



# **The Hon Barry O'Farrell MP**

## **Premier of NSW**

### **Minister for Western Sydney**

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## **MEDIA RELEASE**

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Tuesday 2 August 2011

### **NSW NEGOTIATES HISTORIC HEALTH DEAL: SECURES OUR FAIR SHARE**

The new NSW Government has led the way in negotiating an historic deal giving states and territories equal per capita share of an extra \$9.5 billion over six years, NSW Premier Barry O'Farrell and Minister for Health Jillian Skinner said today.

Under the revised Heads of Agreement deal, \$9.5 billion of the \$16.4 billion total extra funds will be brought forward and distributed to states and territories on an equal per capital share.

**NSW will gain an additional \$3 billion over six years – cash which the previous NSW Government was unable to secure.**

“Under the previous Heads of Agreement, negotiated by the former government, there was no such cash flow, no guaranteed annual payment for growth, and no guaranteed per capita share of growth funding for any state or territory,” Mr O'Farrell said.

“In fact, under that deal there was a very real possibility that NSW would not receive a fair share of the funds,” he said.

Mrs Skinner said, unlike the previous agreement, the new deal allowed earlier access to funds and much greater flexibility in moving funds between hospitals and services aimed at reducing hospital admissions – one of the NSW Government's key commitments.

“NSW Health financial modelling showed that under the February 2011 agreement NSW would have received very little, if any, additional growth funding until 2019/20,” she said.

“This new agreement allows NSW to invest more funds in the better management of people at home and in the community to keep them out of hospital.

“The people of NSW deserve a health system which can afford to grow, improve and adapt for many decades to come.”

The new deal means NSW will get an estimated \$184 million in 2014/15, \$391 million in 2015/16, \$477 million in 2016/17, \$631 million in 2017/18, \$631 million in 2018/19 and \$691 million in 2019/20.