

## 2 Expenditure and funding by the Commonwealth Health and Aged Care portfolio

### 2.1 Introduction

The Commonwealth funds public health activities in two ways:

- expenditures by the (then) Department of Health and Aged Care and the other agencies within the portfolio
- payments to the States and Territories (Figure 2.1).

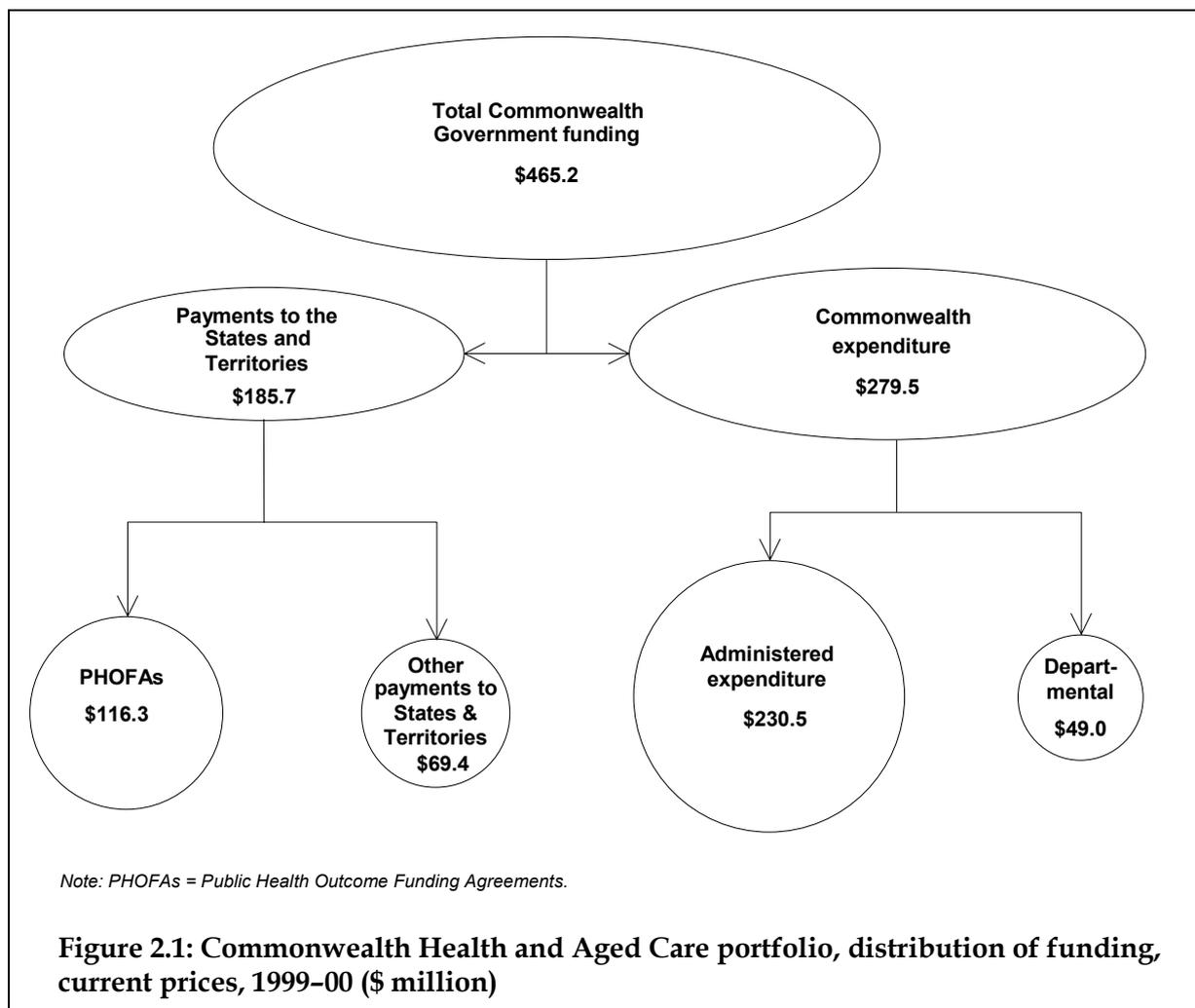
The total funding of public health services by the portfolio in 1999-00 of \$465.2 million was slightly higher than that estimated for 1998-99 – \$459.2 million (AIHW 2001).

More than two-thirds of all public health funding within the portfolio was undertaken in the Population Health Division of the department. Other areas of the department that provided funding were:

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

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

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



## 2.2 Overview of results

### 2.2.1 Total funding

Total portfolio funding of public health activities in 1999-00 was \$465.2 million (Table 2.1). Of this, \$185.7 million (39.9%) was in the form of payments to the States and Territories. Almost two-thirds of these payments to the States and Territories were grants under the PHOFAs, which accounted for \$116.3 million. The remaining \$279.5 million was expenditure by the Commonwealth, including expenditure on administering the payments to the States and Territories.

**Table 2.1: Funding of core public health activities by the Commonwealth Department of Health and Aged Care, 1999–00 (\$ million)**

Category	Funding by the Commonwealth (\$ million)		Total	Proportion (%)
	Commonwealth expenditure <sup>(a)</sup>	Payments to States and Territories <sup>(b)</sup>		
Communicable disease control	21.4	4.9	26.3	5.6
Selected health promotion	36.0	..	36.0	7.7
Organised immunisation	49.1	61.8	110.8	23.8
Environmental health	18.7	..	18.7	4.0
Food standards and hygiene	10.8	..	10.8	2.3
Breast cancer screening	2.1	..	2.1	0.4
Cervical screening	57.9	..	57.9	12.4
Prevention of hazardous and harmful drug use	27.3	2.7	30.0	6.5
Public health research	56.0	..	56.0	12.0
PHOFA	0.3	116.3	116.6	25.1
<b>Total core public health<sup>(c)</sup></b>	<b>279.5</b>	<b>185.7</b>	<b><sup>(c)</sup>465.2</b>	<b>100.0</b>

(a) Includes Medicare expenditure that has a public health purpose. Also includes any payments for the purchase of public health services from State and Territory government instrumentalities.

(b) Includes all special purpose payments with a public health purpose, including essential vaccine expenditure.

(c) In addition to the \$465.2 million, \$39.1 million was spent on 'Public health related activities'.

## 2.2.2 Payments to the States and Territories

Essentially, there are two mechanisms through which the Commonwealth funds public health services provided by State and Territory Governments:

- under funding agreements with the States and Territories
- by the Commonwealth purchasing services from or Territory public health service provider organisations.

Where the latter mechanism is used, the funding and expenditure are considered to be related to the Commonwealth's own expenditure – they are not included in the estimates of payments to the States and Territories.

The PHOFAs are a set of bilateral funding agreements between the Commonwealth and each State and Territory. Under these agreements, all jurisdictions undertake to work cooperatively towards agreed goals and targets through a range of national public health policies and strategies. The Commonwealth's contribution is through the provision of designated assistance to the States and Territories throughout the life of each agreement.

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. The programs that have been broadbanded within the PHOFAs (including the National Drug Strategy, the National HIV/AIDS Strategy, the National Immunisation Program, BreastScreen Australia and the National Cervical Screening Program) generally have their own national strategies, each of which has a range of performance indicators and evaluation processes.

States and Territories have flexibility in the way they use the base component of the PHOFA funding. They decide how to combine the Commonwealth and their own funds and apply them to local activities to achieve the agreed PHOFA outcomes. For this reason, it is not possible to disaggregate the Commonwealth funding under the PHOFAs to the individual core public health activity categories.

Total payments to States and Territories, including the PHOFAs, during 1999–00 amounted to \$185.7 million (Table 2.2).

**Table 2.2: Specific Purpose Payments to States and Territories for public health by the Commonwealth Department of Health and Aged Care, 1999–00 (\$ million)**

Category	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Immunisation									
Essential vaccine purchases	11.8	9.9	7.9	4.3	2.4	0.9	0.6	0.5	38.4
Influenza vaccine purchases for people 65 and over	8.7	5.9	3.5	2.1	2.1	0.7	0.3	—	23.4
<i>Total immunisation</i>	<i>20.5</i>	<i>15.8</i>	<i>11.4</i>	<i>6.5</i>	<i>4.5</i>	<i>1.6</i>	<i>0.9</i>	<i>0.6</i>	<i>61.8</i>
Prevention of blood-borne diseases	1.9	1.0	0.8	0.1	0.4	0.4	0.2	—	4.9
Various drug prevention strategies	2.3	—	0.1	—	—	0.3	—	—	2.7
PHOFA base	39.7	25.7	19.9	10.4	10.3	4.5	2.9	2.9	116.3
<b>Total payments</b>	<b>64.4</b>	<b>42.6</b>	<b>32.3</b>	<b>17.0</b>	<b>15.3</b>	<b>6.9</b>	<b>4.0</b>	<b>3.5</b>	<b>185.7</b>

The current set of PHOFAs cover the five years from 1999–00 to 2003–04, inclusive. In 1999–00 they totalled \$116.3 million, or 62.6% of all the Commonwealth funding to States and Territories.

### 2.2.3 Expenditure by the Commonwealth

Expenditure by the Commonwealth Health and Aged Care portfolio covers all those expenditures directly incurred by the Commonwealth. It does not include the actual payments that go to the States and Territories. As well as expenditure on the public health programs, themselves, it includes the related administrative expenditure – for administering both for the public health programs and the payments to the States and Territories. Total Commonwealth expenditure in 1999–00 was \$279.5 million (Table 2.3).

**Table 2.3: Expenditure on core public health activities by the Commonwealth Department of Health and Aged Care<sup>(a)</sup>, 1999–00 (\$ million)**

Category	Expenditure by the Commonwealth		Total
	Administered expenditure	Departmental expenditure	
Communicable disease control	16.8	4.6	21.4
Selected health promotion <sup>(b)</sup>	30.4	5.6	36.0
Organised immunisation	47.2	1.8	49.1
Environmental health <sup>(b)</sup>	1.1	17.6	18.7
Food standards and hygiene <sup>(b)</sup>	1.5	9.4	10.8
Breast cancer screening	0.7	1.4	2.1
Cervical screening	56.6	1.3	57.9
Prevention of hazardous and harmful drug use <sup>(b)</sup>	21.9	5.3	27.3
Public health research	54.3	1.7	56.0
PHOFAs <sup>(a)</sup>	..	0.3	0.3
<b>Total core public health<sup>(c)</sup></b>	<b>230.5</b>	<b>49.0</b>	<b>279.5</b>

(a) Does not include 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 ANZFA, respectively. Departmental expenditure for *Selected health promotion* and *Prevention of hazardous and harmful drug use* are relatively higher because they contain elements of social marketing campaigns such as those for illicit drugs and alcohol.

(c) Does not include \$39.1 million on 'Public health related activities' in 1999–00. This was made up of \$38.3 million in administered expenditure and \$0.7 million in departmental expenditure.

## 2.2.4 Public health expenditure by categories

This subsection examines expenditure on each of the nine public health activity categories during 1999–00.

### ***Communicable disease control***

Total expenditure by the Commonwealth Health and Aged Care portfolio for *Communicable disease control* in 1999–00 was \$21.4 million (Table 2.4).

### ***HIV/AIDS, hepatitis C and sexually transmitted infections***

The Commonwealth 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. In 1999–00, total Commonwealth expenditure was \$7.8 million.

### ***Other communicable disease control***

This category includes expenditure of \$1.8 million by the department's Population Health Division on disease surveillance systems, and \$8.4 million by OATSIH on the National Indigenous Australians Sexual Health Strategy.

**Table 2.4: Expenditure on *Communicable disease control* by the Commonwealth Department of Health and Aged Care, 1999–00 (\$ million)**

Expenditure	HIV/AIDS and hepatitis C	Other communicable disease control	Total communicable disease control
Administered			
Population Health Division	6.6	1.8	8.4
OATSIH	—	8.4	8.4
<i>Total administered</i>	6.6	10.2	16.8
Departmental	1.3	3.3	4.6
<b>Total administered and departmental</b>	<b>7.8</b>	<b>13.5</b>	<b>21.4</b>

The National Indigenous Australians Sexual Health Strategy is an integral, but separately funded, part of the National HIV/AIDS Strategy. It provides a comprehensive approach to preventing the spread of HIV and other sexually transmitted infections in Aboriginal and Torres Strait Islander communities.

**Table 2.5: Administered expenditure by the Commonwealth Health and Aged Care portfolio under the National Indigenous Australians Sexual Health Strategy, 1999–00 (\$ million)**

State/Territory	Expenditure
New South Wales <sup>(a)</sup>	1.7
Victoria	0.3
Queensland <sup>(a)</sup>	2.2
Western Australia <sup>(a)</sup>	1.4
South Australia	0.5
Tasmania	0.2
Australian Capital Territory	—
Northern Territory <sup>(a)</sup>	1.1
National projects	0.9
<b>Total administered</b>	<b>8.4</b>

(a) Includes funding for Polymerase Chain Reaction initiative. This expenditure involves the introduction of a new diagnostic technique, Polymerase Chain Reaction technology, which aims to support the early detection and treatment of sexually transmitted diseases in Aboriginal and Torres Strait Islander peoples. The use of this technology also has the aim of reducing the transmission of HIV.

### ***Selected health promotion***

Total expenditure by the Commonwealth Health and Aged Care portfolio in 1999–00 for *Selected health promotion* activities was \$36.0 million (Table 2.6). This expenditure included:

- chronic disease self-management
- falls and injury prevention projects
- safety promotion projects
- nutrition awareness projects
- the promotion of increased physical activity

- the provision of information and referral services with respect to sexual and reproductive health.

Expenditure by OATSIH included the funding of projects to address substance abuse and funding of activities under the National Aboriginal and Torres Strait Islander Eye Health Program.

Expenditure by Health Services Division included funding for the National Mental Health Program, the National Suicide Prevention Program and the Rural Women's GP Service.

**Table 2.6: Expenditure on Selected health promotion by the Commonwealth Department of Health and Aged Care, 1999-00 (\$ million)**

Expenditure	Selected health promotion
Administered	
Population Health Division	19.0
OATSIH	1.0
Health Services Division	10.4
<i>Total administered</i>	<i>30.4</i>
Departmental	5.6
<b>Total administered and departmental</b>	<b>36.0</b>

### **Organised immunisation**

Expenditure for *Organised immunisation* by the Commonwealth Health and Aged Care portfolio in 1999-00 was \$49.1 million (Table 2.7). This expenditure is in addition to funding to the States and Territories for immunisation, which totalled \$61.8 million (Table 2.2).

The majority of Commonwealth expenditure under this category 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 (ACIR) 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 \$19.5 million was distributed in 1999-00.

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% and 90% proportion of age-appropriate immunisation in the first year of the scheme (1998-99), and 80% and 90% in the second year (1999-00). This tiered system provided an incentive for practices to improve coverage over time. A total of \$13.3 million was provided to practices under the outcome payment component of the GPII scheme in 1999-00.

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 \$3.7 million was provided to Divisions in 1999-00.

**Table 2.7: Expenditure on *Organised immunisation* by the Commonwealth Health and Aged Care portfolio, 1999-00 (\$ million)**

<b>Expenditure</b>	<b>Organised childhood immunisation</b>	<b>Organised pneumococcal and influenza immunisation</b>	<b>All other organised immunisation</b>	<b>Total organised immunisation</b>
<b>Administered</b>				
Population Health Division	5.2	—	0.9	6.1
Health Access and Financing Division	39.0	—	—	39.0
OATSIH	—	2.1	—	2.1
<i>Total administered</i>	<i>44.2</i>	<i>2.1</i>	<i>0.9</i>	<i>47.2</i>
Departmental	1.5	0.3	—	1.8
<b>Total administered and departmental</b>	<b>45.7</b>	<b>2.5</b>	<b>0.9</b>	<b>49.1</b>

*Note:* These data do not include funds provided by the Commonwealth through the PHOFAs and used by State and Territory Governments for Immunisation.

### **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 Commonwealth Government and State and Territory Governments, with the involvement of immunisation providers.

The Commonwealth's role is to provide national leadership and policy direction for the Program. Its major funding role is to provide funds to States and Territories to purchase essential vaccines in accordance with the National Health and Medical Research Council's (NHMRC) Australian Standard Vaccination Schedule. 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 initiatives introduced under the Immunise Australia Program have included:

- free provision of influenza vaccine for all Australians aged 65 years and over
- funding for States and Territories to purchase diphtheria, tetanus and pertussis acellular vaccine for the primary childhood course of vaccinations.

### **National Indigenous Pneumococcal and Influenza Immunisation Program**

Funding provided under the National Indigenous Pneumococcal and Influenza Immunisation Program, administered through OATSIH, enabled free influenza and pneumococcal vaccines to be made available to Aboriginal and Torres Strait Islander adults and younger people in high-risk groups through bilateral arrangements with the State and Territory Governments. Total expenditure in 1999-00 was \$2.1 million (Table 2.8). This is

included as Commonwealth expenditure, even though it was provided to States and Territories.

**Table 2.8: Administered expenditure<sup>(a)</sup> by the Commonwealth Health and Aged Care portfolio under the National Indigenous Pneumococcal and Influenza Immunisation Program, 1999–00 (\$ million)**

State/Territory	Expenditure
New South Wales	0.9
Victoria	0.1
Queensland	0.4
Western Australia	0.4
South Australia	0.2
Tasmania <sup>(b)</sup>	—
Australian Capital Territory <sup>(b)</sup>	—
Northern Territory	0.2
<b>Total administered</b>	<b>2.1</b>

(a) Includes funding for vaccine supply and education/communication activities.

(b) Expenditures for the Australian Capital Territory and Tasmania were \$9,000 and \$6,000 respectively.

### ***Environmental health***

Total expenditure for *Environmental health* by the Commonwealth Health and Aged Care portfolio in 1999–00 was \$18.7 million (Table 2.9). The most significant item of expenditure under this category related to the operations of the ARPANSA, which totalled \$16.1 million. ARPANSA is a Commonwealth 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 Commonwealth 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.

Other expenditure included policy development on health impact assessment, health risk assessment, water quality, and environmental health information and workforce development.

**Table 2.9: Expenditure on *Environmental health* by the Commonwealth Health and Aged Care portfolio, 1999–00 (\$ million)**

<b>Expenditure</b>	<b>Environmental health</b>
Administered	1.1
Departmental	
Population Health Division	1.5
ARPANSA <sup>(a)</sup>	16.1
<i>Total departmental</i>	<i>17.6</i>
<b>Total administered and departmental</b>	<b>18.7</b>

(a) ARPANSA includes expenditure relating to the former Nuclear Safety Bureau.

### **Regulation of therapeutic goods**

In 1999–00, the Therapeutic Goods Administration (TGA) financing moved to full cost recovery. Therefore, there was no net government expenditure for inclusion in this report.

### **Food standards and hygiene**

Total expenditure for *Food standards and hygiene* by the Commonwealth Health and Aged Care portfolio in 1999–00 was \$10.8 million (Table 2.10).

ANZFA was established under the *Australia New Zealand Food Authority Act 1991*. It provided a focus for cooperation between governments, industry and the community to ensure a safe and nutritious food supply. In this study, all ANZFA expenditure is considered to be within the ‘departmental’ category in that all expenditure by ANZFA was directly incurred by ANZFA. Expenditure by the Population Health Division of the Department was for the establishment of a Food Policy Section, which contributed to the Council of Australian Governments’ food regulatory reforms and developed sentinel sites for food-borne illness surveillance and food safety management activities.

**Table 2.10: Expenditure on *Food standards and hygiene* by the Commonwealth Health and Aged Care portfolio, 1999–00 (\$ million)**

<b>Expenditure</b>	<b>Food standards and hygiene</b>
Administered	1.5
Departmental	
Population Health Division	0.7
ANZFA	8.6
<i>Total departmental</i>	<i>9.4</i>
<b>Total administered and departmental</b>	<b>10.8</b>

### **Breast cancer screening**

In 1999–00 the Commonwealth Health and Aged Care portfolio spent \$2.1 million on activities related to *Breast cancer screening* (Table 2.11). This excludes any part of the PHOFA funding that may be used to fund breast cancer screening activities. Most expenditure reported in this section was for the national administration of the BreastScreen Australia program and also the screening-related functions of the National Breast Cancer Centre.

**Table 2.11: Expenditure<sup>(a)</sup> on *Breast cancer screening* by the Commonwealth Health and Aged Care portfolio, 1999–00 (\$ million)**

<b>Expenditure</b>	<b>Breast cancer screening</b>
Administered	0.7
Departmental	1.4
<b>Total administered and departmental</b>	<b>2.1</b>

(a) Not including any part of the PHOFA funding to States and Territories that may be used for funding breast cancer screening activities.

### ***Cervical screening***

Estimated expenditure by the Commonwealth Health and Aged Care portfolio allocated to the core public health category *Cervical screening* in 1999–00 was \$57.9 million (Table 2.12). The main components of this were:

- payments under Medicare – \$54.2 million
- \$1.3 million under departmental expenditure
- \$0.6 million expenditure by the department’s Population Health Division which includes social marketing and research activities for cervical screening.

The Medicare component of estimated expenditure under *Cervical screening* was made up of \$25.0 million for GP consultations, \$20.5 million for pathology testing, \$7.1 million for the cost of collecting samples and \$1.6 million in payments to the Health Insurance Commission (see ‘Technical notes’, Chapter 13, page 119, for methodology).

A further \$31.6 million has been identified in this report as ‘Public health related activities’ expenditure on cervical pathology.

If the Medicare components included in both the *Cervical screening* category and ‘Public health related activities’ expenditure are taken together, the total expenditure is \$87.6 million.

**Table 2.12: Expenditure<sup>(a)</sup> on *Cervical screening* by the Commonwealth Health and Aged Care portfolio, 1999–00 (\$ million)**

<b>Expenditure</b>	<b>Cervical screening</b>
Administered	
Population Health Division	0.6
Health Access and Financing Division (including Medicare benefits)	56.0
<i>Total administered</i>	56.6
Departmental	1.3
<b>Total administered and departmental</b>	<b>57.9</b>

(a) Not including any part of the PHOFA funding to States and Territories that may be used for funding cervical screening activities.

### ***Prevention of hazardous and harmful drug use***

The majority of Commonwealth expenditure on alcohol was part of the National Alcohol Strategy, including the National Youth Alcohol Campaign. Funding was also provided for the National Expert Advisory Committee on Alcohol, which advises the Commonwealth on health and alcohol-related matters.

**Table 2.13: Expenditure on *Prevention of hazardous and harmful drug use* by the Commonwealth Health and Aged Care portfolio, 1999–00 (\$ million)**

Expenditure	Alcohol	Tobacco	Illicit and other drugs of dependence	Total
Administered	5.2	3.4	13.2	21.9
Departmental	1.3	0.8	3.2	5.3
<b>Total administered and departmental</b>	<b>6.5</b>	<b>4.3</b>	<b>16.5</b>	<b>27.3</b>

The Commonwealth’s administered expenditure of \$3.4 million on Tobacco was almost totally focused on the National Tobacco Campaign, the development of its underlying strategy and an evaluation of its effectiveness (Table 2.13).

The three main areas of Commonwealth expenditure on Illicit and other drugs of dependence were:

- 84 projects under the Community Partnership Initiative, totalling \$1.7 million
- an estimated \$5 million under the NGO Treatment Grants Program, and
- expenditure of \$3.2 million associated with the National Illicit Drugs Campaign.

### **Public health research**

Total expenditure for *Public health research* was \$56.0 million (Table 2.14). *Public health research* funded through the department’s Population Health Division included ongoing expenditure under the Public Health Education and Research Program of \$7 million, almost \$12 million for research into HIV/ AIDS, and illicit and other drugs of dependence. Other significant items included \$2.3 million to the Australian Institute of Health and Welfare (AIHW), a total of \$1.5 million on projects associated with the Strengthening the Evidence Base initiative and \$0.7 million for ongoing development of the HealthWiz database.

The Office of National Health and Medical Research Council (ONHMRC) spent \$7.6 million in 1999–00 on research projects that fell within the project’s definition of public health.

**Table 2.14: Expenditure on *Public health research* by the Commonwealth Health and Aged Care portfolio, 1999–00 (\$ million)**

Expenditure	Public health research
Administered	
Population Health Division	46.8
ONHMRC	7.6
<i>Total administered</i>	54.3
Departmental	1.7
<b>Total administered and departmental</b>	<b>56.0</b>

### **2.2.5 Expenditure on ‘Public health related activities’**

Total expenditure by the Commonwealth for ‘Public health related activities’ in 1999–00 was \$39.1 million (Table 2.15). This expenditure is not included in aggregate public health expenditure as it is not within the scope of ‘core public health’. For example, \$31.6 million of

this amount was for activities related to cervical screening but not appropriate to include under the core category *Cervical screening* (see 'Technical notes', page 120, for methodology).

The Commonwealth Health and Aged Care portfolio also identified 'Public health related' expenditure for the following activities:

- pituitary hormones initiatives
- National Drug Strategy initiatives, including grants for services provided by NGOs. It was estimated that half this expenditure was for treatment and would be shown as 'Public health-related activities'. The remainder (\$5 million) has been included in *Prevention of hazardous and harmful drug use*.

**Table 2.15: Expenditure on 'Public health related activities' by the Commonwealth Health and Aged Care portfolio, 1999–00 (\$ million)**

Expenditure	Public health related activities
Administered	38.3
Departmental	0.7
<b>Total administered and departmental</b>	<b>39.1</b>

## 2.3 Comparability with 1998–99 results

The changes to the scope of activities for which expenditure estimates were calculated render comparisons between the 1998–99 estimates and those for 1999–00 for most categories, meaningless. Nonetheless, the following tables and comments look at the way expenditures were reported for the two years.

### 2.3.1 Commonwealth funding

The addition of the *Prevention of hazardous and harmful drug use* and *Public health research* categories in the 1999–00 collection makes it inappropriate to compare funding over the two years. Much of the expenditure that could have been allocated to those categories in 1998–99, had they existed, would have been allocated across the eight original categories in that collection. This is reflected by apparent reductions in expenditure between 1998–99 and 1999–00 (Table 2.16).

Additionally, there were expenditures that would, in the 1998–99 collection, have been included in the category *All other core public health* and that have been allocated as 'public health-related' expenditure in the 1999–00 data. These would have been included in the estimates of public health expenditure in 1998–99, but are not so included in 1999–00.

**Table 2.16: Comparison of funding on core public health activities by the Commonwealth Department of Health and Aged Care, constant (1999–00) prices, 1998–99 and 1999–00 (\$ million)**

Category	1998–99	1999–00
Payments to the States and Territories	196.8	185.7
Commonwealth expenditure	272.7	279.5
<b>Total core public health</b>	<b>469.5</b>	<b>465.2</b>

Despite the non-comparability of total public health funding overall, there was an identifiable reduction in funding for *Organised immunisation* of \$29.8 million (Table 2.17). Almost all of this is explained by the cessation of the National Measles Control Campaign – a one-off school-based campaign that ran from August to November 1998. The Commonwealth’s funding for that program during 1998–99 was \$27.4 million.

**Table 2.17: Comparison of funding on core public health activities by the Commonwealth Department of Health and Aged Care, by core category, constant (1999–00) prices, 1998–99 and 1999–00 (\$ million)**

Category	1998–99 <sup>(a)</sup>	1999–00 <sup>(a)</sup>
Communicable disease control	29.1	26.3
Selected health promotion	44.2	36.0
Organised immunisation	140.6	110.8
Environmental health	32.4	18.7
Food standards and hygiene	9.2	10.8
Breast cancer screening	5.2	2.1
Cervical screening	61.0	57.9
Prevention of hazardous and harmful drug use <sup>(b)</sup>	..	30.0
Public health research <sup>(b), (c)</sup>	17.4	56.0
All other core public health <sup>(d)</sup>	6.8	..
PHOFA	123.7	116.6
<b>Total core public health<sup>(e)</sup></b>	<b>469.5</b>	<b>465.2</b>

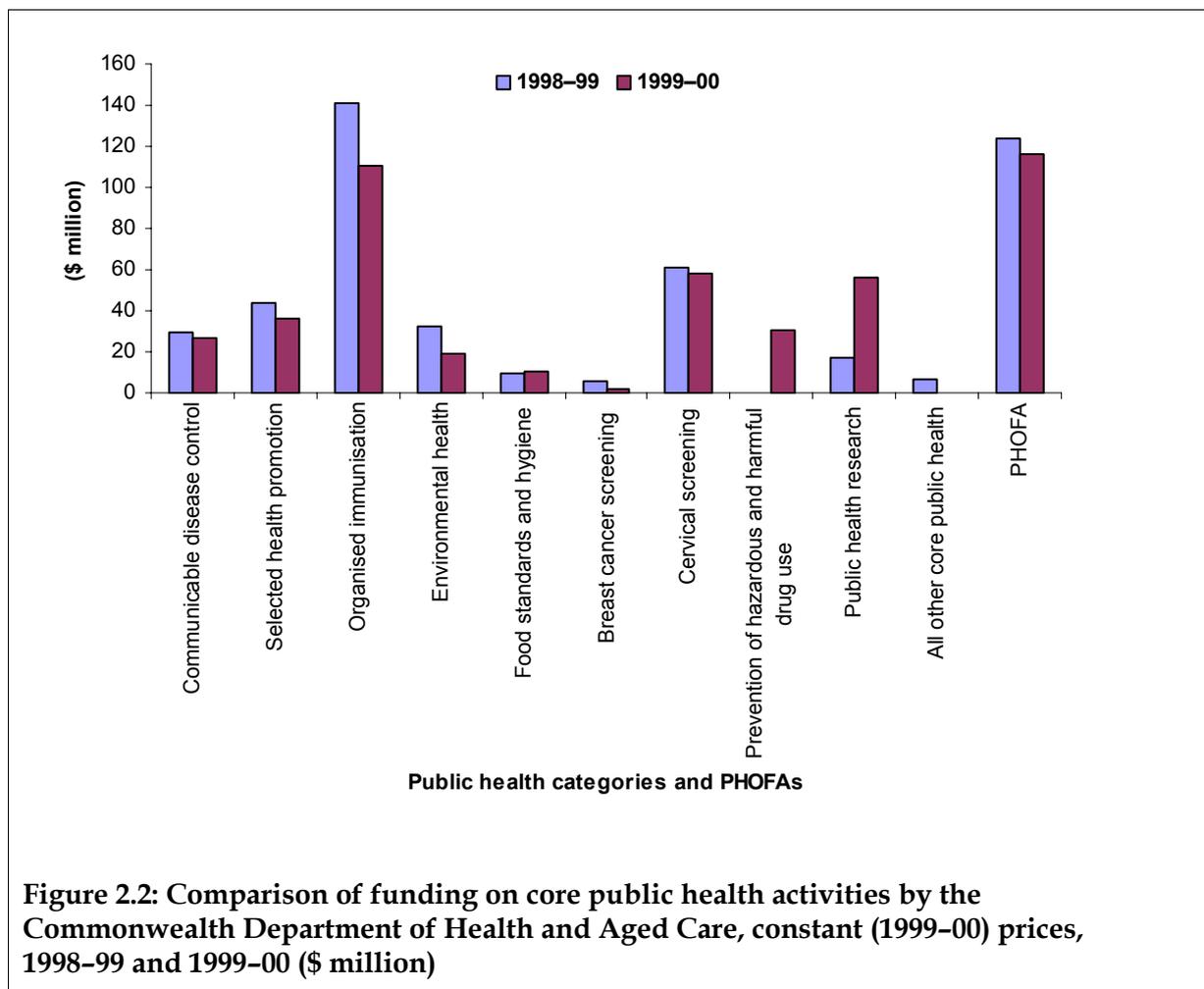
(a) Comparison of components across years is not appropriate because of changes in classification of expenditures between years (see Table 13.1, page 118).

(b) New category in 1999–00.

(c) *Public health research* was not a core category in the 1998–99 report. The Commonwealth did, however, report some expenditure on public health research in the 1998–99 collection. The Commonwealth has now extended the collection of public health research expenditure to be consistent with the project’s definition of public health research for this 1999–00 collection.

(d) The category *All other core public health* only applies to the 1998–99 collection.

(e) The 1999–00 figure excludes \$39.1 million spent on ‘Public health related activities’ that are not classified as core public health.



**Figure 2.2: Comparison of funding on core public health activities by the Commonwealth Department of Health and Aged Care, constant (1999-00) prices, 1998-99 and 1999-00 (\$ million)**

### 2.3.2 Commonwealth expenditure

Expenditure by the Commonwealth increased in overall terms, despite apparent decreases in some categories. The reduction in the *Environmental health* category was largely due to TGA moving to full cost recovery (see 'Regulation of therapeutic goods', page 18). This had the effect of reducing Commonwealth expenditure by \$15 million, even though there had been no reduction to the levels of TGA activity.

Much of the reduction in expenditure on *Organised immunisation* was because the National Measles Control Campaign, which was a one-off program, applied to the 1998-99 year only.

The apparent increase in expenditure on *Public health research* reflects definitional changes. The data included in 1998-99 was a pilot collection and did not include some ongoing expenditures that have now been identified as having a public health purpose. In addition, improvements to the definitions used mean that the 1999-00 estimates for this category include some items that may have been included in other categories in the 1998-99 report.

Apparent reductions in expenditure on other activities can largely be attributed to the addition of the categories *Prevention of hazardous and harmful drug use* and *Public health research*, which effectively redistributed some 1998-99 ongoing expenditures away from other categories (see Commonwealth funding, page 21).

The reduction of \$0.6 million in departmental expenditure in the PHOFA item results from unusually high departmental expenditure in 1998-99 because that was a year in which the

PHOFAs were renegotiated with the States and Territories. In 1999–00, the level of departmental resources required to administer the PHOFAs has returned to normal levels.

**Table 2.18: Comparison of expenditure on core public health activities by the Commonwealth Department of Health and Aged Care, by core category, constant (1999–00) prices, 1998–99 and 1999–00 (\$ million)**

Category	1998–99 <sup>(a)</sup>	1999–00 <sup>(a)</sup>
Communicable disease control	24.7	21.4
Selected health promotion	41.0	36.0
Organised immunisation	74.1	49.1
Environmental health	32.4	18.7
Food standards and hygiene	9.2	10.8
Breast cancer screening	5.2	2.1
Cervical screening	61.0	57.9
Prevention of hazardous and harmful drug use	..	27.3
Public health research	17.4	56.0
All other core public health	6.8	..
PHOFA	0.9	0.3
<b>Total core public health<sup>(b)</sup></b>	<b>272.7</b>	<b>279.5</b>

(a) Comparison of components across years is not appropriate because of changes in classification of expenditures between years.

(b) The 1999–00 figure excludes \$39.1 million spent on 'Public health related activities' that are not classified as core public health.

