



Minister for Health

50 Lonsdale Street
Melbourne
Victoria 3000
GPO Box 4541
Melbourne
Victoria 3001
Telephone: (03) 9096 8561
Facsimile: (03) 9096 3373
www.health.vic.gov.au
DX 210311

e

The Hon Tanya Plibersek MP
Minister for Health
MG 50
Parliament House
CANBERRA ACT 2600


Dear Minister

Intern growth in the non-public health sector

I have received and noted the Commonwealth proposal to provide additional funding for the private sector for 2013 intern places. I reiterate that the Commonwealth must live up to its obligations as set out in the National Partnership Agreement on Hospital and Health Workforce Reform, signed by First Ministers in 2008.

I am concerned that the Commonwealth, in offering 'one-off' funding, is neither providing for a workable or sustainable approach to intern or broader postgraduate medical training growth into the future, nor respecting the clear principles about roles and responsibilities for clinical training funding that were agreed in the National Partnership Agreement in 2008 and at COAG in 2006. These principles were accurately described in the meeting paper for the 26 September SCOH but are not reflected in the substance or spirit of your funding proposal. Moreover, for your information given your concern regarding Commonwealth precedents in this area of funding, the Commonwealth, in recognising its obligations under the 2006 COAG agreement, agreed to fund a number of clinical placements in a private setting in Greenslopes, Queensland.

The conditions attached to the offer are also based on a false premise that States and Territories have not delivered sufficient growth already in the public sector. I remind you that States and Territories have already delivered funded growth of well over 1200 places in the public sector since 2006 and, indeed, overdeliver on the COAG and National Partnership commitment to fund clinical placements for Commonwealth supported places. At a Victorian level, there has been funded growth in the public sector of 286 places since 2006. In this period, only 17 additional places have been supported by the Commonwealth in non-public settings. In addition, for this year, 71 per cent of all international students at Victorian universities who have applied for an intern placement have been offered a place in Victorian public hospitals.

Given the reality of the model of training that best suits intern placements, it is very clear that we are nearing capacity constraints for such teaching in the public sector. In this context, it is overly simplistic to present a Commonwealth offer conditional on further growth in the public sector without any consideration of capacity and/or quality. I view the Commonwealth funding offer as a long overdue response to avoidable pressures caused by growth in fee paying students within the Commonwealth-regulated higher education sector, without commensurate planning by the Commonwealth for these students to have access to clinical training. As you know, the deregulation of higher education student places was a decision by the Commonwealth Minister for Higher Education but one which has significant consequences for medical training.

You have also put forward the argument to SCOH colleagues that States and Territories should view the Commonwealth proposal as being a welcome response to perceived shortages within the public health system. This statement is also based on a false assertion that it is only the public health system that faces shortages. Your officials should be able to advise you that some of the main areas facing difficulty recruiting suitable health workers are general practice and primary and community care, which are largely funded and regulated by the Commonwealth. Delivering a medical workforce for the whole of the health system clearly requires a joint funding approach, yet intern growth has been delivered and funded almost exclusively in the public sector.

Your proposal suggests that interns benefitting from Commonwealth funded places in 2013 would be subject to return on service obligations. This would introduce a new and distorting element to the training environment, given that this would create very obvious discrimination within the international student cohort, with more than two-thirds of international applicants having secured an intern place in Victoria without such requirements. Nevertheless, Victoria would not stand in the way of the Commonwealth seeking a return on service obligation for international students.

In relation to a national application and offer system, I agree that we should take steps to improve the management of this inter-jurisdictional process. Given its performance to date, I do not accept that Health Workforce Australia should play a lead role in this endeavour on the basis that there are already postgraduate medical councils in every jurisdiction and that HWA has no demonstrated capability in the area of postgraduate medical training. In Victoria, health services and their governance are devolved, as you are aware, and health services make the training placement offers, not the Victorian or Commonwealth government. I do not accept that States and Territories and their health services should be asked to surrender their ability to determine policy on intern allocation within publicly funded health services. Victoria would be happy for one of the existing postgraduate medical councils to be tasked with facilitating an improved national application and offer system, with appropriate pooled funding support in line with AHMAC cost-sharing principles. I understand that Queensland may have a proposal to discuss which is an alternative to HWA.

Victoria suggests that the Commonwealth seeks, without further delay, to implement its plan to grow capacity in the private sector so that as many interns as possible can be accommodated for 2013. Where other States and Territories are able to add further public sector places, this would clearly be of benefit but cannot be seen as conditional to the commencement of your program.

Yours sincerely



Hon David Davis MP
Minister for Health

1 1101 2012

CC. Minister Michelle O'Byrne, Chair, SCOH