Australian Labor Party Senators' Dissenting Report

1.1 Labor Senators do not see merit in these bills and oppose them in their entirety without amendment.

1.2 The costs to Australia's healthcare system due to preventable disease continue to rise, and without coordinated action by government will continue to do so.

1.3 Labor established the Australian National Preventive Health Agency (ANPHA) to ensure the nation's effort to curb the rise in preventable illness was coordinated, properly resourced and a priority of the Australian government.

1.4 Health Workforce Australia (HWA) was established by Labor to ensure that for the first time since Federation an independent statutory agency existed to provide advice and ensure Australia's future health workforce needs were properly planned and distributed.

1.5 The best way of ensuring Australia's future health workforce is most properly distributed and appropriately resourced is through an independent agency tasked explicitly with that role.

1.6 Coalition Senators delayed the commencement of ANPHA and HWA and prevented even more achievements being realised because of these delays.

The bills are unnecessary and political in nature

1.7 The Coalition Government has failed to realise the role of ANPHA nor has it acknowledged its work to date in making the decision to abolish the Agency. In his second reading speech the Minister for Health stated that ANPHA was established to 'focus on the prevention of the harmful use of alcohol, on obesity and on tobacco'.

1.8 As noted by the Consumers Health Forum , this is a limited understanding of the role ANPHA was established to fulfil, and indeed it was established

> [To support] all Australians in reducing their risk of chronic disease by embedding health behaviours in the settings of their pre-schools, schools, workplaces and communities, by instituting programs across smoking, nutrition, alcohol, and physical activity (SNAP) risk factors which mobilise the resources of the private, public and non-government sectors.

1.9 ANPHA was established to:

(a) provide evidence based advice to federal, state and territory health Ministers;

(b) support the development of evidence and data on the state of preventive health in Australia and the effectiveness of preventative health interventions; and

(c) put in place national guidelines and standards to guide preventative health activities.

1.10 Labor Senators note that the Coalition Government has abandoned the *National Partnership Agreement on Preventive Health* and the associated $367 million in Commonwealth funding without establishing any policy rationale for having done so.

1.11 The abolition of ANPHA removes the independence with which governments receive advice on evidence based policy and the development of evidence to develop national guidelines and standards to develop and guide preventive health activities.

1.12 The Coalition Government is not properly resourcing the Department of Health to ensure that the functions of ANPHA and HWA can continue effectively.

1.13 Department of Health officials gave evidence that the Department has resourcing to employ approximately half the number employed at ANPHA.[1]

1.14 The health sector including most organisations directly affected by the abolition of HWA have almost universally expressed opposition to the decision and concern about the important role the agency has played being continued by the Department of Health.

1 *Proof Committee Hansard*, p. 44.

Australian National Preventive Health Agency (Abolition) Bill 2014 [Provisions]

The abolition of ANPHA will cost the health system more in the long run

1.15 The policy drivers for the establishment of ANPHA have not changed. As the Queensland Government's Department of Health noted 'ANPHA's vision – A healthy Australian society, where the promotion of health is embraced by every sector, valued by every individual, and includes everybody – remains relevant'.[2]

1.16 Over the past decade the incidence of almost all preventable illnesses has continued to increase. According to the ABS 2011–13 Australian Health Survey, nearly two-thirds of Australians aged 18 or over are now overweight or obese (63%—comprised of 35% overweight and 28% obese), compared with about 56% in 1995.[3]

1.17 Chronic disease continues to be the leading cause of death in Australia:

> Coronary heart disease was an associated cause of death for 51% of deaths due to diabetes, 28% of deaths due to chronic and unspecified kidney failure and 19% of deaths due to chronic obstructive pulmonary disease (COPD).
>
> Hypertensive disease was an associated cause of death for 35% of deaths due to diabetes, 28% of deaths due to cerebrovascular diseases (which include stroke) and 21% of deaths due to coronary heart disease.
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> Kidney failure was an associated cause of death for 26% of deaths due to diabetes.[4]

1.18 Labor is concerned that taken with the Coalition Government's decision to abandon the $367 million *National Partnership Agreement on Preventive Health* the Commonwealth will have no role in funding or developing preventive health policy and that this will add an unnecessary burden and cost to the health system in the future due to even higher rates of chronic disease such as diabetes and heart disease.

1.19 Labor Senators are encouraged by the fact that smoking rates continue to decline but note this is only the result of increased disincentives to smoke and reforms introduced to remove tobacco companies' capacity to market their products through world leading plain packaging laws.

1.20 The Royal Australasian College of Physicians highlighted the potential ANPHA had to prioritise preventive health and the impact the failure to invest in preventive health will have on the health system:

> The RACP is concerned that the repeal of the Australian National Preventive Health Agency (ANPHA) sends a very negative signal to the

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2 *Submission 1*, pp 1–2.

3 Australian Institute of Health and Welfare, *Australia's health 2014*, Australian health series no. 14. Cat. No. AUS 178. Canberra, p. 76

4 Australian Institute of Health and Welfare, *Australia's health 2014*, Australian health series no. 14. Cat. No. AUS 178. Canberra.

> community about the value of preventive health, especially as it comes on top of the discontinuation of the National Partnership Agreement on Preventive Health. The abolition of ANPHA has the potential to reduce Australia's capacity to develop a national, strategic direction for preventive health and to inform a consistent approach to prevention across all levels of government, as there will no longer be that independent body working across jurisdictions.
>
> Long-term and well-planned preventive health measures are highly effective investments, and necessary to address many of the chronic health issues exacerbated by lifestyle related behaviours and choices. Chronic disease is rising in incidence in Australia and is placing increasing pressures on our healthcare system – both from a patient care and a cost perspective – and needs to be addressed.[5]

1.21 The Public Health Association of Australia pointed out the bill 'simply flies in the face of an agreement by all governments in Australia. It is a unilateral action by a single government to do away with an agreement reached between governments. It is one of a series of moves that undermine the actions that have been taken to promote preventive health in Australia'.[6]

1.22 The National Rural Health Alliance likewise pointed out:

> Preventive action costs relatively little but has been at the heart of Australia's status as one of the world's longest-lived and healthiest countries. Despite its undoubted benefit-cost ratio, only around three per cent of Australia's health dollar is currently spent on health promotion and illness prevention. It is to be hoped that the value of this three per cent will be monitored and that there will be a sustained effort to increase it…
>
> To be effective, health promotion efforts need to be sustained through time. The experience with skin cancer prevention campaigns, for example, has shown that benefits can take many years to come to fruition. Work to tackle issues such as high levels of alcohol consumption and smoking, diabetes and obesity should have the benefit of being sustained.[7]

Recommendation

1.23 Labor members of the committee recommend that the Australian National Preventive Health Agency (Abolition) Bill 2014 be opposed.

5 *Submission 16*, p. 1

6 *Submission 8*, p. 7.

7 *Submission 17*, p. 2.

Health Workforce Australia (Abolition) Bill 2014 [Provisions]

Abolishing Health Workforce Australia will undermine Australia's capacity to plan for future health workforce requirements

1.24 The policy drivers surrounding the establishment of Health Workforce Australia are as important today as they were when the Agency was established in 2009.

1.25 In 2004 COAG asked the Productivity Commission to investigate Australia's health workforce. In its report released in 2006 the Productivity Commission concluded a more responsive and sustainable health workforce was needed.[8]

1.26 Labor acted on these recommendations in 2009 and established HWA to ensure more streamlined and integrated clinical training arrangements were in place and to support health workforce reform initiatives, health workforce research, as well as new health workforce models and reforms.

1.27 This decision was made due to 'chronic shortages in general practice, various medical specialties, dentistry, nursing and certain allied health professions'.[9]

1.28 The abolition of Health Workforce Australia brings with it a $142 million reduction in funding for health workforce reform projects and health workforce planning. The reduced funding will mean much of the expertise and work HWA has been undertaking to date will come to an end.

1.29 The decision by the Coalition Government to abolish HWA was made without reference to the Standing Council on Health which had already endorsed HWA's Strategic Plan 2013–16.

1.30 The decision by the Coalition Government to abolish HWA will mean there is no independent body advising State, Territory and Commonwealth Health Ministers on the distribution of Australia's health workforce or on their state or territory's future health workforce requirements and distribution.

1.31 The lack of consultation and haste with which the decision to abolish HWA was made has left the Department without the resources or ability to absorb the clinical training programs undertaken by HWA to develop Australia's future doctors, nurses and allied health professionals. This includes a cut of $10.5 million to expand the capacity of the university sector to provide clinical placements to 22 different health professions. This will impact on Australians' access to the nation's health workforce.

1.32 The abolition of HWA also sees the loss of its work agenda agreed by the Australian Health Ministers Advisory Council including 'improving coordination of medical training by working with trainees, employers, educators and governments through a new National Medical Training Advisory Network; analysing state and

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8 Bills Digest No. 77, Health Workforce Australia (Abolition) Bill 2014, 2 June 2014, p. 2.

9 The Hon. Nicola Roxon MP, Minister for Health and Ageing, Second Reading Speech, *House Hansard,* 13 May 2009, p. 3615.

territory health workforce industrial arrangements to identify barriers and enablers to workforce reform; investigating the implications of increasing self-sufficiency in the medical workforce; streamlining clinical training funding through the development of nationally consistent approaches to clinical training placements in the public, non-government and private sectors and focusing work on the retention and productivity of nurses'.[10]

1.33 The work to improve the equity of access to general practitioners, medical specialists, nurses and allied health workers in rural and regional Australia will be undermined because of the decision to abolish HWA and the funding cuts to programs.

1.34 The work HWA has been undertaking since 2009 has almost universal support from the health sector.

1.35 The Australian Medical Association (AMA) noted in its submission:

> The AMA has strongly supported the medical workforce planning and coordination activities of Health Workforce Australia (HWA) since it was established in 2009. HWA has undertaken substantial long-term national workforce planning projections for the medical profession and established programs to expand the capacity of our health system to train the next generation including funding for additional clinical training capacity and simulation…
>
> Australia cannot afford to waste the significant investment it has made in boosting medical student numbers. For the community to benefit from this investment, there needs to be robust workforce planning to ensure that medical graduates can access quality training positions and that the future medical workforce is better matched to community need. This must be backed by well-informed policy advice and funding to expand our training capacity.
>
> After a long hiatus, we are now in a position where that information, advice and capacity enhancement is being delivered by HWA and we must not lose this momentum. Clearly, the NMTAN also has the potential to improve the available medical workforce data as well as the coordination and planning of the medical training pipeline. Its work is taking on an increasing urgency due to the shortage of vocational training posts highlighted earlier and the fact that the advertising of posts and applications for entry to vocational training in 2016 will occur in mid- 2015. This leaves only a year for substantial work to be done that can inform vocational training numbers and guide doctors' career choices.[11]

1.36 The Australian and New Zealand College of Anaesthetists (ANZCA) concur that the reasons for establishing HWA in 2009 are just as important today, concluding:

> These arguments for a unique entity to undertake this role still apply to this day.

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10 Bills Digest No. 77, Health Workforce Australia (Abolition) Bill 2014, 2 June 2014, p. 2.

11 *Submission 16*, pp 1–2.

ANZCA is concerned that subsuming these activities within the Department of Health may result in health workforce matters not receiving the high priority that they deserve. Such an outcome would be unacceptable to ANZCA. This is particularly so when the imperative to create a health workforce able to meet the current and future healthcare needs of all communities has never been greater.

During the four years that HWA has been in operation there has been a marked improvement in the understanding of workforce issues within the overall Australian healthcare environment. Meaningful data have been more freely available and shared within the sector, leading to greater capacity for policy makers and clinicians to have robust discussions about critical workforce issues.

It is vital that a national coordinated approach to the collection and analysis of workforce data continues. This must include iterative workforce model updating as new data come to hand. HWA has highly skilled staff working in this area and it is important that any proposed new workforce unit within the Department of Health is funded at a level that ensures personnel of this calibre can be employed. It is clear that failure to adequately plan for the transition of this key function could harm the capacity of the health sector to undertake workforce planning for years to come.

ANZCA has greatly appreciated the opportunity to engage with HWA during its brief history on a range of issues of strategic importance to the College in helping to meet the healthcare needs for Australia into the future. This was particularly so over the past year with respect to the proposal for a National Medical Training Advisory Network (NMTAN), and prior to this in relation to health workforce modelling for the medical workforce generally and anaesthesia and pain medicine specifically. The College has anticipated an ongoing role, providing input to future workforce modelling and policy initiatives.

Health Ministers agreed that HWA should establish the NMTAN in response to the findings of Health Workforce 2025, Doctors, Nurses and Midwives (HW2025) which found that:
Poor co-ordination of medical training was contributing to a lengthening of the time taken to produce independently practicing specialists, as well as projected oversupply in some areas and undersupply in others.

There was a reduction in the number of generalists due to a growing trend towards specialisation and sub-specialisation. There were lost opportunities to rectify the geographical maldistribution of the workforce. There was an over-reliance on overseas trained doctors.

ANZCA supports a coordinated national effort to bring together all relevant stakeholders to improve medical training and provide a more planned approach to medical workforce across the country. ANZCA recognises that NMTAN is an ambitious concept. However, we welcome this initiative as a

necessary mechanism to balance the needs of the community for quality healthcare with the training requirements of doctors to meet these needs.[12]

1.37 Universities Australia highlighted:

> [M]uch of the work undertaken by HWA had been identified by governments and agencies such as the Productivity Commission as inadequate prior to its formation … Health workforce planning and development is not just essential for ensuring an adequate and capable workforce, but helps to deliver cost effectiveness and containment. Workforce shortages typically result in service and wage cost blowouts without necessarily leading to productivity increases.
>
> It is critical that as a nation we do not undermine our capacity to meet future health care demand. Ensuring Australia has a highly skilled and distributed workforce to meet growing and changing population needs is and should remain a central strategy for effective health care provision while containing expenditure.
>
> The need to act on these issues is immediate. The abolition of HWA potentially diminishes our capacity to identify systemic issues and act coherently to deal with them.[13]

1.38 The Australian Medical Students Association (AMSA) similarly noted:

> HWA established the National Medical Training Advisory Network (NMTAN). It is the objective of NMTAN to provide advice to government on addressing training bottlenecks. The NMTAN is also aiming to produce a National Medical Training Plan. These objectives represent a significant step forward in health workforce planning, and contrast to the haphazard manner in which medical training has been addressed in the past, resulting in the bottlenecks we face today.
>
> AMSA has also engaged with other subsidiaries of Health Workforce Australia. The Future Health Leaders organisation is an HWA initiative. It provides a valuable forum for young people who will be involved in Australia's healthcare system in the future – allowing them to discuss important healthcare issues. We encourage the Committee to ensure this initiative is not lost during the transition to the Department of Health..
>
> Australia must retain its Australian-trained doctors. Health Workforce Australia has been instrumental in highlighting this fact, and in addressing barriers to achieving this goal. HWA was also set to make important contributions in addressing issues including the geographic workforce maldistribution, trends towards subspecialisation, and the use of overseas-trained doctors to fill workforce gaps. HWA brought together numerous stakeholders and created an independent space for them to collaborate in order to deliver the best health outcomes from Australia.

12 *Submission 2*, p 2

13 *Submission 22*, pp 1–7.

> AMSA is concerned that the disruption caused by moving Health Workforce Australia's functions to the Department of Health will come at a critical juncture in addressing Australia's health workforce needs. Beyond the predicted shortage in medical internships in 2014, there is only about one year for the broader postgraduate training bottleneck to be resolved before this too hits a crisis point. It is therefore important that any disruption does not impede upon the process being made by HWA and, in particular, by the NMTAN. AMSA would encourage the Committee to ensure this is not the case.[14]

1.39 The Royal Australasian College of Physicians (RACP) was similarly supportive of the role HWA has played and expressed 'concerns regarding the full implications of the Health Workforce Australia (Abolition) Bill 2014 (the Bill) and its effective transition to the Commonwealth Department of Health. RACP argued:

> The core functions currently performed by HWA are becoming more rather than less important. Driven by Australia's aging population, increasing levels of chronic disease and the emergence of new healthcare technologies, there will be a need for changing models of healthcare which in turn dictates changing workforce needs. Hence, there is a significant imperative for the timely collection and analysis of detailed and accurate health workforce data. This data needs to be able to be considered at a national, State and local level. HWA's health workforce data collection and analysis functions also need to be seen in the broader context of its role in facilitating and developing new models of care. The two functions are allied as the workforce data collected and analysed by HWA can and should also be used by State and Federal jurisdictions to drive workforce policy and coordinated development of new models of care. The continuation of these related functions needs to be assured following the abolition of HWA.[15]

14 *Submission 10*, pp 1–3.

15 *Submission 18*, p. 3.

Recommendation

1.40 Labor members of the committee recommend that the Health Workforce Australia (Abolition) Bill 2014 be opposed.

Senator Carol Brown **Senator Nova Peris OAM**

Senator Jan McLucas **Senator Claire Moore**