

Health expenditure Australia 2004–05

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Australian Institute of Health and Welfare

Board Chair

Hon. Peter Collins, AM, QC

Director

Penny Allbon

Any enquiries about or comments on this publication should be directed to:

John Goss

Australian Institute of Health and Welfare

GPO Box 570

Canberra ACT 2601

Phone: (02) 6244 1151

E-mail: expenditure@aihw.gov.au

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Preface

In 2004–05, Australia’s health expenditure totalled \$87.3 billion, representing 9.8% of gross domestic product (GDP). This compares with 8.1% of GDP in 1994–95. Given the continual calls for more resources across the different components of the health system, it is essential to understand what is currently spent if there is to be rational discussion about resource allocation.

Regular reporting of national health expenditure statistics is vital to understanding Australia’s health system. These statistics show the volume and proportion of economic resources allocated to the production and consumption of health goods and services, which in turn contribute to the health and wellbeing of the nation. Reporting of health expenditure involves estimates of expenditure on the different components of the health care system as well as identification of the sources of funding for that expenditure.

Health expenditure Australia 2004–05 continues the Australian Institute of Health and Welfare’s series of reports on national health expenditures, which have been produced annually since 1986. This publication presents health expenditure data for the period 1994–95 to 2004–05, with detailed matrices at the national level and for each of the states and territories for the years 2002–03 to 2004–05. All previously published and revised matrices are available on the Institute’s website (<http://www.aihw.gov.au/expenditure/health>).

There have been some revisions to previously published estimates of health expenditure, due to receipt of additional or revised data. Comparisons over time should, therefore, be based on information provided in this publication and on-line data, rather than by reference to earlier editions.

Penny Allbon
Director
Australian Institute of Health and Welfare

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Abbreviations and symbols

ABS	Australian Bureau of Statistics
AHCA	Australian Health Care Agreements
AIHW	Australian Institute of Health and Welfare
CPI	Consumer price index
DoHA	Australian Government Department of Health and Ageing
DVA	Australian Government Department of Veterans' Affairs
FCE	Final consumption expenditure
GDP	Gross domestic product
GFCE	Government final consumption expenditure
GFS	Government finance statistics
GPC	Government Purpose Classification
HEAC	Health Expenditure Advisory Committee
HFCE	Household final consumption expenditure
ICHA	International Classification for Health Accounts
IPD	Implicit price deflator
NHA	National Health Accounts
OECD	Organisation for Economic Co-operation and Development
PBS	Pharmaceutical Benefits Scheme
PHIAC	Private Health Insurance Advisory Council
PHIIS	Private Health Insurance Incentives Scheme
PPP	Purchasing power parity
RPBS	Repatriation Pharmaceutical Benefits Scheme
SHA	System of Health Accounts
SPPs	Specific purpose payments for health under Section 96 of the Australian Constitution
WHO	World Health Organization
n.a.	not available
..	not applicable
n.e.c.	not elsewhere classified
—	nil or rounded down to zero