



Without blessing, deal never had a prayer



Analysis

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Any doubt about how much clout the Catholic Church wielded in the proposal for the Little Company of Mary Health Care to sell Calvary Public Hospital to the ACT Government was cleared up at the weekend, with news the deal had collapsed.

That much of the public debate had centred on the controversial clause in the deal to sell Clare Holland House to the Catholic health-care provider for \$9 million in the end meant very little, as Canberra and Goulburn Archbishop Mark Coleridge, whose advice the Vatican would seek before endorsing the proposal, had vehemently and publicly opposed the sale of the hospital since it was leaked to the media mid last year.

The Archbishop's opposition, according to Little Company of Mary Health Care chairman Tom Brennan, was enough for the Sisters of the Little Company of Mary – the order of nuns that controls the health-care company – to sink the proposal.

The political and religious wounds

will resonate for weeks or months, but what Canberrans ought to be concerned about is what this means for the future of public health services offered at Calvary.

The ACT Government had staked a lot, and in hindsight, too much of its future north Canberra health strategy on the sale going ahead.

With ultimate approval resting in the hands of parties external to the negotiations, the purchase of Calvary should never have been relied upon as an instant solution to the challenge of making the necessary financial investment in the ageing hospital.

Had the deal not been scuttled by the Catholic Church, it faced a likely defeat in the Assembly, with the Greens threatening to sink it if the hospice was sold.

The Government is now left with no clear plan B to maintain and improve the level of public hospital services in Canberra's north, particularly as demand for services increases with the ageing population.

The alternatives are clear: build a new hospital in the north at a cost of hundreds of millions of dollars, or invest \$200 million into Calvary over the next six years, and allow the ACT budget to absorb the massive dent that would make on the bottom line.

ACT Health Minister Katy Gallagher, who is also Treasurer, is likely to, in the short term, bite the bullet and make a substantial investment to upgrade Calvary, and perhaps take some comfort in the knowledge that she will not be spending any more taxpayer money than she would have had the sale gone ahead.

That the ACT Government is blameless in the unusual arrangement that led to the Commonwealth gifting a brand new hospital to the LCM in 1979, is little consolation for Gallagher, who now has the unenviable task of having to deliver unprecedented levels of health services at a time when the territory's budget can least accommodate it.