

Health expenditure Australia 2003–04

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Preface

In 2003–04, Australia's health expenditure totalled \$78.6 billion, representing 9.7% of gross domestic product (GDP). This compares with 8.3% of GDP in 1993–94. Given the continual calls for more resources across the different components of the health system, it is essential to understand what is currently spent if there is to be rational discussion about resource allocation.

Regular reporting of national health expenditure statistics is vital to understanding Australia's health system. Such statistics show the volume and proportion of economic resources allocated to the production and consumption of health goods and services, which in turn contribute to the health and wellbeing of the nation. Reporting of health expenditure involves estimates of the overall level of health expenditure as well as expenditure on the different components of the health care system. It also involves identification of the sources of funding for that expenditure.

Health Expenditure Australia 2003–04 continues the Australian Institute of Health and Welfare's series of reports on national health expenditures, which have been produced annually since 1986. This publication presents preliminary estimates for Australia for the year 2003–04, and time series data covering the period from 1993–94. It also provides detailed matrices of health expenditure at the national level for the years 2000–01 to 2003–04 and for each of the states and territories for the years 2000–01 to 2002–03 only. All previously published and revised matrices are now available on the Institute's website (<http://www.aihw.gov.au/expenditure/health>).

As was the case in the 2002–03 publication, there have been some revisions to previously published estimates of health expenditure, due to receipt of additional or revised data. Comparisons over time should, therefore, be based on information provided in this publication, rather than by reference to earlier editions. In particular, users should exercise caution when using the preliminary estimates as they are subject to change when more complete data are received from data suppliers.

Richard Madden
Director
Australian Institute of Health and Welfare

Abbreviations and symbols

ABS	Australian Bureau of Statistics
AHCA	Australian Health Care Agreement
AIHW	Australian Institute of Health and Welfare
APNHAN	Asia–Pacific National Health Accounts Network
CPI	Consumer price index
DoHA	Australian Government Department of Health and Ageing
DVA	Australian Government Department of Veterans’ Affairs
FCE	Final consumption expenditure
GDP	Gross domestic product
HEAC	Health Expenditure Advisory Committee
HFCE	Household final consumption expenditure
IPD	Implicit price deflator
NHA	National Health Accounts
OECD	Organisation for Economic Co-operation and Development
PBS	Pharmaceutical Benefits Scheme
PHIIS	Private Health Insurance Incentives Subsidy
PPP	Purchasing power parity
RPBS	Repatriation Pharmaceutical Benefits Scheme
SHA	System of Health Accounts
SPPs	Specific-purpose payments for health under Section 96 of the Australian Constitution
WHO	World Health Organization
n.a.	not available
..	not applicable
nec	not elsewhere classified
—	nil or rounded down to zero