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PRIME MINISTER

FOR MEDIA

14 June 1989

JOINT STATEMENT FROM THE PRIME MINISTER AND THE WA ACTING PREMIER, MR PARKER

The Federal and Western Australian Governments have signed an agreement guaranteeing Commonwealth funding for Western Australia's public hospital system for the next five years.

For the first time, the Federal Government has agreed to index the grant not only to take account of general cost increases but also to reflect ageing and growth of the State's population.

Older people are major users of hospital services and the new funding arrangements will ensure the grant keeps pace with the general ageing of the population.

This new formula will give State public hospitals more than \$480 million in extra Federal funds over the next five years.

Under the new Medicare hospital agreements, Western Australia will receive \$268 million in 1988-89, including \$775 000 towards the cost of treating AIDS patients and \$2.1 million to fund a range of incentives designed to improve further the efficiency of the public hospital system.

The incentive money will enable the State to develop innovative approaches to increase the efficiency of public hospitals, including setting up of both hospital and community-based services to facilitate early discharge of post-acute patients and to provide palliative care to reduce the need for hospitalisation of chronically and terminally ill patients. Day surgery facilities at a number of public hospitals will be established or improved.

The new agreement provides proof of Labor's continuing commitment to the principles of Medicare and reinforces the right of all patients to hospital treatment according to medical need.

Both Governments are committed to ensuring that Medicare patients continue to receive comprehensive, high quality care. In addition to the already substantial funding provided by Western Australia, the new Commonwealth grant will assist the State to maintain the fine record of its public hospitals.