

MEDIA RELEASE

NEW REPORT: PREVENTION BETTER THAN CURE – GOVT URGED TO SPEND TO SAVE AUSTRALIAN LIVES

The verdict is in: Prevention is better than cure when it comes to tackling Australia's chronic disease burden, but is Australia pulling its weight when it comes to tackling the nation's greatest public health challenge?

A new economic report looking at what Australia invests in preventive health has found Australia ranks poorly on the world stage and has determined that governments must spend more wisely to contain the burgeoning healthcare budget.

One in two Australians suffer from chronic disease, which is responsible for 83 per cent of all premature deaths in Australia, and accounts for 66 per cent of the burden of disease.

The report, *Preventive health: How much does Australia spend and is it enough?* was co-funded by the Heart Foundation, Kidney Australia, Alzheimer's Australia, the Australia Health Promotion Association and the Foundation for Alcohol Research and Education.

Produced by La Trobe University's Department of Public Health, the report examines trends in preventive health spending, comparing Australia's spending on preventive health, as well as the funding models used, against selected Organisation for Economic Co-operation and Development (OECD) countries.

The report also explores the question: 'how much should Australia be spending on preventive health?'

Treating chronic disease costs the Australian community an estimated \$27 billion annually, accounting for more than a third of our national health budget.

Yet Australia currently spends just over \$2 billion on preventive health each year, or around \$89 per person. At just 1.34 per cent of Australian healthcare expenditure, the amount is considerably less than OECD countries Canada, New Zealand and the United Kingdom, with Australia ranked 16th out of 31 OECD countries by per capita expenditure.

Michael Thorn, Chief Executive of the Foundation for Alcohol Research and Education (FARE), a founding member organisation of the Prevention 1st campaign, says that when looking at Australia's spend on prevention, it should be remembered that one third of all chronic diseases are preventable and can be traced to four lifestyle risk factors: alcohol and tobacco use, physical inactivity and poor nutrition.

“We know that by positively addressing and influencing lifestyle factors such as physical activity, diet, tobacco and alcohol consumption, we will significantly reduce the level of heart disease, stroke, heart failure, chronic kidney disease, lung disease and type 2 diabetes; conditions that are preventable, all too common, and placing great pressure on Australian families and on Australia’s healthcare systems,” Mr Thorn said.

Report co-author, Professor Alan Shiell says we should not simply conclude that Australia should spend more on preventive health simply because we spend less than equivalent nations, and instead argues that Australia could and should spend more on preventive health measures based on the evidence of the cost effectiveness of preventive health intervention.

“The key to determining the appropriate prevention spend is to compare the added value of an increase in spending on preventive health against the opportunity cost of doing so.

“If the value of the increased spending on preventive health is greater than the opportunity cost, then there is a strong case to do so,” Professor Shiell said.

Professor Shiell says there is clear evidence that many existing preventive health initiatives are cost-effective.

“Studies suggest Australia’s health could be improved and spending potentially even reduced if government was to act on existing policy recommendations and increase spending on activities already considered cost-effective.

“We also suspect that the choice of funding mechanism, or how money is allocated to whom for prevention – is an important factor for the overall efficiency of health prevention expenditure,” Professor Shiell said.

The report highlights England’s efforts in evaluating and monitoring the cost effectiveness and success of its public health interventions and Mr Thorn believes Australia would do well to follow their lead.

“In the United Kingdom we have a conservative government no less, showing tremendous leadership to tackle chronic disease, with bold policy measures like the recently introduced sugar tax and broad-based physical activity programs, all of which are underpinned by robust institutional structures,” Mr Thorn said.

The report will be launched at a Forum at Parliament House in Canberra today, where public health experts, including the World Health Organization’s Dr Alessandro Demaio will explain how they would invest in preventive health if given \$100 million to spend.

Attendees will also hear from members of parliament including The Hon Catherine King MP, Shadow Minister Health and Medicare and Senator; and Dr Richard Di Natale, Leader of the Australian Greens, on how they plan to prioritise preventive health.

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FARE wishes to thank and acknowledge the co-funders of this report.



Media notes: Report Launch: 9:30am to 11:30am, Wednesday 14 June 2017 ([see full event program here](#)). Media to assemble at: The Main Committee Room, Australian Parliament House, Canberra.

Michael Thorn (FARE), and Professor Alan Shiell (La Trobe University) are available for interview.

Media contact: **Jeremy Henderson** **0425 559 710**

Prevention 1st is a campaign backed by like-minded public health organisations, not-for-profits, and research and advocacy bodies, calling on all Australian governments and political parties to commit to a strong preventive health agenda to tackle Australia's greatest health challenge. Prevention 1st will pursue every opportunity to express the need for action on public policy that the evidence shows will stop and prevent the rising burden of chronic disease.