opposition continues to raise this issue as the system deteriorates further. Money that has been allocated by the previous Government from the sale of AlintaGas has not hitherto found its way into the health budget, and from the indications I have, it will not be spent in the near future. The \$7.5 million allocated to the positron emission tomography project to help cancer patients, which has been the focus of news reports for the past week, has not been spent. I am hoping for some indication from the Government that the tender process has been initiated, that the money will be spent, and the State will receive its fair allocation from the Commonwealth. The \$8 million from the sale of AlintaGas that was to have gone to the health budget has not found its way into the aged care area. I can point to the line in the budget, which shows that only \$50 000 of that \$8 million that was earmarked for aged care, particularly in the Rockingham area, has found its way into the budget. The money has gone south.

Mr Kucera: You know that is not correct.

Mr BOARD: It has. I would like to know where the balance of the \$40 million allocated from the AlintaGas sale has gone, because the Opposition has been unable to find it.

Crisis situations exist in Kalgoorlie, the great southern, the Bunbury region, Rockingham and right throughout the State. People have been extremely disappointed by this Government's failure to live up to its promise; it has not even met the present demand, let alone provided any assistance for growth. Ambulance bypass, as has been highlighted by a number of people, is running at 10 times the rate it was in February of this year. That is nothing to be proud of, and cannot be blamed on staffing, ambulance officers or even the administration of the system. It is a result of bed closures, and too many people going into those hospitals, and there is no management skill to deal with the increasing numbers of people. In the past few days I have received notice of the closure of another ward, C14, at Sir Charles Gairdner Hospital. The note reads -

Closing of the 30 bed ward C14 has caused great distress to nursing and other staff whose skills and experience has provided the highest degree of patient care. These experienced aged care and rehabilitation nurses will be sent to other wards.

This is the very point the Premier was making earlier today. These nurses will be moving on to the private sector, because of the closure of this ward. The capacity of the hospital has been reduced to 500 beds, from the original 650, as a result of the closure of five wards.

Problems have arisen in the psychiatric area, as a result of a cut in funding to the emergency team from \$2.4 million to \$1.4 million. Funding has been almost halved for an important program that looks after young people, in particular those at risk of trauma or suicide. Why has the minister decided to do that? Dental services have also been highlighted. The Perth Dental Hospital is to be closed for financial reasons. The previous Government was going to close the Perth Dental Hospital, and put money into a brand new facility. The hospital cannot be closed until the three additional clinics that will supplement the new training centre are in place. If that is not done, people will have a huge difficulty accessing public dental care, and there will be a big blow-out in the waiting list.

At a time when the Government is claiming that it has huge holes in revenue and cannot meet expectations, one would expect that it would want to work with the professionals within the system, to get the team together to resolve the problem. Instead, there is more and more conflict within the system. This minister has made no secret of the fact that he wants to take on the doctors in this State, represented by the Australian Medical Association. He is happy to have an arm wrestle with the doctors and declare that he will be the first minister to survive their attack. He wants to show that he is in control of public health in Western Australia, and so he should be. However, he needs the support of those doctors, to bring them along with him. The minister's tactics, in undermining the credibility of the doctors, will not help him solve the problems, and to make the long-term decisions to meet the expectations of the community. If the minister had any kind of victory - and I doubt that he will - what kind of hollow victory would that be, when he has trodden down the very doctors who deliver public health in Western Australia? What kind of victory would it be, if the doctors do not work with the minister to give a constructive approach to the delivery of community health services?

Speaker; Mr Mike Board; Mrs Cheryl Edwardes; Mr John Day; Mr Ross Ainsworth; Mr Kucera; Mr Eric Ripper

The minister makes great mileage out of the alleged solving of the nurses' dispute. I do not think the dispute has been solved. The nurses in this State are not too impressed with their current situation or their long-term future. They ask where the promises are: the recruitment, the aggressive program to meet expectations. The money is not there in the budget. There is money for some recruitment, but certainly not for 400 additional nurses in Western Australia. They feel a little bit let down. I do not think I have ever witnessed a situation in which so many professional organisations have been refused entry to the minister's office. The minister has some bridge building to do with many professional groups, whether they be the physiotherapists, the dentists, the pharmacists or a whole range of other groups who want access to the minister to talk about their difficulties, and how they can deliver a better health system in Western Australia. They are being denied access to the minister and they are very angry about it. It is no wonder that a survey of doctors in this State indicated that they were not very happy with this Government and with the performance of the minister.

The Opposition wants to raise the issue - as it has been raised by the Government - of trust accounts. I have absolutely no problem with some investigation taking place to look at the trust accounts in the public hospital system. I understand there are well over 500 of them, possibly as many 900, containing some \$70 million. That money has found its way into those trust account as a result of fundraising events, donations, bequests, income from doctors themselves, and various other ways.

Mr Ripper: Do you support the public accounts inquiry?

Mr BOARD: I will get to that. Does the Treasurer not think it strange that at the time this minister wants to have a shot at doctors in this State and take on the medical profession about a pay dispute, we are to have two public inquiries by the Public Accounts Committee into Western Australian doctors? It would be different if the issues had been raised on a long-term basis in the community or by this House. However, in this instance, the latest inquiry has been brought about by a telephone call to a radio station. I recall my time on the Public Accounts Committee when we always resisted politicising the Public Accounts Committee by setting up inquiries for political reasons or when the time was right.

There will be two inquiries by the Public Accounts Committee. One is to inquire into visiting medical officers. Now, prior to a federal election when health is a major issue and doctors are taking on the Labor Government in this State and nationally, the Public Accounts Committee has decided to inquire into trust accounts run by doctors in public hospitals. Do members not think that the timing is a little bit suss? Two inquiries in a couple of weeks is a little bit suss.

I could raise many more issues in this debate, but we raise these issues today because we have a deteriorating health system in Western Australia. The minister knows it. We have budget blow-outs in tertiary hospitals, a lack of funding to our country hospitals, conflict between the minister, the Government and our major clinicians in this State, and now we have a politically-based inquiry at a time when health issues are very sensitive in Western Australia.

The SPEAKER: The member for Murdoch stated that questions asked during estimates committee hearings had not been answered. Our records indicate that all the questions to the Department of Health have been answered. If the member has not received his copies, we will make sure he gets them because they have been processed.

Mr BOARD: The minister agreed to provide two answers by way of supplementary information. We agreed that one question would take longer to answer than the time constraint applied to supplementary information because of the detail required. Perhaps it is still coming. However, I have not received supplementary information regarding the other question.

The SPEAKER: We will give the member copies of the supplementary information that has been lodged.

MRS EDWARDES (Kingsley) [3.04 pm]: I refer to the estimates, with an example of how fluid and flexible the health budget can be within the public sector. Last year, in government, we provided extra funding for occupational therapists and that money was expended. By all accounts, it was not rolled over. During the morning of the recent estimates committee hearing, I asked the minister to explain what funding had been allocated in this budget for the provision of extra occupational therapists in the northern suburbs. The response was that it was not just an issue of funding and that many of the paediatric services have a shortage generally. Further to that, Mr Kirwan went on to say -

However, the program was successful in reducing the waiting list, and we will be doing whatever is possible with the area health services to ensure that those waiting lists are reduced . . . The funding for those positions was sufficient until October or November, but they were not intended to be recurrent full-time positions.

I stopped to have a cup of tea on the way out of the morning session and the acting chief executive officer said to me that he would look into the matter because it was not acceptable. I did not go back to the 2.00 pm session

Speaker; Mr Mike Board; Mrs Cheryl Edwardes; Mr John Day; Mr Ross Ainsworth; Mr Kucera; Mr Eric Ripper

but, my colleague, the member for Darling Range did. Without knowing that I had asked the question that morning, but knowing that I had an interest in the matter, the member for Darling Range asked a similar question; that is, whether the money that he had previously allocated was to be continued on a recurrent basis. It is funny what an hour can do to the health budget! All of a sudden, the \$1 million allocation was to continue on a recurrent basis past this year. In the morning, there was no money; after lunch, the money was suddenly available. Is this how the minister runs the health budget? It is obvious that it is flexible and fluid according to who is asking the questions and how the minister feels at the time.

MR DAY (Darling Range) [3.06 pm]: The motion moved by the member for Murdoch contains important issues that I wish to address. In recent days the Premier has sought to make a big issue of aged care, which I shall also address.

First, I direct my comments to the state of our health budget. The total allocation this year in accrual terms is \$2.316 billion, which is a modest increase of \$68 million over last year. That compares with the increase that occurred each year the coalition Government was in office of about \$90 million to \$100 million in actual terms, so the increase this year is very modest. It is an increase, but whether it is enough to do the job that the Government says will be done is very much another matter. The Government proffered the fact of a supposed \$385 million increase in the health budget over the next four years. I would like an explanation about how that was worked out because the nearest that I can get is an increase of \$371 million from the 2000-01 budget through to 2004-05.

The 2000-01 budget was presented by the previous Government and most of the increase that occurred from that budget through to the out turn for the 2000-01 financial year was caused by the previous Government. This Government is showing that it is very desperate to promote the perception of a substantial increase over four years when, in reality, a large part of that increase is a result of decisions made by the former Government. The budget papers indicate only a \$197 million increase through to 2004-05. Therefore, we need a full explanation, either from the Treasurer or the Minister for Health, of how the Government has been so creative.

As to this year's budget, the minister has a responsibility to explain, in total, how much has been spent so far - or up to 30 September will be fine. He also must explain whether the health allocation will run over budget this financial year. We have it on good authority that the prediction is that the health budget will run \$120 million over what has been allocated, unless corrective measures are taken or a top-up occurs. Sir Charles Gairdner Hospital will run over budget by \$19 million and Royal Perth Hospital by about \$48 million. From the answers provided by the Minister for Health in question time today, following the question put on notice by the Opposition, I note the prediction that Royal Perth Hospital, on those figures and on a full-year basis, will be about \$40 million over budget; Sir Charles Gairdner Hospital will be about \$21 million over budget; King Edward Memorial Hospital and Princess Margaret Hospital for Children about \$23 million; and Fremantle Hospital, \$20 million over budget. That adds up to \$104 million for those major teaching hospitals without taking into account other hospitals in Western Australia.

I accept the point made by the Minister for Health that there are seasonal variations and up-front payments like insurance and so on. However, that does not explain a variation of \$104 million for the full financial year simply for those five teaching hospitals as provided in the information made available by the Minister for Health. Clearly, as things stand at the moment, there is a major blow-out in the health budget. That is not a new situation. The previous Government faced that situation as well. The only way it can be dealt with is to put more money into the health budget this financial year, or to make major changes to the cost of providing services. One or other must be done. The Government needs to tell the public of Western Australia how it will do it. Will it put in more money, or will it bring about changes to the cost of services, which in some cases I agree should be brought about? If it is to do that, it must have a plan for the way in which it will do it.

We are now almost halfway through the financial year. That means that only a little more than half of the financial year is left to make these changes. Substantial savings will need to be made in that time. The Government faces a difficult problem, and it must explain how it will deal with it. One of the options is to substantially reduce services in the second half of the financial year, particularly at teaching hospitals. It is a matter of doing that by reducing the amount of elective surgery and the number of outpatient consultations, increasing waiting times substantially and reducing other services, or putting in more money. It must be one or the other, and we need an explanation of which option it will be. They are the only two possibilities.

If I had more time, I would give a lot more of the background to the history of the trust accounts. However, my main point is that the Government has been trying to create the impression in recent times that it suddenly came across this as an issue, and that it is the first Government to do something about it.

Mr Kucera: That is not correct, and you know it. Inquiries were started under your Government.

Speaker; Mr Mike Board; Mrs Cheryl Edwardes; Mr John Day; Mr Ross Ainsworth; Mr Kucera; Mr Eric Ripper

Mr DAY: I am pleased that the Minister for Health acknowledges that. I accept his goodwill in acknowledging that point, because it is entirely correct. Inquiries were started at least during 2000. Many audit investigations were carried out. To cut a long story short, the information that was made available to the previous Government, certainly in the time that I was minister, was passed to the Health Insurance Commission. My understanding is that, in the end, no major problems were identified. Maybe some taxation matters, and one or two other not so major issues, were identified. The Minister for Health now has a responsibility to acquaint the House with the state of play and with the information he has before him, which summarises the outcome of the investigations, and also to provide as much detail as is possible about the audit investigations.

I make one other brief point about aged care. The Premier has made a big issue about the supposed lack of interest by the coalition, particularly in the federal arena, in the provision of aged care. He has shown that he either does not know the full situation in Western Australia or is deliberately seeking to mislead the people of Western Australia. In question time today, he made an observation about the number of aged care beds in the metropolitan area. It is correct that the number of aged care beds in the metropolitan area has decreased, but what about the situation for the whole of Western Australia?

Mr Kucera: Would you send your mother to a country bed?

Mr DAY: The short answer is no. The reality is that country Western Australia has been undersupplied with aged care beds, and the former Government did something about that by redistributing the number of beds, including into your part of the world, Mr Acting Speaker (Mr Dean), and into many more distant parts of Western Australia as well. If the Premier wants to tell the whole story, the reality is that the number of high-care beds in Western Australia has increased by 41 on a statewide basis. Therefore, the Premier should tell the whole story. He should also tell us what has happened to the \$8 million that was allocated by the former Government from the sale of AlintaGas to provide so-called sub-acute beds at Rockingham-Kwinana District Hospital, Swan District Hospital and Osborne Park Hospital to take some of the pressure off the tertiary hospitals. Only \$50 000 is allocated in this year's budget. If the Premier wanted to tell us the whole story, he would tell us what he has done with that money. The reality is that this Government has made a decision not to spend the money that was allocated by the former Government for aged care purposes.

MR AINSWORTH (Roe) [3.14 pm]: Prior to the State Government's bringing down its first budget, when questions were asked of the minister about certain aspects of health funding, particularly for country hospitals and their budgets, the minister said that we should wait, we would all be happy, and everything would be right. At that time, concerns were raised by those various health boards and the regional managers of the health services. Those concerns are still being raised. There have definitely been cutbacks in the real, useable section of the budget for the day-to-day running of those hospitals. Questions have been raised about other funds that must be kept in trust for other uses. However, the funds that are available on a day-to-day basis have been reduced in real terms. Therefore, these hospitals are looking at what aspect of their health provision they will cut back as a result. That is still happening now. Those concerns are still being raised at the moment.

I have extremely little time. However, I will briefly explain what is happening in regional Western Australia. I am the first one to say that it is not all because of the health budget. However, it is still something that this Government must address.

MR KUCERA (Yokine - Minister for Health) [3.15 pm]: I will go first to the main basis of the motion that has been moved today. The member for Murdoch started by talking about the deterioration in the health service. As I said earlier in question time today, I was pleased yesterday to open a state-of-the-art unit at Royal Perth Hospital, which puts that unit on a par with any other cardiac unit in the world, let alone in this State. It is interesting to consider what aspects of the system are deteriorating. Since I came to this ministry, the only people who have been talking about deterioration in the system are those who have some issue with the remuneration they get from the system.

When issues have arisen, there has been constant talk about the deterioration of the system. Today, the member for Murdoch raised the issue of ambulance bypasses, conflict, public meetings and those kinds of matters. The only conflict at the moment within the system is that which seems to be arising from the pay claim of, and the relationship of the Government with, the Australian Medical Association. Recently, issues were raised in the newspaper. I recall last week that the member for Murdoch held up in this House a graph showing the bypasses in this State. I do not know whether the member has the graph with him today.

Mr Board: No. It is from the Department of Health.

Mr KUCERA: No.

Mr Board: Yes, it is. I am sorry, minister, it is.

Speaker; Mr Mike Board; Mrs Cheryl Edwardes; Mr John Day; Mr Ross Ainsworth; Mr Kucera; Mr Eric Ripper

Mr KUCERA: Perhaps the member for Murdoch will advise me from where he got it, if that is the case. My understanding is that he got it from the AMA, not from the Department of Health.

Mr Board: It came from the Department of Health.

Mr KUCERA: It came via the AMA; that is the fact of the matter. Does the member for Murdoch recall the date on which the increase in ambulance bypasses started to occur in this State - the real dramatic increase?

Mr Day: About December last year, actually.

Mr KUCERA: No. Does the member for Murdoch have the graph with him? If not, I advise him to look at it, and he will see that the dramatic rise in the number of bypasses occurring at the major teaching hospitals commenced on 30 June this year. What happened on 30 June this year, member for Murdoch? I will answer the question for him because obviously he does not know. On 30 June this year, the enterprise bargaining agreement arrangements with the AMA ceased. I do not read anything into that, but is it not surprising that since then the line on the graph has risen constantly.

I will deal with some of the pressures that have been placed on this State, and on health generally, since that time.

Mr Board: Are you saying that doctors in emergency departments -

Mr KUCERA: I am not saying anything. I just ask the member to look at the date.

I will raise a couple of other issues regarding the pressure on our hospitals because of the bypasses. In the period during which the number of bypasses has increased, Western Australia has been struck with one of the largest outbreaks of vancomycin-resistant enterococcus in this country. We have brought specialists from other parts of this country to investigate the outbreak. We have had to close wards as a result of that, and, indeed, intensive care units. Yesterday morning I was at the ICU at Royal Perth Hospital with the team that is doing the cleaning there. The team of cleaning people is enormous. The wards must be closed gradually as they are cleaned, and then they are reopened. In the meantime, emergency patients who use the intensive care unit must be relocated to other hospitals. There is no doubt that pressure is being put on all emergency wards at the moment. Ambulance bypass is a way to manage that pressure. During the period of the ambulance bypasses, a range of other issues also impacted on hospitals. Members might recall that the emergency department at Swan District Hospital was closed at certain times. It was not my choice that the hospital department be closed; the emergency doctors made that choice because of a report commissioned during the term of the previous Government, about which it did virtually nothing. At the end of the day, it was necessary to close that section of the hospital when the number of senior doctors reached such a level that they felt it was unsafe to sustain the emergency services at certain hours. Of course, the number of ambulance bypasses increased.

Mr Day: Do you acknowledge that the emergency department at Swan District Hospital was increased in size under the previous Government?

The SPEAKER: Order, member for Darling Range!

Mr KUCERA: It does not matter about the size of emergency departments or how many buildings there are; if the senior medical staff required to properly carry out these services are not available, the minister must obviously do what he is asked to do in those situations. It puts extra pressure on the system. It puts pressure on the ambulance officers, who do a fine job. It increases procedures such as ambulance bypass. This Government reopened the direct computer links between St John Ambulance and the emergency hospitals. When I met senior doctors here on 30 June, I found out that the link had been closed for some reason. On my direction, it was reopened that night. That was another tool which was put in. We also gave an additional \$300 000 commitment in the budget to provide a medical coordinator at St John Ambulance to make sure that the bypass system can work properly.

Budget commitments for the upgrade of emergency departments have been made not only in this year's budget, but also for the next four years. It is a long-term process. I have never said that we will fix this problem overnight, as some members have tried to say. I have never said that we would come along and that Bob the Builder would suddenly fix it. It is a long, hard struggle and fight. As I said to the member for Murdoch during the estimates committee process, the first steps have been taken. All this talk about ambulance bypass is part of the management of the system. No-one was more concerned than I when issues were raised in the newspaper this week about the emergency services at Sir Charles Gairdner Hospital. The Government must move on these issues. There is no doubt that they exist; nobody denies that.

The Premier today raised some issues about the support of the federal Labor Party for the health system in this State. I was pleased that Jenny Macklin, a member of Kim Beazley's team, took the time and trouble to come here to see the pressures and problems we are facing in Western Australia. One of the first things she said was

Speaker; Mr Mike Board; Mrs Cheryl Edwardes; Mr John Day; Mr Ross Ainsworth; Mr Kucera; Mr Eric Ripper

that additional money would go into elective and convalescent health services. A federal Labor Government would support the development of an emergency department at Rockingham and for extra money to go to the emergency department at Swan District Hospital. What happened when Howard was asked for the same thing? He made a wonderful comment this week that people should think about. He said that the federal Government had done enough for health.

Mr Day: He didn't say that.

Mr KUCERA: His comment was reported. Yesterday morning he said that there was no crisis in aged care in this State or Australia. That is a wonderful way to look at it.

Mr Day: If there is such a crisis, why take \$8 million from the budget, which would have helped?

Mr KUCERA: I will fix that right now. The members for Murdoch and Darling Range know full well that all the AlintaGas money went into what was considered to be the budget this Government inherited. I have already answered that question today. That money was included. Is it not amazing? We were told yesterday about the true sale of the assets. I recall the Leader of the Opposition saying yesterday that there would obviously be no dividend from any of those assets, because the farm has been sold. It was a one-off to try to rescue a budget that was in serious trouble even before it was completed.

I will move on to some of the specific issues raised by the member for Murdoch. He said that this was the lowest increase in the health budget. The member for Darling Range rightly said that there is a \$68 million increase in recurrent expenditure this year. If we looked at it over the top of the budget last year, we would see that it is an increase of more than \$140 million. I say to the member for Roe that \$30 million of that has gone to rural budgets. I know that rural areas are hurting and must manage their budgets correctly and effectively; they need to do things properly. The great difficulty with small rural hospitals is that any demand on them to manage their budgets has a major impact. When I consider some of the smaller hospitals and find that 20-bed hospitals have, for instance, an average daily occupancy rate of 1.14 people, I can understand why we have difficulty maintaining those levels. I am not in any way saying that those facilities should not be there, but there is a need to change, and to recognise that these things can be managed far more sensibly. I have drawn a line in the sand for all country hospital boards this year. I have said that there are ways to manage budgets. There are also centralised services.

Mr Board interjected.

The SPEAKER: Order, member for Murdoch!

Mr KUCERA: I am pleased the member for Roe is here to listen to what I am saying. There are ways to assist with the management of those kinds of problems through the central health agency. We must make some changes. Mention has been made today about the Public Accounts Committee. I listened with interest the other week when we considered the visiting medical officer payments that go to country hospitals. One of the difficulties is in balancing the need for clinicians who operate within the country to work as general practitioners and their use within the country hospital systems. That is the best way in many cases. They supply a first-class service, but it is an expensive way to do business. It is not unusual to find that we are paying \$300 000 or \$400 000 a year to supply that kind of service in many country areas, often for just one person. It is an expensive way to do things. In saying that, I do not, as the member for Murdoch said, seek to denigrate doctors in any way. That is not my issue.

Mr Board: Did you request the inquiry?

Mr KUCERA: I will move on to all the inquiries and trust accounts as I work through the system. I will return to what we were saying on the issue of expenditure. The expenditure levels have been given to the member for Murdoch because of his question today. My understanding is that all but one question that we agreed to answer during the estimates process has been answered. If there was another, I am happy to take it up and make sure that the member for Murdoch gets the answer. There is a difficulty about the other question he asked. I was told that it would take some time to provide that answer. I was happy to supply the member with the figures today. He mentioned the issue of positron emission tomography. I urge the member for Murdoch to read the budget papers properly. An item deals with the positron emission tomography machine in the event that we do not get the tender. I am also pleased to say that we have had regular communication with the office of the federal minister, Dr Michael Wooldridge. His office now agrees that we would not have been able to meet the tender requirements. They consider Western Australia a special case.

Mr Board: The machine could have been delivered by now.

Mr KUCERA: The member says we could have the machine by now. The tender process has not closed. In addition, it would take two years for that machine to be purchased and fitted. The processes by which that will

Speaker; Mr Mike Board; Mrs Cheryl Edwardes; Mr John Day; Mr Ross Ainsworth; Mr Kucera; Mr Eric Ripper

occur are in place. In addition to the need for the positron emission tomography machine, the Acting Commissioner of Health has advised me of some \$60 million of exposure across the health system. That is yet another problem I will face in the next four years. I am happy to take on that challenge. This State has a \$60 million exposure through the X-ray and radiography machines that are needed in the small country hospitals. Before we can talk about the bells and whistles, we must acquire the basic, day-to-day operating machinery necessary for this State's hospitals to function properly.

Mr Board: How will you deal with that when there will be a smaller increase in the budget next year?

Mr KUCERA: It is interesting to listen to the member for Murdoch talk about a crisis in Kalgoorlie. A positive article about health was published in the *Kalgoorlie Miner*. It is a column entitled "The Finlayson Factor", by Kathy Finlayson. One could not say that Kathy Finlayson is a rabid Labor supporter. It is headlined "We must send out positive vibes" -

Over the past two decades, for whatever reason, health delivery worldwide has been under pressure and is now struggling to deal with the world's health problems, whether it be Medicare, nursing issues . . . The discontent is widespread. Nurses, doctors and allied health professionals are extremely scarce and the effect of this shortage is being felt globally, not just in Kalgoorlie-Boulder.

Regardless of the amount of advertising and incentives offered, the situation in the Goldfields is not improving. I believe one of the reasons for this problem is the negative publicity emanating from our region. The city is not promoting itself as the place, that we who live here know, where one can live a fairly secure life.

Our hospital provides an excellent service to which all the staff contribute. Compared to other areas of the State, I know from experience, we are very fortunate. With regard to obstetrics in our hospital, attractive benefits have been offered. If they are not accepted we will have to advertise again.

Meanwhile the extremely competent midwives and local general practitioners can, and always have, provide an excellent service for the majority of patients.

Regardless of the issue, be it health, education or law and order, the same scenarios apply. As a community we need to encourage people to live here and send out some positive vibes.

All we are hearing today is yet more denigration and whingeing from the member for Murdoch. He is again running down a good health system.

I turn to the third issue, the outcome of audit investigations of public hospital trust accounts. The issue of trust accounts has been raised with me since I came to office. The member for Darling Range knows very well that this issue was raised during his time in government and that a number of those issues related to the trust accounts at Princess Margaret Hospital for Children. He is also well aware that when I disbanded the Metropolitan Health Service Board, I asked for a due diligence report and an extension of the Ernst and Young investigation. The final reports of that investigation were delivered to me yesterday. I received an interim report a number of weeks ago.

Mr Board: Why have you chosen to conduct two simultaneous inquiries at this time?

Mr KUCERA: I have some concerns. The Public Accounts Committee has raised this issue because, unknown to me, it was approached by a member of the public with extreme concerns about the use of trust accounts in relation to matters that were referred to another investigating agency earlier this year.

Mr Board: Did you ask the committee to inquire into this?

Mr KUCERA: I put on the record that I did not ask the Public Accounts Committee to inquire into this matter. The head of the Public Accounts Committee approached me to advise of what it was doing. I have not fully read the Ernst and Young reports, which were delivered to me only yesterday. I have not had an opportunity during the sitting of the Parliament to look at them in depth. I have quickly scanned them, and two paragraphs concern me. Having read those two paragraphs, I have no problems with the Public Accounts Committee looking at these issues. I also remind the member opposite that a number of other investigative agencies are looking at the issues surrounding the Princess Margaret Hospital trust accounts. I was very concerned by two findings in the first Ernst and Young report, which was received recently -

There is evidence that the accounts have been used to facilitate questionable tax strategies.

The member for Darling Range has also said that. The second quote concerns me considerably -

There have been frauds, and thefts of funds facilitated through the use of these accounts . . .

If that is the case, we will root that out, and I have no concerns about the Public Accounts Committee looking at it.

Speaker; Mr Mike Board; Mrs Cheryl Edwardes; Mr John Day; Mr Ross Ainsworth; Mr Kucera; Mr Eric Ripper

Mr Day: Will you table that?

Mr Board: Why is the Public Accounts Committee conducting an inquiry prior to release of the auditor's report?

Mr KUCERA: In addition, I will send copies of this report to the Auditor General, and when I have had time to examine it, I will do whatever is necessary to make sure that any allegations are examined. No Government can support any issue within government relating to lack of accountability or fraud.

Mr Board: These inquiries are taking place before release of the auditor's report.

Mr KUCERA: The member for Murdoch's complaints make me wonder why he is raising this issue today and to whom he has been talking. The Public Accounts Committee should quite rightly look at these issues.

I have not yet had time to fully examine the Ernst and Young reports. I will consider tabling them if there is a need.

Mr Day: You might table the information.

Mr KUCERA: We are involved in a difficult and robust negotiation with the Australian Medical Association. I speak to a vast numbers of doctors. I spoke to a fine group yesterday when I opened a \$4.5 million state-of-the-art facility. They had no complaints about that facility and the amount of resources directed towards it. At the end of the day, we have a pay dispute. The doctors' union, the Australian Medical Association, is being robust and has moved it into the political arena, for whatever reason. I do not resile from that. We will not have conflict once that pay claim is settled. If it were settled today, all the conflict and crises would go somewhere else, or even disappear. We will settle the pay claim. I was pleased to announce this morning that the Hospital Salaried Officers Association is happy with its pay arrangement.

I have also been able to announce that the Australian Nursing Federation is happy with its pay agreement. It is amazing that those two unions worked through their negotiations using the proper processes of law. They did it properly and used the Industrial Relations Commission. They did everything they should do and were paid accordingly. This constant circling and denigration of our health system by the Opposition does nobody any good.

Mr Board: You are causing the conflict.

Mr KUCERA: When we came to power, we said we would build a health system based on the two pillars of medical accountability and fiscal accountability. That is what we will do.

MR RIPPER (Belmont - Treasurer) [3.39 pm]: The Opposition has raised some questions about the health budget and the additional money.

Mr Day interjected.

Mr RIPPER: I have already sent some information to the opposition spokesperson on health, because I was worried that apparently he could not find the information he was seeking in the budget papers. However, I have not publicly stated the information that I sent to him, so I will run through it.

A table on pages 4 and 5 of the *Economic and Fiscal Outlook* headed, "Impact on Agencies' Statement of Financial Performance of Policy Decisions Taken Since the 2000-01 Budget" is divided into two. It has expenses post-election and expenses pre-election. Let us turn to the expenses pre-election. In the list of expenses, members will see that the previous Government made decisions that added \$35 million to the estimates for health in 2001-02, \$35 million in each of the next two budget years and \$32 million in the out year; a total of \$137 million. The first table, which deals with decisions made by this Government, indicates that this Government made decisions to add to the expenses of the health portfolio by \$79.2 million in 2001-02; \$74 million in 2002-03; \$82.2 million in 2003-04; and \$149.9 million in 2004-05. That is a total of \$385.3 million. We promised that we would add \$240 million to the estimates for health over four years. We have delivered \$385 million. That is the impact of our decisions. It is separate from the impact of the previous Government's decisions; they are in another table and total \$137 million. In the eight or nine months following the tabling of the last budget, the previous Government decided to add \$137 million to the forward estimates for health. However, since we have come to power, we have decided to add \$385 million to the forward estimates for health. It is all there in black and white on pages 4 and 5 of the *Economic and Fiscal Outlook*.

I will now deal with the Australian Medical Association, the organisation that Peter Walsh used to call the painters and doctors union. Let us look at the performance of the painters and doctors union. This union is running a campaign headed "Lies, lies, lies". I have in front of me a copy of the AMA Western Australia journal, *Medicus*. I have had a quick look through it and what do I find? I find lies, lies, lies. I will run through some of the lies that I found in the journal. On page 3 the AMA says -

The State Budget shows a real reduction in funding for health . . .

Speaker; Mr Mike Board; Mrs Cheryl Edwardes; Mr John Day; Mr Ross Ainsworth; Mr Kucera; Mr Eric Ripper

Wrong, wrong, wrong; lie, lie, lie! There is a real increase in funding for health. On the same page there is another lie. Lie No 2 states -

Labor promised "\$179 million . . . in addition to the provision made in the current forward estimates", but all we have seen is an increase which does not even cover inflation.

That is just wrong. Guess what is on pages 4 and 5? The AMA is at it again. Lie No 3 quotes me from the budget speech and states -

"For the first time, appropriations to agencies are presented on an accrual basis. This means that the appropriations are inclusive of depreciation, superannuation and annual and long service leave expenses. In addition to these accrual expenses, the appropriations also provide for a capital user charge, . . . "

The AMA then adds its comment -

This makes direct comparisons extremely difficult.

Again, that is wrong; that is another lie! Everyone knows that the budget estimates were back-cast to take account of those particular changes so that comparisons could be made.

Mr Day interjected.

Mr RIPPER: I would deal with the member if I had more time. Unfortunately, he is a pawn of the AMA, and I want to deal with the fourth lie of the AMA. Lie No 4 appears in its report on the wage negotiations and states -

Action taken by the profession led to discussions with the Acting Premier and Minister. The discussions saw the parties developing initiatives to help fund the new Agreement, ie the merit of the Agreement was accepted . . .

Wrong, wrong, wrong! The AMA has lied again! That is four times in one document.

Question put and a division taken with the following result -

Ayes (16)

Mr Ainsworth	Mr Day	Mr Johnson	Mr Sweetman
Mr Barron-Sullivan	Mrs Edwardes	Mr Marshall	Ms Sue Walker
Mr Birney	Mr Edwards	Mr Masters	Dr Woollard
Mr Board	Mrs Hodson-Thomas	Mr Pandal	Mr Bradshaw (<i>Teller</i>)

Noes (26)

Mr Andrews	Mr Kobelke	Mr McRae	Mrs Roberts
Mr Brown	Mr Kucera	Mr Marlborough	Mr Templeman
Mr Carpenter	Mr Logan	Mr Murray	Mr Watson
Mr D'Orazio	Ms MacTiernan	Mr O'Gorman	Mr Whitely
Dr Edwards	Mr McGinty	Mr Quigley	Ms Quirk (<i>Teller</i>)
Ms Guise	Mr McGowan	Ms Radisich	
Mr Hill	Ms McHale	Mr Ripper	

Pair

Mr Trenorden	Dr Gallop
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Independents

Dr Constable	Mr Graham
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Question thus negatived.