

Government Media Statement

7 June 2007

LARA GIDDINGS
Minister for Health

\$90 Million Increase For Health And Human Services

The 2007-08 State Budget provides an additional \$90.5 million for expenditure on health and human services – with total spending rising to almost \$1.4 billion.

The Minister for Health and Human Services, Lara Giddings, said the 7.1% increase would maintain the value of health spending, kick-start the Future Health reform program and provide a further substantial payment towards meeting the Government's election commitments.

"This provides additional expenditure across the board for hospital and ambulance services, community health services, and human services including housing, disability services and services for children and families," Ms Giddings said.

"More than \$57 million will be spent on infrastructure projects, and there is \$59 million to continue implementation of Labor's Healthy Living election commitments.

"This is another strong Labor Health Budget which will underpin our reform agenda while maintaining our current service system over the next 12 months.

“However, it will not remove the need for rigorous financial management. Service demands and costs continue to rise and the need to prioritise investments and extract full value from the health dollar while driving the reform program will be major challenges.”

Ms Giddings said Tasmania’s Health Plan provides a road map for reform in 2007-08 and future years.

“Along with reforms in child protection, housing, mental health, alcohol and drug services and oral health, the Plan provides a comprehensive long-term strategy for a better health care system and a healthier community in the years ahead.”

Major initiatives funded in 2007-08 to progress Tasmania’s Health Plan include:

- a commitment of \$5 million for continued service planning and evaluation of the Macquarie Point site as the location for the new Royal Hobart Hospital. This will include geotechnical investigations as well as examination of site contamination and the impact of forecast sea level rise. Work will also commence on master planning, a feasibility study and investment evaluation.
- introduction of a new ambulance service fee from 1 July 2008 to strengthen Tasmania’s ambulance and medical transport system by establishing a funding source tied to demand. This will free-up existing funding to be invested not only in improved ambulance and medical transport services, but illness prevention and health promotion around the State – in line with *Tasmania’s Health Plan*.
- allocation of \$3 million in capital and equipment funding to facilitate changes at the Mersey campus of the North West Regional Hospital, including the establishment of Tasmania’s first dedicated day surgery unit.

Other Health Plan reforms to be progressed during the year include:

- establishment of Clinical Networks across acute and primary health services, especially in relation to emergency medicine, aged care, rehabilitation services and obstetrics.
- development of local Primary Health Partnerships incorporating GPs, non-government organisations and State and local government agencies and community representation.
- establishment of a new relationship with GPs to strengthen sustainability of primary health services and provide additional capacity to respond to the challenges of chronic disease.

Major Budget initiatives in addition to the Future Health initiatives include:

- \$12.2 million to increase funding for community sector organisations, bringing total payments to the sector to \$134.8 million.
- an additional \$9 million to continue the redevelopment of Child Protection Services to better protect at-risk children, young people and their families. This will provide Tasmania with contemporary Child Protection, Family Support and Out-of-Home Care services matching comparable services across the country.
- the release of up to \$10 million worth of Crown land over the next 18 months to build more affordable housing. The Department will continue to work with Tasmanian Affordable Housing Ltd to develop head-leasing arrangements to provide 700 affordable rental dwellings over four years..
- removing barriers to home ownership for disadvantaged Tasmanians through a new Home Ownership Assistance Program Shared Equity Scheme. This will enable low income earners to purchase a home at reduced cost, with the Director of Housing retaining 25% equity in the property. The scheme will be

available from December for eligible households who purchase either existing homes or house and land packages from Housing Tasmania.

- continued reform of Mental Health services, including implementation of a new Clinical Group Program for case management, the review of the Mental Health Act 1996, introduction of the Consumer and Carer Participation Framework, and implementation of core staff training requirements.
- \$1.5 million to begin addressing immediate priorities identified through the Review of Alcohol, Tobacco and other Drug Treatment Services. This will include improved pharmacotherapy, specialist medical, rural and youth alcohol and drug services, as well as increased funding for the Alcohol, Tobacco and Other Drugs Council.

Ms Giddings said the Government's strategic investment in Tasmania's health and human services to continue implementation of Labor's Healthy Living election commitments included:

- \$25 million for additional staff for the RHH, including additional staffing for new facilities to be opened during 2007-08. These include the expanded Neonatal ICU and the State's first Paediatric ICU.
- \$9.1 million from the \$25 million Hospital Equipment Fund, including \$5.9 million for new linear accelerators at the RHH and Launceston General Hospitals, as well as development of a statewide pharmacy system, replacement of the hospital information system and new medical equipment.
- \$2 million for the Launceston General Hospital to maintain additional elective surgery throughput, and \$755,000 to begin project planning and commence works on the \$12 million redevelopment of the Emergency Department.
- \$4.8 million for the Tasmanian Ambulance Service to provide 30 staff for new 24-hour ambulance crews in Launceston and Hobart and continue the

Government's undertaking to deliver 100 new ambulance vehicles across the State over four years.

- \$4.4 million for the Oral Health Service for completion of an education and training facility and ongoing costs of service expansion, staffing increases and other costs of the Government's Better Dental Care program. The education and training facility at New Town and acute dental surgeries at the RHH and NWRH are scheduled for completion in April 2008.
- \$3 million towards the \$14.5 million cost over four years of providing additional nurse educators.

Ms Giddings said the Department's capital works program for 2007-08 included \$14.6 million for housing projects. This will include eight new Intensive Support Units at Latrobe for Disability Services clients, continued installation of natural gas hot water systems for properties on the gas network, and subdivision of land for additional affordable housing at Mornington, Chigwell and Wynyard.

Capital grants will be provided under Commonwealth-State Housing Agreement programs, including \$3.2 million under the Community Housing Program, \$696,000 under the Aboriginal Rental Housing Program, and \$1.9 million under the Crisis Accommodation Program.

A total of \$11.4 million will be spent on the Royal Hobart Hospital, including completion of the Infill Building to house additional operating theatres, an expanded Neonatal ICU and new Paediatric ICU, as well as initial investigation and planning costs for the new RHH.

More than \$4 million has been provided to complete the \$5.8 million redevelopment of the Smithton District Hospital and the capital program also includes the final payment on the \$5.1 million reconstruction of the George Town Hospital.

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