

1 Expenditure on public health services in Australia, 2000–01

1.1 Background

Government-funded public health activity is an important part of the Australian health care system. Public health activities generally represent the organised response of society to protect and promote the current and future health of the whole population or of specific subgroups of the population and can be viewed as a form of investment in the overall health status of the nation.

The National Public Health Partnership (NPHP) defines public health as:

the organised response by society to protect and promote health, and to prevent illness, injury and disability. The starting point for identifying public health issues, problems and priorities, and for designing and implementing interventions, is the population as a whole, or population subgroups (NPHP 1998).

Public health is characterised by planning and intervening for better health in populations rather than focusing on the health of the individual. These efforts are usually aimed at addressing the factors that determine health, and the causes of illness rather than its consequences, with the aim of protecting or promoting health, or preventing illness.

This is the third comprehensive report on expenditure on public health services in Australia. The first, published in 2001, covered the financial year 1998–99 and examined expenditure based on eight core public health activities. The second report, published in 2002, covered financial year 1999–00 and examined expenditure on nine core public health activities, as for this report.

When examining how much is spent on health and who provides the funds for that spending, two concepts are used – funding and expenditure. These concepts, while related, are quite distinct (see Box 1). When discussing expenditure on public health activities, it is important to include some discussion of the particular funding arrangements.

This report shows estimates of funding and expenditure by the Australian Government, but in the case of other jurisdictions only expenditure is reported. Estimates of net funding by individual states and territories can be calculated by deducting estimated funding by the Australian Government through its public health specific purpose payments to the state/territory concerned.

Box 1: Defining health funding and expenditure

Health funding

Health funding is reported on the basis of who provides the funds that are used to pay for health expenditure. In the case of public health, although states and territories incur around 70% of the total expenditure through programs for which they are primarily responsible, they provide less than half of all funding for public health from their own resources.

The Australian Government, on the other hand, as well as funding all expenditures incurred through its own programs, provides specific purpose payments to states and territories. Those payments help fund programs for which the states and territories are primarily responsible. As a consequence, the Australian Government's contribution represents around 55% of total funding of public health activities in Australia.

Health expenditure

Health expenditure is reported in terms of who incurs the expenditure, rather than who ultimately pays for that expenditure. In the case of public health services for which the states and territories are primarily responsible, all related expenditure is incurred by the state and territory governments although a considerable proportion of the funding for those expenditures is provided by the Australian Government through specific purpose payments to the states and territories for public health (most notably payments under the public health outcome funding agreements (PHOFAs)).

1.2 Structure of report

In this report, expenditure on public health services during 2000–01 is analysed for each jurisdiction (the Australian Government, previously known as the Commonwealth, and the eight state and territory governments) through a separate chapter for each.

Each jurisdiction's chapter reports expenditure against the core public health activities. Detailed information is provided about particular programs within core activities, where it is considered important in understanding the composition of expenditure. In addition, jurisdictions have provided, on a voluntary basis, further information on expenditure for public health-related activities.

Some details of the methods and concepts used in developing the public health expenditure estimates are described in 'Technical notes' (Chapter 11), which also provide information on exclusions and inclusions for each health activity. In addition, a glossary gives definitions of concepts that may not be familiar to some readers.

1.3 Introduction

The core public health expenditure activities used in the 2000–01 collection are:

- *Communicable disease control*
- *Selected health promotion*
- *Organised immunisation*
- *Environmental health*
- *Food standards and hygiene*
- *Breast cancer screening*
- *Cervical screening*

- *Prevention of hazardous and harmful drug use*
- *Public health research.*

Jurisdictions were required to report on these nine core activities. An explanation of each of these activities is provided in the 'Technical notes' (see Chapter 11, Section 11.1).

As well as the expenditure information collected under the core public health activities, most jurisdictions collected information on other activities related to public health. This information enabled the jurisdictions to report on activities that, while not falling within the agreed definition of public health activities, they were considered to be important in explaining their overall expenditure. Such expenditures are reported separately and are not included in the estimates of expenditure on public health.

Total expenditure recorded by each state and territory for the core public health activities comprises three components: activity-specific, program-wide and agency-wide expenditure (refer to 'Glossary' for details). For the Australian Government both total expenditure and specific purpose payments to the states and territories have been recorded, with funding by the Australian Government being the sum of its own expenditures and the specific purpose payments it makes to states and territories. The Australian Government's own expenditure has been separated into two components 'administered expenses' and 'departmental expenses' (refer to 'Glossary' for details). The expenditures reported for this collection include only those incurred by the key health departments and agencies of the Australian Government and the states and territories (Figure 1.1).

This report includes only that part of expenditure on core public health activities by local government authorities (LGAs) and non-government organisations (NGOs) that was covered by funding provided by state and territory and/or Australian Government health departments.

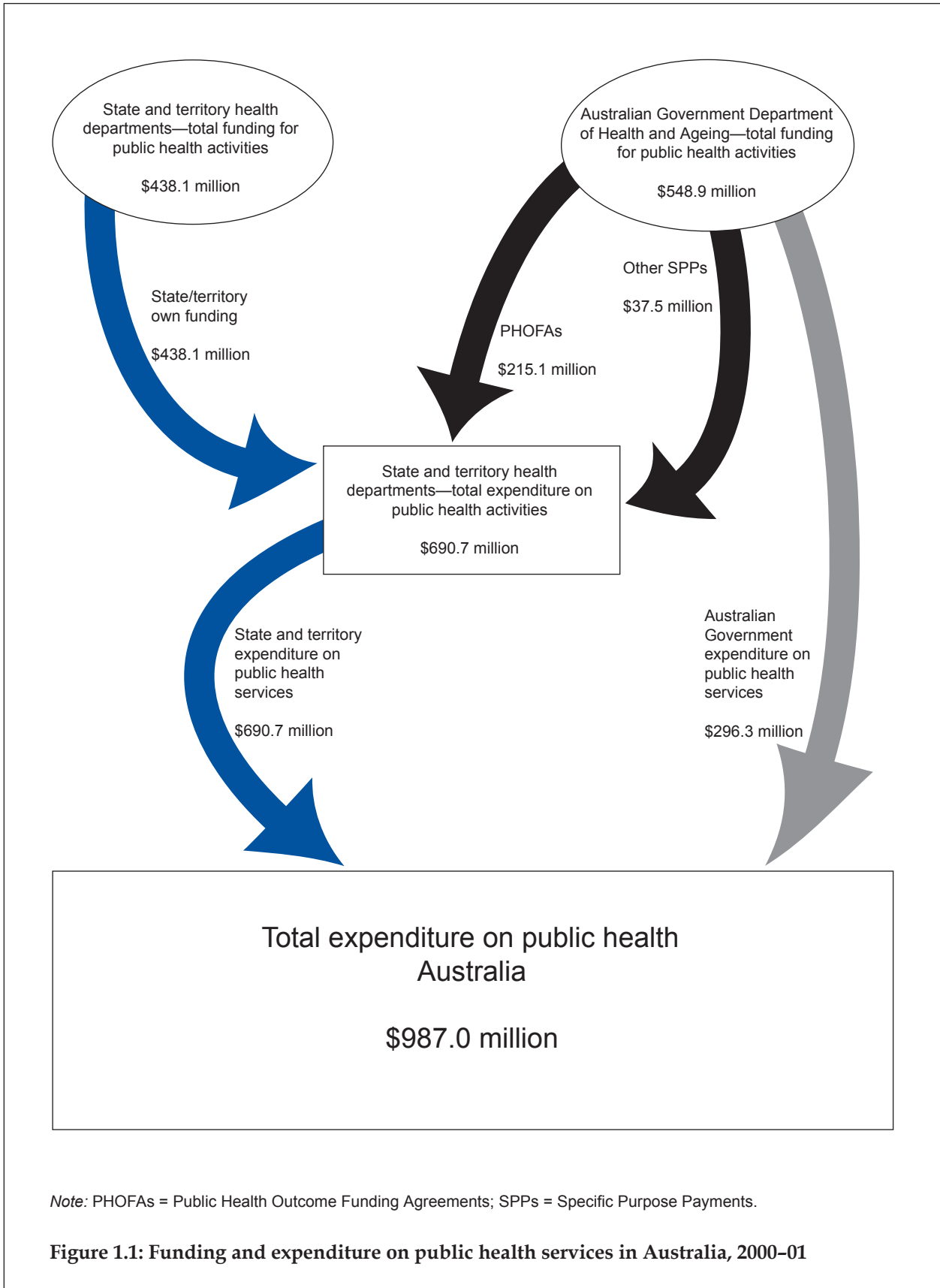
The report does not include expenditures incurred in complying with regulations within the general community, nor does it include the contribution made by households in preventing injury and illness and promoting healthy environments within the family and the larger community. These are, nonetheless, important contributions to public health.

As previously noted spending on public health is examined from two aspects:

- who incurs the expenditure (expenditure)
- who provides the funds for that expenditure (funding).

While state and territory governments are the major providers of public health services and therefore incur most of the related expenditure, the responsibility for funding those services is shared between the Australian Government and the state and territory governments.

The core public health activities used for the 2000-01 data collection are consistent with those used in the 1999-00 collection. This makes possible, for the first time, some limited comparison between estimates for 1999-00 and 2000-01.



1.4 Summary of results

- Total national expenditure on core public health activities during 2000–01 was estimated at \$987 million. This represents 1.7% of total recurrent expenditure on all health services in Australia, which is equivalent to that in 1990–00 (Table 1.1).
- The Australian Government funded \$548.9 million (55.6%) of the total expenditure. Of this, \$296.3 million was spent directly by the Australian Government and \$252.6 million as specific purpose payments to states and territories (Table 1.2).
- The state and territory governments funded \$438.1 million (44.4%) of the total expenditure (Table 1.2).
- Of the total \$987.0 million expenditure on core public health activities during 2000–01, the state and territory governments spent \$690.7 million or 70%, and the Australian Government \$296.3 million (30%) (Table 1.3).
- The four core public health activities attracting the highest levels of expenditure were (Table 1.3):
 - *Organised immunisation* – \$169.0 million (17.1%)
 - *Communicable disease control* – \$163.6 million (16.6%)
 - *Selected health promotion* – \$155.3 million (15.7%)
 - *Prevention of hazardous and harmful drug use* – \$146.2 million (14.8%).
- After allowing for inflation, real growth in public health expenditure between 1999–00 and 2000–01 was estimated at 8.0% (Table 1.6).
- In real terms, expenditure on all core public health activities increased between 1999–00 and 2000–01 except for *Breast cancer screening*, which showed a small decline (Table 1.6).

Table 1.1: National expenditure by the Australian Government and state and territory governments on public health activities, and total recurrent health expenditure (all sources), Australia, 2000–01 (\$ million)

Expenditure type	1999–00	2000–01
Total core public health expenditure	884	987
Estimated recurrent health expenditure	52,389	57,297
Public health as a proportion of total recurrent health expenditure	1.7%	1.7%

Source: AIHW 2003.

1.5 Government funding of public health services

The Australian Government funded \$548.9 million (55.6%) of the expenditure on public health activities during 2000–01. State and territory governments provided the balance of \$438.1 million.

Over half of the Australian Government's funding (\$296.3 million) was for expenditure that it incurred through public health programs or activities for which it is primarily responsible. The remaining \$252.6 million was provided to states and territories by way of the specific

purpose payments (Table 1.2). Of the total Australian Government specific purpose payments to state and territories, \$215.1 million or 85% was provided under the PHOFAs (Figure 2.1).

Table 1.2: Funding of public health expenditure by source of funds, 2000–01

Source of funds	Amount (\$ million)	Proportion of total public health expenditure (%)
Funding by the Australian Government		
Australian Government's expenditure	296.3	30.0
Payments to the states and territories	252.6	25.6
<i>Total Australian Government funding</i>	<i>548.9</i>	<i>55.6</i>
Funding by the states and territories	438.1	44.4
Total funding of core public health activities	987.0	100.0

1.6 Expenditure on core public health services

Total expenditure incurred by states and territories on public health activities during 2000–01 was \$690.7 million or approximately 70% of all public health expenditure (Table 1.3). The remaining 30% (\$296.3 million) was expenditure incurred by the Australian Government.

At the national level, *Organised immunisation* accounted for \$169.0 million or 17.1% of all expenditure on core public health activities by all jurisdictions during 2000–01 (Table 1.3) and reflected the most significant area of public health expenditure.

Other significant areas of expenditure were:

- *Communicable disease control* – \$163.6 million (16.6% of total expenditure on core public health activities)
- *Selected health promotion* – \$155.3 million (15.7% of total expenditure on core public health activities)
- *Prevention of hazardous and harmful drug use* – \$146.2 million (14.8% of the total expenditure on core public health activities).

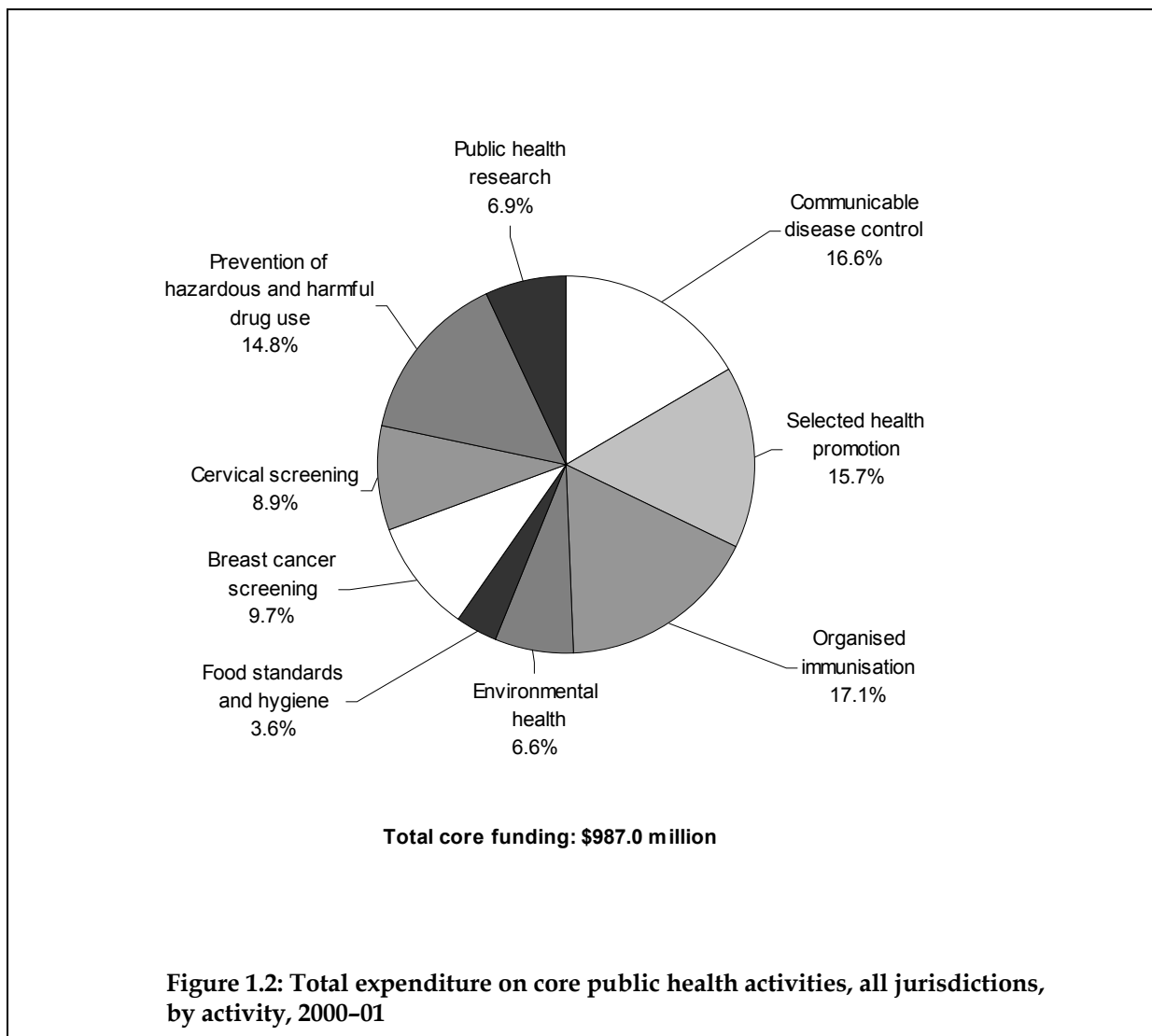
Table 1.3: National expenditure by the Australian Government and states and territories on core public health activities, 2000–01 (\$ million)

Activity	Australian Government ^(a)	States and territories ^(b)	Total	Proportion of total core public health expenditure (%)
Communicable disease control	21.3	142.3	163.6	16.6
Selected health promotion	30.9	124.4	155.3	15.7
Organised immunisation	50.9	118.1	169.0	17.1
Environmental health	14.5	50.7	65.2	6.6
Food standards and hygiene	16.6	18.4	35.1	3.6
Breast cancer screening	3.3	92.7	96.1	9.7
Cervical screening	61.8	26.4	88.2	8.9
Prevention of hazardous and harmful drug use	41.2	105.0	146.2	14.8
Public health research	55.4	12.7	68.0	6.9
PHOFA administration ^(c)	0.3	—	0.3	—
Total expenditure	296.3	690.7	987.0	100.0
Proportion of total core public health expenditure (%)	30.0	70.0	100.0	..

(a) Australian Government expenditure does not include its funding of state/territory expenditures through specific purpose payments to states and territories (see Glossary for an explanation of this term).

(b) Activity-specific, program-wide and agency-wide expenditure incurred by state and territory governments, including expenditure that are wholly or partly funded through Australian Government specific purpose payments to states and territories (see Glossary for an explanation of these terms).

(c) Relates to expenditure incurred by the Australian Government in administering funding under the PHOFAs.



1.7 Expenditure by jurisdictions

Care should be taken when comparing public health expenditure estimates across jurisdictions. There are a range of economic, social and demographic factors which impact on public health expenditures within jurisdictions.

In addition, there are a number of data collection differences which make comparability between jurisdictions difficult. These include:

- some jurisdictions (Tasmania and the Northern Territory) report their expenditure data on a cash accounting basis and therefore include capital expenditure if incurred during the reporting year. Other jurisdictions report their expenditure on an accrual accounting basis
- expenditure estimates may be apportioned differently across health activities due to differences in data collection methods across jurisdictions
- central corporate costs have been excluded by some jurisdictions from their health expenditure estimates.

In the case of aggregated expenditure, the largest states, in terms of population, had the highest level of expenditure in most areas. As for proportions of expenditure across public health activities, different patterns of expenditure emerge across jurisdictions. For example, New South Wales and Victoria, the two most populous states, allocated the highest proportion of their expenditure to *Communicable disease control* (27.0% and 20.0% respectively), this was not the case for other jurisdictions. In Queensland *Breast cancer screening* (17.9%) attracted the highest share of the expenditure, while in South Australia and the Australian Capital Territory it was the *Prevention of hazardous and harmful drug use* (22.6% and 30.3% respectively). In Western Australia, Tasmania and the Northern Territory, *Selected health promotion* had the highest level of expenditure.

Table 1.4: Total expenditure incurred by the Australian Government and states and territories on core public health activities, 2000-01 (\$ million)

Activity	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	All states and territories ^(a)	Australian Government ^(b)
Communicable disease control	54.0	31.0	17.4	12.2	12.5	2.5	3.7	9.1	142.3	21.3
Selected health promotion	36.1	28.3	18.7	15.8	6.8	4.5	4.6	9.6	124.4	30.9
Organised immunisation	38.0	27.0	18.9	10.3	9.1	3.6	4.0	7.2	118.1	50.9
Environmental health	10.8	3.2	11.6	11.0	6.0	2.6	2.0	3.6	50.7	14.5
Food standards and hygiene	7.3	3.1	1.9	1.8	1.5	0.1	1.8	1.0	18.5	16.6
Breast cancer screening	32.1	19.4	19.6	7.5	7.8	3.1	2.3	0.9	92.7	3.3
Cervical screening	3.8	11.0	3.6	1.5	3.2	0.7	0.6	2.0	26.4	61.8
Prevention of hazardous and harmful drug use	17.2	25.3	17.9	14.5	13.9	4.4	8.3	3.6	105.1	41.2
Public health research	0.6	7.0	0.1	3.2	0.7	0.4	0.1	0.6	12.6	55.4
PHOFA administration ^(c)	..	..	..	..	..	..	..	..	..	0.3
Total^(d)	199.9	155.2	109.7	77.8	61.4	21.9	27.3	37.6	690.7	296.3

(a) Includes expenditures incurred by state and territory governments that are wholly or partly funded by Australian Government specific purpose payments to states and territories.

(b) Does not include Australian Government specific purpose government payments to states and territories.

(c) Relates to expenditure incurred by the Australian Government in administering the PHOFAs.

(d) Refer to the individual jurisdictional chapters for more information on the expenditures incurred on the public health activities above.

Table 1.5: Total expenditure by states and territories and the Australian Government, by core public health activity, as a percentage of total public health expenditure for each jurisdiction, 2000–01 (per cent)

Activity	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	All states/ territories ^(a)	Australian Government ^(b)
Communicable disease control	27.0	20.0	15.8	15.7	20.3	11.5	13.6	24.1	20.6	7.2
Selected health promotion	18.1	18.2	17.1	20.3	11.1	20.4	16.8	25.6	18.0	10.4
Organised immunisation	19.0	17.4	17.2	13.3	14.9	16.4	14.8	19.0	17.1	17.2
Environmental health	5.4	2.0	10.6	14.2	9.8	11.7	7.2	9.5	7.3	4.9
Food standards and hygiene	3.6	2.0	1.7	2.3	2.4	0.7	6.6	2.7	2.7	5.6
Breast cancer screening	16.1	12.5	17.9	9.6	12.7	14.3	8.3	2.5	13.4	1.1
Cervical screening	1.9	7.1	3.3	2.0	5.2	3.2	2.1	5.4	3.8	20.9
Prevention of hazardous and harmful drug use	8.6	16.3	16.3	18.6	22.6	20.1	30.3	9.7	15.2	13.9
Public health research	0.3	4.5	0.1	4.1	1.1	1.7	0.4	1.5	1.8	18.7
PHOFA administration ^(c)	..	..	..	..	..	..	..	..	..	0.1
Total^(d)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(a) Includes expenditures incurred by state and territory governments that are wholly or partly funded by Australian Government specific purpose payments to states and territories.

(b) Does not include Australian Government specific purpose payments to states and territories.

(c) Relates to expenditure incurred by the Australian Government in administering the PHOFAs.

(d) Refer to the individual jurisdictional chapters for more information on the expenditures incurred on the public health activities above.

1.8 Comparison with 1999–00 results

In order to compare the 1999–00 estimates of funding and expenditure with those in this report, it is necessary to express the expenditures in both periods in constant price terms. This has been achieved (Table 1.6 below) by inflating the 1999–00 estimates to 2000–01 values. Because there are no readily available deflators for government expenditure on public health, the ABS chain price indexes for final consumption expenditure by the Australian, state and local governments on ‘Hospital and home nursing services’ has been used to calculate constant price estimates (see Section 11.2).

However, please note that the public health current expenditure estimates have been updated since the release of the 1999–00 report. The updated data are presented in ‘Appendix A, Additional tables’.

Total expenditure on core public health activities in 2000–01 was \$987 million. This was an increase in real terms of 8% over the previous year. The main contributor to this increase was

the growth in expenditure on the *Prevention of hazardous and harmful drug use*, which rose by 26.8%.

All other health activities showed smaller increases in real terms, except *Breast cancer screening*, which showed a small decline of 2.8%.

Table 1.6: National expenditure on core public health activities, constant (2000–01) prices^{(a)(b)} and change between 1999–00 and 2000–01

Activity	1999–00 (\$ million) ^(c)	2000–01 (\$ million)	Growth rate (%)
Communicable disease control	156.9	163.6	4.3
Selected health promotion	147.5	155.3	5.3
Organised immunisation	155.8	169.0	8.5
Environmental health	60.2	65.2	8.3
Food standards and hygiene	25.9	35.1	35.5
Breast cancer screening	98.9	96.1	–2.8
Cervical screening	85.6	88.2	3.0
Prevention of hazardous and harmful drug use	115.4	146.3	26.8
Public health research	67.7	68.0	0.4
PHOFA administration ^(d)	0.3	0.3	—
Total core public health	914.0	987.0	8.0

(a) Expenditure for 1999–00 is expressed in terms of 2000–01 prices using the ABS chain price index for hospital and nursing home services (see Section 11.2).

(b) Refer to the individual jurisdictional chapters for more information in relation to the changes in expenditures on the public health activities in this table.

(c) Expenditure estimates have been revised from those published in the *National Public Health Expenditure Report 1999–00*.

(d) Relates to expenditure incurred by the Australian Government in administering the PHOFAs.

2 Expenditure by the Australian Government Health and Ageing portfolio

2.1 Introduction

In this chapter, funding and expenditure by the Australian Government relate only to activities and responsibilities of the Department of Health and Ageing and other agencies within the Health and Ageing portfolio.

The Australian Government funds public health activities in two ways, through:

- expenditures incurred by the Australian Government in supporting public health programs; and
- specific purpose payments to states and territories (Figure 2.1).

Total funding on core public health services by the portfolio in 2000–01 was estimated at \$548.9 million. Of this, \$252.6 million was in the form of specific purpose payments to the states and territories – including \$215.1 million under the broadbanded Public Health Outcome Funding Agreements (PHOFAs).

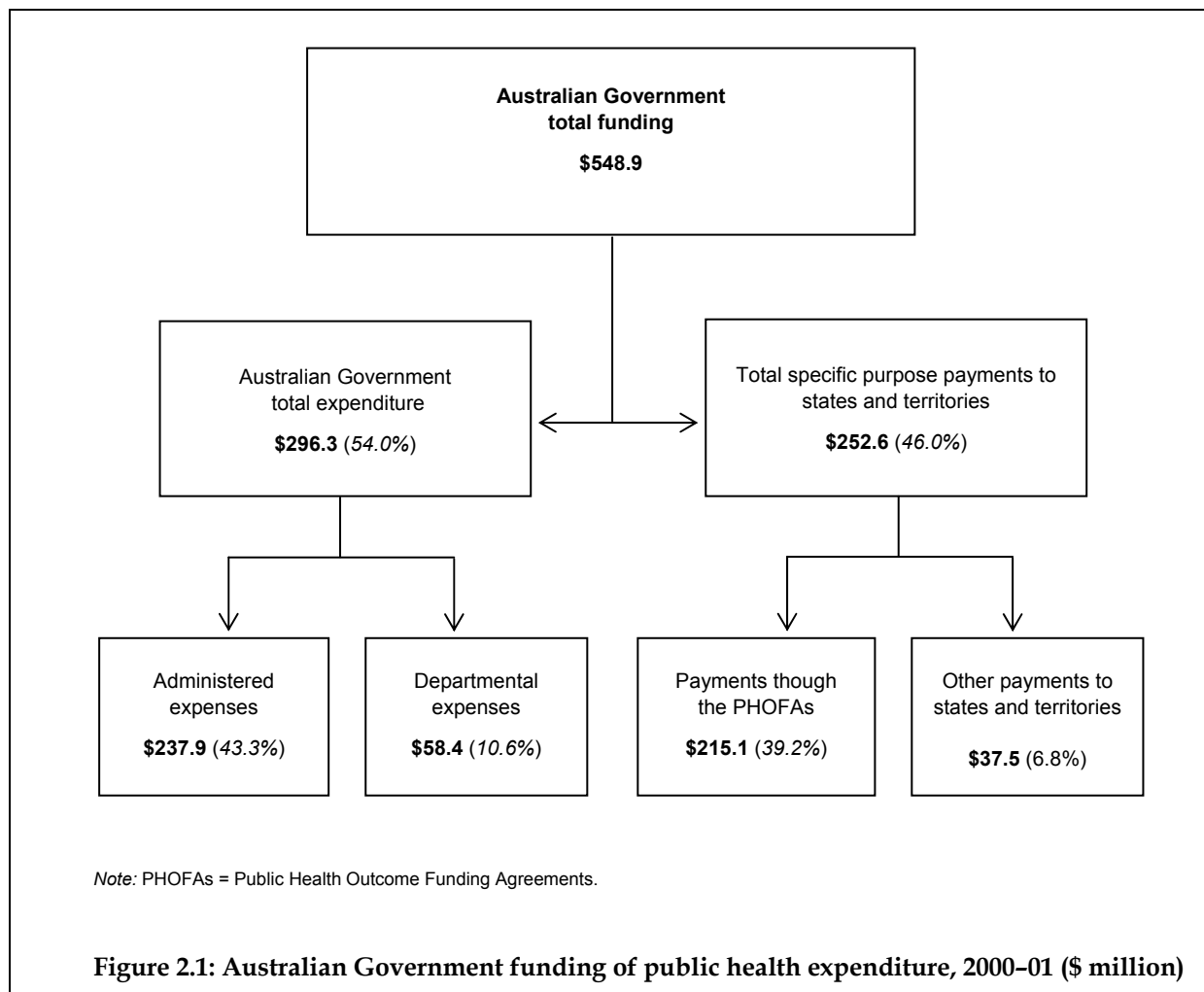
Throughout this publication it is assumed that specific purpose payments to the states and territories, other than the broadbanded PHOFA (see page 16 for details of funding under PHOFAs), are used to fund the public health activities for which they are provided. Funding under the PHOFAs is provided to support the achievement of specified public health outcomes and some of that funding can be used across the whole range of public health activities. PHOFAs can also be used by states and territories to support non-public health activities that achieve the agreed public health outcomes.

Over 70% of all public health funding within the portfolio was administered by the Population Health Division of the Department of Health and Ageing. Other areas involved in the provision of funding for public health activities were:

- Health Access and Financing Division
- Health Services Division
- Health Industry Investment Division
- Office of Aboriginal and Torres Strait Islander Health (OATSIH)
- Therapeutic Goods Administration.

The major agencies that contributed to expenditure on public health were:

- Food Standards Australia and New Zealand (FSANZ)(formerly Australia New Zealand Food Authority)
- Australian Radiation Protection and Nuclear Safety Agency (ARPANSA)
- Australian Institute of Health and Welfare (AIHW).



2.2 Overview of results

Total funding of public health activities by the Australian Government

Total portfolio funding of core public health activities in 2000-01 was \$548.9 million. Of this, \$252.6 million was funding, through specific purpose payments, to states and territories. (Table 2.1). Approximately 85% (\$215.1 million) of the funding through specific purpose payments was made under the PHOFAs (Figure 2.1). The remaining \$296.3 million was funding for expenditure incurred by the Australian Government, including expenditure incurred in administering the PHOFAs.

Table 2.1: Total funding by the Australian Government for expenditure on public health activities, 2000–01 (\$ million)

Activity	Funding by the Australian Government			Proportion of total funding on core public health (%)
	Australian Government expenditure	Payments to states and territories ^(a)	Total	
Communicable disease control	21.3	13.7	35.0	6.4
Selected health promotion	30.9	..	30.9	5.6
Organised immunisation	50.9	96.1	147.0	26.8
Environmental health	14.5	..	14.5	2.6
Food standards and hygiene	16.6	..	16.6	3.0
Breast cancer screening	3.3	..	3.3	0.6
Cervical screening ^(b)	61.8	..	61.8	11.3
Prevention of hazardous and harmful drug use	41.2	21.0	62.1	11.3
Public health research	55.4	0.2	55.5	10.1
PHOFAs	^(c) 0.3	^(d) 121.6	121.9	22.2
Total core public health	296.3	252.6	548.9	100.0
Public health-related activities	30.9	..	30.9	..

(a) Includes all public health specific purpose payments to states and territories.

(b) Includes Medicare expenditure that has a public health purpose.

(c) Relates to expenditure incurred by the Australian Government associated in the administering of the PHOFAs.

(d) Excludes specific purpose payments to states and territories of \$93.9 million, which have been included under the public health activity *Organised immunisation*.

Australian Government expenditure on public health activities

All expenditure incurred by the Australian Government on core public health activities is assumed to be funded by the Australian Government. In 2000–01 Australian Government expenditure on public health activities was estimated at \$296.3 million (Table 2.2). This included:

- expenditure administered by the Health and Ageing portfolio on public health activities and programs for which it is primarily responsible (\$237.9 million)
- departmental expenses associated with both those activities and programs and with the public health specific purpose payments to states and territories (\$58.4 million).

Table 2.2: Expenditure incurred by the Australian Government on core public health activities, 2000–01 (\$ million)

Activity	Australian Government expenditure ^(a)			Proportion (%)
	Administered expenses ^(a)	Departmental expenses	Total	
Communicable disease control	16.0	5.3	21.3	7.2
Selected health promotion ^(b)	22.7	8.2	30.9	10.4
Organised immunisation	49.3	1.6	50.9	17.2
Environmental health ^(b)	1.5	13.0	14.5	4.9
Food standards and hygiene ^(b)	2.8	13.9	16.6	5.6
Breast cancer screening	2.6	0.7	3.3	1.1
Cervical screening	61.1	0.7	61.8	20.9
Prevention of hazardous and harmful drug use ^(b)	27.4	13.8	41.2	13.9
Public health research	54.5	0.9	55.4	18.7
PHOFA administration ^(c)	—	0.3	0.3	0.1
Total core public health	237.9	58.4	296.3	100.0

(a) Does not include administered specific purpose payments to states and territories.

(b) Departmental expenditure on *Environmental health* and *Food standards and hygiene* are relatively higher than for other categories because they include operational expenditure for ARPANSA and FSANZ, respectively. Departmental expenditure for *Selected health promotion* and *Prevention of hazardous and harmful drug use* are relatively higher because they contain social marketing campaigns.

(c) Relates to expenditure incurred by the Australian Government in administering the PHOFAs.

Australian Government specific purpose payments to states and territories

Of the \$252.6 million public health specific purpose payments to states and territories during 2000–01, approximately 85% (\$215.1 million) was allocated under the PHOFAs. The broadbanded component of the PHOFAs funding (\$121.6 million) cannot be allocated to specific public health activities. The remaining specific purpose payments to states and territories have been allocated to particular public health activities (Table 2.3).

Table 2.3: Specific purpose payments to states and territories for public health by the Australian Government Health and Ageing portfolio, 2000–01 (\$ million)

Category	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
PHOFAs ^(a)	41.0	26.9	20.9	11.0	10.8	4.7	3.1	3.1	121.6
Communicable disease control	4.3	2.0	2.8	1.5	0.8	0.4	0.3	1.6	13.7
Organised immunisation ^(a)	32.6	23.1	18.2	9.6	7.4	2.3	1.4	1.5	96.1
Prevention of hazardous and harmful drug use	7.3	5.3	4.4	2.7	—	0.8	0.5	—	21.0
Public health research	—	—	—	—	0.2	—	—	—	0.2
Total payments	85.2	57.3	46.3	24.8	19.1	8.2	5.3	6.2	252.6

(a) \$93.9 million funding for essential vaccines provided under the PHOFAs, has been included under *Organised immunisation*.

The nature of this funding between the Australian Government and the states and territories is discussed further in the following sections.

PHOFA payments (PHOFAs)

The PHOFAs are a set of bilateral funding agreements between the Australian Government and each state and territory government. Under the current framework, the Australian Government provides broadbanded and specific-purpose assistance to states and territories for the period 1 July 1999 to 30 June 2004.

The PHOFAs are structured to provide an umbrella agreement for three components of funding:

- broadbanded or pooled funding for eight programs. These programs were:
 - National Drug Strategy
 - National HIV/AIDS Strategy
 - National Immunisation Program
 - BreastScreen Australia
 - National Cervical Screening Program
 - National Women's Health Program
 - National Education Program on Female Genital Mutilation
 - Alternative Birthing Program
- program-specific (non-broadbanded) funding for two programs in three jurisdictions
- specific funding for vaccines in all jurisdictions.

Linked to this funding is a range of outcome/output indicators for each program that state and territory governments are required to report against annually.

State and territory governments have flexibility in the way they use the broadbanded component of the PHOFA funding. They decide how to combine the Australian Government's and their own funds and apply them to local activities to achieve nationally agreed outcomes.

The PHOFAs are designed to promote administrative consistency and efficiency by introducing a single funding and reporting process across a range of public health initiatives. For this reason, it is not possible to disaggregate the broadbanded component of the Australian Government's PHOFA funding to individual public health activities.

Payments to state and territory governments by the Australian Government through the PHOFAs amounted to \$215.1 million in 2000-01. Of this funding, \$93.9 million was directly allocated to *Organised immunisation* (see Table 2.3 and Table 2.8).

2.3 Australian Government funding for individual public health activities

Communicable disease control

The Australian Government funds communicable disease control through its own expenditure and by way of specific purpose payments to states and territories. Total funding for *Communicable disease control* in 2000-01 was \$35.0 million (Table 2.4).

Table 2.4: Australian Government funding of expenditure on *Communicable disease control*, 2000–01 (\$ million)

Expenditure category	HIV/AIDS and hepatitis C	Other communicable disease control	Total communicable disease control
Australian Government expenditure	8.0	13.3	21.3
Specific purpose payments to the states and territories ^(a)	2.1	11.6	13.7
Total funding by the Australian Government	10.1	24.9	35.0

(a) Does not include SPP funding under PHOFAs. For details see Table 2.5.

Australian Government expenditure

Total expenditure by the Australian Government on *Communicable disease control* in 2000–01 was \$21.3 million (Table 2.4). This represented 7.2% of total expenditure on core public health activities (Table 2.2).

HIV/AIDS, hepatitis C and sexually transmitted infections

The Australian Government provides funding to peak community and professional bodies for a wide range of research, health promotion programs and policy developments addressing HIV/AIDS, hepatitis C and related diseases. Expenditure by the Australian Government totalled \$8.0 million in 2000–01.

Other communicable disease control

Expenditure on *Other communicable disease control* amounted to \$13.3 million in 2000–01. This included \$8.9 million spent on surveillance, management and provision of information and referral services and \$4.4 million spent on the National Indigenous Australians Sexual Health Strategy by the Office of Aboriginal and Torres Strait Islander Health (OATSIH).

Australian Government specific purpose payments to the states and territories

The Australian Government's specific purpose payments to states and territories for *Communicable disease control* amounted to \$13.7 million in 2000–01 (Table 2.5). These included the Council of Australian Governments (COAG) illicit drug diversion package supporting measures relating to the needle and syringe programs (\$8.3 million), National Indigenous Australian Sexual Health Strategy (\$3.1 million) and the Hepatitis C Education Program (\$2.1 million).

The COAG Supporting Measures for Needle and Syringe Programs (NSPs) were first funded in 1999–00. Funding to states and territories increased from \$3.7 million in the first year to \$8.3 million in 2000–01. This increase was due to an approach agreed between the Australian Government and the states and territories of progressively increasing funding and program over the four year period of the program. The program supports two specific initiatives:

- increased education, counselling and referral services through NSPs
- the diversification of NSPs through pharmacies and other outlets.

Table 2.5: Specific purpose payments to states and territories for *Communicable disease control*, by state and territory, 2000–01 (\$ million)^(a)

Category	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
COAG needle and syringe program ^(b)	2.0	1.5	1.2	1.2	0.6	0.3	0.2	1.2	8.3
National Indigenous Australians sexual health strategy	1.6	—	1.2	0.1	—	—	—	0.2	3.1
Hepatitis C education and prevention program	0.6	0.4	0.3	0.2	0.2	0.1	0.1	0.2	2.1
Total	4.3	2.0	2.8	1.5	0.8	0.4	0.3	1.6	13.7

(a) Excludes any funding provided through the broadbanded component of the PHOFAs that was used to support state and territory public health programs.

(b) The management of the needle and syringe programs (NSPs) is a state and territory responsibility and there are no direct activities by the Australian Government in relation to NSP service delivery.

Selected health promotion

All funding by the Australian Government for *Selected health promotion* relates to its own expenditure. There are no specific purpose payments by the Australian Government targeted at this public health activity (Table 2.6).

Australian Government expenditure

Total expenditure by the Australian Government in 2000–01 for *Selected health promotion* activities was \$30.9 million (Table 2.6). This represented 10.4% of total expenditure on core public health activities (Table 2.2). This expenditure included programs targeting:

- falls and injury prevention
- mental health promotion and prevention of mental illness
- nutrition awareness
- the promotion of increased physical activity.

Expenditure by the Health Services Division included \$6.9 million funding for the National Mental Health Program, and \$4.7 million for the National Suicide Prevention Program.

Table 2.6: Expenditure on *Selected health promotion* by the Australian Government, 2000–01 (\$ million)

Category	Expenditure
Administered expenses	
Population Health Division	9.8
Health Improvement and Investment Division	0.5
OATSIH	0.7
Health Services Division	11.7
<i>Total administered expenses</i>	22.7
Departmental expenses	8.2
Total expenditure	30.9

Organised immunisation

The Australian Government funds *Organised immunisation* through its own expenditure and specific purpose payments to states and territories. Total funding for *Organised immunisation* in 2000–01 was \$147.0 million (Table 2.7).

Table 2.7: Australian Government funding of expenditure on *Organised immunisation*, 2000–01 (\$ million)

Expenditure category	Funding			Total organised immunisation
	Organised childhood immunisation	Organised pneumococcal and influenza immunisation	All other organised immunisation	
Australian Government expenditure ^(a)	50.2	0.5	0.2	50.9
Specific purpose payments to the states and territories ^(b)	—	—	96.1	96.1
Total funding by the Australian Government	50.2	0.5	96.3	147.0

(a) Excludes any funding provided through the broadbanded component of the PHOFAs that is used to support state and territory governments' organised immunisation programs. For details see Table 2.8.

(b) Funded through SPPs. For details see Table 2.9.

Australian Government expenditure

Expenditure on *Organised immunisation* by the Australian Government Health and Ageing portfolio in 2000–01 was \$50.9 million (Table 2.8). This represented 17.1% of total expenditure on core public health activities (Table 2.2).

The majority of the expenditure under this activity was for the General Practice Immunisation Incentive (GPII) scheme. The GPII scheme provides financial incentives to general practitioners (GPs) to monitor, promote and provide age-appropriate immunisation services to children under the age of seven.

The GPII payment is made up of three components:

- a service incentive payment

- an outcome payment
- funding to the Divisions of General Practice.

The service incentive payment is a payment of \$18.50 to GPs who notify the Australian Childhood Immunisation Register of an immunisation event that completes one of the six immunisation schedules for children under the age of seven. Payments commenced from 1 July 1998 and a total of \$20 million was distributed in 2000–01.

The outcome payment assists general practices to meet infrastructure costs associated with immunisation (reminder recall systems, computer software, etc.). The outcome payment was made to practices that achieved a 70%, 80% or 90% proportion of age-appropriate immunisation in the first year of the scheme (1998–99), and 80% or 90% in the second year (1999–00). This tiered system provided an incentive for practices to improve coverage over time. A total of \$16.0 million was provided to practices under the outcome payment component of the GPII scheme in 2000–01.

Immunisation infrastructure funding aims to help Divisions of General Practice in their role as promoters of quality service. Divisions are provided with immunisation statements, reporting the proportion of age-appropriate immunisation of children who reside in postcodes covered by their Division. In return they are asked to list child immunisation as a core activity in their strategic/business plans. This funding also supports state-based organisations undertaking immunisation activities. Indicators for measuring progress are to be negotiated as part of the Divisions' business planning processes. A total of \$3.5 million was provided to Divisions in 2000–01.

Table 2.8: Expenditure by the Australian Government on *Organised immunisation*, 2000–01 (\$ million)

Category	Expenditure			Total organised immunisation
	Organised childhood immunisation	Organised pneumococcal and influenza immunisation	All other organised immunisation	
Administered expenses				
Population Health Division	6.3	—	0.1	6.5
OATSIH	—	0.3	—	0.3
Health Access and Financing Division	42.6	—	—	42.6
<i>Total administered expenses</i>	<i>48.9</i>	<i>0.3</i>	<i>0.1</i>	<i>49.3</i>
Departmental expenses	1.3	0.2	0.1	1.6
Total expenditure	50.2	0.5	0.2	50.9

Australian Government specific purpose payments to the states and territories

Total Australian Government specific purpose payments to states and territories for *Organised immunisation* in 2000–01 was \$96.1 million (Table 2.9).

Immunise Australia Program

The Immunise Australia Program aims to reduce the incidence of vaccine-preventable diseases and their associated mortality and morbidity by increasing and maintaining high immunisation coverage in Australia. The program is a joint initiative between the Australian

Government and state and territory governments, with the involvement of immunisation providers.

The Australian Government's role is to provide national leadership and policy direction for the program. Its major financial role is to provide funds to state and territory governments to purchase essential vaccines through the PHOFAs. State and territory governments are responsible for the service delivery components of the program, including the purchase and distribution of vaccines to immunisation providers.

Some of the achievements under the Immunise Australia Program have included:

- free provision of influenza vaccine for all Australians aged 65 years and over
- payments to state and territory governments for the purchase of diphtheria, tetanus and pertussis acellular vaccine for the primary childhood course of vaccinations
- establishment of the National Q Fever Management Program to reduce the incidence of disease caused by Q fever in regional Australia
- funding for the Young Adult MMR Vaccination program. This funding of \$19.8 million was provided as a one-off initiative in the 2000–01 financial year to enable the catch-up of this cohort.

National Indigenous Pneumococcal and Influenza Immunisation Program

The Australian Government provided \$2.3 million to state and territory governments under the National Indigenous Pneumococcal and Influenza Immunisation Program, administered through OATSIH. This funding enabled free influenza and pneumococcal vaccines to be made available to Aboriginal and Torres Strait Islander people. The target groups for the vaccination program were all Indigenous people aged over 50 years and Indigenous people in the 15–50 year age group who were in high-risk groups according to the National Health and Medical Research Council recommendations.

Table 2.9: Specific purpose payments to states and territories for *Organised immunisation* by the Australian Government, 2000–01 (\$ million)^(a)

Category	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Immunisation program									
Essential vaccine purchases ^(b)	18.1	12.6	10.2	5.5	3.8	1.3	0.8	0.7	53.0
Influenza vaccine purchases for people 65 and over ^(b)	7.4	5.4	3.6	1.8	1.9	0.6	0.2	—	21.0
Young adult measles program ^(b)	6.5	5.0	3.8	2.1	1.4	0.4	0.4	0.3	19.8
National Indigenous Pneumococcal and Influenza Immunisation Program	0.5	0.2	0.6	0.2	0.2	—	—	0.5	2.3
Total	32.6	23.1	18.2	9.6	7.4	2.3	1.4	1.5	96.1

(a) Excludes any funding provided through the broadbanded component of the PHOFAs that is used to support state and territory governments' *Organised immunisation* programs.

(b) Funded through non-broadbanded component of the PHOFAs.

Environmental health

All funding by the Australian Government in respect of *Environmental health* relates to its own expenditure. There were no specific purpose payments by the Australian Government for this particular public health activity (Table 2.10).

Australian Government expenditure

The Department's expenditure on *Environmental health* in 2000–01 totalled \$14.5 million (Table 2.10). This constituted 4.9% of total Australian Government expenditure on core public health activities (Table 2.2). The most significant item of expenditure under this health activity related to the operations of the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA), which totalled \$10.5 million. ARPANSA is an Australian Government agency responsible for protecting the health and safety of people and the environment from the harmful effects of ionising and non-ionising radiation. Major activities include:

- leading the development of standards, codes of practice, guidelines and other relevant material to support radiation protection and nuclear safety, including regulation, throughout Australia
- using its licensing powers and working with Australian Government entities to ensure the safety of their radiation facilities and sources
- advising the government and other stakeholders on issues related to radiation protection and nuclear safety
- undertaking research and development in radiation protection and nuclear safety.

Table 2.10: Expenditure on *Environmental health* by the Australian Government, 2000–01 (\$ million)

Category	Expenditure
Administered expenses	1.5
Departmental expenses	
Population Health Division	2.4
ARPANSA	10.5
Therapeutic Goods Administration	0.1
<i>Total departmental expenses</i>	<i>13.0</i>
Total expenditure	14.5

Food standards and hygiene

All funding by the Australian Government on *Food standards and hygiene* relates to expenditure incurred by the Australian Government.

Australian Government expenditure

Total expenditure on *Food standards and hygiene* by the Australian Government Health and Ageing portfolio in 2000–01 was \$16.6 million (Table 2.11) which represented 5.6% of total expenditure on core public health activities (Table 2.2). The key expenditure under this activity related to the operations of the Food Standards Australia and New Zealand (FSANZ) (formerly Australia New Zealand Food Authority), which totalled \$12.3 million. FSANZ

operates under the *Australia New Zealand Act 1991*. It provides a focus for cooperation between governments, industry and the community to ensure a safe and nutritious food supply. In this study, all FSANZ expenditure is considered to be within the 'departmental' category in that all expenditure by FSANZ was directly incurred by FSANZ.

The remaining expenditure of \$4.4 million by the Department covered areas such as food regularity reform, safety, surveillance and other food management activities.

Table 2.11: Expenditure on *Food standards and hygiene* by the Australian Government Health and Ageing portfolio, 2000–01 (\$ million)

Category	Expenditure
Administered expenses	2.8
Departmental expenses	
Population Health Division	1.6
FSANZ	12.3
<i>Total departmental expenses</i>	<i>13.9</i>
Total expenditure	16.6

Breast cancer screening

All funding by the Australian Government that is attributed to *Breast cancer screening* is in respect of its own expenditure (Table 2.12). Although funding provided to states and territories for this purpose has been rolled-up into the broadbanded component of the PHOFAs funding, the proportion of the PHOFAs funding that is attributable to that particular public health activity is not able to be separately identified.

Australian Government expenditure

Total expenditure for *Breast cancer screening* by the Australian Government Health and Ageing portfolio in 2000–01 was \$3.3 million (Table 2.12) or approximately 1% of total expenditure on core public health activities (Table 2.2). Most expenditure reported under this activity was for the national administration of the BreastScreen Australia program and also the screening-related functions of the National Breast Cancer Centre. It does not include any funding to the state and territory governments through the PHOFAs that may have been used to fund breast cancer screening activities (see Table 2.3).

Table 2.12: Expenditure^(a) on *Breast cancer screening* by the Australian Government, 2000–01 (\$ million)

Category	Expenditure
Administered expenses	2.6
Departmental expenses	0.7
Total expenditure	3.3

(a) Excludes payments to state and territory governments to support their public health programs through the PHOFAs.

Cervical screening

All funding by the Australian Government on *Cervical screening* relates to its own expenditure (Table 2.13). Although funding provided to states and territories for this purpose has been rolled-up into the broadbanded component of the PHOFA funding, the proportion of the PHOFA funding that is attributable to that particular public health activity is not able to be identified.

Australian Government expenditure

Total expenditure on *Cervical screening* by the Australian Government Health and Ageing portfolio in 2000–01 was \$61.8 million (Table 2.13). This was about 21% of total expenditure on core public health activities and was the most significant area of expenditure (Table 2.2). The majority of this expenditure was provided through Medicare (\$57.1 million).

The Medicare component of estimated expenditure under *Cervical screening* was made up of \$26.2 million for GP consultations, \$21.3 million for pathology testing, \$6.9 million for the cost of collecting samples and \$2.6 million in payments to the Health Insurance Commission (see Chapter 11, 'Technical notes').

Please note that only expenditure on cervical screening for asymptomatic women is reported here. A further \$118 million was provided through Medicare to screen symptomatic women.

Table 2.13: Expenditure on *Cervical screening* by the Australian Government, 2000–01 (\$ million)

Category	Expenditure
Administered expenses	
Population Health Division	0.3
Health Access and Financing Division (including Medicare benefits)	60.7
<i>Total administered expenses</i>	<i>61.1</i>
Departmental expenses	0.7
Total expenditure	61.8

Prevention of hazardous and harmful drug use

The Australian Government funds expenditure on *Prevention of hazardous and harmful drug use* through its own expenditure and through specific purpose payments to states and territories (Table 2.14).

Table 2.14: Australian Government funding of expenditure on *Prevention of hazardous and harmful drug use*, 2000–01 (\$ million)

Expenditure category	Funding			Total
	Alcohol	Tobacco	Illicit and other drugs of dependence	
Australian Government expenditure	2.9	3.6	34.6	41.2
Specific purpose payments to the states and territories ^{(a)(b)}	n.a.	n.a.	n.a.	21.0
Total funding	n.a.	n.a.	n.a.	63.2

(a) For details see Table 2.16.

(b) Excludes any funding provided through the broadbanded component of the PHOFAs that is used to support state and territory governments' public health programs.

Australian Government expenditure

Total Australian Government Health and Ageing portfolio expenditure for *Prevention of hazardous and harmful drug use* in 2000–01 was \$41.2 million (Table 2.15). This represented approximately 14% of the Government's expenditure on core public health activities (Table 2.2).

Alcohol

An estimated \$9.2 million was spent on alcohol-related programs in 2000–01. The majority of the expenditure was associated with the National Alcohol Campaign, which targeted teenagers aged 15–17 years, parents of 12–17 year olds, and adults aged 18–24 years.

Tobacco

An estimated \$3.6 million was spent on tobacco-related programs in 2001–01. The majority of this expenditure was on the National Tobacco Campaign (targeting 18–40 year olds), on the development of its underlying strategy together with the review of tobacco health warnings.

Illicit and other drugs of dependence

An estimated \$34.6 million was spent on illicit and other drugs of dependence programs. The majority of this expenditure was on the National Illicit Drugs Campaign which aimed to reduce demand for illicit drugs, through treatment, prevention and early intervention. In addition, funding was also allocated for the NGO Treatments Grants Program (\$5 million) and the Community Partnership Initiative (\$2 million). It was estimated that half of the total funds provided through the NGO Treatments Grants Program were prevention activities with the remainder associated with 'Public health-related activities'.

Table 2.15: Expenditure on *Prevention of hazardous and harmful drug use* by the Australian Government, 2000–01 (\$ million)

Category	Alcohol	Tobacco	Illicit and other drugs of dependence	Total
Administered expenses	2.9	3.6	20.8	27.4
Departmental expenses	—	—	13.8	13.8
Total expenditure	2.9	3.6	34.6	41.2

Australian Government specific purpose payments to the states and territories

Australian Government specific purpose payments to states and territories for *Prevention of hazardous and harmful drug use* during 2000–01 amounted to \$21.0 million (Table 2.16).

Table 2.16: Specific purpose payments to states and territories for *Prevention of hazardous and harmful drug use* by the Australian Government, 2000–01 (\$ million)^(a)

Category	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Illicit drug diversion initiative	6.1	5.3	4.4	2.7	—	0.8	0.5	—	19.8
NGO treatment grants	1.2	—	—	—	—	—	—	—	1.2
Total	7.3	5.3	4.4	2.7	—	0.8	0.5	—	21.0

(a) Excludes any funding through the broadbanded component of the PHOFAs that was used to support the state and territory governments' public health programs.

Public health research

The majority of the funding by the Australian Government on *Public health research* relates to expenditure incurred by the Australian Government. There was only funding of \$0.2 million to South Australia through specific purpose payments by the Australian Government targeted at this public health activity (Table A12).

Australian Government expenditure

Total expenditure for *Public health research* by the Australian Government Health and Ageing portfolio for 2000–01 was \$55.4 million (Table 2.17) or 18.7% of its total expenditure on core public health activities (Table 2.2). This category represented the second most significant area of expenditure by the Australian Government on core public health activities.

Expenditure on *Public health research* included ongoing expenditure under the Public Health Education and Research Program of \$34 million, almost \$12 million for research into HIV/AIDS, and illicit and other drugs of dependence. Other significant items included \$6 million for research on *Prevention of hazardous and harmful drug use* and \$2 million on research relating to immunisation.

Table 2.17: Expenditure on *Public health research* by the Australian Government, 2000–01 (\$ million)

Category	Expenditure
Administered expenses	54.5
Departmental expenses	0.9
Total expenditure	55.4

Australian Government funding of expenditure on ‘Public health-related activities’

Total expenditure by the Australian Government Department of Health and Ageing for ‘Public health-related activities’ in 2000–01 was \$30.9 million (Table 2.18). This expenditure is not included in aggregate public health expenditure as it is not within the scope of ‘core public health’ (see Chapter 11, ‘*Technical notes*’ for more information).

Expenditure under this activity included:

- Family Planning (\$11.8 million)
- cervical examinations for symptomatic patients (\$11.8 million)
- National Drug Strategy initiatives, including treatment grants for services provided by NGOs (\$10 million). It was estimated that half this expenditure was for treatment and therefore included in the ‘Public health-related activities’ category. The remainder (\$5 million) is included in *Prevention of hazardous and harmful drug use*.

Table 2.18: Expenditure on ‘Public health-related activities’ by the Australian Government, 2000–01 (\$ million)

Category	Expenditure
Administered expenses	30.2
Departmental expenses	0.7
Total expenditure	30.9

2.4 Revision of 1999–00 data

The Department has updated its 1999–00 public health current expenditure estimates since the publication of *National Public Health Expenditure Report 1999–00*. The revised estimate of total funding by the Australian Government during 1999–00 is \$447.8 million (Table 2.19).

Total expenditure incurred by the Australian Government during 1999–00 has been revised to \$262.1 million (Table 2.20).

Table 2.19: Total funding by the Australian Government for expenditure on public health activities, 1999-00 (\$ million)

Activity	Funding by the Australian Government			Proportion of total core public health funding (%)
	Australian Government expenditure	Payments to states and territories ^(a)	Total	
Communicable disease control	20.9	4.9	25.8	5.8
Selected health promotion	19.7	..	19.7	4.4
Organised immunisation	49.1	61.8	110.8	24.8
Environmental health	14.1	..	14.0	3.1
Food standards and hygiene	11.1	..	11.1	2.5
Breast cancer screening	2.1	..	2.1	0.5
Cervical screening ^(b)	59.5	..	59.5	13.3
Prevention of hazardous and harmful drug use	28.1	2.7	30.8	6.9
Public health research	57.4	..	57.4	12.8
PHOFAs	^(c) 0.3	^(d) 116.3	116.6	26.0
Total core public health	262.1	185.7	447.8	100.0
Public health-related activities	45.2	..	45.2	..

(a) Includes all specific purpose payments to states and territories, including vaccine purchases for the *Organised immunisation* public health programs.

(b) Includes Medicare expenditure that has a public health purpose.

(c) Relates to expenditure incurred by the Australian Government associated in the administering of the PHOFAs.

(d) Excludes specific purpose payments to states and territories of \$93.9 million, which have been included under the public health activity *Organised immunisation*.

Table 2.20: Expenditure incurred by the Australian Government on core public health activities, 1999–00 (\$ million)

Activity	Australian Government expenditure ^(a)			Proportion of total core public health funding (%)
	Administered expenses	Departmental expenses	Total	
Communicable disease control	16.3	4.6	20.9	8.0
Selected health promotion ^(b)	14.1	5.6	19.7	7.5
Organised immunisation	47.2	1.8	49.1	18.7
Environmental health ^(b)	1.1	12.9	14.0	5.3
Food standards and hygiene ^(b)	1.5	9.7	11.1	4.2
Breast cancer screening	0.7	1.4	2.1	0.8
Cervical screening	58.2	1.3	59.5	22.7
Prevention of hazardous and harmful drug use ^(b)	22.7	5.3	28.1	10.7
Public health research	55.7	1.7	57.4	21.9
PHOFAs ^(c)	—	0.3	0.3	0.1
Total core public health	217.5	44.6	262.1	100.0

(a) Does not include specific purpose payments to states and territories.

(b) Departmental expenditure on *Environmental health* and *Food standards and hygiene* are relatively higher than for other categories because they include operational expenditure for ARPANSA and FSANZ respectively. Departmental expenditure for *Selected health promotion* and *Prevention of hazardous and harmful drug use* is relatively higher because they contain social marketing campaigns.

(c) Relates to expenditure incurred by the Australian Government in the administering the PHOFAs.

2.5 Comparison of 2000–01 with revised 1999–00 estimates

In order to compare the revised 1999–00 estimates of funding and expenditure published in the National Public Health Expenditure Report 1999–00 with those for 2000–01 in this report, it is necessary to express the estimates in both periods in constant price terms. In the absence of a specific deflator for government expenditure on public health, this has been achieved by revaluing the 1999–00 expenditure estimates in 2000–01 prices using the ABS chain price index for government final consumption expenditure on ‘Hospital and home nursing home services’ as a proxy (see Section 11.2).

Total Australian Government funding

Total funding on core public health activities by the Australian Government increased, in real terms, by 18.6% between 1999–00 and 2000–01 (Table 2.21). Funding increased across all public health activities except for Public health research (down 7.4%) and Environmental health which showed no change.

The increase in funding for *Organised immunisation* reflects the increase in the number of fully immunised children under the Immunise Australia program. At 30 June 2001, 91.5% of children aged 12–15 months (an increase of 3.1 percentage points from 30 June 2000) and 86.6% of children aged 24 months (an increase of 4.9 percentage points from 30 June 2000) were fully immunised. Additional funding was also provided to state and territory

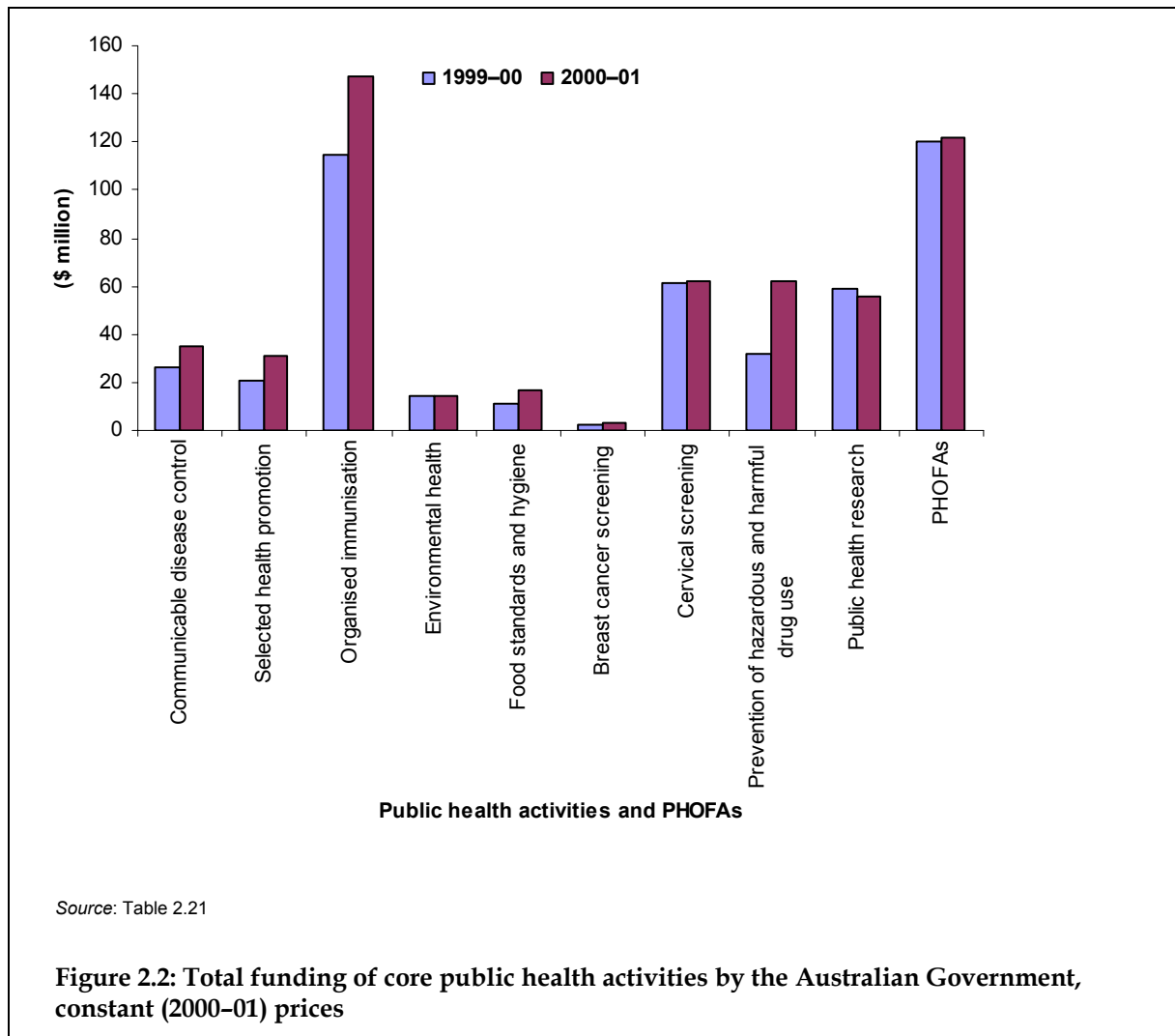
governments for the purchase of vaccine for young adults aged 18–30 years under the Measles Mumps Rubella Initiative.

The increase in funding for *Prevention of hazardous and harmful drug use* reflects the additional funding required for both the National Illicit Drugs Campaign and the Illicit Drug Diversion Initiative. These initiatives were aimed to reduce demand for illicit drugs, through treatment, prevention and early intervention.

Table 2.21: Funding of core public health activities by the Australian Government, constant (2000–01) prices^(a)

Activity	1999–00 (\$ million)	2000–01 (\$ million)	Growth rate (%)
Communicable disease control	26.6	35.0	31.6
Selected health promotion	20.4	30.9	51.5
Organised immunisation	114.6	147.0	28.3
Environmental health	14.5	14.5	—
Food standards and hygiene	11.5	16.6	44.3
Breast cancer screening	2.2	3.3	50.0
Cervical screening	61.5	61.8	0.5
Prevention of hazardous and harmful drug use	31.9	62.1	94.7
Public health research	59.3	55.5	–6.4
PHOFAs	120.5	121.9	1.2
Total core public health	462.8	548.9	18.6

(a) Expenditure for 1999–00 is revalued in 2000–01 prices using an ABS chain price index at the national level for government final domestic expenditure on 'Hospital and nursing home services' (see Section 11.2).



Australian Government expenditure

The Australian Government's expenditure on core public health activities rose, in real terms, by 9.4% between 1999-00 and 2000-01 (Table 2.22). The public health activities which showed the largest real growth were:

- *Selected health promotion* (51.5%)
- *Breast cancer screening* (50.0%)
- *Food standards and hygiene* (44.3%)
- *Prevention of hazardous and harmful drug use* (42.1%).

Table 2.22: Expenditure on core public health activities by the Australian Government, constant (2000–01) prices^(a)

Activity	1999–00 (\$ million)	2000–01 (\$ million)	Growth rate (%)
Communicable disease control	21.6	21.3	-1.4
Selected health promotion	20.4	30.9	51.5
Organised immunisation	50.7	50.9	0.4
Environmental health	14.5	14.5	—
Food standards and hygiene	11.5	16.6	44.3
Breast cancer screening	2.2	3.3	50.0
Cervical screening	61.5	61.8	0.5
Prevention of hazardous and harmful drug use	29.0	41.2	42.1
Public health research	59.3	55.4	-6.6
PHOFA administration ^(b)	0.3	0.3	—
Total core public health	270.9	296.3	9.4

(a) Expenditure for 1999–00 is expressed in 2000–01 prices using a chain price index at the national level for government final domestic expenditure on 'Hospital and nursing home services' (see Section 11.2).

(b) Relates to expenditure incurred by the Australian Government in administering the PHOFAs.

