

*Australia's*  
**HEALTH** 2004



**The ninth biennial health report of the  
Australian Institute of Health and Welfare**

Australian Institute of Health and Welfare  
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### **Australian Institute of Health and Welfare**

Board Chair  
Dr Sandra Hacker

Director  
Dr Richard Madden

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**Australian Government**  
**Australian Institute of Health and Welfare**

26 Thynne Street  
Fern Hill Park  
Bruce ACT  
GPO Box 570  
Canberra ACT 2601  
Ph 02 6244 1000  
Fax 02 6244 1299

The Hon Tony Abbott MP  
Minister for Health and Ageing  
Parliament House  
CANBERRA ACT 2600

Dear Minister

On behalf of the Board of the Australian Institute of Health and Welfare I am pleased to present to you *Australia's Health 2004*, as required under Subsection 31 (1) of the *Australian Institute of Health and Welfare Act 1987*.

I commend this report to you as a significant contribution to national information on health needs and services and to the development and evaluation of health policies and programs in Australia.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sandra Hacker', written over a horizontal line.

Dr Sandra Hacker  
Chairperson of the Board

26 May 2004



## Editorial team

Paul Magnus (editor)

Ching Choi

Richard Madden

## Chapter coordinators

**Chapter 1: Introduction**

Mark Cooper-Stanbury

**Chapter 2: Health of Australians**

Kuldeep Bhatia, Paul Meyer

**Chapter 3: Determinants of health**

Lynelle Moon

**Chapter 4: Population health**

Paul Jelfs, Michael de Looper

**Chapter 5: Health resources**

Glenice Taylor, Tony Hynes

**Chapter 6: Health services**

Jenny Hargreaves

**Chapter 7: National health information and its development**

Ching Choi

**Chapter 8: Health of older Australians**

John Harding

## External contributors/Referees

The editorial team and authors thank the following organisations and individuals who provided comments on various chapters in *Australia's Health 2004*. Their critical and constructive comments added to the quality and authority of this publication and their valuable contribution is gratefully acknowledged.

Australian Bureau of Statistics  
(Australian Government)

Department of Health and Ageing  
(Australian Government)

Department of Veterans' Affairs  
(Australian Government)

Julia Brotherton

Stephen Duckett

Heather Gardner

Heather Gidding

Sandra Hacker

Brynley Hull

John Kaldor

Penny Kane

Kerry Kirke

Ann McDonald

Jake Najman

Paul Roche

Anthony Rodgers

## AIHW contributors

A number of AIHW staff have made significant contributions to the writing of *Australia's Health 2004*.

Fadwa Al-Yaman	Narelle Grayson	Andrew Phillips
Jason Armfield	Stephen Halpin	George Phillips
Clare Bayram	John Harding	Indrani Pieris-Caldwell
David Batts	Jenny Hargreaves	Leanne Poulos
Stan Bennett	James Harrison	Chrysanthe Psychogios
Rebecca Bennetts	Zoe Holdenson	Naila Rahman
Kuldeep Bhatia	Tony Hynes	Krys Sadkowsky
Karen Bishop	Lindy Ingham	Danielle Sellick
David Braddock	Paul Jelfs	Gary Slade
Clare Bradley	Paula Laws	Chris Stevenson
Helena Britt	Olivia Lawton	Judy Stewart
Illona Brockway	Kate Leeds	Elizabeth Sullivan
Meredith Bryant	Richard Madden	Amber Summerill
Katrina Burgess	Ros Madden	Ken Tallis
Louise Catanzariti	Paul Magnus	Nicola Tatham
Mark Cooper-Stanbury	Nick Mann	Glenice Taylor
Ching Choi	Guy Marks	Perri Timmins
Michael de Looper	Cid Mateo	Ian Titulaer
Carolyn Dunn	Sushma Mathur	Bin Tong
Bonnie Field	Ian McDermid	Phil Trickett
Gerard Fitzsimmons	Paul Meyer	Robert van der Hoek
Nicola Fortune	Sally Middleton	Graeme Vaughan
Fatima Ghani Gonzalo	Janice Miller	Odette Vogt
Diane Gibson	Lynelle Moon	Anne-Marie Waters
Heather Gidding	Manisha Nijhawan	Gail Weaving
John Goss	Kathleen O'Brien	Kathryn Webbie
Jacki Grau	Jane O'Hallaran	Xing-yan Wen

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## Preface

Welcome to *Australia's Health 2004*, the ninth edition of our biennial health report to the nation. Producing it is at the heart of AIHW's mission of 'better health and wellbeing for Australians through better health and welfare statistics and information'. As this report makes clear, there is plenty to be happy about with the health of Australians and their health services, as well as some serious challenges.

Health continues to be a growing and increasingly complex field of competing priorities from all perspectives—from the individual to governments, business, the health professions and the health services system. This is perhaps inevitable in a field of endeavour that costs Australia over 9% of its gross domestic product, or over \$3,500 per person.

As with most other OECD countries, health in Australia has been a story of seemingly relentless expenditure growth over the last few years, with some areas driving health cost increases more strongly than others. In Australia this is particularly the case with pharmaceuticals, dental services, and aids and appliances. There are areas of nursing and medical practitioner shortages as these workforces continue to get older and, in the case of doctors, they choose to work fewer hours than previously. Yet 50% of people undergoing elective surgery are treated within 4 weeks, although 4.5% wait more than a year.

In the meantime the health landscape continues to change and evolve. The ageing of the population is shifting the dynamics of problems managed and services offered. Most aged people are in good health, and maintaining this has been a priority. That is why, in this edition of *Australia's Health*, we are pleased to offer a special chapter on the Health of Older Australians. In doing so we are adding to significant work already undertaken by the AIHW on the community services aspects of ageing in our sister flagship, *Australia's Welfare*, and the broad view of older Australians outlined in our *Older Australia at a Glance* publication.

In the wider population risk factors such as smoking remain, while others, such as obesity and insufficient physical activity, have gained prominence. And the health of particular sections of the population, notably Aboriginal and Torres Strait Islander peoples, has not improved.

*Australia's Health 2004* not only describes all these separate issues, but attempts to bring them into a whole, to put them in a broader context.

As ever, this 2004 edition of *Australia's Health* is the product of hard work across the AIHW, and of many colleagues from outside the Institute. My sincere thanks go to all involved. Dr Ching Choi, who led the author team, and Dr Paul Magnus, editor of *Australia's Health 2004*, deserve special recognition.

Richard Madden

Director

# Overview—Australia's Health 2004

## Introduction

Over its 16-year history *Australia's Health* has been the nation's premier health 'report card'. For 2004 the verdict is 'very good' to 'very good plus', with continuing improvements in life expectancy, falls in the prevalence of many diseases and health conditions, and improved survival from them. Health services continue to be of high quality, and are widely available and accessible.

While all health improvements are welcome, there is still much to be done. Diabetes prevalence has risen, as have levels of obesity and insufficient physical activity. Smoking rates continue to be a public health challenge. There is still no evidence of overall improvement in the health of Aboriginal and Torres Strait Islander peoples.

This overview presents selected findings from the body of the report, and some health-related comparisons between Australia and similar countries. Please use the index at the back of the report to find pages containing more detailed information on topics of interest.

## Life expectancy

- Australians continue to live longer and can now expect to live for an average 80 years. For females, life expectancy at birth in 2002 was 82.6 years and for males it was 77.4.
- Australia's life expectancy is among the best in the world, ranking 4th for males and females in 2002.
- Life expectancy for Aboriginal and Torres Strait Islander peoples, however, is about 20 years lower than for other Australians.
- Overseas-born Australians have lower overall death rates than other Australians.
- Infant mortality rates in Australia have halved in the last 25 years, but half of the OECD countries have better rates. Babies of Indigenous mothers remain more than twice as likely to die in their first year as babies born to other Australian mothers.

## Ill health

The major burden of disease in Australia arises from long-term conditions such as cardiovascular diseases, cancers, mental illness and nervous system disorders. There is a much smaller contribution nowadays from infectious diseases.

- Cardiovascular disease is still the leading cause of death for both males and females despite a marked drop in death rates since the late 1960s.
- About one in five Australians had cardiovascular problems in 2001 and around 1.1 million have a disability as a result.
- Cancer ranks second as an overall cause of death, and its overall death rates fell between 1992 and 2002, but it now kills more middle-aged Australians than cardiovascular disease.

- Lung cancer caused most cancer deaths (7,303) in Australia in 2002, ranking first in males (4,760) and a close second to breast cancer in females (2,543 lung and 2,698 breast).
- Injury death rates have fallen markedly over the past several decades—but injury is still the leading cause of death for people under the age of 45.
- Suicide death rates have gradually decreased over recent years. The rate for 15–24-year-old males in 2002 was the lowest since 1984.
- Around 800,000 Australians are estimated to have a psychiatric condition causing disability.
- Dementia—including Alzheimer’s disease—affected an estimated 97,800 Australians aged 65 years or more in 1998. Over 95% of the associated disability was at a severe or profound level.
- Diabetes prevalence has more than doubled over the past two decades and is estimated to affect around one million Australian adults.
- Self-reported diabetes among Indigenous Australians in 2001 was almost four times as high as for other Australians.
- Recent surveys show that asthma affects 14–16% of children and 10–12% of adults. Children have much higher rates of hospitalisation for asthma than adults.
- There was an increase in the proportion of children with asthma in the 1980s and early 1990s, but no further increase since that time. There has been little change in the prevalence of asthma among adults over the past 20 years.
- Death rates for chronic obstructive pulmonary disease (COPD) have declined for males over the last three decades, but increased for females up to 1990 and have remained steady since.
- Arthritis and other musculoskeletal conditions are estimated to affect more than 6 million Australians (3 in every 10) in 2001.
- Arthritis and other musculoskeletal conditions cause more disability than any other medical condition, affecting about 34% of all people with a disability.
- Kidney failure caused over 1,900 deaths in 2002 and hospital care involving kidney dialysis was a leading reason for admission in 2001–02.
- The loss of all natural teeth has become half as common over the last three decades and now affects less than one-tenth of the adult population, but a larger proportion of those aged 65 years and over.
- Around 13,000 people were living with HIV/AIDS in Australia in 2002, with the number of new cases of AIDS now relatively stable at 200–250 each year.

- An estimated 225,000 Australians were living with hepatitis C in 2002, with around 16,000 notifications of newly acquired infection in that year.
- Two infectious diseases of global significance emerged early in 2003—severe acute respiratory syndrome (SARS) and avian influenza subtype H<sub>5</sub>N<sub>1</sub> ('bird flu')—but as at April 2004 only one SARS case (from overseas and during the 2003 outbreak) had been identified in Australia and none of bird flu.

## Health risks

- In 1999–2000, one in two Australian adults (over 6 million people) had blood cholesterol levels regarded as high (5.5 mmol/L or more).
- Over the last two decades the prevalence of high blood pressure among 25–64-year-old men and women has more than halved, but in 1999–2000 it affected around three in 10 or 3.7 million Australians over the age of 25 years.
- Obesity prevalence among adults aged 25–64 years has doubled over the last two decades, and about one in five are now obese.
- Almost a quarter (23%) of women from the most disadvantaged fifth of the population were obese in 2001, nearly double the rate of the most advantaged fifth (12%). For men the corresponding rates were 19% and 13%.
- One in five adults smoked daily in 2001, compared with 70% of men and 30% of women smoking in the 1950s.
- Recent data suggest that teenage smoking rates are declining or at least stable, but about one in eight young people aged 14–17 years smoked daily in 2001, 13% of the females and 10% of the males.
- Four in five Australians aged 14 years and over consumed alcohol in 2001, with about one in 10 doing so daily. These rates have been fairly stable for a decade.
- The vast majority of drinkers consumed alcohol at levels that posed only a low risk of harm to health, although one in 10 drank at levels that risked harm in both the short and long term.
- About one in six Australians aged 14 years and over in 2001 reported using an illicit drug during the previous 12 months, with one in eight using cannabis. There is no clear trend in overall illicit drug use since 1991.
- In 2000 more than one in two Australian adults did not undertake leisure-time physical activity at levels recommended for health benefits, including almost one in six who reported no leisure-time physical activity at all.
- Between 1997 and early-to-mid 2002 there was a marked improvement in child vaccination rates, but coverage was a little below the over-90% target for 2-year-olds and, at 81% for 6-year-olds, markedly under the target of near-universal coverage for children at school entry.

## Health resources

- Health expenditure in Australia represented 9.3% of GDP in 2001–02, compared with 8.7% in 1998–99 and 8.1% in the early 1990s.
- In 2001–02, \$66.6 billion was spent on health services in Australia. About 69% was funded by governments—46% by the Australian Government, and 23% by state, territory and local governments.
- Health expenditure classified by disease or injury group was highest for cardiovascular diseases, at an estimated \$5.4 billion in 2000–01 (or 11% of total allocated health expenditure). Nervous system disorders (including dementia) were next at \$4.9 billion, followed by musculoskeletal conditions (\$4.7 billion), injuries (\$4.1 billion), respiratory diseases (\$3.5 billion), oral health (\$3.4 billion), and mental disorders at \$3.0 billion.
- Spending on health by Australians from their own pockets has grown at a greater rate (7.7%) than funding by governments (5.7%) over the period 1997–98 to 2001–02.
- In 2000–01, the rate of health expenditure for people aged 65 years and over was three times that for the population as a whole.
- Expenditure on pharmaceuticals grew, in real terms, at an average of 11.9% per year between 1997–98 and 2001–02.
- In 2001 there were approximately 557,800 workers in the health services industry in Australia; 356,100 worked in health occupations, with 201,700 in other occupations.
- In Australia in 2001 there were about 51,800 medical practitioners, 244,500 nurses, 25,900 dental workers and 13,900 pharmacists. Overall, there were 2,322 health workers for every 100,000 people in 2001, up from 2,206 in 1996.
- Australia’s medical workforce increased by just over 12% between 1996 and 2001, but because doctors are working fewer hours the overall doctor supply remained steady at 357 full-time equivalent (FTE) practitioners per 100,000 population.
- The nursing supply in Australia was 1,024 FTE nurses per 100,000 population in 2001, unchanged from 1999 but down on the 1995 figure of 1,127 FTE nurses per 100,000 population.
- There was decreasing supply of health employees with increasing remoteness in 2001. For example, there were 1,147 people per 100,000 population employed in hospitals in major cities, and 601 per 100,000 population in very remote areas.
- The health workforce is ageing, with about 39% of health employees now aged 45 years or more. The female nursing workforce in particular has aged rapidly, with 42% aged 45 years or more in 2001.
- Nearly half of all doctors reported working 49 or more hours per week, higher than any other broad health occupational group.

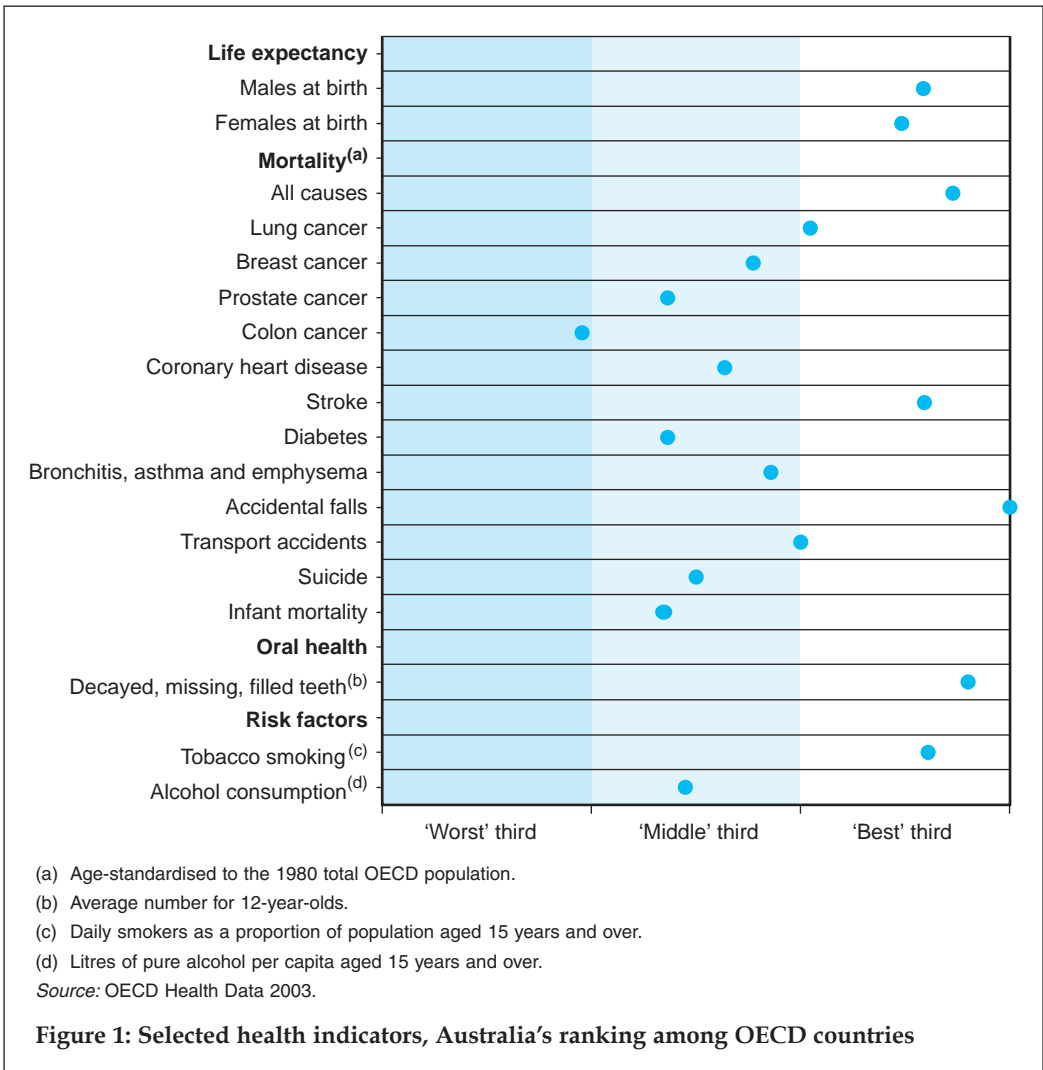
## Health services

- There were 6.4 million admissions to public and private hospitals in 2001–02. Admission rates for private hospitals rose by 35.7% between 1997–98 and 2001–02, and by 5.2% for public acute hospitals.
- There has been a shift in hospital use from the public to the private sector. From 1997–98 to 2001–02 the proportion of admissions that were in public acute hospitals fell from 67.4% to 61.7%.
- There was a clear upward trend in the proportion of hospital admissions that were day-only, from 46.3% in 1997–98 to 52.3% in 2001–02.
- Overall, the median waiting time for elective surgery in public hospitals was 27 days in 2001–02, but around 5% waited for more than 12 months.
- The proportion of public hospital emergency department patients that received care as urgently as needed varied from 99% for resuscitation patients to 59% for semi-urgent patients.
- Medicare provided benefits for 221.4 million items in 2002–03, 0.3% more than in 2001–02. Unreferred attendances (mainly with GPs) comprised 43.8% of the items and pathology testing comprised 31.8%.
- In 2002–03, 158.5 million community prescriptions were filled under the Pharmaceutical Benefits Scheme, 2.6% more than the 154.5 million in 2001–02. The medications most commonly provided were atorvastatin and simvastatin, used for lowering blood cholesterol.
- In 2002–03 GPs wrote about 9 million fewer prescriptions than they did five years earlier, mainly due to reduced prescribing of antibiotics for respiratory infections.
- The proportion of women of the target age (20–69 years) who were screened under the National Cervical Cancer Screening Program was 61% over the 1996–1997 two-year period, 63% in 1998–1999, and 61% in 2001–2002.
- The proportion of women of the target age (50–69 years) who were screened for breast cancer under the BreastScreen Australia programme was 52% over the 1996–1997 two-year period, 56% in 1998–1999, and 57% in 2001–2002.

## How Australia compares

The figure below shows broadly how Australia ranks on various aspects of health among the 30 member countries of the Organisation for Economic Co-operation and Development (OECD). Comparisons are made where recent data are available for a substantial number of the countries (on average 24 countries for each indicator), but data may not relate to the same year for each country.

For the items listed, Australia generally compares well, ranking in the best or middle one-third in most cases. However, for deaths from colon cancer, prostate cancer and diabetes, and for infant mortality, our performance ranks in or towards the bottom one-third of the countries compared.



**Figure 1: Selected health indicators, Australia's ranking among OECD countries**

