

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 3-5 June 2008

Question: bet 73

Topic: National Health and Hospitals Reform Plan

Hansard Page: E31

Senator Macdonald asked:

Senator IAN MACDONALD—I could do no more than quote the Treasurer's speech:

The Government's National Health and Hospitals Reform Plan will revitalise the public health system. In this Budget we are committing to an extra \$3.2 billion ...

Is it not true that the states prior to the election commissioned a report which indicated they needed \$7.5 billion for the things which Mr Swan has committed \$3.2 billion?

Mr Heferen—We would have to take it on notice to check the state report. But when you say the state is saying \$7.5 billion for that which the government has allocated \$3.2 billion, I think on examination of that we would be comparing apples with oranges. No doubt the \$7.5 billion is about the recurrent funding from the Commonwealth under the health care agreement. As the senator has pointed out, that is yet to be determined.

Senator IAN MACDONALD—Good try. But those of us average Australians who might have voted prior to the election on the basis that the new Labor government would increase funding by \$7.5 billion as their mates in the state determined through this report they commissioned will find from the budget that they have got \$3.2 billion, which is exactly half of what is required. You can take that on notice.

CHAIR—We have just over half an hour before lunch.

Senator IAN MACDONALD—I am just winding up, as you might have noticed, Madam Chair, although I have not noticed you holding back other senators. That is your prerogative as chair. If you will take that on notice for me.

Answer:

It has not been possible to identify the report to which this question refers. In June 2007 the State and Territory health ministers issued a joint report entitled *Caring for our Health?* This report does not mention a figure of \$7.5 billion.

During the election campaign, the Government committed to a \$2.5 billion National Health and Hospital Reform Plan. The 2008-09 Budget provided \$3.2 billion for this plan — around \$700 million more than the election commitment. The plan will revitalise the public health system, with funding to slash elective surgery waiting lists and improve hospital infrastructure.

In addition, the government is currently negotiating a new National Healthcare Agreement with the states and territories, and has committed that the agreement will move to a proper long-term share of Commonwealth funding for the public hospital system