



Hon Lawrence Springborg MP
Minister for Health

21 MAR 2013

Mr Neil Laurie
Clerk of the Parliament
Queensland Parliamentary Service
George Street
BRISBANE QLD 4000

Level 19
147-163 Charlotte Street Brisbane 4000
GPO Box 48 Brisbane
Queensland 4001 Australia
Telephone +61 7 3234 1191
Facsimile +61 7 3229 4731
Email health@ministerial.qld.gov.au

Dear Mr Laurie

I write in response to your letter regarding petition number 2046-12, tabled in Parliament on 11 March 2013, in relation to the reduction in Commonwealth health funding to Department of Health by \$103 million in 2012-2013 and its effect on health services and jobs throughout Queensland.

The decision to apply a reduction of this significance mid financial year causes considerable issues for service delivery. It impacts on the time available for Hospital and Health Services to review budgets, plan and implement strategies to offset the reduction.

Following the announcement of the reduction in the Federal Government's Mid Year Economic and Fiscal Outlook (MYEFO), the Queensland Government and other state governments made extensive representations to the Federal Government on this issue. To date, the Federal Government has indicated that the reductions are not negotiable and has refused to review the methodology for calculating population growth which underpins the reductions.

On 7 February 2013, the Senate referred this issue to the Finance and Public Administration Reference Committee for inquiry. Queensland provided a submission to the inquiry outlining the impact reductions of this magnitude will have on the Hospital and Health Services. The submission also highlighted my concerns with the methodology for calculating population growth that the Federal Government had applied to the health reform funding.

The Committee released its finding in a report on 7 March 2013. This report recommends that the Federal Government reinstate health funding to the states and territories and supports the view that the basis on which the calculation of the funding cuts was made is flawed. I therefore look forward to the response from the Federal Government on the recommendations the Committee has made.

I trust this information is of assistance to the petitioners.

Yours sincerely


LAWRENCE SPRINGBORG MP
Minister for Health