



Speech by

Mark McArdle

MEMBER FOR CALOUNDRA

Hansard Tuesday, 14 February 2012

MOTION: PRIVATE HEALTH INSURANCE REBATE



Mr McARDLE (Caloundra—LNP) (5.30 pm): I move—

That this House condemns federal Labor's plans to reduce the private health insurance rebate hot on the heels of the job-destroying carbon tax, increasing the cost of living for cash strapped Queensland families and increasing the burden on Queensland public hospitals.

The perilous state of Queensland's public health system is well known and well documented. Yet the changes that are being proposed to reduce the private health insurance rebate will result in many people in this state dropping their private health insurance cover or choosing cheaper cover with more procedures excluded. That will have one major impact: it will push more people to the public health system in this state. It will push more people to a health system that is already at crisis point. It will push more people to a health system that at this point is struggling to keep its head above water.

At a time in this state and indeed Australia when we have an ageing population in greater numbers than ever before and chronic disease is sweeping across Queensland, and indeed every state—cardiovascular, obesity, diabetes, renal and other issues—at a time when our public health system is going to face its biggest challenge ever, we have a federal Labor government putting in place an act that will make that task even harder. It will deny treatment, delay treatment and put at risk the safety—the medical and the physical safety—of patients and indeed their family members as well. It is impossible to believe that this Labor government in this state will not stand and condemn federal Labor for taking this step. It is now their opportunity to make it clear that what the federal Labor government is doing is wrong, is incorrect and will place an incredible burden on the state public health system. This is nothing more than a cost-shifting exercise from the Commonwealth to the state and we will have to pick up the pieces in time to come.

In addition, at a time when this state has seen massive increases due to this Labor government's inept handling of our budget and inept handling of our finances—when we have had increases in water, petrol, electricity and registration—this is one more cost that the public of Queensland will have to bear. At the end of the day, that will flow right back to the public health system, right back to our doctors and nurses, right back to our waiting lists, right back to our EDs, right back to our paramedics—and the list goes on and on. As we age and chronic disease continues to grow across Queensland, that burden can only increase.

It is also incredible and quite ironic that we had a federal government—first of all under Kevin Rudd and now under Julia Gillard—who made it their mantra that they were going to fix the public health system in this country. What they are doing is taking a knife to it by pushing through this bill in the federal parliament. It is ironic that in 2007 prior to the federal campaign both Kevin Rudd and Nicola Roxon, in their respective capacities, made statements that they would not, under any circumstances, amend, change, or in any sense make an alteration to the health insurance rebates. I table a letter from Kevin Rudd dated November 2007 to that effect and a media statement dated September 2007 from Nicola Roxon, the shadow health minister.

Tabled paper: Letter, dated 20 November 2007, from Mr Kevin Rudd, federal Labor leader and member for Griffith, to Hon. Dr Michael Armitage, Chief Executive, Australian Health Insurance Association, regarding clarification on federal Labor's policy regarding private health insurance [6446].

Tabled paper: Media statement, dated 26 September 2007, by Ms Nicola Roxon MP relating to private health insurance rebates [6447].

Here we find three, four or five years down the track they are trying on a third occasion to push this bill through the federal parliament.

What this government does not understand is that the private health insurance sector is a cornerstone and safety network for the public health system. Without it we would be in an almighty crisis in Queensland and we are heading that way under this proposal in Canberra. It is also ironic that between 1996 and 2007 the take-up rate of private health insurance under the Howard government jumped from 34 per cent to 44 per cent. We will see that fall if this bill becomes an act. It is incumbent upon this Labor government to say enough is enough, to say to Gillard and to Swan, 'We don't want this. We don't need it. We are suffering enough in this state and we want you to pull it. We don't support it.' I call upon the minister and the government tonight to declare that they are not in favour of the bill before the parliament and to indicate what steps they have taken to advise Gillard and her crew of their displeasure and dislike of the proposal before the federal parliament.

As I said earlier, private health insurance is a cornerstone of the health system in Australia. In fact, private hospitals treat 40 per cent of all patients in Australia. Between 2009 and 2010 they treated 3.5 million patients who would have gone through the public health system if not for the existence of the private health system. They undertake 64 per cent of elective surgery. Imagine if that mass of people had to swing back into the public health system. We would be swamped. We would not be able to cater or deal with the issues that would be faced.

There are 12 million Australians, or 52.9 per cent, who have private health insurance and 10.3 million people, or 45.6 per cent, who have private hospital treatment cover. In 2010 some 42.4 per cent of Queenslanders had hospital cover and 46.1 per cent had general cover. This is a critical issue as far as the public health system in this state is concerned. If this insurance rebate reduction proceeds, we will see a swamping of the public health system in Queensland. Nowhere is the reliance on the public health system more evident than by the use of visiting medical officers within our public health system. Those visiting medical officers are private doctors and private surgeons who operate within our public health system and have alleviated the elective surgery waiting lists. This is the cornerstone I am talking about. Without the private health system and the private insurance rebate we are going to find a crush coming into the public system.

In April 2007 Deloitte did an analysis that showed that within 12 months of the rebate changes 175,000 people in Australia would leave the private hospital cover scheme. Queensland's population is roughly one-fifth of the Australian population. We can therefore expect 35,000 people in this state, on average, to drop their private health insurance within 12 months. In five years the Australian figure will amount to 1.6 million who will drop their insurance cover. In Queensland in five years time 320,000 people will have dropped their private health insurance. Where are they going to go? They are going to go to the PA, to the Prince Charles, to the QEII, to the RBH, to Nambour, to Cairns, to Townsville and to all the other centres in between.

At a time when we have people waiting to get on a waiting list this is a disaster. This is a disaster waiting to happen. We now have doctors and nurses who are overworked. We now have infrastructure that cannot cope. We now have waiting lists that have grown out of all proportion. Can you imagine, Mr Speaker, the sum of 320,000 people in five years moving over into the public health system? We simply do not have the infrastructure or the capacity to cover that number of additional people.

It is also estimated that between 2012 and 2016 an additional \$3.8 billion will be incurred on a recurrent cost basis to assist the public health system cater for the growth of need by way of the public leaving the private health system. In Queensland that equates to an additional \$760 million that we are going to have to find between 2012 and 2016. This is the time for this Labor government to stand up and say to Julia Gillard: 'This is wrong. This is a mistake.' At the end of the day what you have to do is ensure that there is a safety net for people in this country to use the private facilities.

The LNP supports wholeheartedly the concept of a choice, a real choice—a choice between the public health system and the private health system. The bill before the parliament in Canberra is a disaster. It is a bill that is going to mitigate any advances we have made over the past 10, 15 and 20 years and put us right back to where we were.

(Time expired)