

## 2021 Budget: Investing in health is investing in society and economy

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The 2021 Commonwealth Budget includes substantial investments in health – around an additional \$5 billion this year and in future years, acknowledging the importance of a health-led recovery for our society and economy, according to Australian Healthcare and Hospitals Association (AHHA) Chief Executive, Alison Verhoeven.

‘In 2020, Australians appreciated more than ever before why it is so important to have a well-funded health sector.

‘We also learned how easy it is for very negative circumstances to arise when we under-invest in essential services such as aged care and mental health care, and in the social infrastructure which allows all Australians to aspire to healthy lives.

‘We need to be planning for the future and investing for the challenges we know are ahead of us in the health system, such as the impact of climate change, a population that is ageing and with rising rates of chronic disease, and the equity issues which are emerging as high-cost technologies are introduced.

‘We also need to be supporting and building the health and aged care workforce, which has been so critical to responding well to the COVID pandemic.

‘Many of the health and aged care budget announcements made tonight had already been put on the table – and there’s been strong feedback from stakeholders that this is a good start, but this cannot just be a once-off cash splash before an election.

‘As a society, we are only as healthy as the unhealthiest amongst us – as the past 18 months have clearly demonstrated.

‘The \$17.7 billion commitment to aged care over 5 years is about half of the investment recommended as being necessary by the Royal Commission into Aged Care Safety and Quality. It will make a difference, but attention will be required to ensure this investment makes a difference to the care of older people, not just to profit margins for private providers.

‘Much work is still needed to ensure aged care governance, safety and quality reforms aren’t neglected. Funding has been made available tonight to support improved regulation – this work must commence immediately.

‘There have been important recommendations from successive inquiries regarding the need to ensure that people experiencing mental ill-health can access care.

‘Of the \$2.3 billion allocated to mental health funding tonight, more than half (\$1.4 billion) is notably to develop a network of Commonwealth-funded mental health centres, specialising in diagnosis and treatment of conditions in adults, youth and children.

'How these centres work together with Commonwealth-funded mental health programs administered by Primary Health Networks is not yet clear. It will be important to ensure that the majority of this large investment is directed at improved services and care for people with mental ill-health, and not just allocated to administration and infrastructure of new organisations.

'Better support, in partnership with the states and territories, for people who have attempted suicide to continue to receive care and support once they leave hospital is a welcome initiative, with \$298 million to be made available.

'\$65 million to boost bulk-billing rates in regional and rural areas acknowledges the poorer health outcomes experienced by people in the bush, but with more than 12,000 rural and remote GPs across Australia, this represents less than \$5,500 per GP – hardly a game-changer.

'There is only a minor increase in expenditure on Aboriginal and Torres Strait Islander health programs which is disappointing given the significant disparities in health outcomes experienced.

'Short term extensions to telehealth are a missed opportunity to leverage some of the innovations in virtual health care service delivery achieved during 2020. However, changes which we have lobbied for, that exempt some patient groups from requiring a pre-existing relationship with a doctor are welcomed.

'Faster progress in the adoption of innovative, digital models of care, particularly in primary care, is critical to addressing health gaps for people who have difficulty accessing care because of affordability issues, and because of service availability issues, for example in rural and remote areas of Australia.

'Much has been made of the \$535 million to be spent on women and girls' health and wellbeing. However this is hardly a 'pink revolution', averaging out at less than \$15 per Australian woman per year.

'Almost 80% of Australia's health and services sector workforce are women – with a large proportion working casually or part-time. As a country we could be doing so much more to ensure women are able to participate equally in the workforce and to be economically secure.

'More childcare funding is a start, but there's nothing in this Budget for families with children needing out-of-school-hours care. Two percent home deposits and increased early withdrawal amounts from superannuation will help very few women purchase homes, or ensure sufficient super to live on in retirement.

'Tonight's Budget makes some important investments in health and aged care, and overall, gets 3 stars out of 5 from AHHA.

'It is pleasing to see that at least some of the lessons of the past 18 months about what is required to maintain a healthy and productive society have been heeded,' says Alison Verhoeven, AHHA Chief Executive.

*More information on AHHA is available at [ahha.asn.au](http://ahha.asn.au). This media release is available [online](#).*

**The Australian Healthcare and Hospitals Association (AHHA) is the national peak body for public and not-for-profit hospitals, Primary Health Networks, and community and primary healthcare services.**