

# \$730 million to secure Mersey Hospital

The Turnbull Government will provide \$730 million to secure the Mersey Community Hospital's future, give certainty to 470 staff and deliver vital health services for the people of North-West Tasmania.

The Commonwealth and Tasmanian Governments have reached an agreement to ensure the Mersey Community Hospital, which has 100 beds, remains a key health service for Devonport and surrounding regions.

The Commonwealth purchased the Mersey in 2007 amid community concern about the downgrading of services and the hospital has had no long term funding agreement since.

Under the new agreement, ownership of the Mersey will transfer from the Commonwealth to Tasmania on 1 July 2017. The Commonwealth will provide \$730 million upfront so the Tasmanian Government can run the hospital for the next decade. The Mersey will then operate in the same way as other public hospitals.

Prime Minister Malcolm Turnbull said this provided valuable long-term certainty to the hospital's 470 staff and patients, and delivers on the Turnbull Government's determination to ensure all Australians have access to high quality, well-funded healthcare.

The terms of the agreement will ensure the continued delivery of the best possible health services to North-West Tasmanians.

Premier Will Hodgman said the \$730 million payment, which will be fully exempt from GST calculations, is the biggest single cash transfer from the Federal Government to the Tasmanian Government ever.

The Mersey is a crucial part of Tasmania's health system, and critical North-West health infrastructure, and it is important the two Governments have been able to deliver the long-term certainty for the hospital the community deserves.

The Tasmanian Government will now be able to manage its public hospital system as a whole, meeting the community's health needs in the years ahead.