

HEALTH BUDGET, KEY ISSUES

**974. Mr MURRAY to the Minister for Health:**

Can the minister inform the House of the key issues that will be considered in the development of the State's health budget for the coming financial year?

**Mr KUCERA replied:**

I thank the member for Collie for the question and also for the enormous amount of advocacy he does on the part of people in the Collie district, particularly in the area of health.

Several members interjected.

Mr KUCERA: Upon coming to government, the Labor Party was well aware of the challenges facing our health system, which are not confined to this State, but are worldwide. Health has been a key government priority this financial year and will be a priority for the years ahead. Health is a growing area and the cost of health services continues to present a major challenge not only to this Government but also to the entire community and to Australia. The average cost of health services in recent years has been increasing at more than the rate of general inflation. This trend is expected to continue into the future. The cost of labour within health, pharmaceuticals and medical and surgical supplies is driving the costs in the health sector. In addition, there is an increasing demand for services. This is compounded by our population growth and the ageing of the population. I am very pleased to see members of the Australian Pensioners League of WA in the House today listening to our debates.

Mr Johnson: They will not be too impressed today.

Mr KUCERA: I remind the member for Hillarys that I have a great deal of respect for the State's retirees. Many of them will end up in the State's health system. I am very pleased to see the retirees here today watching their State being so well managed.

Several members interjected.

The SPEAKER: Members!

Mr KUCERA: I do not see any member on this side of the House mocking the retirees.

Despite the great advantage that changes in technology give us in health care, they also cost money. Clinical practices and increasing community expectations for health services also cost money. The community of Western Australia expects much more from those who manage and administer the health system. Understanding and containing these costs must be a key priority for the managers, so the service delivery for health outcomes can continue to improve. The Gallop Government has made all these factors a priority when considering and determining the health budget for the coming year.