



WA to sign Federal health deal

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The State Government has moved to end an 18-month stand-off with Canberra after Cabinet agreed yesterday to sign Julia Gillard's national health reform deal.

Premier Colin Barnett said yesterday that WA would sign the deal, apparently pre-empting a Federal Government announcement today that all States and Territories had now agreed to sign.

This news could give Ms Gillard a much needed boost in the polls.

Mr Barnett said WA still had some concerns, including the size of the Federal bureaucracy that would oversee the new arrangements.

"But we have got to the point where there is sufficient agreement to sign that national health agreement," he said.

Mr Barnett said WA had "kept to its principals" by steadfastly refusing to cede 30 per cent of WA's GST revenue to the Commonwealth to help pay for new health funding, a condition in former prime minis-

ter Kevin Rudd's original proposal.

The deal means the Federal Government will pay 45¢ of every dollar spent on hospitals between 2014-15 and 2017-18, rising to 50¢ in the dollar thereafter.

Mr Barnett said WA could expect to receive an extra \$1.7 billion in Federal funding between 2014 and 2020.

Nationally, the deal will mean Canberra will spend an extra \$175 billion on hospitals between 2014 and 2030, money that the States and Territories would otherwise have had to find themselves.

In the first five years, the Commonwealth will contribute an extra \$16.4 billion to public hospitals, catering for two million extra patients, 2.9 million extra emergency department treatments and 19 million more outpatient consultations.

The Federal Government believes the deal will fund hospital services properly into the future and remove the need for the States

to haggle every five years with Canberra for extra money.

WA Health Minister Kim Hames said the Commonwealth's decision to cede control of the joint hospital funds to the States had been the "deal doer".

Dr Hames said the Government agreed with the principles of local hospital boards, activity-based funding for surgical procedures and a national comparison of health outcomes between States.

The deal should pave the way for \$350 million of bonus payments to flow from Canberra to WA.

It comes as an HBF health survey revealed growing scepticism about the Federal Government's health reforms.

Only 29 per cent of respondents said they believed the changes would improve health services in WA.