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## **Healthy regions, healthy people**

A submission to the  
House of Representatives Inquiry into  
a New Regional Development Funding Program

**June 2008**

*This Submission is based on the views of the National Rural Health Alliance but may not reflect the full or particular views of all of its Member Bodies*

## HEALTHY REGIONS, HEALTHY PEOPLE

The National Rural Health Alliance (NRHA) is the peak body for rural and remote health in Australia and is comprised of 28 national organisations representing the consumers and providers of health services. The vision of the National Rural Health Alliance is equal health for all Australians by 2020. (A full list of its Members is included as Attachment 1.)

The overall poorer health status of the more than seven million people in rural and remote areas is well documented and is due largely to the impact of a broad range of socio-economic, behavioural and infrastructure-related determinants. Once ill-health is experienced, local access to health services becomes a factor. Adequate local health infrastructure is then required to enable services to be provided effectively, safely and in a sustainable manner.

Budget 2008 confirmed that the Rural Medical Infrastructure Fund and the Rural Private Access Program would be amalgamated into a new National Rural and Remote Health Infrastructure Program (NRRHIP) and that it will be administered by the Australian Department of Health and Ageing.

The Alliance continues to have a particular interest in regional development because of its major potential contribution to the health and wellbeing of the people who live in rural and remote Australia.

This submission will address only the first of the Terms of Reference.

### **1. Provide advice on future funding of regional programs in order to invest in genuine and accountable community infrastructure projects.**

#### **Alliance Position**

Government investment in regional development and community infrastructure for rural and remote areas can underpin better health outcomes and health services for people in those areas. Investments should be targeted to initiatives and areas in such a way as to maximise the returns to local and regional communities. Accountability should be assured through consultation with the local communities involved and regular reports to Parliament.

In its recent submission to the National Health and Hospitals Reform Commission, the Alliance recommended Government investment in a comprehensive plan to develop infrastructure, education and housing as a key strategy to improve the health and wellbeing of people in rural and remote areas. Strategic investment in infrastructure will not only enhance local health services but ensure that other services remain in small towns. The existence of a local hospital or alternative centre for acute care is a key to attracting and retaining other business sectors and professionals.

The health of people who live in rural and remote areas will benefit substantially from improvements in basic infrastructure such as more reliable energy supplies, better water quality and waste management, and improved 'health hardware' (taps, toilets, stoves, washing machines, fridges, etc). Also, infrastructures that support healthy behaviours such as participation in sports, performing arts, volunteer services and social networking are pivotal to preventing physical and mental health disorders.

People make decisions about leaving their rural community based on the availability of services such as a school, doctor, hospital or nursing home. Maintaining access to equivalent educational opportunities, professional services, infrastructure and telecommunications will help keep rural communities viable and dynamic. Community infrastructure and services are key factors for retaining the critical population mass necessary to ensure that communities continue to be sustainable, health-giving places in which to live.

Part of the differential in health status between metropolitan and non-metropolitan Australia reflects the much poorer health among Aboriginal and Torres Strait Islander people in Australia generally - and the fact that as one moves from metropolitan to remote areas the proportion of such people increases. This suggests that remote areas should be a priority for the allocation of regional development funding.

Developments in information and communication technology (ICT), such as broadband, have not to date brought the same gains to rural as to urban people. The necessary infrastructure is generally first made available in capital cities, where population densities are higher and returns greater, before it is extended to rural and then remote areas. Most of the plans for improved IT platforms of the last 10 years have acknowledged that at least 2 per cent – those in the most remote areas – will miss out.

Access to broadband must now be seen as a fundamental citizen's right and all people in rural and remote Australia should have ICT infrastructure that provides world-class speed, connectivity and coverage at affordable prices.

The role of regional development in contributing to good health and wellbeing should not be underestimated: communities that are inherently attractive and well-serviced are more likely to maintain a critical mass of population (which will support existing and new services) and will more easily recruit health professionals. The Alliance does much work in the area of recruitment and retention of health professionals to country areas, and it has long been promoting regional development as the best medium-term strategy for achieving this outcome. (See Attachment 2.)

It is quite likely that greater government investment in health, education and IT infrastructure in rural and remote areas would have such an impact on the sustainability of rural communities that some workforce issues would take care of themselves. This would reduce or eliminate the need for the special ad hoc incentives which currently exist to attract professionals to rural health services (eg relocation incentives).

Much of the work being done for rural health is being impeded by insufficient whole-of-government attention to the determinants of illness that fall outside the scope of the health sector. There is evidence to show that communities which provide good housing, good quality local schools, career opportunities, social and artistic outlets, safe roads and

affordable fresh food are healthy places for children and families. This means that investment in infrastructure in rural and remote areas, and other rural development activities, should be evaluated in terms of their returns in education, employment and health as well as other aspects of community viability.

To achieve a funding system for regional programs that will ensure investment in genuine and accountable community infrastructure projects, consideration will need to be given to both the direct and indirect returns to health - as well as the benefits accruing in other functional areas (housing, transport, employment, health hardware, recreation and tourism). The targeting of investment should also take account of the current level of need within a particular community and the potential sustainability of the community - with sustainable locations in greatest need warranting the most urgent attention.

Investment will be guided by general notions of benefit-cost ratios, with benefits accruing through improved community sustainability, health and wellbeing, educational outcomes, social cohesion, social inclusion and employment opportunity. One of the direct consequences for rural, regional and remote communities will be enhanced capacity to develop and retain a range of services that are taken for granted in metropolitan areas. The new regional development funding program is an excellent opportunity for Government to make a broader, longer-term contribution to the health of people in rural, regional and remote Australia.

## Attachment 1

### Member Bodies of the National Rural Health Alliance

ACHSE	Australian College of Health Service Executives
ACRRM	Australian College of Rural and Remote Medicine
AGPN	Australian General Practice Network
AHHA	Australian Healthcare and Hospitals Association
AHPARR	Allied Health Professions Australia Rural and Remote
AIDA	Australian Indigenous Doctors' Association
ANF	Australian Nursing Federation (rural members)
APA (RMN)	Australian Physiotherapy Association Rural Member Network
ARHEN	Australian Rural Health Education Network Limited
ARNM	Australian Rural Nurses and Midwives
CAA (RRG)	Council of Ambulance Authorities - Rural and Remote Group
CRANA	Council of Remote Area Nurses of Australia Inc
CRHF	Catholic Rural Hospitals Forum of Catholic Health of Australia
CWAA	Country Women's Association of Australia
FS	Frontier Services of the Uniting Church in Australia
HCRRRA	Health Consumers of Rural and Remote Australia
ICPA	Isolated Children's Parents' Association
NACCHO	National Aboriginal Community Controlled Health Organisation
NRHN	National Rural Health Network
RACGP (NRF)	National Rural Faculty of the Royal Australian College of General Practitioners
RDAA	Rural Doctors' Association of Australia
RDN	Rural Dentists Network
RFDS	Royal Flying Doctor Service of Australia
RGPS	Regional and General Paediatric Society
RHWA	Rural Health Workforce Australia
RIHG	Rural Indigenous and Health-interest Group of the Chiropractors' Association of Australia
RPA	Rural Pharmacists Australia—Rural Interest Group of the Pharmacy Guild of Australia, the Pharmaceutical Society of Australia and the Society of Hospital Pharmacists of Australia
SARRAH	Services for Australian Rural and Remote Allied Health

## Attachment 2

### Extracts from Alliance's submission to the Rural Workforce Audit

February 2008

#### Increasing the supply of health care

37. Rural infrastructure is crucial to an increased supply of health care. A procedural service cannot exist and an operating theatre nurse cannot work to their scope of practice unless there is recurrent funding and infrastructure is constantly updated to provide safe and appropriate facilities.

#### Enhancing the Indigenous health workforce

44. There will be a substantial interrelationship between the Government's Indigenous education agenda and the Indigenous health workforce challenge. For example, it will be difficult to improve school retention rates and educational outcomes for Indigenous people without significant investment in infrastructure, housing, sanitation, food and health.

#### Rural development: a strategic approach to both demand and supply

51. Because it makes rural areas more attractive places in which to live, rural development is the best medium-term program for recruiting and retaining health professionals in country areas. Attractive rural communities and lifestyles will lead to a greater number of spontaneous decisions by individuals (including health professionals) to go to and stay in such areas.
52. Investment in a comprehensive and high quality IT communications system is a prerequisite for both rural development and providing equitable access to certain health services, such as digital imaging and virtual medical procedures.
53. Given that indirect (or 'distal') determinants of poor health have significant impact in rural areas, improving both educational and health-related infrastructure has the added advantage of generally improving the health of local residents, thereby reducing the demand for health professionals. The Australian Government should therefore see rural and regional development as an investment in improved health and economic productivity.
54. Parts of the infrastructure that support business and community life in Australia are in need of major investment. An 'infrastructure report card' approach suggests that there is insufficient national investment, particularly in rail, water management, local roads and stormwater systems.<sup>1,2</sup> To these can be added information technology, public housing, public transport and new energy systems. The availability of high quality infrastructure improves the distribution and productivity of workers in all

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<sup>1</sup> See the 2001 Australian Infrastructure Report Card, at <http://www.infrastructurereportcard.org.au/>

<sup>2</sup> One for Victoria asserts that "As of 2005, some sections of Victoria's infrastructure have become deficient. Those of particular concern have been identified as roads, rail, ports, irrigation, stormwater, electricity and gas." See [www.InfrastructureReportCard.org.au](http://www.InfrastructureReportCard.org.au)

sectors, and governments should see expenditure on such infrastructure as an investment, not a cost.

55. The political will for major investments in rural and regional development depends in part on there being a shared vision about what rural and remote parts of Australia should look like in twenty-five years' time. The Australian Government should work collaboratively with the public towards such a shared vision. The vision would then need to be supported by national policies on population, settlement and access to services.
56. For these reasons a 'whole of governments' approach is necessary for effective rural development, which is of vital interest to people in the health sector, as well as to country people themselves.

### **Issues for specific sectors and professions**

#### Rural general practice

59. It has been predicted that the number of domestic graduates from Australian medical schools will increase by 81 per cent by 2012. Medical workforce planning will need to manage the flow-on effects of this significant increase in medical student numbers. Initially, this will involve balancing undergraduate student numbers with adequate training places. It will also involve strategies to ensure that there are sufficient numbers of clinical teachers, that allocation of teaching time and access to patients is adequate, and that necessary infrastructure to accommodate increased numbers of trainees and doctors is in place.

#### The workforce and the evidence base

93. Improved research infrastructure and quarantined funding for rural and remote health research would not only help improve the evidence base and the research effort, but would also help support the recruitment and retention of clinicians to rural and remote Australia. It would allow clinicians to maintain and develop their research skills and interests while working in rural and remote areas.

