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PRIME MINISTER

ADDRESS BY THE PRIME MINISTER THE HON P J KEATING MP

MEDICARE: KEEPING HEALTH CARE AFFORDABLE FOR AUSTRALIANS

Brisbane, 22 February, 1993

What a shame that we once again find ourselves fighting to preserve Medicare.

And let there be no mistake. Medicare is under attack.

If Dr Hewson and his Coalition were to get their hands on our health system you know what would happen.

They would dismantle it.

Don't listen to their "promises" to preserve Medicare. Just look at their track record - and the fine print of their policies.

Remember - it happened once before!

In the 1975 election campaign Malcolm Fraser said he would not dismantle Medibank.

And look what happened. Seven years later, when the Fraser Government was thrown out of office, Medibank had gone and more than two million Australians had no health cover.

Do we want that to happen again?

I don't think so.

Do we want an American-style health system where public hospitals turn you away if you don't have a Blue Cross card in your wallet?

I don't think so.

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Do we want our health costs to skyrocket by giving doctors the power to set their own fees while the rest of us will have to accept lower wages under Dr Hewson's individual contracts?

I don't think so.

Do you want to see bulk-billing abolished for more than 13 million Australians? Do you want the Medicare rebate for bulk-billing to drop from 85 per cent to 75 per cent, thus reducing the incentive for doctors to bulkbill even pensioners?

If doctors set their own fees, they are likely to increase by around 30 per cent.

This means having a baby would cost \$1170 instead of \$475 today.

A visit to the family doctor will increase from \$24 to \$32 with only \$18 of it claimable. This means every trip to the doctor would cost \$14. If families wanted to bring this down to only \$5 they could take out gap insurance - but that would cost \$6 a week!

Does this sound fair?

I don't think so - and I'm sure you don't either.

Yet, make no mistake, this is what Dr Hewson has in store for you.

He may not be spelling out the details of what he has in mind.

He's a bit like Jeff Kennett in that respect. He hopes to get through the election campaign without telling us about all the nasties. He's refusing to even release many of his policies.

He won't tell us the details of his industrial relations policy for instance.

Just like Jeff Kennett. He didn't tell the people of Victoria either - and look what happened there.

Next Monday the award system in Victoria will come to an end and the working men and women of that state will be on their own.

Dr Hewson is just the same on a whole range of policies - including Medicare.

He tries to make his plan sound a lot better than it really is. He doesn't want us to read the fine print and discover how much worse off most of us would be.

He says, for instance, that he'll give tax credits for private health insurance.

He implies these will cover the cost of private health insurance.

What he doesn't tell you is that 60 per cent of families with children will get no tax credits at all.

The few families who will benefit will only get around \$200 to \$300 a year - a long way from the \$1600 that private insurance costs a family.

And Dr Hewson has the nerve to claim that families will be better off under the Coalition's health care scheme.

This is simply not the case.

And you don't just have to take my word for it.

Listen to what the experts have to say:

Dr John Deeble, a health economist from the Australian National University, and one of the original architects of Medicare, has estimated that doctors' private incomes would increase on average by 60 per cent under Fightback!

And Professor Jeffrey Richardson, the Professor of Health Economics at Monash University says the Coalition's health policy will lead to "major inflation in hospital costs and medical incomes".

The Department of Finance estimates that health costs for the average family will increase by \$22 a week if Dr Hewson puts his plan into effect.

Why on earth would he want to do this when we presently enjoy one of the best health care systems in the world!

We have a simple, affordable system of universal health care.

It means no one is denied medical treatment because they can't afford to pay.

And the government is doing what it can to improve Medicare.

----- We have committed an additional \$1.6 billion over the next five years to increase patients' access to public hospitals. And we are providing \$70 million to reduce waiting lists for surgery.

What would Dr Hewson do instead?

He wants to take \$1.3 billion out of the public hospital system. This would mean that over 10,000 public hospital beds would have to be closed - an estimated 1,730 of them here in Queensland.

It will mean 450,000 fewer people would be treated in public hospitals.

This is totally unfair.

It would force thousands of people into costly private insurance. Families would have to find an extra \$400 to \$600 a year just to purchase basic cover - that is, just to get cover as a private patient in a public hospital.

This would not give them access to private hospitals!

Nor would Dr Hewson's health scheme cover people with cancer or other pre-existing conditions.

The private health funds simply won't give insurance to people with Multiple Sclerosis or HIV or other conditions that require continuous and often costly treatment.

What is supposed to happen to these people?

How will they fund their treatment?

Do we really want to become the sort of society that abandons its sick and its weak?

I don't think we do.

The kind of society we cherish, and which the Labor Government has worked hard for a decade to consolidate, is one which cares for all its citizens on the basis of their needs - not on the basis of their incomes.

I doubt if anyone here today wants to put those values in jeopardy.

I am sure that you, as hospital employees, as dedicated medical professionals, do not want to be in the hideous position of having to turn away seriously ill or injured people because there are no beds for them - or because they can't afford to pay.

Dr Hewson also claims that health services will be zero rated under the GST.

But why should we believe him?

The Cole Committee, which was set up to advise Dr Hewson on which items should be included under the GST, has recommended that health be taxed.

Just like it is in New Zealand.

But the Cole Committee knew how unpopular this recommendation would be. So they advocated the Jeff Kennett option - keep quiet about it until after the election!

Tax health, they said to Dr Hewson, but only "when in Government".

In other words, don't come clean with the voters. Don't tell them what new and nasty taxes you've got in mind.

Promise them anything and then "when in Government" scatter the GST around on every item you can.

Look at non-prescription drugs for instance.

Will the GST apply to aspirin and cold tablets and asthma puffers?

It will if the Cole Committee recommendations are taken up. They say that only prescription drugs under the Pharmaceutical Benefits Scheme should be zero-rated. All other medical products have a 15 per cent GST.

And that includes women's sanitary products like tampons - items which presently attract no tax at all.

Dr Hewson would make it more expensive to be a woman.

You can't get much more unfair than that.

When it comes to other areas of health services, he just won't let on what he has in mind.

Will chiropractors be taxed? Speech therapists? Midwives? Ambulance services?

And what about medical products.

Which medicines will be zero-rated?

Dr Hewson has got to tell us.

He can't run around the country telling people they will be better off under Fightback! when he secretly plans to tax every aspect of our daily lives. He just won't get away with it.

I believe the Australian people value and appreciate Medicare.

I do not believe they want to return to the bad old days of a new health scheme practically every year.

Remember during the seven years of the Fraser government there were five different health schemes.

How many schemes would Dr Hewson give us before the people said Enough is Enough! and demanded the return of Medicare?

I shudder to think.

All I know is that it's too big a risk.

Our health is too important to us to risk having it tinkered with in this fashion by an Opposition which won't even come clean about what they want to do.

We have a system which works. Which is fair. Which we are committed to improving so it meets the needs of all Australians. Let's make sure we stay healthy under Medicare.

And the way to do that is to keep Medicare healthy!