Chapter 1

The factors affecting the supply of health services and medical professionals in rural areas

Terms of Reference

1.1 On 13 October 2011 the Senate referred the following matter to the Senate Community Affairs Committees for inquiry and report by 30 April 2012:

> The factors affecting the supply and distribution of health services and medical professionals in rural areas, with particular reference to:
>
> (a) the factors limiting the supply of health services and medical, nursing and allied health professionals to small regional communities as compared with major regional and metropolitan centres;
>
> (b) the effect of the introduction of Medicare Locals on the provision of medical services in rural areas;
>
> (c) current incentive programs for recruitment and retention of doctors and dentists, particularly in smaller rural communities, including:
>
> (i) their role, structure and effectiveness,
>
> (ii) the appropriateness of the delivery model, and
>
> (iii) whether the application of the current Australian Standard Geographical Classification – Remoteness Areas classification scheme ensures appropriate distribution of funds and delivers intended outcomes; and
>
> (d) any other related matters.

1.2 The reporting date for the inquiry was originally set as 30 April 2012; this date was subsequently extended to 15 August, and then again to 22 August 2012.

Conduct of the inquiry

1.3 The inquiry was advertised in *The Australian*, and through the internet. The committee invited submissions from the Commonwealth Government and interested organisations. The committee received submissions from 132 organisations and individuals (listed at Appendix 1).

1.4 The committee held six public hearings over the course of the inquiry. The hearings were held in:

- Alice Springs – 20 February 2012
- Darwin – 24 February 2012
- Townsville – 23 April 2012
- Canberra – 11 May 2012
- Albury Wodonga – 5 June 2012

- Canberra – 10 July 2012

A list of witnesses who appeared before the committee is set out in Appendix 2.

1.5 Submissions, additional information, the Hansard transcript of evidence and responses to questions on notice can be accessed through the committee's website at: http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=clac_ctte/rur_hlth/index.htm

1.6 References in this report are to individual submissions as received by the committee, not to a bound volume.

1.7 The committee sincerely thanks all submitters and witnesses for their contribution and participation in the inquiry process.

Structure of the report

1.8 This report is comprised of 7 Chapters.

- Chapter 2 provides an analysis of the distribution of medical, nursing and allied health professionals across the country. It then discusses the impact on health outcomes of that distribution.
- Chapter 3 explores the nature of the health workforce in rural areas, specifically breaking down the types of medical practitioners working in those areas. It then examines the policy positions and proposals of some of the specialist colleges that submitted to the inquiry. The chapter concludes with a précis of the evidence received in central Australia that described how the workforce has developed there and the issues that are still faced.
- Chapter 4 outlines the attempts that have been made over recent years to alleviate workforce pressures in rural areas. The chapter then analyses the many factors involved in the decision to work in a rural area, and how effective the various government and non-government measures have been in addressing these issues.
- Chapter 5 discusses the system used to classify different areas of the country for workforce purposes. This classification dictates how incentives are managed.
- Chapter 6 outlines the role of the universities and medical schools in providing educational pathways for the rural health workforce. It then discusses the current issues facing the sector and some possible remedies.
- Chapter 7 examines the evidence the committee received about the transition to Medicare Locals. Submitters and witnesses discussed potential roles and priorities for Medicare Locals but due to their relatively recent introduction there was limited evidence of their impact on the rural health workforce.