Mr. President, Members and Guests,

When I spoke here last April it was clear that we were facing an unprecedented decline in our economy. Unfortunately, over the last 12 months this deterioration in the country's finances has exceeded our worst fears.

No section of society has been spared; hundreds of thousands have lost their jobs; thousands more have been forced to emigrate; those lucky enough to have jobs have had their pay reduced and their taxes increased.

As a country, we are now facing a very grim economic and fiscal situation and it is imperative that we do not compound this with any rash decisions, which could further undermine the very difficult situation in which so many people now find themselves.

In any recession, it is the most vulnerable people in society who suffer most.

We have heard in our seminar on *Health and Medicine in Recession,* that the economic downturn has a negative impact on health service delivery and on the health status of the population.

Therefore, in any decisions we make, we must make sure that first class health services are in place for the poorest and the hardest hit in our society.

We must also work to maintain the health of the nation, because a key factor in any economic recovery is a healthy workforce.

This is a time for prudent consideration of what is important to us, as a people and a society. It is a time to ensure we safeguard our core values, protect our most vulnerable and put in place the building blocks to re-develop our economy.

It is also a time to examine new and inclusive ways of working in partnership, where partnerships have not existed before.

I believe this is the time, and the opportunity, for the Department of Health & Children and the HSE to forge new partnerships with the IMO. In these times of what I can only say are national danger, these partnerships are vital for our country.

It is our role, our duty and our responsibility to ensure that our overriding priority is that services for patients are protected and where possible, given the fiscal position, enhanced.

Already we know that public expenditure is going to be cut by €3 billion each year for the next three years.

These are enormous cuts by any standards and it is vital that they are implemented prudently and in a way that will protect the poorest and their most basic needs.

And nobody can dispute that an accessible high quality, equitable, public health service, is one of those basic needs.

The provision of healthcare is a significant cost to our exchequer - but a functioning healthcare system ,which is equitable to all members of society and delivers on a needs rather than income basis cannot, and should not, be looked at in just purely economic terms.

Public health services are not and never can be commercial businesses. Their objective is not the bottom line but top class care and treatment delivered around the clock, every day, 365 days a year.

And while healthcare does cost a very significant amount of money, it is worth investing in, as the millions of people cared for in our health service every year will testify.

Over the last number of years, funding for the health services has been slashed in a number of areas, beds have been closed and services cut back.

This will magnify the effects of any further cutbacks in healthcare funding on essential patient care.

We are constantly hearing about the cost of our health services but we hear very little about the enormous volume of work carried out, the high quality treatment, the innovations, and the life saving and life-changing procedures which were unknown just a few years ago and are now accepted as routine.

The majority of people in Ireland have always depended on our public health service and in the current economic situation the numbers relying on our public service are increasing daily and likely to continue to do so for some time.

I would warn against any attempt by the State to try and use the private health system to shore up an under-funded public health service.

Privatisation in the area of health has been proved to be a failed ideology across the world and can only ever benefit the better off.

While we acknowledge the role of private medicine in Ireland and the part it has played in the provision of some services, private medicine is not and cannot be a substitute for a publically funded system.

Neither is there a case for selling off our public health services to private entrepreneurs, as some people now advocate.

Many of us here today are familiar with the situation in the United States, where for years the private health service was run by the insurance companies which cherry picked who they would allow to subscribe and the illnesses they would cover.

The result was that 39 million people could not get any health insurance cover and lived in daily fear of becoming ill. Even now there are still millions of people in the United States without health insurance cover, which illustrates the on-going deficiencies of a system which is based on the rules of the market place.

I would also warn against any attempt to hand over sections of our public health service to the private sector.

The McCarthy Report has proposed many changes and there is no doubt that many things can be done differently and more effectively.

But we need to think wisely and prudently and not be beguiled into short sighted cuts which could have long term negative health outcomes.

For example, it would be extremely foolish to think that if you contract out the running of general practice to private companies you would get a better service.

The HSE already knows that there is no point any longer in going around with developers, trying to build new centres and force GPs into them, without proper discussions or negotiations.

At present General Practitioners are not being properly consulted by the HSE.

General practice in Ireland has a proud record. We have a same-day service, with no distinction between public and private patients, where 90 per cent of the work that comes in stays in general practice.

I am not aware of any situation anywhere in the world where general practice has been improved by the use of private companies. In fact in the UK, companies want to pull out because the business is not profitable.

The Irish public health services may need better management, they may need better outcomes in some circumstances, and they may need better relations between unions and employers to get the best out of the system.

They do not need to be handed over to the private sector.

While health services can and must be run efficiently and effectively and provide the best possible value for money, their efficacy for patients is dependent on the people who deliver these services.

The role of doctors has changed considerably in recent years but what has not changed is the fundamental vocational nature of their calling, which is predicated on professionalism rather than commercialism.

For doctors, the care of the patient is their priority; their job is to promote and as far as possible maintain good health; their role is to care and cure and not look after margins, profits and bonuses.

In this regard, I would like to say how much we deplore the attitudes and actions of all those who, in the current difficult circumstances, seek to blame public servants for situations which frequently they themselves have created.

Public servants – whether they are nurses, doctors, Gardai or fire fighters – are being depicted as leeches on society.

Their crime seems to be that they haven't lost their jobs and are trying to deliver services in the face of financial and staffing cutbacks. Having a permanent job in the public service in Ireland has now become a reason for vilification and the words 'public servant' a term of abuse.

With this continual barrage of criticism, people can easily forget the services which these public servants provide 24 hours a day, 365 days a year.

They can also forget how much they depend on these same nurses, doctors, Gardai, pharmacists and fire fighters when they are ill, under attack or in danger of life and limb.

The IMO is tired of this denigration of public servants and of being told that if we bring the ethos of the private sector into the public sector it will somehow transform it for the better.

We should respect what the public sector is about and we should respect the commitment and dedication of those who work in it.

And doctors should be particularly proud of their profession and of their role in advocating for and caring for patients without fear or favour in good times and in bad.

We should remember that public health doctors are in the forefront in safeguarding the nation's health and GPs, NCHDs and Consultants look after millions of people each year in surgeries, and as emergencies, in-patients, day-patients and outpatients.

Our health services cost money, but they are delivering results – and results of which we can be proud.

I think we must face the fact that even as we start to come out of the recession, there is unlikely to be much additional money provided for the health services for some time.

It is also difficult to see how any different system of health funding will increase the basic amount of money available. That is why planning and wise and inclusive decision making are more important now than ever before.

We await the report of the Expert Group on Resource Allocation and will be anxious to work with the authorities to see how this can be married with the Government's fiscal position and the Health Transformation Programme.

The issue of healthcare financing is at the top of all political agendas. Many political parties now advocate some form of universal healthcare and we ourselves will be debating the matter during the course of our AGM.

Today, we launch the IMO Policy on what should be the fundamental principles of whichever system of universal health may emerge.

Firstly, I must unequivocally state again that healthcare is not a commodity and patients are not users.

The fundamental principles of fairness and equity must apply and not the principles of market forces.

Bearing this in mind, the key guiding principles for our healthcare services must be:

That all citizens, not just medical card holders, are entitled to medically necessary care including hospital, GP services, community and long term care services which are ill catered for at present and that such care is free at the point of access.

Any universal health system requires social solidarity and the State must provide a safety net so that healthcare is in relative terms affordable for all income groups. It is vital that access to services is based on medical need only and not on an ability to pay.

Citizens should be able to see clearly what they are paying towards healthcare and what they are receiving in return. Health service entitlements and choices must be clearly defined. Quality of care must be the cornerstone of any health service regardless of whether providers are public, voluntary not for profit or private.

The doctor patient relationship is based on trust and understanding therefore patients must be allowed to choose their doctor.

Clinical autonomy must be guaranteed. Doctors must be free to diagnose and treat patients without interference from political or commercial interests. Doctors must also remain free to advocate for services on behalf of patients.

The management and flow of funds must be carried out efficiently and in the purchasing or provision of services the money must follow the patient.

The system must be flexible enough to cope with an ageing population, future trends in health care provision, increasing patient expectations and rapidly changing technology and treatment options.

There are already inequalities within our health services and it is vital that any new system does not reinforce these inequalities.

The Public Service Pay Agreement has transformation as the key feature for the next four years with new working arrangements for those working within the health sector.

The transformation programme cannot resolve all our problems but I believe with proper consultation we can address some of the serious inequalities in the health services.

In regard to the move towards the transfer of services from the hospital sector to the community, we need detailed consideration of how this will be funded. We have had too much experience in recent years of services being established and transferred without the resources following them.

The result has been what I can only term "virtual" services, which may look good in official statistics, but which instead of improving services leave patients worse off.

I know a number of hospitals in rural Ireland feel under threat. If the State is not in a position to provide infrastructure to replace hospitals that are closing down in these areas, where the local hospitals are so important, then there should be incentive schemes for healthcare providers, not developers, to ensure that these hospitals are replaced with appropriate services before the existing facilities are closed down.

The new Public Service Pay Agreement should assist the health transformation programme by facilitating the redeployment of some staff from the hospital service to primary care and enable others to work in a unified health system.

However, the transfer of a large range of diagnostic and prevention services to general practice will require consultation, discussion and resourcing.

The HSE needs to get around the table and discuss transformation issues and how they can be resolved.

While we may accept national pay agreements we equally need to understand what the current financial position is and the resources available and then we must agree jointly how they can best be used.

As an organisation we have clearly demonstrated that we are prepared to do business, our consultants and NCHDs have already shown a flexible approach both in terms of the extended working day and 5/7 working arrangements.

The new Public Service Pay Agreement also reaffirms the Government undertaking in respect of amendments to the Competition Act and recognises the significant role general practice has to play within the transformation process which can only be represented through the IMO.

The Competition Act is scheduled to be amended later this year and this will remove any doubt in the mind of the Department of Health and the HSE about the position of the IMO in relation to negotiations.

I believe it is only through consultation and an open and honest debate that any new system, whatever it may be, can gain support and commitment.

We must look at what is good and keep what works well in our health services and not make the fatal mistake of change for change sake.

It is vital that the HSE engages in discussions and consultations on all these issues which are now critical to the future delivery of our health services.

The IMO and its core industrial relations activities are as vital now as they have ever been.

Even within the context of the new Public Service Pay Agreement the role of the IMO in representing its members and meeting the challenges that the Agreement poses is critical for doctors and patients.

While it is accepted that the Agreement, if approved, will provide a period of industrial relations stability this does not infer that there will not be major industrial relations issues to be negotiated.

In dealing with IR issues on behalf of our members and within the context of the transformation programme I re-iterate once again that it must be our overriding priority that services for patients are protected and that doctors have the necessary resources to care for their patients.

I would like to turn now to matters that need to be our focus in the coming year.

Ireland is now facing a very serious shortage of doctors across all the specialty groups. Over the years there have been numerous reports and recommendations on manpower levels but unfortunately only limited action has been taken to address these problems.

There is no point in training doctors to high levels of skills for them then to leave the country because of a lack of a career structure.

We all agreed to a consultant delivered service, yet there is no definitive plan as to how we are to achieve this new balance within our hospital system.

Many specialties are now finding it impossible to recruit sufficient NCHDs and some specialties are only managing to operate through the goodwill of local GPs.

There is also a problem with GPs manpower and according to the ESRI Report this is going to be exacerbated in the next decade.

Public health and community health doctors are encountering real problems about recruiting doctors into their specialties.

The Irish health services must be an attractive place to work so that we can retain the highly trained professionals we have.

This is not about pay – it is about services, resources, enabling doctors to do what they do best – diagnosing and treating patients.

The future structures for Competence Assurance and Training are also a key issue.

Doctors have always recognised and held to the importance of on-going study and the development of their clinical expertise. They wish to attain the highest possible standards for their own professional development which will ultimately benefit patients.

Any new competence assurance structure needs to support the profession through the provision of protected time and an enabling environment.

I am pleased that the Medical Council will consult with the IMO in relation to new Competence Assurance structures over the coming months.

In terms of the new centralised training system for NCHDs we see our role as key to ensuring that our doctors receive the highest possible level of training appropriate to grade and specialty with protected training time and sufficient hospital consultant contact time.

In principle the IMO is supportive of the new proposed system. However, as with all agreements, the devil is in the detail and in the administration at local level.

We must ensure that all NCHDs around the country can avail of equal access and opportunity to training.

There is an undeniable benefit for the State, the doctor and most importantly the patient in a well structured and resourced training and continuing medical education system.

Industrial relations is the core activity of the IMO and our focus will not change.

Since we last gathered together doctors across the specialty groups have faced a tough and difficult year but we have had some successes which are detailed in our Annual Report.

But I want to use this opportunity to focus on the future and what the main challenges are for each of the specialty groups.

For our hospital consultants, we must now ensure that the new Consultant Common Contract is fully implemented.

The majority of hospital consultants in this country took up the new contract and are operating this contract in good faith.

The task ahead is to agree a transparent mechanism for the measurement of public/private work and to recognise that one size will not fit all settings.

Consultants now work even longer hours and the vast majority of them work in excess of their contracted hours for no additional pay.

The Contract must work and be seen to work by both parties involved and the agreed terms must be honoured in full.

Now that a new Contract has been agreed for our NCHDs, again the key focus is to ensure that it is implemented fairly across the country and that training is prioritised.

The IMO has shown its strong commitment and support for NCHD training and over many frustrating years has prioritised training in its negotiations with the HSE.

The recent NCHD Contract and High Court Settlement further demonstrates our objectives that our NCHD members will be in a position to avail of appropriate levels of training.

To this end we proposed solutions in terms of the implementation of the European Working Time Directive to ensure this goal is attainable and training time is not compromised.

For General Practitioners the transformation programme will have a major impact with the intention to move more services from secondary to general practice setting.

Unless resources follow the patient there will be a negative impact in terms of the ability of general practice to cope with such a huge additional workload without adequate funding.

Primary care teams have been much talked about in recent months but the reality and the virtual are worlds apart.

Most GPs support primary care teams and want to be involved but remain to be convinced that adequate resources will allow them to provide better services to patients.

It is only by engaging with General Practice, through the IMO, that real change can be affected agreed and implemented.

The evolving structures within the HSE pose particular issues for our community medicine and public health doctors.

The recent HINI Vaccination Programme, which was undertaken in the main by community medicine doctors, has resulted in a huge backlog of work and this must be addressed before any additional programmes are initiated.

The key challenge is to ensure that this important specialty is supported and valued within the new structures.

For public health specialists the review of the Interim Out of Hours Service is underway and our challenge here is to ensure that a safe and well supported service is in place.

We have seen plenty of chaos in the past 18 months, as the effects of the recession deepens and causes more hardship for all sections of society.

But I believe that in all this chaos lie opportunities.

As a society, the recession offers us an opportunity to re-examine our values and consider what kind of health service we want and how we are prepared to fund it.

We all want a better health service. The HSE's transformation programme offers opportunities but it also poses problems and challenges.

I believe that if the HSE works with the IMO, we can solve these problems and seize these opportunities.

The IMO is adamant that services cannot and must not be taken away without a better service being put in place for patients.

If services are just taken away, the effects for patients will be disastrous and it will inevitably lead to unnecessary disputes.

Over the last few years there has frequently seemed to have been a cultural unwillingness on the part of management to engage with the trade unions.

They seem to believe that unions are there to block everything.

This, of course, is simply not the case.

The HSE transformation programme offers us the opportunity to be part of shaping the health service to meet the needs of patients and to ensure that doctors are working within

an environment that fully utilises their unique professional skills for the betterment of patients.

It also gives us the opportunity to ensure that Ireland is an attractive and satisfying place to work for doctors.

I also believe that the public service pay agreement offers all of us, Government, HSE and the IMO an opportunity to build new relationships – based on mutual respect, trust, honesty and transparency.

It is our job to advocate for patients, to represent our members and to ensure that changes introduced actually work.

But this does not mean that we are opposed to the Department of Health & Children and the HSE.

Far from it.

We want to work with the HSE and the Department of Health and Children to achieve all this and I believe we can work together, in a better way, for the food of patients and the good of the country.

This can only come about through partnership between the public, the IMO, the HSE and the Department of Health & Children.

At this time I would like to congratulate our new President Professor Sean Tierney and I look forward to working with him over the coming year and assure him of our full support during his term of office.

I would also like to pay tribute and express thanks to Dr John Morris and all the Committee Members for their dedication and commitment to the IMO during the past year.

On your behalf I would like to thank the staff of the Irish Medical Organisation and recognise their professionalism and commitment which has contributed to the success of the Organisation.

Most importantly, I want to offer my gratitude and thanks to every individual member for their ongoing support and loyalty.

As I said earlier that I believe we are at a time of national danger.

John F Kennedy once said

"*The Chinese use two brush strokes to write the word crisis. One brush stroke stands for danger; the other for opportunity. In a crisis be wary of the danger but recognise the opportunity*",

I believe that in the national interest, the HSE needs to work with the IMO and develop a new and inclusive working relationship, where we are involved at every step of the transformation programme.

We in the IMO are ready to play our part. We are a strong Organisation with a track record of success.

We all want the same thing.

Let us use this opportunity now to work together.

Gura mile maíth agaibh go léir.