EDUCATION AND HEALTH STANDING COMMITTEE

REVIEW OF WA'S CURRENT AND FUTURE HOSPITAL AND COMMUNITY HEALTH CARE SERVICES

INQUIRY INTO THE ADEQUACY AND APPROPRIATENESS OF PREVENTION AND TREATMENT SERVICES FOR ALCOHOL AND ILLICIT DRUG PROBLEMS IN WESTERN AUSTRALIA

TRANSCRIPT OF EVIDENCE TAKEN
AT KALGOORLIE
MONDAY, 14 SEPTEMBER 2009

SESSION TWO

Members

Dr J.M. Woollard (Chairman)
Ms L.L. Baker (Deputy Chairman)
Mr P.B. Watson
Mr I.C. Blayney
Mr P. Abetz

Hearing commenced at 12.11 pm

CHISHOLM, MR ANTHONY DALE
Acting Chief Executive Officer, City of Kalgoorlie-Boulder,
examined:

HICKS, MR ROBERT WILLIAM
Chief Executive Officer, Goldfields-Esperance Development Commission,
examined:

The CHAIRMAN: On behalf of the Education and Health Standing Committee, I would like to thank you for your interest and your appearance before us today. The purpose of this hearing is to assist the committee in gathering evidence for its inquiry into the review of Western Australia's current and future hospital and community healthcare services. You have been provided with a copy of the committee's specific terms of reference.

The Education and Health Standing Committee is a committee of the Assembly of the Parliament of Western Australia. This hearing is a formal proceeding of the Parliament and therefore commands the same respect given to proceedings in the house itself. Even though the committee is not asking you to provide evidence on oath or affirmation, it is important that you understand that any deliberate misleading of the committee may be regarded as a contempt of Parliament. As this is a public hearing, Hansard officers are here and they will make a transcript of the proceedings for the public record. If you refer to any document or documents during your evidence, it would assist Hansard if you could provide the full title for the record.

Before we proceed to the questions that we have for you today, I need to ask you a series of questions. Have you completed the "Details of Witness" form?

The Witnesses: Yes.

The CHAIRMAN: Do you understand the notes at the bottom of the form about giving evidence to a parliamentary committee?

The Witnesses: Yes.

The CHAIRMAN: Did you receive and read the information for witnesses briefing sheet provided with the "Details of Witness" form today?

The Witnesses: Yes.

The CHAIRMAN: Do you have any questions in relation to being a witness at today's hearing?

The Witnesses: No.

The CHAIRMAN: We will start with you, Mr Hicks.

Mr Hicks: Our interest in appearing before the committee today is the Goldfields-Esperance Development Commission covers the goldfields region, which is an area of approximately 771 000 square kilometres from the Ngaanyatjarra lands all the way to Ravensthorpe. It is a quite diverse and significant region. In fact, it is the largest region in the state. The health-related issues in Ravensthorpe, Esperance, Menzies, Wiluna, Coolgardie and Kalgoorlie-Boulder are quite different but there are also some remarkably similar issues across all those regions, which I will talk about in a while. I will refer to those key towns throughout the region and consider some of the issues that I think are relevant to those particular towns. Are you happy for me to continue along those lines?

The CHAIRMAN: Yes. We will give you 10 minutes each but if you do not have enough time today, you can provide more information by way of supplementary information. We might interrupt to ask you a few questions.

Mr Hicks: Ravensthorpe has been through some significant changes. It had a period of growth and is now going in the opposite direction with the demise of the Ravensthorpe nickel operation. Currently it has its own full-time doctor. I understand that the situation is manageable and that the hospital is very busy. They are quite happy with the way things are going in the hospital. However, members must be aware that a couple of prospective resource companies are likely to be established there. One of those is Galaxy Resources Ltd, which will mine lithium, and the other is Tectonic Resources, which is a goldmining company. The Galaxy Resources lithium mine is imminent. That will bring in additional employees and put some pressures on the Ravensthorpe health system.

The CHAIRMAN: When the government has to enter into a contract with a mining company, should something in the contract stipulate that the company will provide a nurse or other medical staff who would look after the company's staff and provide support to the community in which the workers live?

Mr Hicks: There is evidence elsewhere that that happens but if that mine was no longer there, what would happen? Ravensthorpe suffered from that when BHP pulled out of Ravensthorpe.

The CHAIRMAN: Where is the evidence that that has happened elsewhere?

Mr Hicks: In Leinster, as I understand it.

The CHAIRMAN: Was that part of the company's initial contract?

Mr Hicks: I do not know. I understand that with respect to the Ravensthorpe nickel contract, conditions were attached to the sale of that operation. When the new operator comes in there, in whatever form, I would expect there will be a significant drain on health sector. I do not know what that will look like. That sale happened at the time of the boom. My point is that three operations will impact in some way on the health services in Ravensthorpe.

Mr P. ABETZ: Do you have any idea of the numbers?

Mr Hicks: No, I do not.

The CHAIRMAN: How many of the staff are working on visas?

Mr Hicks: In the mining operation?

The CHAIRMAN: Yes.

Mr P. ABETZ: How many local residents are there compared with 457 visa workers and fly in, fly out workers.

The CHAIRMAN: Do the employees who will work for the mine have an impact on the health care services, whether they are local employees or people who come on board with 457 visas?

Mr Hicks: That is a good point. If you take the number of people who worked in Ravensthorpe when the nickel mine was in operation, BHP was looking a 100 per cent residential workforce. It did not achieve that. It had to introduce a hybrid system were a one-third were residential, one-third were FIFO and one-third were drive in, drive out workers from Esperance and other areas. That created all sorts of management and logistical problems for BHP, as I understand it. BHP told us that it would much prefer to have a 100 per cent residential workforce but it was impossible at that time because of the market. That has all sorts of flow-on implications for the health sector in Ravensthorpe. Obviously, it was planning to have 100 per cent residential and therefore the necessary adjustments can be made to the infrastructure and the health services. Notwithstanding that, BHP originally estimated it would have a workforce of 300 or 350, but it doubled that. It is very hard to plan and manage health services when we simply do not know some of the information or it is either inaccurate, underestimated or overestimated. How do we plan for that?

Mr P.B. WATSON: At one stage the amount of workers was going to go up even more, on top of the 350.

Mr Hicks: It went up to 650.

The CHAIRMAN: Should there be a formula to absorb the mine employees when there are more than 200 or 250 FTEs? Should the company put so much towards medical staff, community health and nursing services? Perhaps if there are more than 400 workers, they should provide even more.

Mr Hicks: Quite possibly. There is another dimension to this. Does the company itself employ the people or is it the contractors and subcontractors? That is when the waters start to get muddied.

Mr P.B. WATSON: Rob, did the mining company pay to house its workforce?

Mr Hicks: I understand that it did.

Mr P.B. WATSON: So it did put some money into it?

Mr Hicks: Yes. I want to move on to Esperance. I understand that planning is under way for the upgrade of the Esperance District Hospital. As I understand it, Esperance hospital needs significant upgrading. It was built some 60 plus years ago for a population of about 3 000. The town now has a population of approximately 14 500. I am informed that it has only one full-time doctor, who is on call, and the other nine odd—I am not too sure of the accuracy of that particular figure—are working part time. I understand they are elderly. It is very difficult to get a choice of doctor in Esperance. I understand that the doctor from Ravensthorpe does not have a lot of confidence in referring people from Ravensthorpe to Esperance because of the difficulty in getting appointments and the doctor of choice. It is a difficult situation for people in Esperance. It seems to me that consideration will need to be given to having full-time doctors and providing people with a real choice.

Mr P.B. WATSON: Is there not a full-time doctor at the hospital?

Mr Hicks: I cannot answer that question. The people of Esperance are supportive of the state government's decision to help fund a position to open a patient assistance travel scheme office. That was in the Reid report and is a good decision. Norseman has problems attracting doctors. The Shire of Dundas has to provide a council car and guarantee the doctor's income, I am informed. That creates all sorts of financial impositions on the local government, given that it relates to rate revenue and it has to consider the costly position of a doctor. Attracting and retaining staff is an issue for Norseman. I am also informed that there is a noticeable reduction in different services.

Moving on to Kalgoorlie, the attraction and retention of specialists is an ongoing problem. I do not know what can be done about that but it is a constant issue in the press in Kalgoorlie-Boulder, because it is the regional hub. The Kalgoorlie Regional Hospital is being upgraded but it is no secret that a significant amount of more funding is required to be spent on that. From all reports, I understand that another $120 million will do the job properly. I do not know what "properly" means. The $55 million that has been allocated will fix only part of the problem and consideration must be given to ongoing funding of the hospital for the future.

When I talk about the northern goldfields, I am talking about Leonora, Laverton, Menzies and Ngaanyatjarra. The hospital in Laverton is reportedly rundown and needs significant funds to be upgraded. I understand that the Leonora nurses' quarters is an important issue. Once again, in the northern goldfields, attraction and retention is a major issue and an imposition on local governments that have to put up the money to attract doctors and nurses.

The key points and commonalities are attraction and retention of medical staff, including nurses and Allied Health staff. That has not changed. What can be done about that? We are fortunate to have the Rural Clinical School based in Kalgoorlie-Boulder. From all reports, it is a big success in that doctors are tending to return to the regions. I understand that the results on graduation are

marginally better than their city counterparts, for whatever reason. That has been a successful model and it should continue to be supported at all levels.

Mr P.B. WATSON: Does that mean that the graduates must stay in the country?

Mr Hicks: After graduation?

Mr P.B. WATSON: Yes.

Mr Hicks: Not that I am aware of. The evidence seems to be showing that they tend to stay in the area. I believe that overseas recruitment is an issue. The process is too long and costly. That needs to be considered. If we can attract overseas doctors and get them here on a needs basis as quickly as possible, that will help out with the attraction and retention issues. I am informed that there are not a lot of dollars in the budget for the ongoing education of regional, rural and remote staff for personal development. That needs to be considered because it is also an issue of attraction and retention. If we get them out here and we cannot support them with their personal development and ongoing training, that can be a disincentive. Another matter that should be considered is the possible amalgamation of health provision and services, particularly in places such as Leonora and Laverton where the service provision is fragmented. It could be brought together to make better economies of scale between those organisations. There is an opportunity for that to occur in places like Wiluna and Laverton.

The CHAIRMAN: I will come back to the development commission. Can you tell us what support there is for royalties for regions?

Mr Hicks: We can certainly say that through royalties for regions, which our minister is responsible for, $15.8 million has been provided for the upgrade of the Kalgoorlie Regional Hospital. It is generally acknowledged that if it had not been for those funds, the upgrade of the hospital might not have progressed to the point that it is at this time. That has been very important. We maintain close relations with Geraldine Ennis through the heads of agency meeting that we have on a monthly basis. We are across the issues that she has to deal with.

The CHAIRMAN: By way of supplementary information, would you be able to give us a list of the health projects that are getting funding? I guess your support will come through the royalties for regions fund. What projects does that support? When I met Brendon and asked about the royalties for regions funding, he said that the funding was not for established programs but was for new initiatives in the regions. I am now putting it to you—I hope other people in the region will put it to you—that there has been a need to fund dialysis. That is a new service that is required in this region. There are stresses on the hospital system. The hospital currently has six renal dialysis beds that operate on two shifts a day and there are eight patients in Perth waiting to come back. They have to go to Perth to get renal dialysis. People who need renal dialysis could be cared for at home using home dialysis. This is a new initiative. I hope that through royalties for regions funding, you would look to support that new initiative that could be established in this area, which would mean a great deal to the patients and their families because they would be able to stay at home and be cared for by their family members at home rather than have to be transferred to the metropolitan area. I am flagging that. I do not know about other members of the committee, but I certainly will encourage people to apply. Brendon said that that money was for new initiatives. That is a new initiative. We will move on to Tony now.

Mr Chisholm: I probably do not have too much to add to what Robert has said. We support the decision to upgrade the Kalgoorlie Regional Hospital. Also, there is some positive support for the Rural Clinical School. We encourage people to get involved in welcoming those students to town. Although we do not have direct involvement in their appointments and things like that, there are here for some nine months or so and while they are here, they are involved in a lot of aspects of the community such as sporting groups and the like. That plays a role in bringing them back later on. We have an issue with attraction and retention. The medical profession requires state funding from

the Department of Health. My previous experience with the state government was with Main Roads. The state government is quite different from local government when it comes to conditions of employment. The City of Kalgoorlie-Boulder has had quite a bit of success in the past 18 months or so, even prior to the economic downturn, in turning around the staff through enterprise bargaining issues. Maybe some aspects of that could be used in the state government services area such as nursing and things like that. I am sure that information could be made available.

The CHAIRMAN: As the rural medical program is a success, I wonder whether, again, you might look into Aboriginal health workers. We are training 13 of them and they are going to call for more Aboriginal workers up at Broome. That might be something that you could look at here. In the past when I met with people from Kalgoorlie hospital, they wanted to have Aboriginal health workers rostered on for each shift. Particularly if you took up an initiative like home dialysis, again, it would be very good to have Aboriginal health workers who can work at home with those Aboriginal families and help them go through the treatment.

Mr Chisholm: Especially in the dialysis area. In the hospital itself, we do have Aboriginal clients. Obviously, having Aboriginal health workers there can assist to understand the patients.

The CHAIRMAN: That might be something that the development commission can look into because, again, it is a new initiative to try to get a program funded within the region so that the Aboriginal health workers come from local families and hopefully stay here and help support the healthcare services here.

Mr Chisholm: I certainly see some positives coming out of that. I do not have much more to add, other than to answer members' questions. I will be here later this afternoon in a slightly different capacity.

The CHAIRMAN: I have looked at the Royal Flying Doctor Service base in Perth and I know that Peter has been —

Mr P. ABETZ: I have had a look.

The CHAIRMAN: Are the RFDS planes kept here or in Esperance? Where are the members and staffed based?

Mr Hicks: Do you mean in Kalgoorlie?

The CHAIRMAN: For your region.

Mr Hicks: There are staff based at Kalgoorlie. A very good friend of mine is a pilot and I know some of the RFDS nurses and doctors. They are based here. I am not sure about where the aircraft are kept. I am not aware of any maintenance staff based in Kalgoorlie. Whether the aircraft is indeed based in Kalgoorlie, as distinct from the staff, is quite another matter. There is a technical definition of where they are based.

Mr P. ABETZ: I think the RFDS is officially based at Jandakot. That is where the maintenance facilities are.

Mr Hicks: That is right. If it were to be based in Kalgoorlie, what does that mean? The aircraft are moved all over the place. It is very difficult to say whether the aircraft are based either here or there at any point in time. I would have thought it would be based where it stayed overnight and was maintained overnight, but that is a technical question that I cannot answer. Certainly RFDS staff are based in Kalgoorlie-Boulder.

The CHAIRMAN: It might be that the pilots fly out from wherever to pick up the RFDS doctors and nurses within the area. The RFDS now has some additional planes and I wondered whether they were housed in different areas.

Mr Chisholm: They would be based where the specialist technicians are. It is difficult to get them based anywhere other than in the metropolitan area. They will be in Jandakot.

Mr Hicks: I suspect that it is Jandakot. I have asked that question of one of the staff and was given the ambiguous answer that Kalgoorlie does not have the maintenance capacity and therefore how could it be based here?

The CHAIRMAN: The RFDS does maybe 200 hours and then is it serviced for a general overhaul? I do not know whether a full team is needed at each place where it is based. We can follow that up later.

Mr P. ABETZ: Are there any issues regarding the big picture of the health service from your perspective, whether it is hospital or in-home service or whatever that, as a regional commission, you have picked up on? Are there any particular pressures in the health system that you see in the overall picture that we ought to be aware of regarding planning for the future?

Mr Hicks: One is transport. We are a big region. My understanding is that a weekly bus service will operate from Warburton to Kalgoorlie and back and from Warburton to Alice Springs and back. I am not too sure of the structure of the funding for that, or indeed whether it will be effective in sorting that out. Not so long ago there was an aircraft flying in and out of the goldfields and then there was a gap and we simply could not get people out to the lands at all. This bus service will now pick up from where that service left off. Given the time and distance factors, I would have to wonder how effective that will be. If people need to get from A to B very quickly and the RFDS is unavailable, there are concerns about how the bus will get there on time and whether the client base can be adequately serviced on time. Whether a bus service is going to pick up that gap effectively is questionable.

Mr P. ABETZ: My understanding is that the bus service is more for people who need to go for post-surgery check-ups. If their appointment can be slotted in on a Wednesday afternoon, the bus would leave from Warburton on Tuesday.

Mr Hicks: As we know, things do not work to those sorts of timetables. It will be interesting to see how it works. We will keep a close eye on it. Transport is a very important issue for us in the bush. I have already mentioned that getting specialists here is a critical issue. It is a question of making this place an attractive place in which to live. I have to deal with people asking me how they can get their kids into a school or how we can accommodate a doctor or a specialist getting involved in this community and making them feel welcome. All these sorts of issues are important. The other important factor—I am hearing this from a number of different agencies—is that there may be a lack of attention given to the desirability of living out here in the regions. There may well be a short-sighted view by some that it is just too difficult to get people out in the bush and therefore they do not try as hard as they should. I am coming up against this all the time. I understand that there are people, particularly in the metropolitan area, who would like to live out in the regions and in the bush, and that includes medical staff. They would find it a very desirable place in which to live. If there is a notion that it is not a desirable place in which to live, that needs to be dispelled.

The CHAIRMAN: We have been informed that some people might move from Perth to regional towns because housing is more affordable but although the housing is more affordable, they foresee that within five or 10 years there will be a great need for aged-care beds, nursing homes and dementia-care beds. Have you looked at your population statistics? Do you foresee that being a problem in this region? If you have not looked at that, maybe you would like to get back to us on that when you have.

Mr Hicks: Aged care is an important issue. Tony might like to volunteer some information on this. People are not staying around here to die. They are going elsewhere. I understand that that is putting a lot of pressure on the City of Kalgoorlie-Boulder to prop up its crematorium—it is a strange way of looking at it—and various services. We know that people are moving away from Kalgoorlie. We have two aged-care providers but they are struggling under the weight of costs to maintain their services. In fact, one aged-care provider, the Little Sisters of the Poor, is about to leave and will be

taken over by Southern Cross Care Australia. There is no question that it is a major challenge for the aged-care industry to keep down its costs and to provide a quality service in the bush.

Mr P. ABETZ: The population statistics that we were given show that when people get older, they move out of the area. It is quite different in this region, or around Kalgoorlie-Boulder —

Mr P.B. WATSON: They come to Albany!

Mr P. ABETZ: In places like Merredin it is a different situation. There is a growing population of older people there. Some people move there because it is cheaper housing out of Perth, whereas people seem to disappear from here when they come to the end of their working life.

Mr Chisholm: It is because when people are elderly, they look for higher quality medical services and the like. Esperance is an interesting analogy. A lot of people who retire from Kalgoorlie go to Esperance. That adds weight to the argument about the Esperance facilities. These days, I think as many people head to the west coast such as Mandurah because it is very close to Perth. It is a constant battle. It will be difficult to stop retired people from passing away in Kalgoorlie!

Mr P.B. WATSON: I am glad that you shared that with us, Rob. I will take it up with the local member.

Mr Chisholm: It is a serious problem for the city. The revenue that comes in through the cemetery is dwindling.

Mr P.B. WATSON: There is a one-liner there but I will not use it.

The CHAIRMAN: I thank you both for your evidence before the committee today. A transcript of this hearing will be forwarded to you for the correction of minor errors. Any such corrections must be made and the transcript returned within 10 days from the date of the letter attached to the transcript. If the transcript is not returned within this period, it will be deemed to be correct. New material cannot be added by these corrections and the sense of your evidence cannot be altered. However, should you wish to provide additional information or elaborate on particular points, please include a supplementary submission for the committee's consideration when you return your corrected transcript. Thank you both again for coming today.

Hearing concluded at 12.45 pm