

**Australian Medical Association Limited**

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**STOP THE CUTS – TIME FOR STRONG INVESTMENT IN HEALTH**  
*AMA Pre-Budget Submission 2016-17*

The AMA is urging the Government to use the May Budget to invest strongly in the future of the Australian health system to meet growing and changing demand from an ageing population and a surge in chronic and complex conditions, which is afflicting more and more Australians.

AMA President, Professor Brian Owler, said today that the Government must put a stop to its policies of funding cuts and program cuts from its first two Budgets, and instead invest heavily in the health system to build capacity to meet current and future needs.

Professor Owler said the Government must make public hospitals, primary care, and prevention the centrepiece of its election-year Budget.

“The first steps in the next Health Budget must be to lift the Medicare patient rebate freeze, reverse the cuts to pathology and radiology, and restore public hospital funding to proper levels,” Professor Owler said.

“The Government cannot be allowed to retreat from its responsibilities in funding and managing the core elements of health care delivery in Australia.

“There is an urgent need to put the focus back on the strong foundations of the health system – foundations that have served us well for decades, made our system one of the best in the world, and made the health of Australians among the best in the world.

“We need a strong balance between the public and private systems, properly funded public hospitals, strong investment in general practice, and a focus on prevention.

“When people are sick and injured, we need to provide them with affordable and easily accessible care in hospitals, in aged care, in general practice, in the community, and in their homes.

“And we need to educate and help people to achieve healthier lifestyles by being active, and avoiding harmful habits and substances. This will reduce the strain on health services.

“But our public hospitals are under pressure, and our primary care system, especially general practice, is facing huge challenges as more Australians are experiencing chronic and complex conditions that require ongoing care.

“Significant new health funding is needed, but governments also need to be more strategic about how they spend every health dollar.

“Health is the best investment that governments can make.”

Professor Owler said that Australia’s health spending is not out of control, as claimed by the Government to justify its savage 2014 and 2015 health Budgets.

“The Government’s ongoing justification for its extreme health savings measures, including cuts to public hospital funding, has been that Australia’s health spending is unsustainable,” Professor Owler said.

“This is not backed by the evidence.

“The Commonwealth Government’s total health expenditure is reducing as a percentage of the total Commonwealth Budget.

“In the 2014-15 Commonwealth Budget, health was 16.13 per cent of the total, down from 18.09 per cent in 2006-07.

“It reduced further in the 2015-16 Budget, representing only 15.97 per cent of the total Commonwealth Budget.

“Clearly, total health spending is not out of control. The health sector is doing more than its share to ensure health expenditure is sustainable,” Professor Owler said.

The AMA Pre-Budget Submission 2016-2017 covers the following key areas:

- MBS Indexation;
- Public Hospitals;
- Federation Reform;
- Efficient Medicare Claiming;
- Indigenous Health;
- Medical Workforce and Training;
- Chronic Disease;
- Pharmacists in General Practice;
- Rural GP Infrastructure Grants;
- Medical Care for Dementia, Palliative Care, and Aged Care Patients;
- Climate Change and Health;
- Prevention;
- Methamphetamine (Ice);
- Alcohol;
- Obesity;
- Physical Activity; and
- Immunisation.

The Submission is available at [https://ama.com.au/sites/default/files/budget-submission/Budget\\_Submission\\_2016\\_2017.pdf](https://ama.com.au/sites/default/files/budget-submission/Budget_Submission_2016_2017.pdf)

The Submission was lodged with the Department of the Treasury prior to the 5.00pm deadline on Friday, 5 February 2016.

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