

MEDIA RELEASE

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Health system needs urgent investment now to tackle immediate concerns

With the federal budget just days away, the Australian Medical Association is calling on the government to ensure investments in the health system to date are not the “be all and end all” — with a still struggling health system needing urgent attention.

AMA President Professor Steve Robson said the federal government’s investments in primary care announced in last year’s budget; and reforms to the public hospital funding agreement, with additional funding to come next year, were very welcome.

“But just weeks ago we released our [Public Hospital Report Card](#) which showed planned surgery wait times in our public hospitals are now the longest on record, and emergency departments remain strangled by access block,” Professor Robson said.

“While those upcoming reforms and additional investment in hospital funding are welcome the new agreement won’t come into effect until next year. We need action now in the form of an investment of \$4.12 billion to address the planned surgery backlog, to be split between the commonwealth and the states and territories.

“We’ve also still got access and affordability issues in primary care, and it is critical that the momentum for reform and investment in general practice that was started in last year’s budget is not lost.”

Professor Robson said better employment conditions are needed for general practice trainees to secure the future of general practice, and an independent planning agency to ensure the health workforce is where it needs to be.

“If we want to continue to deliver high class general practice care and excellent patient outcomes, we need to improve access to general practice by encouraging more doctors to become general practitioners,” he said.

“We are calling on the government to ensure GP trainees are offered equitable employment conditions in comparison to their hospital counterparts. We also need better workforce planning to address access to healthcare, which remains a challenge due to the maldistribution and shortages of healthcare professionals.

“Health workforce planning in Australia has languished since the abolition of the former Health Workforce Australia in 2014 and we have not seen any modelling or planning reports since 2017. The results of this neglect are becoming more apparent every day.”

The AMA’s budget submission proposes a \$1 billion commitment to create an independent National Health Workforce Planning Agency.

Professor Robson said the government also had the opportunity to raise around \$1 billion a year through a sugar tax, money that could be invested in tackling Australia’s incredibly high rates of chronic disease.

“This is a win-win policy with an approximate 20 per cent health levy on sugary drinks raising around \$1 billion each year — money that could be invested into preventive health measures that reduce pressure on our stretched health system.

“Research also shows there could be 4,400 fewer cases of heart disease, 16,000 fewer cases of type 2 diabetes, and 1,100 fewer strokes over 25 years if the government takes this step.”

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Attention also needs to be given to the private health system, with value for money a critical issue for patients and a lack of an independent body to provide a whole-of-system overview, Professor Robson said.

"Patients are being hit with rising private health insurance bills as their providers funnel significantly more money into management expenses, dwarfing any spending increase on rebates and benefits.

"Private health is a major part of Australia's world-leading health system, and we understand the need for insurers to be profitable, but these numbers show something has gone very wrong and that significant reform is needed.

"That is why, for many years, the AMA has been calling on the federal government to mandate private health insurers return a minimum 90 per cent, on average, of premium dollars paid each year back to the consumer in the form of rebates and benefits.

"We also need an independent body that has the capacity, objectivity, and expertise to ensure the system is fair for patients and balances everyone's interests."

[Read the AMA's budget submissions](#)

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