

Abbott plan 'a bunch of rhetoric', says Rudd.

The Prime Minister has side-stepped the prospect of a bipartisan approach to reform of public hospital funding but reasserted his promise of a referendum if he could not win co-operation from the states on health reforms.

After the *Herald* revealed yesterday that the Opposition Leader, Tony Abbott, was expected to press for a referendum on health, Kevin Rudd would not be drawn on the possibility of bipartisan support for a change to the constitution to transfer control of health funding to the Commonwealth.

Mr Rudd dismissed Mr Abbott's plan as "a bunch of rhetoric". He said his Government's commitment to seeking a "mandate from the people" if it failed to get state agreement was "absolutely clear-cut".

His spokesman confirmed later that a mandate could include taking the matter to a referendum, making it an election platform, or putting it to a plebiscite, which would not involve constitutional change.

The Opposition is expected to seek a referendum which would empower the Federal Government to bypass the state governments and directly fund public hospitals, a plan unlikely to win Labor approval.

Mr Abbott said that holding a referendum on health funding reform was under consideration but "not settled policy at this point in time".

He said that after two years, Mr Rudd still did not have a plan to fix public hospitals which were being "suffocated by bureaucracy".

"But Kevin Rudd is addicted to bureaucracy and my fear is that the one thing the unions and the state Labor governments will never let him do is serious reform of the public hospitals".

Mr Rudd said that as health minister for five years, Mr Abbott had "ripped out a billion dollars" from the public hospital system and had had ample opportunity to hold a referendum on reform.

The Opposition health spokesman, Peter Dutton, said that much of the dysfunction in public hospitals was because funding went to state governments where it was "siphoned off to non-core activities like ballooning bureaucracies".

Mr Dutton said that local boards would restore the roles of doctors and nurses in meeting community needs.

But hospital and nursing groups questioned the claim.

Ged Kearney, the federal secretary of the Australian Nursing Federation, said devolving too much power to hospitals meant expensive facilities were more likely to be duplicated.

Andrew Pesce, the president of the Australian Medical Association, said boards could improve input from clinicians and the community in the running of hospitals but he wanted to see the details of the plan.

Suzanne Hodgkinson, a neurologist and senior lecturer at the University of NSW, said she would welcome the re-introduction of local boards. "You have to have genuine delegated authority to be able to reduce bureaucratic inefficiencies," said Dr Hodgkinson, who spoke out on the issue at last year's Garling review of NSW public hospitals. She

said Mr Rudd's proposal to centralise health funding could result in "more bloated bureaucracies".

Peter Garling recommended against hospital boards, saying they "compete for finite resources and do not engender a system of co-ordinated and efficient clinical care services".

Clinicians should be able to have a say in spending without the need for area-level boards.