



## PRIME MINISTER

FOR MEDIA

4 DECEMBER 1989

### JOINT STATEMENT BY THE PRIME MINISTER AND THE CHIEF MINISTER OF THE AUSTRALIAN CAPITAL TERRITORY

We announce today our signing of an agreement guaranteeing Commonwealth funding for the Australian Capital Territory's public hospital system for the next four years.

Signature of the Agreement brings the ACT into line with the States and the Northern Territory in regard to public hospital funding arrangements and reflects its independent status after self-government.

The Commonwealth grant will be indexed not only to take account of general cost increases but also to reflect ageing and growth of the ACT's population.

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

This formula will give public hospitals \$8 million in extra Federal funds over the four year period. The Commonwealth grant constitutes a significant proportion of the annual budget.

Under the new Medicare hospital agreement the ACT will receive almost \$43 million in 1989-90, an increase of 23% on former funding arrangements.

The Chief Minister has indicated that the incentive money will enable the ACT to develop and expand innovative approaches to reduce the need for overnight admission to hospital or to facilitate early discharge by providing enhanced services in the fields of post-acute and palliative care and day surgery.

The new agreement provides further proof of Labor's continuing commitment to the principles of Medicare, and specifically reinforces the right of public patients to free access to hospital services according to medical need.

Both of our Governments are committed to ensuring that Medicare patients continue to receive comprehensive, high quality care. In addition to the funding provided by the ACT Government, the Commonwealth grant will enable the ACT to maintain the fine record of its public hospitals.