




Speech By  
**Hon. Curtis Pitt**

**MEMBER FOR MULGRAVE**

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Record of Proceedings, 12 October 2016

**MOTION: CAIRNS AND HINTERLAND HOSPITAL AND HEALTH SERVICE**

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Sport) (6.24 pm): I rise to support the contribution made by the health minister. As a member of this House, with my electorate in Mulgrave in Far North Queensland and also with my responsibilities as Treasurer, I was naturally concerned by the news about the deteriorating financial position of the Cairns and Hinterland Hospital and Health Service. This House would be well aware of the emphasis this government has placed on careful financial management, and it can look to budget surpluses delivered and forecast as evidence. I would just like to go back to the member for Southern Downs. He asks where were we four years ago, and he continued to rattle off the same things he talks about all the time. We can play word bingo when the member for Southern Downs gets up and talks about the health system. Where was he when he oversaw the departure of more than 4,000 Health workers? Where was he when that happened? What about the fact that the member for Moggill was lauding the wait-time gimmick? That has not even started yet he is still claiming credit for anything that has happened in the health system. I think he is the one with amnesia, not anyone on this side of the House.

We recognise that the increasing demand on health services is putting financial pressure on our system. This is a situation that we know has not been helped by the Commonwealth government's approach, of their insistence on walking away from their responsibility to fund their fair share. Make no mistake that the cuts that the federal government is making to Health spending will have a direct and negative impact on our capacity to deliver health services to Queenslanders. Nonetheless, we have to have high expectations, as we should of health service boards, to properly manage the budgets that they have been given and they sign up to in our service agreements. Regrettably, the Cairns HHB have failed to live up to those expectations. As a local MP, I have made my position very clear that our priority must be ensuring the people of Far North Queensland continue to have the health services that they both need and deserve.

The act is very clear about the responsibilities that boards have for financial management of their services. Under the circumstances, the board acted in the manner they considered appropriate when they tendered their resignations in the face of the scale of deficit that is forecast for 2016-17. These decisions are never easy and they require a steady hand. I certainly commend the minister for the way he has managed this matter, both in the prompt action he took and in the respectful way in which he dealt with the board. I know the accounting firm Ernst & Young were appointed in April this year when it first became apparent that there was a problem with the management of the budgetary position, and of course that was emerging: it was the work that revealed the prospect of an \$80 million deficit by the end of this financial year. I am advised that part of that work involved the development of a financial recovery strategy and a number of recommendations aimed at restoring the financial health of the Cairns and Hinterland Hospital and Health Service. I also note the commitment of the minister to table that report. I look forward to reading its recommendations and hearing how the work of fiscal repair is proceeding.

Whilst the performance of the Cairns HHS is a cause for concern, it should not be allowed to colour the financial performance of the health system overall which the annual reports tabled on 30 September show to be a system in surplus despite increased demand and significant improvements in performance. I also wanted to dispel any lingering doubts that those opposite might have that the financial difficulties we are seeing in Cairns have anything to do with the underfunding. Since the last budget of the Newman government, funding to the Cairns HHS increased by \$110 million—from \$667 million to \$778 million—an increase of 16 per cent at a time—

**Mr Springborg** interjected.

**Mr PITT:**—for the benefit of the member for Southern Downs, when inflation is running at less than three per cent. I would also like to point out that the 2015-16 Cairns HHS annual report was signed off by the Auditor-General's office. That is pretty important when we are looking at the motion that has been put forward tonight.

I want to echo the sentiments of the Minister for Health and Minister for Ambulance Services and record my respect for both the work and the independence of the Auditor-General. We on this side of the House respect the independence of the Auditor-General. I know those opposite had a big problem when some of the reports came out that absolutely tarred them in relation to 'back of the envelope' calculations regarding 1 William Street; we will never forget that one.

We acknowledge the right of the Auditor-General to conduct a financial investigation into any public entity, including the Cairns HHS. That is the work they perform on a delay basis, and it is up to them as an independent statutory authority to make those calls. I would ask the House to be temperate in its consideration of this matter in light of the work that is already underway by Ernst & Young and in view of the fact that the 2015-16 report, which was tabled two weeks ago, was audited and signed off by the Auditor-General's office on 31 August. This motion is nothing more than a stunt. We are used to seeing stunts from those opposite. I hope that members of this House treat it for what it is, and that is a political stunt.