GENERAL PURPOSE STANDING COMMITTEE No. 2

Monday 14 October 2002

Examination of proposed expenditure for the portfolio area

HEALTH

The Committee met at 4.00 p.m.

MEMBERS

The Hon. Dr Brian Pezzutti (Chair)

The Hon. Richard Jones
The Hon. Dr Arthur Chesterfield-Evans
The Hon. Ron Dyer
The Hon. Amanda Fazio

PRESENT

NSW Health
Ms Robyn Kruk, Director-General
Mr Robert McGregor, Deputy Director-General, Operations
Associate Professor Debora Picone, Deputy Director-General, Policy
Mr Ken Barker, Chief Financial Officer
Dr Corbett, Director, Health Protection

CHAIR: I declare open the supplementary budget estimates for NSW Health. I thank departmental officers for attending. We have precisely one hour so I ask that members stick closely to the estimates questions so that the Director-General, who has prepared for them, can answer them.

The Hon. RICHARD JONES: The Director-General may be aware there has been some controversy over the health impacts of the M5 East tunnel, both on the outside and on the inside. I just handed you an email that was released in the documents on the tunnel that the upper House asked for recently. In that document, Penny Finlay, the principal officer of Sydney regional planning for the Environment Protection Authority [EPA], mentions that the Department of Health cannot give assurances about health effects around stacks. She says that may mean delaying the approval of the cross-city tunnel and the Lane Cove tunnel. She suggests in that email that you give Lisa Corbyn a call in relation to the uncertainty about the health impacts of the tunnel, inside and out. Can you advise us whether or not you have talked to Lisa Corbyn and whether the Department of Health has a policy now on the health impacts, not only of the M5 East but also of the cross-city tunnel and the Lane Cove tunnel?

Ms KRUK: It is probably worth clarifying the role of NSW Health in this matter before I go to the specifics of your question. You are aware that New South Wales has no legislative or regulatory requirement to participate in the assessment or the approval of major developments such as the M5 East tunnel. What is important is that the department provides advice to government departments or members of the public when requested in relation to such developments. In the case of the M5 East, the environmental health range was extensively consulted regarding the health impacts from this proposal. The department's advice on the M5 tunnel has consistently been that if ground level air quality complied with health-based air quality goals, then the proposal was satisfactory. The department has also recommended that carbon monoxide levels within the tunnel complied with the World Health Organisation 15-minute goal.

The conditions of approval for the M5 East tunnel included that the proponent, being the Roads and Traffic Authority [RTA], should monitor the air quality and four stations around the stack. If the stack is demonstrated to cause an elevation in prime particle levels above the health-based goals, then the proponent is required to install particle filtration. Another condition required the RTA to develop, implement and fund—which was going to cost $500,000 per annum for five years—a local air quality management plan. I am conscious, answering the second part of your question, that NSW Health has been in touch with the EPA, through the Chief Health Officer, on this issue and will continue to do so. I am also aware that there have been a number of meetings in the local community and NSW Health has also been involved in those meetings. It will continue its current involvement, receive any advice or answer any queries that are made in relation to the health impacts surrounding this stack.

The Hon. RICHARD JONES: NSW Health is actively involved in monitoring, I understand? You are going to have your own health study, are you not, into the impacts of untreated pollution from the M5 East tunnel? Can you give us any advice on how much you will be spending on that and when will that study be ready?

Ms KRUK: I am advised that we will be commencing a study to evaluate already reported symptoms in residents in and around the stack. There has been contact with residents groups, both directly by NSW Health and by the Minister's office, on this issue. The Minister has asked us to continue to monitor the state of science in this area and to do so actively. I am afraid I cannot answer your question in relation to costs for that particular work. I will take that on notice.

The Hon. RICHARD JONES: Dr Greg Stewart recently wrote to Paul Forward, Chief Executive of the Roads and Traffic Authority, asking for further information to be provided to NSW Health on the filtration system, particularly on the system capacity, the cost of catalytic treatment and on the operation performance of the CTA ESP and the denitrification pilot. In that letter he mentioned the system in South Korea and referred to the ECCO catalytic treatment system and the latest CTA ESP system as installed in South Korea and also mentioned the Matsushita denitrification test plant. Have you received details yet from the Roads and Traffic Authority and, if so, are they satisfactory?

Ms KRUK: I have before me a copy of the letter that you refer to. It is dated 19 August this year. I am advised that we have not received a response from the RTA on this matter. I am also

advised that we have been in discussion with the RTA and will continue to do so. I have just left a meeting that Mr Paul Forward was at, and we indicated that we will continue to be in contact with them on this matter. I reiterate it is not just a matter of working with the RTA. It is also a matter of working actively with the EPA to ensure that carbon monoxide levels in the tunnel are maintained below levels associated with potential impacts on health. You will understand that that involves a range of issues such as working with the RTA to ensure that proper traffic management practices are introduced to ensure that those levels stay within the safety limits.

The Hon. RICHARD JONES: I understand that the operation of the tunnel is unable to meet condition 70 in relation to health quality in the tunnel and that they have to close the tunnel on a regular basis. So, presumably, they will be looking at your request for the filtration equivalent. Briefing document of NSW Health No. BO2/805REV talks about in-tunnel pollution problems due to carbon monoxide and particles, and a combined system of ESP and catalytic treatment of regulated carbon will be required to control both these pollutants. Are you working with the RTA to ensure that such a system is in place in the tunnel to protect the health of people? That is at the end of the briefing document.

Ms KRUK: I think, without having the briefing document to which you refer in front of me, that is referring to the haze in the tunnel rather than the pollutants. Is that right?

The Hon. RICHARD JONES: The document talks about in-tunnel pollution problems due to carbon monoxide and particles, which I guess is both a health problem and a visual problem. You would be more interested in the health problem, would you not?

Ms KRUK: I am looking to see whether I have a copy of the document. Looking over the material I have, I do not have a specific copy of the document to which you refer, but I will look into that. I reaffirm that NSW Health is aware of community concerns regarding haze and potential health impacts from air pollution in the tunnel. I need to reaffirm again that we are working with both the RTA and the EPA to ensure that carbon monoxide levels in the tunnel at maintained below the levels associated with potential impacts on health. I stress that one of the major ways of doing that is through traffic management.

CHAIR: What is the current waiting list at the moment, in numbers?

Ms KRUK: As you are aware, NSW Health publishes all its data on a web site. You will also be aware from your close knowledge in the area that there are waiting times rather than waiting lists, but I am happy to run through the details that I have before me.

CHAIR: Just the total number waiting at the moment.

Ms KRUK: Between August 2001 and August 2002 the number of patients waiting more than 12 months fell by 2,856.

CHAIR: To what number now?

Ms KRUK: To 5,735. It is important to note that this is the lowest number of patients waiting more than 12 months since February 2000.

CHAIR: And the number waiting altogether?

Ms KRUK: It is probably useful that I provide you with the rest of this information. Between August 2001 and August 2002 the surgical waiting list fell by 1,910. In August 2002 86.2 per cent of patients were admitted on the day their surgery was performed. This is a significant improvement on the 81.1 per cent for the same month last year.

CHAIR: This is not information I require, to be perfectly frank. I just want the numbers waiting at the moment.

Ms KRUK: Have I answered your question, then?

CHAIR: No. You said between August 2001 and August 2002 it has fallen, but what is the actual number waiting, including the number waiting for more than 12 months? You can come back to that if you wish, as I do not wish to waste time.

Ms KRUK: Can I take that question on notice, so that the details can be gathered? I stress we collect waiting times.

CHAIR: You also publish waiting lists, the numbers. How much money is being allocated to each region for a waiting list reduction program?

Ms KRUK: We do not have a specific bulk budget allocation to deal with waiting lists per se, but a significant number of funds are dedicated with that purpose in mind. For instance, $1 million for elective surgery procedures in orthopaedics, ENT and ophthalmology in the Northern Sydney Area Health Service; $550,000 for more cataract operations in Shoalhaven hospital; $980,000 to increase the number of orthopaedic joint replacement operations at Wollongong and Shoalhaven hospitals; $1.2 million extra to the Central Coast Area Health Service for elective procedures such as ENT, orthopaedics and ophthalmology; $3.8 million for additional elective surgery at Albury, being orthopaedic and dental work, and at Wagga Wagga, orthopaedic general surgery and ophthalmology; $175,000 for additional elective orthopaedic surgery procedures at Dubbo Base Hospital; $2.8 million to the Mid North Coast Area Health Service for additional elective surgery procedures; $500,000 to Mid Western Area Health Service for additional elective surgery procedures in ophthalmology, ENT and orthopaedics; $120,000 to New England Area Health Service for additional elective surgery procedures in ophthalmology; $380,000 to Batemans Bay hospital to enhance the provision of ophthalmology services; and, finally, $820,000 to improve access to and enhance the provision of orthopaedic services at Bega, Cooma and Queanbeyan hospitals.

CHAIR: Is it a fact that people waiting for cataract surgery in Western Sydney are no longer being included on the Western Sydney Area Health Service waiting list?

Ms KRUK: I would have to take that question on notice. I am not aware of that exclusion. I will ask Mr McGregor to provide some additional material in relation to that issue.

Mr McGREGOR: On the issue of long waits that you have raised, as at 31 August 2002—the latest figures that I have—the number of people waiting more than 12 months for elective surgery was 5,735.

CHAIR: That is the figure that the Director-General gave.

Mr McGREGOR: That is down from 8,225 in June 2001.

CHAIR: The question that I asked related to the 1,500 cataract surgery patients who disappeared off the waiting list at Westmead. Why are they no longer being counted?

Ms KRUK: I am not aware of the number of patients, so I will take that question on notice.

CHAIR: The Commonwealth has decided to locate a radiotherapy unit on the mid North Coast. Has the department advised the Commonwealth of its preferred site for that facility?

Professor PICONE: We will take that question on notice.

CHAIR: Recently the Minister announced an additional $30 million allocation for the metropolitan implementation plan. What will happen to the rest of the money? He initially announced that $60 million or $50 million would be allocated for the metropolitan implementation plan.

Professor PICONE: An amount of $0.89 million was allocated to enhance clinical leadership across a number of sites, which included the appointment of senior clinicians; and $1.857 million was allocated for co-ordination in the area of cardiac services, emergencies, intensive care, radiology and stroke.

CHAIR: The Minister initially announced that there would be an allocation of $50 million or $60 million for the metropolitan implementation plan. He recently announced that $30 million of that amount had been allocated. Where is the other $30 million going?

Professor PICONE: An amount of $4.8 million has been allocated annually for the enhancement of services and medicine, geriatric medicine, cardiac care, rehabilitation, general medicine and paediatric services; $3.75 million has been allocated to facilitate area radiology networks; $0.7 million has been allocated annually for clinical integration of maternity services; and $1.9 million has been allocated annually for enhancement of the provision of inter-hospital transport services—

CHAIR: You are not referring to the $30 million that has already been announced?

Professor PICONE: This is in addition to that. These are the stroke units.

CHAIR: I want a list of all the services that will be provided using that $30 million.

Mr McGREGOR: In the budget allocation letter issued to area health services by the department the initial allocation on an annual basis was for $30 million—$29.1 million in fact. That represented the first phase of the allocation for funds under what we call the GMTT, which related to its first report on metropolitan hospitals.

CHAIR: So the next $30 million will be spent next year?

Mr McGREGOR: A second phase has since been announced, which I think includes funds for stroke services. That is $12.7 million on an annual basis. There is then a balance—of which details are to be formally announced—which will be based on recommendations by that committee to the department and the Minister.

CHAIR: He announced a rural funding package of, I think, $30 million?

Ms KRUK: It was $35 million.

CHAIR: I have not seen the details of that. Has it been announced?

Ms KRUK: That $35 million is made up of a range of initiatives: to provide $3.5 million for up to 30 general practitioner procedural training posts in rural New South Wales; $3.6 million over three years to implement strategies to increase the number of rural and regional anaesthetist for patient training posts; to advance the Area of Need Program by revising the program, by seeking to reduce administrative burdens and, in effect, by speeding up the program; and to fund scholarships for rural general practitioner positions. An amount of $180,000 has been allocated to provide assistance to Australian graduates to pursue an alternative pathway to the FRAGCP program, which will involve working in rural general practice and for permanent resident overseas trained doctors working in Area of Need positions to obtain full Australian registration and fellowship qualifications while continuing to work in rural areas. An amount of $1 million in infrastructure grant funding has been allocated to support the continuing medical education of rural specialists; to support the New South Wales Indigenous Medical Student Scholarship Program as a joint initiative with the Rotary Club of New South Wales; to support and expand the Advanced Specialist Trainee Posts in Rural Areas Program; and to enhance medical specialist training programs in rural New South Wales.

It is also worth looking at some of the Allied Health initiatives. The department has commenced recruitment action to fill the newly created senior position of Principal Adviser, Allied Health. NSW Health will continue to improve targeting of the expanded New South Wales Rural Allied Health Scholarships program to a value of $230,000 per annum for Allied Health students with a rural background who demonstrate an interest in a rural career. NSW Health will also continue the New South Wales rural allied health clinical placement grants which are available to assist students with accommodation and travel costs and placements in rural and remote New South Wales. NSW Health will also convene a forum of Allied Health professionals to develop other initiatives to respond to issues raised by the Rural Health Implementation Co-ordination Group, specifically on podiatry services. Tele-health services will be used to assist in mentoring and supervising new podiatry

graduates within the public health system; work will be undertaken to promote opportunities for podiatrists to provide services to Aboriginal communities through appropriate networks such as Aboriginal Medical Services; and additional funding of half a million dollars will be allocated to rural area health services to improve local access to podiatry services.

Depending on local work force supply issues, some of these funds may be used to support the involvement of private podiatrists. An important part of the package was related to work force issues such as nursing, which I think is worth mentioning in this forum. First, in relation to nurse practitioner positions, the Chair would be aware that the Government recently made an announcement seeking to extend the use of nurse practitioner positions in emergency departments and ICUs, but that also builds on a commitment to extend the use of positions within rural New South Wales. Currently, as you know, there are 12 approved nurse practitioner positions in rural and remote areas. We seek to expand those numbers in appropriate centres. In relation to the Nursing Reconnect program—I think you are familiar with this program—rural area health services have employed 186 nurses through the Nursing Reconnect Scheme, which connects nurses who have been out of the nursing work force with permanent, full-time or part-time position. These nurses, who have been out of nursing for two to 30 years in some instances, have come back into our hospitals to work at places such as Balranald, Bourke, Cooma, Cowra, Coffs Harbour, Lightning Ridge, Warren, Wee Waa and Wilcannia, to name just a few.

CHAIR: So the whole Nurses Reconnect Program came about because of this $35 million expansion of rural services?

Ms KRUK: No, the Nursing Reconnect Program was initiated by NSW Health. The funds in this program will seek to advance the use of that program.

CHAIR: Is that part of the $35 million, which is what I asked you about?

Ms KRUK: Resources will be used to encourage that program to continue.

CHAIR: Is that part of the $35 million?

Ms KRUK: I might get Professor Picone to add to that.

Professor PICONE: One of the major announcements is the establishment of the New South Wales Rural Institute. One of the purposes of that is to create, as you know, an infrastructure to have localised post-graduate teaching and training.

CHAIR: What funding has been allocated to establish that institute?

Professor PICONE: It is $2.5 million.

CHAIR: Where is that institute to be based?

Professor PICONE: A group of clinicians will advise the Minister and the Director-General on where it should be based. The Minister will head up that institute. It will be very much a clinicians' project.

CHAIR: That will cost $2.5 million?

Professor PICONE: I will obtain the details and supply them to the Committee before the conclusion of the meeting.

CHAIR: What does it cost to staff a two-vehicle ambulance station in regional New South Wales with a 24-hour seven-day-a-week capability? What is the staffing cost?

Mr BARKER: We will have to take that question on notice.

CHAIR: What sort of cost would be involved if you owned the land? What would it cost to build such a station? There must be some sort of planning figure?

Mr BARKER: I will have to take that question on notice.

Ms KRUK: We will provide that information to the Committee.

The Hon. JENNIFER GARDINER: I refer to an issue that was mentioned earlier—the Area of Need Program and the administrative aspects of it. What has been done to speed up the administrative aspects of that program?

Ms KRUK: We are still involved in discussions on that. We have consulted quite extensively within area health services. Our aim is to look at current time frames in relation to the existing Area of Need program to determine how we can make the most of our recruitment actions. There is a benefit in actually co-ordinating some of our recruitment actions. As you are probably aware, at the moment individual centres have been advertising on a centre-by-centre basis. We are also looking at the size of the current unit of the Area of Need Program, but it is really hard for a longer term initiative. We are also keen to have some consultations with the Commonwealth Government to see if we can make this part of a broader initiative.

The Hon. JENNIFER GARDINER: Have those consultations with the Commonwealth commenced?

Ms KRUK: We have signalled the Area of Need Program as being an issue that we seek to progress through discussions. We are conscious of the fact it is not an issue linked to New South Wales. We are quite conscious, as I said, that it is something we need to do in co-operation with the colleges. It should be part of a far more broadly based effort. It has been our concern that the impact of the current medical indemnity issue has had some profound impacts in regional and rural New South Wales. We are conscious of the fact that improvements to the Area of Need Program will obviously not rectify those problems, but we seek to make the best use of the Area of Need system to assist in meeting some of those vacancies.

The Hon. JENNIFER GARDINER: Following up on a question that was put on notice to Mr Knowles in relation to the forward budgets over a three-year period for each of the area health services, he said that he intended to publish them as soon as they were completed. Have they been completed?

Mr McGREGOR: There is an agreement in principle with Treasury to go forward with that initiative for the next three years. Discussions are now occurring around the level of growth funding that might be included as part of that program. You will recall that when the first three-year budgets were announced not only was there certainty; there was an element to meet the growth in demand for health services.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The Government is committed to an increase in preventive health as a proportion of the health budget, is it not?

Ms KRUK: As Mr McGregor indicated, we are currently involved in budget discussions. I think there has been a broad recognition, certainly in the context of the current State and Commonwealth negotiations relating to the health care agreement, that there is a need to invest in public health initiatives, particularly in primary health care. I think most recently in relation to the Obesity Summit it was quite clear that there is a strong evidentiary base around some of the very positive results that can come out of further investment in those areas.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is tobacco not likely to be the most cost-effective area of public health prevention? Is that not well documented?

Ms KRUK: The issue of tobacco has been acknowledged to be a very significant one but as I have also indicated—and I am very happy to provide you with some facts on that particular issue—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: In question No. 6 I asked about that, and the Minister said that the Quit program in New South Wales is $1.973 million and has 36.6 full-

time equivalent personnel and so on. I understand from a paper by Michelle Scolloy that spending in Australia, combined State and Federal, is just over the $1 per head per year.

Ms KRUK: Without having the answer to the question in front of me, I think the Minister probably would have provided a figure at that time. What is clear is that the figure that is reflected in the NSW Health budget papers in no way actually represents the full extent of government funds to control tobacco activity beyond the Health portfolio. Obviously, a number of agencies—such as New South Wales WorkCover, Police, and Gaming and Racing—have particular roles in the area of tobacco control. What is also significant is that the Government has quite recently established a major health forum chaired by Professor Steve Leader, which has as part of its brief to seek to advance a whole range of primary health care initiatives, of which tobacco and smoking are obviously one of the major ones. This committee is looking at a range of innovative ways of seeking to progress the current initiatives. You would be aware of the current campaign that is running on New South Wales televisions at the moment seeking to discourage adults from smoking both within the household and in cars in the vicinity of young children.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Certainly, my view would be that it is a disgrace to run a campaign like that when you have not done the most basic things in pubs and clubs from the Smoke-free Environment Act 2000. Is it planned to enforce the ban which was suggested as coming on within 12 months in the Smoke-free Environment Act 2000?

Ms KRUK: To recap, in September 2000 the Government introduced the Smoke-free Environment Act. This Act introduced an immediate ban on smoking in most enclosed public places, including shopping centres and malls, restaurants and cafes. Since 6 September 2001 smoking in dining areas in premises within a hotelier's licence or nightclub licence and registered clubs—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I understand the Act quite well. I want to know when it will be extended to pubs and clubs, which was suggested at that time was to be implemented by a self-regulation system within 12 months, and action would be taken if that did not happen. Two years have elapsed since then. Is the Government planning to take any stronger action on that? If so, when?

Ms KRUK: I will have to take that specific part of the question on notice. However, as a first principle the New South Wales Department of Health ensures compliance with the existing legislation through educational strategies and this is obviously preferable to prosecution. Accordingly, the department has developed—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: In terms of results or in terms of political outcomes?

Ms KRUK: I think in terms of outcomes. Accordingly, the department has developed a range of supported strategies to ensure that all sectors of the community, including proprietors, are well informed. I will take your question on notice.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: As I said, the Quit programs are running at just over $1 per head in Australia. The literature suggests that about $17 per head per year is cost effective. Is there any plan to increase the amount of money spent on Quit programs?

Ms KRUK: As I indicated, our budget is partly under negotiation but I do think that we have a record of achievement in this area. This is in no way is suggesting that there is not still opportunity for further gains. If you bear with me, it is probably worth looking at some of the statistics. The success rate to date—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I did not want to hear the statistics.

Ms KRUK: I am quite happy to provide them.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Not in the small amount of time I have remaining. Has the Government monitored changes in attendances at STD clinics, rates of STDs

or the ability of sex worker outreach programs to reach sex workers since the changes to the Disorderly Houses Act last year? If not, does it intend to do so?

Ms KRUK: I will have to take those three components of the question on notice.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Has NSW Health received legal advice on which standards are relevant to tunnel exposure—the WorkCover occupational health and safety standards or the World Health Organization ambient air quality standards—in relation to the M5 East tunnel? Can we have advice as to what legal advice was received regarding this?

Ms KRUK: I am unaware of any legal advice having been sought on this matter.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Do you know which standards are being used?

Ms KRUK: I am advised that there are no standards—sorry, you will have to bear with me. There are no internal standards at the moment.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is it planned to get some?

Ms KRUK: I am advised that there are standards for carbon monoxide.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But not for particulates.

Ms KRUK: But not for particulates.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Can you give me an answer to those questions on notice?

Ms KRUK: I will take that on notice.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Are you aware of the findings by Tom Beer at the recent Clean Air and Environment Conference? Are the departmental benchmarks still regarded as appropriate after the evidence he presented?

Ms KRUK: Can you repeat the question?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: How does NSW Health respond to the findings presented by Mr Tom Beer at the recent Clean Air and Environment Conference?

Ms KRUK: I will need to take that question on notice as well.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Are the benchmarks used by the department still regarded as appropriate or do they require re-examination?

Ms KRUK: I will also take that question on notice.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Are you concerned that there have been at least nine exceedances of carbon monoxide levels inside the tunnel in the last nine months and that people caught in the tunnel for breakdowns or other reasons are at great risk of toxic levels of carbon monoxide particles and benzene, given that about 25 per cent of drivers using the tunnel would be suffering from some medical condition? What is NSW Health doing about that?

Ms KRUK: I apologise that the Chief Health Officer is not here at the moment. As you will understand, he has been involved directly in relation to the incident in Bali. Therefore, I will need to take all those questions on notice to give you the answers you require. If you want to read further questions into *Hansard*, if there are issues on that matter, I will take those on notice too.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Are you aware that the Roads and Traffic Authority is using portal emissions as a way of alleviating the smog and haze inside the tunnel

on a regular basis, that is to say, incidents that occur daily, and for maintenance that occurs at least on seven or eight nights a month for five to seven hours at the time? Are you aware that the RTA is proposing to use portal emissions as a long-term operational strategy? What is NSW Health's view of this? What assessment has NSW Health done on the likely impacts on residents who live near the portals?

Ms KRUK: I will take those on notice, and apologise again that the Chief Health Officer could not join us today.

CHAIR: I understand that the Chief Health Officer is fairly busy today.

The Hon. RON DYER: The Government members, as presently advised, do not wish to ask any questions. However, we would like to convey our sincere congratulations to Ms Kruk on her relatively recent appointment as the Director-General of Health.

Ms KRUK: Thank you very much, Mr Dyer, and the committee as well.

The Hon. JENNIFER GARDINER: In answer to question No. 28 on notice about the number of equivalent full-time nurses and the various categories of staff employed, the answer given was that the NSW Health does not collect staffing information at hospital level. Is that correct?

Mr McGREGOR: That is correct. We do not collect ongoing information relating to staffing at individual hospital facility level at a departmental level. That is a matter for the area health services. We do obtain from them aggregated reports in relation to the facilities across the area health services.

The Hon. JENNIFER GARDINER: Can you provide that information?

Mr McGREGOR: The aggregated information?

The Hon. JENNIFER GARDINER: By area health service and aggregated.

Mr McGREGOR: Yes, we can.

CHAIR: On page 9 of the estimates last time there was a question about the ambulatory care centre out in the west that was meant to open in October. Has that opened yet?

Ms KRUK: It is due for opening. That is Campbelltown, is it not?

CHAIR: No, Western Sydney. It is part of the WIN strategy.

Ms KRUK: If you bear with me for a moment.

CHAIR: It was a series of questions about delayed openings and so on. While that is happening, I might make a comment for *Hansard.* On page 11 of the record the Minister quoted me as congratulating the Government on the northern rivers and mid north coast receiving 2 per cent of their share of the health budget. At the time I believed that to be true, but I no longer believe that to be true. They are within 2 per cent—that is plus or minus 2 per cent—of their share of the budget that remains after transfer money has occurred, which means that places like Prince Alfred might get another $60 million because patients from Lismore or Coffs Harbour get treated. It is only after that money is taken away that they get a fair share. My understanding at that time was that they got their fair share of the whole budget. I have since discovered that they do not, so I withdraw all the congratulations I gave at that time.

The Hon. RON DYER: So that is a personal explanation.

CHAIR: The Minister quoted me when I was not here. That is all.

Ms KRUK: Is that a statement?

CHAIR: That is a statement. I did not need confirmation of that, because I know it is true.

Ms KRUK: Mr Barker was going to respond to the statement. I am advised that it has proceeded to tender, but I am happy to provide further information on notice in regard to timing.

CHAIR: So it is not even built yet?

Mr McGREGOR: That is true.

CHAIR: The Minister said that the ambulatory care service, a $6 million capital project, will provide an integrated one-stop centre where patients can have their tests and surgery. He also said that it was to be opened by October this year.

Ms KRUK: I will ask Mr McGregor to outline the arrangements.

Mr McGREGOR: As I understand it, since that time the major redevelopment strategy, called the WIN strategy for the west of Sydney, has been announced and this project has been incorporated as part of that. The timing is dependent upon the progress of the WIN strategy, and has to fit into the elements of that.

CHAIR: The strategy includes a whole lot of things that have gone out to 2008, for Auburn and so on. It is of great concern that moneys allocated in the budget for capital works are not spent and are rolled over into the next year, and then the next year. How do we know how much is actually spent?

Mr McGREGOR: I do not believe that is the case in relation to the WIN strategy at all.

The Hon. RON DYER: Mr Chairman, I would be most interested to hear Mr Barker's response to your personal explanation.

CHAIR: Mr Barker may respond if he wishes.

Ms KRUK: Mr Barker, are you in a position to respond?

Mr BARKER: Yes. There are a couple of issues raised in that statement. The first issue is in terms of the RDF. That is a cash allocation that goes out, and it is the objective that the 2002-03 process is within the two percentage points. There is a review going on consistent with the three-year budget negotiations with Treasury for the next forward year. The audited financial statements of Northern Rivers, as with all health services, reflect, for the purpose of community understanding, full government services that that community receives, whether it receives them within that health service, within another health service or within the jurisdiction of another State. That is what we now show. So Northern Rivers can actually see what the per capita consumption of health services is by that community, no matter where the community receives those health services.

CHAIR: I am concerned about repatriation of those moneys in a real time way, particularly in terms of cross-border flows.

Mr BARKER: We are working especially with Northern Rivers. The CEO has been in active discussions with the department for about two years. Because of their quite positive approach, they are getting the benefit as it occurs, as will other health services.

Ms KRUK: Mr Chairman, could I ask Professor Picone to add to that, because there have been discussions on the issue of budget holdings, which also may be of interest to the Committee?

CHAIR: Certainly.

Professor PICONE: Mr Chairman, is that in relation to Northern Rivers?

CHAIR: I used Northern Rivers and the mid North Coast as an example.

Professor PICONE: We have a policy, which is called budget holding, which is a refinement of the resource distribution formula, and meant to give it a bit more of a kick along, probably in a more pragmatic, clinical sense. Patients frequently engage in genuine travelling—not just because their borders are side-by-side—but genuine travelling to go somewhere else to get a service which, if it could be built up locally, they would not have to travel to receive. That is very evident in rural areas and underpins a lot of the thinking behind the clinical thinking that developed the rural implementation report. The idea is, under a policy called Closer to Home, to estimate how many patients, for argument's sake, may travel from Northern Rivers to either Sydney or Brisbane, say for intervention cardiology procedures or angiography, make an estimate of how much that is on an annual basis, where the patients actually travel from, and then have that area health service in which the patient lives negotiate with the one to which they travel, to have the money returned and have that area health service hold it so that the services can be built up locally.

CHAIR: I understand what you are saying. But the reality is that at the moment, for the mid North Coast, for example, $35 million of that is allocated out of the RDF budget and substantially into the Central Sydney Area Health Service, and that money is not able to be accessed by the mid North Coast by increasing services at Port Macquarie or Coffs Harbour.

Professor PICONE: No. But the idea is that it will be able to do that.

CHAIR: But it is not now able to do that, and therefore the plus/minus 2 per cent of the whole RDF is not real; it is only a mirage.

Mr BARKER: But that money includes all tertiary services.

CHAIR: I know that. But that is $15 million in tertiary services that will never come back, and they cannot get their hands on the remaining $20 million, even if they want to, because they spend their money at the bone and joint at Prince Alfred.

Ms KRUK: Mr Chairman, under the budget holding policy, the idea is that agreement would be reached between clinicians and administrators to then build up that service. So, for example, a simple joint replacement—

CHAIR: But it is a case of the chicken and the egg. They cannot build it up until they have the money in their hands or at least a mechanism of getting the money into their hands. At the moment, that money is not even within their reach, because it was taken out of service before they do the RDF.

Professor PICONE: But we put that money into a pool, once it is agreed to, and either group draws down on it once those operations are agreed to.

CHAIR: That was the original plan of Dr Refshauge, but that is not what is happening now.

Professor PICONE: It has actually happened in some service areas over the past 12 months.

CHAIR: I am aware of that. But that is what should have happened, and it is not happening. I was congratulating the Government, not knowing that there was some jiggery-pokery going on.

The Hon. RICHARD JONES: If I could return to the question of the M5 East stack, which presents an ongoing problem. Are you aware of the briefing document prepared by Vicky Sheppard No. 98/433-4, subject "Update on Health Complaints around M5 East Stack", in which she talks about a large number of local residents complaining about asthma, eye irritation and headache problems, and in which she said, "The management of this problem has implications for other plans for Sydney road tunnels. The RTA hope to have approval for the cross-city tunnel by the end of the year. The predicted impacts from this stack, especially on the nearby high-rise apartments, are slightly greater than those of the M5 East"? What is the Department of Health doing to advise the RTA on the implications of the health impacts of the stack proposed for the cross-city tunnel?

Ms KRUK: I am advised that the issue it is one that we are looking into: that the symptoms actually occurred following normal levels of pollution. That is one of the things we intend to look at in

relation to the health study that has been commissioned. Hopefully, that will inform any further developments.

The Hon. RICHARD JONES: Will the Department of Health consider asking the RTA to delay the building of this tunnel until such time as these health problems are resolved? Or are we going to go ahead and have the same problems with the cross-city tunnel as we have with the M5 East? Will you take the lead on this issue, or will you just agree with the RTA?

Ms KRUK: I have signalled that we will work very closely with the RTA at the outset of the development of proposals of this type—not just tunnels, but proposals of this type. I would hope that the health study that we have commissioned would inform any interaction we have with the RTA. Similarly, I would propose and anticipate—as the department has in the past—working very closely with the Environment Protection Authority, given its regulatory role in this area.

The Hon. RICHARD JONES: Are you going to be concentrating as much on in-tunnel pollution as distinct from the pollution from around the stack, which is more difficult to pin down?

Ms KRUK: I am advised that there is obviously an interaction between pollution issues, both in-tunnel and above and around the stack. I am advised that we are in working closely with the RTA along those lines.

The Hon. RICHARD JONES: Are you or your staff aware of studies done by H. Takano et al, published in the *American Journal of Respiratory and Medical Care Medicine (2002),* No. 165, at pages 1329 to 1335, that showed that exposure to diesel particulates injures the lungs, similar to bacterial endotoxin? Does this mean that the inflammatory response induced is similar to the second or late-phase response in allergic asthma, and that diesel appears to augment asthma responses not through the initial allergic reaction but by synergistically increasing the pro-inflammatory mediators involved in the late response?

Ms KRUK: I have distracted Dr Corbett by asking him whether he would be willing to be sworn in to provide an answer to your question, as opposed to my relaying it. If that is possible, I would ask Dr Corbett to respond to the question.

CHAIR: Dr Corbett, would you announce your position?

Dr CORBETT: I am currently the Director of Health Protection, NSW Health. I am in the position of head of the Environment Health branch of the department. I have not read that particular paper. But I can say we are open to all manner of aetoliogical explanations for symptoms associated with exposure to car pollution. We do not have a closed mind. We are not saying that that exposure to pollutants at normal levels means those symptoms cannot be related to air pollution. That is why we are engaging Professor Marcus to examine the issue that we are looking at, that is, the whole range of possible interactions between the symptoms people are experiencing and pollution levels from this tunnel.

The Hon. JENNIFER GARDINER: Minister Knowles was asked question on notice No. 27, about the Ambulance Service, and he provided some figures showing the accounts payable for 31 December 2001 and 31 May 2002 were $14.1 million and $15 million respectively. What figure applies to accounts payable for the Ambulance Service, say, at the end of September if that is available, or at the end of August 2002?

Mr BARKER: We are in constant liaison with the Ambulance Service about its accounts payable situation, and we are working through a number of issues with it to bring it back to its 30 June position, which is creditors over 45 days. It does have some creditors over 45 days as we speak.

The Hon. JENNIFER GARDINER: So, as at 30 June, it did not have any creditors over 45 days?

Mr BARKER: That is right.

The Hon. JENNIFER GARDINER: But now it has gone back up again?

Mr BARKER: It has gone back up again since then, and we are working through a number of issues with them to bring them back under control.

CHAIR: Why is that the case? Is that because they have cash flow problems? It is a chronic issue with the Ambulance Service, is it not?

Mr BARKER: There is an income issue related to it. They do get various moneys from external bodies, and that presents some timing issues, so we are working with them to bring that to some resolution.

The Hon. JENNIFER GARDINER: Are there are any area health services with creditors outstanding for more than 45 days?

Mr BARKER: There are.

The Hon. JENNIFER GARDINER: Which ones?

Ms KRUK: Could we take that question on notice? I do not think Mr Barker would be able to give that information off the top of his head.

Mr BARKER: It is a part of our process. We work with the health services on a regular basis and work out with them to bring them back in line with our benchmark requirements.

CHAIR: You are aware of the seriousness of this, are you not? If it is a local provider, in an area health service like Tamworth, that has to wait more than 45 days, that is to their considerable detriment. If it then tries to put the hard word on you, it might lose its contract. So it does impact dramatically on small businesses.

Mr BARKER: We are also aware of the Dunn and Bradstreet survey done about a year ago which showed that the private sector is not up to our standards in quickness in making payments.

CHAIR: But the Treasurer has a very definite view on this**,** does he not?

Ms KRUK: Mr Chairman, can I pick that issue will up? You are aware that I am new in the position. I am currently meeting all of the CEOs, and one of the issues that comes up in my discussions with each of the area health services is the issue of creditors. We recognise the significance of the issue, particularly in rural and regional communities. That is why it is one of the issues we monitor regularly.

The Hon. JENNIFER GARDINER: Could you provide that information for each of the country area health services on notice?

Ms KRUK: We will take the question on notice.

CHAIR: There are many other questions, but I am conscious of the time and I know you have other things to do. If it is possible, could you get that information back to us within a week? That is important because the Committee has to finalise its report and table it by 24 October. So, even if the information is relatively abbreviated, or in dot points, rather in full-flowing sentences, I would be happy.

Ms KRUK: If we could have the *Hansard* proof as soon as possible. We will endeavour to do that.

CHAIR: I am advised that it will be available in the morning.

Ms KRUK: We will do whatever we can to make the commitment.

The Committee proceeded to deliberate.