



Keynote Address

[Senator Kate Lundy](#), Shadow Minister for Local Government, Sport, Recreation and Health Promotion

FACILITATOR: Now, if I was Senator Kate Lundy, who I have the pleasure of inviting up next, I'd be feeling the challenge. I don't know, is she going to fling herself at the stage? Possibly she's just going to hop all the way here. I don't know, anything could happen, ladies and gentlemen. But it does give me enormous pleasure now to welcome Senator Kate Lundy, Shadow Minister for Local Government, Sport, Recreation and Health Promotion. A round of applause please.

SENATOR KATE LUNDY: Now, you can do many things in politics, but taking the risk of splitting your pants is not a good one to try. Thank you, Tony, for your display of athletic prowess. And, of course, the young man earlier. It's always fun.

It is a great pleasure for me to be here as well. Your Excellency, Minister, Sussan Ley MP, and all of you who obviously have a deep and abiding interest in rural health. I'm pleased to be here today to give you an insight into Labor's direction in health policy, and as you'd be aware, Labor has a new health team. Nicola Roxon, the Shadow Minister for Health, and myself, with the Health Promotion portfolio.

It's good to be casting a fresh eye, a fresh set of eyes, over an important area, and this is what the Labor team are currently doing. Labor has determination, passion and vision and we believe in the need for a long-term vision for health rather than an approach based on political quick fixes.

We have to look at fixing the duplication and inconsistency between the states and the Commonwealth to get the best use of our limited health resources instead of playing the blame game that stops a lot of things from being done. We need to focus on delivering services that are patient based. Everyone deserves access to quality services, free or at reasonable cost, with minimum inconvenience.

New strategies and investments need to be made to improve the parlous state of Indigenous health, and I was pleased to hear the Minister's comments in that regard. But I can tell you, Kim Beazley, when he was Leader, made very strong statements about our intent to tackle the poor state of Indigenous health, and Kevin Rudd as Labor leader now remains as fiercely committed.

And we need to make a much greater effort to focus on prevention. The next generation of Australians needs us to make decisions today that re-focus attention on the wave of chronic and largely preventable diseases that will hurt millions of Australians and cripple our health budget if we don't take action right now.

It won't surprise you that prevention and health promotion are an integral part of Labor's direction in health. Prevention is something you might have heard our new Shadow Minister, Nicola Roxon, talking a bit about lately and I'll be working alongside her to give the focus needed on health promotion and the way forward.

Promoting health is more than just preventing illness, it is about improving the quality of life for all Australians, and preventing illness is an important part of that. Everyone loves to say that hospitals need more beds, and they do, but of course, the sad irony is that there are always going to be more people to fill those beds unless we start investing strategically in the future of health care by turning attention to prevention, and unless we do it now I think we're forever doomed to this cycle of chasing our tails and spiralling health costs.

Labor wants a health system that is about keeping people well, in addition to treating them when they are sick, and it's predicted—just to give you a snapshot although I'm sure you're aware of these figures—it's predicted that the cost of the health budget in New South Wales alone in 20 years will be the cost of the total New South Wales budget today.

And it's not just about the health budget or hospital budgets, it's about the national budget. A new report out last week from the Productivity Commission found that greater investments in health promotion and disease prevention could lead to an increase in gross domestic product of around six per cent in the long term through improvements to workforce participation and productivity. Australian can't afford to miss out on this potential. We can't afford to simply let that potential increase in gross domestic product slip through our fingers because of a failure to make the changes that are needed.

There are not many months until the next election but government is a long-term game, and governing well involves looking long into the future and that's what we are committed to doing. You've probably heard our leader, Kevin Rudd, talk about the education revolution. The argument is strong and simple to understand and it goes like this.

Australia's productivity has slowed, that in turn threatens our country's long-term prosperity. We have learned that if we have a highly educated workforce then we can increase our productivity. If the average education level of the working age population was increased by just one year the growth rate of the economy would increase by up to one per cent. Very simply, educated economies are wealthier and stronger economies.

But it's also true to say that healthier populations drive wealthier and stronger economies. As mentioned earlier, health is a major factor in determining productivity amongst working people, and health is also very closely linked to workforce participation. Health, like education, is a source of economic growth.

At present we face a tsunami that threatens our health, our workforce, and our productivity: it's chronic disease, and like any tidal wave we can't afford to turn our backs on it. It's crucial that we face and meet the challenges posed by preventable illness and chronic disease if we're to build the foundations for our long-term economic future.

Preventative health and health promotion is not simply good sense and good social policy, it's good economic policy too. Cardiovascular disease accounts for about 36 per cent of all deaths in Australia in 2004, and yet despite this fact we know that exercise can prevent it. Sixty per cent of Australians are overweight and 54 per cent of Australian adults are not sufficiently active to gain a health benefit from the exercise they undertake.

Over 50 000 preventable hospital admissions in 2004-05 were due to dental conditions, and yet the government refuses to reinstate the Commonwealth dental program that it cut back in 1996. Every year we put less than two per cent health funding into health promotion and preventative initiatives, prevention initiatives.

It's not surprising then that we are spending more and more money at the other end once people have already fallen ill and are suffering. The government continues to ignore the potential of prevention, something that Labor doesn't believe we can afford to do. A cynic would say, perhaps, that it's easier for the government to claim credit for making people well than it is from preventing them to get ill in the first place.

And perhaps this government has a political answer to any criticism on its approach to health. Blame the states. The blame game is a tactic of choice, something we've often said about the Health Minister. As we know, most of the immediate costs of ignoring chronic illness fall first and foremost on the states and their hospital systems. This allows the government a convenient political 'out' when they choose, as they do almost every time, not to get involved.

Of course, we must spend money at both ends and Labor will not reduce the amount of money spent on acute care. However, we'll never stem demand for acute services if we do not make a greater and complementary investment in prevention. Labor will treat illness prevention and health promotion in a way that it has never before been treated by this government.



This government has dragged its feet in this area and continues to do so. There are no benchmarks for health investment, no taskforces or reviews driving change or searching for prevention solutions that work. Access Economics estimated that in 2005, 3.24 million Australians were obese at a total cost of a whopping \$21 billion, incorporating productivity, health and carer costs, taxation revenue foregone, and welfare and other government payments. To put that in perspective, we're talking about almost double what it costs to run Medicare.

Labor is the party of universal health care. We established Medicare despite some boisterous opposition at the time from our political opponents, but just as the establishment of Medicare required vision and forward thinking so too does the task of refocusing our health system to address the challenge of preventing illness.

And what is Labor talking about when we talk about health promotion? Well, our previous health and wellbeing policies would give you an indication of our thinking, and the philosophy of health promotion is about making good health attainable by all. The social determinants of health have long been ignored by this current government, particularly at the expense of the Indigenous population, and communities of social disadvantage. And many, such as rural and remote communities, who don't necessarily consider themselves disadvantaged but by their postcode miss out on many social and physical infrastructure prerequisites to good health.

From a public policy perspective, health promotion requires long-term investment in programs, facilities and communities' physical environments. It involves challenges like changing attitudes and habits, it requires investment in physical environments, and it's about physical activity, it's about good nutrition and social inclusion, and it's about empowering people in the communities with knowledge and support.

It will require a sophisticated degree of co-ordination across portfolios, and across all three tiers of government. Labor knows that each level of government has its role to play. It's really only the Commonwealth that I think has neglected the area of health promotion. The states and many local governments have demonstrated commitment at various levels, so imagine what could be achieved with the leadership and co-ordination with a future federal Labor government working together with them.

We're also very conscious of the fact that good policy is evidence based. We will make the most of the incredible research effort to guide our initiatives with health promotion, and I acknowledge that we have world class researchers in this area here in Australia and we're very lucky to have people who are so committed and at the pinnacle of their professional careers in this area.

Being the Shadow Minister for Local Government as well as Health Promotion and Sport and Recreation I think I'm pretty well placed to gain an insight into the varied needs of many local communities throughout Australia. We recognise that there's no one size fits all solution for every community. We need to find local solutions for local problems.

And Labor understands that the health problems facing rural communities are different from those facing metropolitan communities. People in rural areas tend to score less on health indicators compared to their counterparts in the cities. Of course, we know that this is particularly so for our Indigenous people. The fact that Indigenous people's life expectancy is still almost 20 years less than non-Indigenous people's life expectancy really says it all.

And, of course, we know that these problems are compounded by the difficulties faced by people in rural areas in just accessing the health services that they need. Health workforce shortages are the most pronounced in rural areas. We also know that the current policy responses don't always work particularly well. Just this week there was a report in the Daily Telegraph which described how one-quarter of bonded medical students wanted to buy themselves out of being bonded to practice in a rural area.

In the case of services funded through fee-for-service programs like Medicare, this means that scarce health dollars don't make their way to rural areas because there aren't the health professionals to provide them, and this means that people in those areas just miss out.

Now, I haven't come here today to announce any policy fixes. The problems are complex and Labor is currently in the process of talking to the relevant stakeholders, including people like you, to develop our policies. But I have come here to assure you, and on behalf of Nicola Roxon, that Labor is listening and that we want to hear from you and hear about your ideas for answers to the health problems facing rural Australia.

As an opposition, we are very focused on resolving the big problems in the health portfolio, problems that have been around for a very long time, but we need everybody to be involved in that process. So, thank you very much for having me here today.

