



Stat Report 2014/15

A Federal Budget for a sicker and poorer Australia

The Union strongly believes that the Abbott Government's first budget will result in a sicker and poorer Australia.

The Union noted that the Budget contained cuts from health and hospital funding, the introduction of a co-payment for some medical services and up-front contributions for prescription medications, which are clear evidence the Abbott Government broke its election promise to not cut health funding.

The Abbott Government before the election promised no cuts to health, and yet on Tuesday (14 May) night, the government broke that promise by slashing health and hospital funding.

By charging people to see the GP, including any pathology testing or imaging, and by allowing hospitals to charge for emergency department visits, the Abbott Government is ensuring people will not seek medical attention when they need it.

On top of this, the government will force patients to make up-front payments for blood tests and x-rays – essential methods to help GPs make diagnoses and determine the best way to treat patients.

This Budget radically undermines the universal healthcare system and makes it unnecessarily expensive for Australians to get the medical attention they need when they need it.

The Abbott Government can expect to see an increasingly unhealthy Australia, which will result in more significant costs to public health and the budget over the longer term.

The reality now is that patients' actual healthcare needs won't be met as the budget cuts will result in clinical health services being slashed.

'Co-payments' is a policy that will impact in two profoundly damaging ways: it will make Australians sicker and poorer; and it is the first deliberate step to dismantling Medicare, Australia's universal healthcare system.



Medical Research Future Fund a giant white elephant

The biggest announcement on Budget night was the creation of the Medical Research Future Fund (MRFF) but the Union is questioning the wisdom of the Abbott Government's decision to establish the Fund through cutting funding to health and education

This Fund will produce no outcomes for any Australians until at least 2020 when the Fund is expected to be fully funded and commences its work. But in the meantime it means hospitals and community health centres will cut more essential medical staff, and of course reduce services, as funding from the State and Federal governments has been slashed.

It will come as a big surprise to patients when there are fewer medical scientists to undertake essential blood tests or assist with cancer treatments; fewer dietitians to ensure they get the right diets for their treatments; fewer psychologists to support people with mental health concerns; and fewer pharmacists to dispense the necessary medicines to aid patient recovery.

It will not surprise us when we are told that even though there might be fewer of us to maintain services we are nonetheless expected to accept ever increasing workloads, regardless of the impact this will have on our health and wellbeing.

The motives for setting up the MRFF are also questionable in an environment where organisations like the CSIRO and the Red Cross Blood Service are sacking research scientists. The Abbott Government's cuts mean these organisations won't be able to take advantage of the fund because they won't have the people and capacity to do the research.

And when university students are saddled with a debt the size of a small mortgage to undertake Masters and PhDs, it is unlikely they'll want to pursue science careers.

Who exactly does the Abbott Government expect will be doing the medical research in 2020?

The distorted priorities of the Abbott Government mean a sicker, poorer Australia through the reduction of clinical health services with a giant white elephant called the Medical Research Future Fund that produces no results until at least 2020.

It has to be a cruel joke that the Abbott Government cuts upwards of \$50 billion from health and hospitals funding, destroying Australia's universal healthcare system, for a research fund worth only \$20 billion – it doesn't even add up.

State and Federal Budgets mean more cuts to the health workforce

The federal Budget didn't just take the axe to health and education funding in a direct way, the Budget also contained changes that will see planning for the nation's future health workforce end.

And worst of all, the federal Budget compounds and makes worse the cuts to health contained in Napthine's Victorian state Budget.

The Napthine Government provided nothing in Victoria's budget to increase health services and failed to address the cuts to the professional health workforce. Instead the Napthine government is continuing with its plans to increase the number of less qualified allied health assistants by replacing highly qualified staff.

The Abbott Government budget compounds the cuts in Victoria by cutting up to \$50 billion from health and hospital funding, making it more difficult for states to make up the short fall in funding. Clearly with such short falls in funding for health and hospitals, it will be the scientists, psychologists and pharmacists that will again face further job cuts to keep hospital and community health centres budgets balanced.

Quality healthcare doesn't come from infrastructure spending. Quality healthcare comes from having a highly qualified and skilled workforce capable of delivering the health services necessary to keep all Victorians healthy.

To truly improve healthcare outcomes for Victorians, the state and federal governments must invest in its workforce, not by reducing workforces nor by outsourcing services to providers only interested in profits or dumbing down the workforce required to deliver quality health

outcomes to patients.

Unfortunately for Victorians it appears that neither the state nor the federal governments have any interest in truly delivering world class healthcare.



Mental Health funding suffers cuts

The federal Budget could see a significant increase in mental health-related illnesses that go undiagnosed and untreated.

It is particularly concerning that this government believes slashing the Mental Health Better Access Education and Training funding will actually result in better mental health outcomes for Australians.

Unfortunately up to 70% of people with a mental illness do not currently seek help, and we know the sooner we can provide people with support the better.

Sadly the Abbott Government's budget to impose a GP co-payment will discourage people with early signs of mental illness from seeking the help they need.

While extending funding for initiatives like the Mental Health Nurses Incentives Program is commendable, there seems little point in maintaining this funding if fewer people present for mental health concerns because they can't afford the additional \$7 co-payment.

The Abbott Government is making it harder for people to seek assistance for mental health problems, and will see hospitals and community health centres sack psychologists as funding through Mental Health Better Access Education and Training winds up.

This Budget will ultimately make it more difficult for Australians suffering from mental health concerns to get the healthcare they need when they need it.

Increasing costs of medicines ill-conceived and reckless

Changes presented in the federal Budget will result in increases to the cost of prescription medicines putting the treatment patients receive at risk of being undone.

The Abbott Government must think that sick people are cash cows to fix up the budget crisis it has fabricated

That's the only conclusion one can come to when the Treasurer announces that patients will have to pay up to \$5 more for their prescription medicines, which will be on top of the \$7 co-payments to visit the GP or to get a blood test or x-ray done.

Hospital pharmacists prepare and dispense to patients to help them recover from their treatments.

Doctors won't stop prescribing medications for their patients but the Abbott Government's changes will make getting prescription medication more expensive, and therefore less affordable.

It is ill-conceived and reckless to increase the costs of prescription medicines when many patients can leave a hospital with a shopping bag of medications they need to recover after treatment. This is especially true for patients fighting cancer and blood-borne diseases.

It would not be beyond belief that more and more patients will have to start making critical decisions about what prescription medications they can afford, because they can no longer afford the full range of medicines they need.

And when we have this situation we'll find rapidly increasing levels of relapse and readmissions.

This Budget radically undermines the universal healthcare system and makes it unnecessarily expensive for Australians to get the medical attention they need when they need it.

Budget makes retirement more difficult for low income earners

There are a number of measures contained in the federal Budget that will have a profound impact on people's retirement, with a couple of measures directly affecting low income earners' ability to save for their retirement.

Unfortunately the Budget will see the increase in Superannuation Guarantee from 9% to 12% slowed down so that the full Superannuation Guarantee increase won't take place until 2022/23. This will mean that the Superannuation Guarantee will stay at 9.5% (after 1 July 2014) until 2017/18 before increasing 0.5% each year until it reaches 12% in the 2022/23 Budget.

In effect this measure will limit the ability of low income earners to grow their retirement savings over that period of time through the Superannuation Guarantee. This particular measure is made worse by another measure buried in the Budget details – the repeal of the Low Income Super Contribution (LISC).

The Low Income Super Contribution acts as a 'tax rebate' of up to \$500 compensating workers earning up to \$37,000 for the tax they have paid on their compulsory super contributions.

The repeal of the LISC will affect about 3.6 million Australian workers; approximately one third of working Australians, almost 80% of female part-time workers and about 40% of rural based workers. It will affect working mums, labourers, students, and apprentices.

Repealing the LISC means low income earners will be the only group of working Australians who do not receive a tax concession on their super contributions; and will be taxed more on their super contributions than on their take home pay.

Should the Abbott Government remove the LISC, we know it will have a huge, negative impact on some of our members and their ability to save for retirement.

It's hardly a Budget that builds a better future for all Australians.

MSAV | VPA | AHP Annual Conference

Annual Conference is on Friday 30 May at 9am for a 9:30am start to 5pm.

This is the first Annual Conference ever held by the Union to discuss and debate the political and industrial challenges facing us and our sector.

We have an exciting agenda and Annual Conference keeps getting bigger!

Dr Rosemary Kelly will be joined by Craig McGregor, secretary of the Victorian Health Professionals Association (VHPA), and Paul Healey, assistant secretary of the Health & Community Services Union (HACSU) for our panel discussion on the state of public health in Victoria.

Craig and Paul will bring invaluable perspectives on healthcare based on their members' experiences. And with the State and Federal Budgets having been handed down over the last

fortnight we're sure the panel discussion will be lively.

Don't forget we've secured David Davis, Victorian Minister for Health; Gavin Jennings, Victorian Shadow Minister for Health; and Colleen Hartland, the Victorian Greens health spokesperson to share their party's vision for public health in Victoria.

Make sure you have your questions ready!

We're also looking forward to hearing from First State Super who will speak about superannuation and the Low Income Super Contribution scheme.

And the in-coming secretary of Victorian Trades Hall Council, Luke Hilakari, will attend to discuss the "We Are Union" campaign.

The Annual Conference is free and open to all members.

Conference Details:

Date: 30 May 2014

Time: 9am to 5pm

Venue: DownTowner on Lygon at 66 Lygon St, Carlton - [check it out on Google Maps](#)

Door Prize: By attending you're in the draw to win a Kindle donated by the ACTU

Confirmed Speakers:

- David Davis – Victorian Minister for Health & Ageing
- Gavin Jennings – Victorian Shadow Minister for Health & Mental Health
- Colleen Hartland – Victorian Greens spokesperson for health
- Dr Rosemary Kelly – Secretary, MSAV | VPA | AHP
- Craig McGregor – Secretary, Victorian Health Professionals Association
- Paul Healey – Assistant Secretary, Health & Community Services Union
- Luke Hilakari – Secretary-elect, Victorian Trades Hall Council
- First State Super

Check out the Agenda – [click here](#) | Register your attendance – [click here](#)

Senate Inquiry into Australia's Innovation System

With a federal government that seems to have misplaced the importance of science to the future development of Australia, a landmark inquiry into Australia's innovation system has been secured by the ALP and the Australian Greens.

The Inquiry comes at a particularly important time as many of the solutions to the big challenges facing Australia will come from our science community and the innovation our science community generates. The Inquiry's terms of reference are very broad so as to capture the full breadth of the science community and its contribution to Australian life.

The Union is very clear about the importance of science to Australia, especially for the ongoing healthcare needs of all Australians, and will be making a submission to the Inquiry.

We strongly encourage individual members to make their own submission.

Submissions to the Inquiry close on 31 July 2014.

For more details about this important Inquiry and to make a submission visit:

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Economics/Innovation_System

If you're interested in assisting the Union in preparing its submission to this Inquiry please contact Alex Schlotzer on 9623 9623 or at alexs@msav.org.au

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ANNUAL CONFERENCE
30 MAY 2014
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There is more information about a range of other benefits union members can access at <http://www.memberconnect.com.au/> or you can call ACTU Member Connect on 1300 362 223.

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