

‘Grossly unfair’: Ratepayers forced to fund GPs to stop hollowing out of towns

Six tiny WA shires collectively spend \$1.5m each year on GP subsidies while their residents face shorter life expectancy due to inadequate medical services.

[Paul Garvey](#)



Taj Maere, aged 10 and Arlo Maere, 9, are watched by their mother Amber McPherson at Lake Grace. Amber is thankful the town now has a GP thanks to the local council using ratepayers’ money. Pic Colin Murty

Before the West Australian wheatbelt town of Lake Grace was finally able to secure the services of a local GP, life for resident Amber McPherson meant never knowing when she and her youngest son were going to have to jump on an emergency flight for medical treatment.

The symptoms of her baby’s bronchiolitis should have been able to be treated by a GP, but, with no such service available, they had no other option but to fly to the city whenever his condition worsened.

“We had no GP here at the time, so we would have flown out at least three or four times,” she says. “If we had been able to just go straight to a GP and get that treatment instantly, we would have been able to bring my youngest’s symptoms down before having to fly out.”

Nowadays there is a GP in Lake Grace, but that is primarily due to the efforts of the shire which has spent hundreds of thousands of ratepayers’ dollars on subsidies.

It is a story echoed across Australia, with some of the nation’s smallest and most remote regional councils spending millions of dollars securing doctors for their communities. Those councils say they have been forced to fill a void left by federal and state governments that have abrogated their responsibilities.

The long-running struggle to secure adequate health services in the regions has also been blamed for contributing to shorter life expectancy and for contributing to the “hollowing out” of small towns as people relocate to major areas with better resources.

The issue is particularly acute in Western Australia, where the significant size and low population density of the state exacerbates the challenge. In the past few years, the neighbouring shires of Lake Grace, Gnowangerup, Jerramungup, Kojonup, Narembeen and Ravensthorpe have pooled their efforts in an attempt to encourage federal and state governments into action.

After comparing notes, those shires – with a combined population of fewer than 8500 people – found that they were collectively spending almost \$1.5m of their rates each year on subsidies and assistance for their GPs. For the Shire of Narembeen, their GP incentives accounted for a whopping 16 per cent of rates income.

While the shires are proud that they’ve been able to secure a vital medical presence in their communities, there is ongoing frustration that they have had to take on a role that should be served by the federal government.

For Lake Grace councillor Len Armstrong, the lengths his shire has been forced to go to is all the more galling for the sight of Anthony Albanese pulling out his Medicare card repeatedly during the last election campaign and [talking up the accessibility of health care](#) in Australia.

“We just laugh,” he tells The Australian. “That is just so bloody ridiculous.”



19/2/2026 Lake Grace Council president Len Armstrong and Chief Executive Officer Alan George say the laugh about the federal government’s claims of accessible health care. Pic Colin Murty

Mr Armstrong says the situation is unfair on regional taxpayers on multiple levels.

They pay income taxes, he notes, that disproportionately fund the medical needs of those in metropolitan areas. On top of that, the rates they pay are increasingly being spent on delivering health services supposed to be the remit of the states and commonwealth. The final, ultimate cost to those regional taxpayers comes in the form of shorter life expectancy. Those in the regions are more likely to die earlier due to the lack of access to services and equipment that are more readily available in the cities.

Far less is spent [per capita on Medicare benefits](#) in remote regional shires. According to the National Rural Health Alliance, a person living in Australia's most isolated local government areas will receive on average about half the Medicare benefits of someone the same age living in a city.

Mr Armstrong notes that ever-increasing amounts being spent on health by local governments means less money available for the council's core responsibilities. "It means that other infrastructure areas that should be the remit of local government just aren't being done," he says.

The work being done by shires, he says, is taking pressure off the state government by improving the efficiency of small state-run hospitals in the region and reducing the money spent on patient transfers.

A delegation travelled to Canberra last June to advocate for more assistance, and they have filed a submission for the upcoming federal budget. In January, they met WA Health Minister Meredith Hammat.

A survey by the Western Australian Local Government Association released last month showed that 41 shires across the state had together spent \$9.5m to support GP services. The bulk of that was spent on financially underwriting GPs.

Karen Chappel is a long-serving councillor with the Shire of Morawa in WA's Midwest. She is also president of WALGA and a vice president of the Australian Local Government Association. Local governments stepping into the breach on frontline health services has long been an issue right around the country, she says, but has grown worse in recent years.

The number of doctors in Australia, she says, is not keeping up with demand and those GPs are entitled to ensure they are properly remunerated for their skills.

She says the budgets of many small shires were being strained to fill a role that should not be theirs.

"From a local government perspective, it shouldn't be our responsibility. That's the bottom line," she says. "We're reluctantly stepping into this to fill the gap and provide these services."

Councils are able to recoup some of their health spending through financial assistance grants, but according to WALGA those grants have only covered 18 per cent of the local government spend on health.

Financial assistance grants provided to those shires only covered \$1.7m, or 18 per cent, of that spend.

“We go back to that principle that it doesn’t matter where you live, you should have equal access to health care. I don’t think that that is accepted necessarily at the highest level of government,” Ms Chappell says.

Expanded telehealth services have provided some relief, she says, but can’t fill the role of a proper local GP.

She says census data shows a marked decrease in people over 65 in some regional areas, as older residents relocate to access better medical services. That in turn can exacerbate the issues plaguing state-run hospitals around the country, which are increasingly struggling with large numbers of older patients who are medically fit to be discharged but who have nowhere else to go.

Liberal MP Rick Wilson represents the electorate of O’Connor, which covers more than 1.1 million square kilometres, says he has been trying to advocate for the shires of his electorate on the issue for most of his 13 years in parliament. Some shires, he says, are spending up to \$800,000 a year ensuring a GP presence.

“It’s grossly unfair that the cost burden of ensuring that these small towns get access to doctors, which is a pretty fundamental community service, is falling on the local councils,” he says.

“The Prime Minister stands up in parliament every day and [talks about urgent care clinics](#) being opened up in metropolitan areas all around Australia, but in towns of under 1000 people, if they do have a doctor, it’s generally because the local council is stumping up.”

Health Minister Mark Butler says the Albanese government is investing heavily in the training of new doctors, and has helped in the recruitment of dozens of GPs into WA through its funding of the WA rural workforce agency, Rural Health West.



Federal Health Minister Mark Butler says the Albanese government is helping recruit dozens of doctors into rural WA. Picture: NewsWire/Dean Martin

“We know people living in rural and remote areas face greater health challenges because of the tyranny of distance. That’s why we’re investing in more bulk billing, more doctors and more nurses for the bush,” he says.

He says while the regions are not yet out of the woods, “we are seeing things turn around”.

This year, he says, a record 2100 offers are expected to be made to junior doctors to begin Government-funded GP training.

“This investment is prioritising regional and rural areas, with half of Government-funded GP training occurring in regional, rural and remote areas,” he says.

Ms Hammat points to the state’s investment in training community pharmacists to diagnose and treat simple, common conditions as a step that would help regional and rural communities in the state.

“While the provision of primary health care is the responsibility of the federal government, the Cook Labor government will continue to advocate for access to GPs for rural, regional and remote Western Australians,” she says.

“We’re also doing what we can as a state government to improve access to primary health care, through our enhanced access community pharmacy pilot.”

For people such as Ms McPherson, the politics of health is a distant consideration. She just wants Lake Grace, the town she has called home since she was two, to have the same basic services as anywhere else. She doesn’t want to leave Lake Grace, but with ageing parents and three accident-prone young boys to look after, she may have little choice if her town loses its GP again.

“If there was no GP here, I’d probably have to go to Perth,” she says.