



Speech by

Mrs D. PRATT

MEMBER FOR NANANGO

Hansard 7 August 2002

AMBULANCE SERVICE SUBSCRIPTIONS, PRIVATE HEALTH FUNDS

Mrs PRATT (Nanango—Ind) (6.09 p.m.): I rise to second the motion moved by the honourable member for Gladstone that this House calls on the government to abandon its proposal to place the administration of Queensland Ambulance Service subscriptions in the hands of private health funds. Any move by the state government to have the current system of ambulance subscriptions handed over to private insurance funds will have a major impact on low income earners statewide and smaller communities alike.

The population demographics in rural areas are rapidly changing due to the movement of their younger population to the major towns and cities because the ability to find work in rural areas is limited. This ensures that ambulance services in these areas become even more essential because of the increasing percentage of the population becoming aged. This aged population is further augmented because, as people in the larger towns and cities find themselves retrenched and forced to join the ever-increasing Centrelink queues to collect the dole, they must inevitably review their lifestyles. This redundant work force then reassesses its expectations of retirement and how it will fund that retirement in the future. People often discover that if they sell their home in the city the funds received will often buy a couple of houses in rural towns or areas. They then decide to opt for a rural existence to alleviate financial pressures.

We end up with a high percentage of people who can afford ambulance subscription for their family but cannot afford health insurance and therefore must rely heavily on the public sector. That is the fear that this move to privatise engenders in those less affluent populations—that the majority of the community will be left unprotected in the long term because they cannot obtain ambulance cover without being forced to join a private health fund.

As stated in a press release, this proposal to privatise ambulance subscription services is due to the drop in revenue received to finance the ambulance to the tune of more than \$14 million over three years. This was primarily due to the government's election promise to provide free coverage to pensioners. No-one begrudges our elderly pensioners the right to this free service, because they have paid their taxes throughout their lives and contributed much to their—

Mr Reynolds: There is no connection whatsoever.

Mrs PRATT: It was stated in the press release. If I had it with me I would show the minister. I do begrudge the constant errors this government makes when underestimating the cost of its promises. Premier Beattie is recorded as conceding that his 1998 election promise had blown out to \$100 million, compared with estimates of \$20 million. He is quoted as saying—

We've got financial issues with the scheme, so we're going out to tender to see what kind of deal we can get.

In other words, the government stuffed up badly, found itself in deep mud and is now asking someone else to dig it out of the mire. In this case it underestimated the impact of changes to pension and Seniors Card entitlements to access free ambulance cover and the impact of competition from private health funds.

This situation is a classic example of what privatisation achieves. It invokes competition which in the first instance keeps prices down. No-one will argue with that. Once the competition finds, as has happened in this instance, that they can no longer compete, they fold or sell out to others and then over time prices rise due to the fact that the competition is reduced or eliminated. There is no use in claiming that privatisation will not cause price increases in the long run, because it will.

The Minister for Emergency Services said that the object was to find a solution that best meets the needs of subscribers on an ongoing basis at the same level of service they now receive from QAS. Very few people are unhappy with the level of service the Queensland Ambulance Service is endeavouring to give. These ambulance personnel have to work under some—

Mr Reynolds: A 95 per cent satisfaction rate.

Mrs PRATT: Exactly. I agree with the minister. Not many people are unhappy. These ambulance personnel have to work under some extremely unpleasant conditions and attend some very traumatic accidents. Most of us can be grateful that we do not have to do that. Not for a moment would I place any shadow over their dedication and determination to do anything but the best they possibly can for those in the community who need their services. These dedicated individuals could and would like to do so much more if they had the opportunity. But it is recognised that the Ambulance Service is chronically underfunded to the point that the government has considered this privatisation move.

The member for Caloundra recently said that if one looks at the small print in this deal with the private health funds one sees that people will get their subscription to the ambulance via their private health insurance. Ambulance cover is available but to get it people must take out extras cover, and that will cover them only from the point of need or the accident to the hospital. What private insurance? Many low socioeconomic areas find that the majority cannot afford private health insurance—

Time expired.
