New Zealand Labour government's budget fails to address health crisis

Sam Price
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The Labour-led government's 2018 budget, released May 17, is a woefully inadequate answer to New Zealand's desperate healthcare situation. Patients across the country are suffering because successive Labour and National Party governments have starved the country's healthcare system of funds for decades.

Last month 27,000 nurses in public hospitals voted in favour of a nationwide strike in July. There is widespread anger among nurses, healthcare assistants and hospital midwives over entrenched low pay, long hours and dangerous under-staffing.

Labour formed a coalition with the populist New Zealand First and the Green Party after last September's election. Labour's campaign promised an $8 billion healthcare boost over four years. A few days before the election, leader Jacinda Ardern told Fairfax Media: "It's simply unacceptable after nine years of this government that patients are not getting the timely care they need."

In April, however, Ardern warned that her government "will not be able to address nine years of neglect in one budget." Labour has adhered to strict "Budget Responsibility Rules," and intends to return a surplus of $3 billion and reduce net debt below 20 percent of gross domestic product.

Former Health Minister John Coleman admitted last year that the total District Health Board (DHB) deficit exceeded $117 million. Labour set up the 20 DHBs in 2000 on the basis of local "autonomy" and business "discipline." Many are now deeply in debt and enforcing service cuts.

The DHBs will need $14 billion for capital alone over the next 10 years. However, the budget only increases capital funding by $850 million and operational funding by $3.2 billion over four years. At $18.22 billion, the 2018 budget is a 10.16 percent increase, which does not keep pace with inflation, rising medical costs and a growing and aging population.

The rate of increase is similar to the previous National government's health spending, which rose 7.4 percent last year. The increase is also comparable to that government's first health budget in 2009, which, at $12.4 billion was 9.73 percent higher than the last health budget under the 1999–2008 Clark Labour government.

New Zealand's rate of youth suicide is the highest in the OECD, but the budget set aside nothing specifically for mental health. The previous National government had ring-fenced $100 million for mental health. This has been moved into general health spending.

Labour promised a $193 million boost over three years, placing nurses in schools, partially as an initiative to aid mental healthcare, and $30 million for the Canterbury region, which has had a dramatic spike in youth suicides since the 2011 Christchurch earthquake.

The budget reduced this fund to a mere $17 million over four years for extra nurses, and $10.5 million over three years to pilot the Green Party's free mental health service for 18- to 25-year-olds.

Labour is in the early stages of a mental health inquiry, which, according to Fairfax Media on May 27, will not be acted upon until the review is completed in October. Meanwhile, journalists are banned from reporting on the inquiry's public meetings and members of the public attending are asked to stay off social media.

The inquiry will undoubtedly conceal Labour's responsibility for the suicide rate, which is a result of decades of pro-market "reforms" started by the 1984-1990 Labour government. Youth suicides, especially prevalent in oppressed regions such as

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Northland, have risen steeply along with widening inequality and poverty.

Between 1987 and 1990, 51 healthcare facilities, including hospitals, rest homes and psychiatric medical centres, were closed, amalgamated or privatised. A further 55 suffered the same fate under National from 1990 to 1999 and 21 under the last Labour government led by Helen Clark.

Alzheimers New Zealand criticised the budget's lack of attention to dementia, "one of this country's greatest healthcare challenges." Over 60,000 New Zealanders are estimated to be living with dementia and the number is set to triple to over 170,000 by 2050. Care for Alzheimer's patients costs around $1.7 billion a year.

Hospitals are in desperate need of expansion and repair. Previous governments have pressured the DHBs to reduce spending and return fiscal surpluses.

South Auckland's Middlemore Hospital has raw sewage leaking from aging pipes into the walls. Buildings are riddled with asbestos and fungi such as stachybotrys, a toxic black mould. The hospital was made aware of this problem in 2010. The construction of the leaky, mouldy buildings took place between 1999 and 2001, under the previous Labour government.

Another building at the hospital has been flagged as "earthquake prone." Board chair Vui Mark Gosche told the *New Zealand Herald* on May 21 it will cost over $74 million to bring the building up to standard.

On March 13, department heads at the Counties Manakau DHB wrote to Health Minister David Clark highlighting the link between high rates of social deprivation and cardiovascular disease, the region's leading cause of death. They said a $7 million capital request to equip a second Cardiac Catheter Laboratory was still deemed "unaffordable."

There are long waiting lists for essential surgery. Frequently, gastroscopy waiting times are nearly four times longer than they should be, resulting in cancer being discovered too late. The ratio of dermatologists to the population is 1:215,000, while the international norm is 1:80,000–100,000, resulting in hundreds of referrals being rejected each year.

The Counties Manukau general medicine department exceeded capacity daily during the summer, which, it has warned, "does not bode well for the winter." In the winter of 2017, occupancy was up to 170 percent, so patients were placed in non-medical beds. The mental health department has reduced operating hours to four days a week for adults and the elderly, and three days for paediatrics.

The Counties Manukau DHB recently urged the government to build a new hospital. Clark's response was that it was "not necessarily required."

Waikato Hospital's neonatal unit has been overflowing, at nearly 110 percent capacity for the past six months, forcing five mothers to have their babies elsewhere. Last year, seven babies died within seven weeks at Waikato Hospital.

Waikato was one of several hospitals sending people away because of overcrowding. Some $6.7 million is being spent to build a 26-bed ward, but interim chief operating officer Dr Grant Howard said the hospital really needs 130 extra beds.

Last year, prostate cancer patients in the Southern DHB had their life expectancy severely shortened because their treatment was delayed up to ten months, when they should have been treated within a few weeks.

Phillip Leith, a 65-year-old lung cancer patient, died a day after being transferred from the Southland hospital to a nearby hospice. His family recounted the horrific story in the *Southland Times* on May 9. During a 48-hour stay in the hospital, he had to wait long periods before being given pain relief. He would frequently utter "help me," panicked and struggled to breathe.

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