

**Victorian Health  
Promotion Foundation**

Ground Floor  
15-31 Pelham Street  
Carlton 3053  
PO Box 154  
Carlton South  
3053 Australia

T. +61 3 9667 1333  
F. +61 3 9667 1375  
E. [vichealth@vichealth.vic.gov.au](mailto:vichealth@vichealth.vic.gov.au)  
[www.vichealth.vic.gov.au](http://www.vichealth.vic.gov.au)  
ABN 20 734 406 352

6 June 2014

Senator Sue Boyce  
Chair, Legislation Committee  
Senate Standing Committee on Community Affairs  
PO Box 6100  
Parliament House  
Canberra ACT 2600

**Response from the Victorian Health Promotion Foundation (VicHealth)  
to the inquiry into the Australian National Preventive Health Agency (Abolition)  
Bill 2014**

Dear Senator Boyce,

Thank you for the opportunity to provide a response to the Australian National Preventive Health Agency (Abolition) Bill 2014.

VicHealth has developed the following response in the context of the [VicHealth Action Agenda for Health Promotion](#), which outlines the work to be undertaken by our organisation over the next ten years. The submission includes focus on the Victorian environment as well as the broader national context. Case studies or further information on VicHealth's work in this area are available on request.

If you would like to follow up on any of the information in our response, please contact Cassie Nicholls in our Policy Development Office

Yours sincerely

Jerril Rechter  
Chief Executive Officer

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*Patrons*  
Sir James Gobbo  
Dr Nigel Gray AO  
Professor Emeritus,  
Sir Gustav Nossal AC CBE

## Executive summary

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The Victorian Health Promotion Foundation (VicHealth) has been a strong supporter of the establishment of the Australian National Preventive Health Agency (ANPHA). The current challenges Australia faces such as obesity, alcohol-related harm, tobacco control and mental health mean that governments have a significant role to play in addressing the conditions that can improve or harm health. As the Commonwealth Government has noted, an ageing population, increasing pressures on the health system and changes to the fiscal environment provide additional complexity and urgency.

We recognise the purpose of the Australian National Preventive Health Agency (Abolition) Bill 2014 (the Bill) to streamline and coordinate preventive health efforts in a tight fiscal environment, and that the Department of Health will continue to have a national leadership role in this area.

VicHealth strongly recommends that the Commonwealth Government continues to strengthen Australia's efforts in promoting health and preventing disease by prioritising prevention within the health portfolio and taking a key leadership role nationally to reinforce and coordinate activity being undertaken at the local, regional and state level.

Health promotion and disease prevention efforts are essential to sustainable change, and investment is highly cost-effective and can create real and lasting improvements benefiting the health of all Australians. Without a strong focus on these areas, the Government risks reducing the benefits of existing successful approaches and creating additional burden on the economy now and into the future.

Generational change requires generational commitment, so VicHealth highlights the importance of long-term sustainability of preventive approaches. This is evident in existing and past government programs in areas such as reducing tobacco use, increasing immunisation and preventing road trauma, which have benefited from sustained commitment from successive governments.

VicHealth also recognises the importance of a transparent, timely and smooth transition of programs and responsibilities to the Department of Health. This is particularly important for programs such as the National Tobacco Campaign and the National Binge Drinking Strategy, as these present public health outcome and financial risks to the Government should they not be continued or be deferred.

### ABOUT VICHEALTH

VicHealth was established by the Victorian Parliament in accordance with the *Tobacco Act 1987* with a mandate to promote good health for all. VicHealth is a pioneer in health promotion – the process of enabling people to increase control over and improve their health.

Our primary focus is promoting good health and preventing chronic disease. We create and fund world-class interventions. We conduct vital research to advance Victoria's population health. We produce and support public campaigns to promote a healthier Victoria. We provide transformational expertise and insights to government.

Of all the things we do, above all we seek to make health gains among Victorians by pre-empting and targeting improvements in health across our population, fostered within the day-to-day spaces where people spend their time, and with benefits to be enjoyed by all.

# 1. The Commonwealth Government's role in promoting health and preventing disease

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In recent years substantial gains have been made in preventive health. However, while Australians are living longer, many are living with preventable chronic disease. As the Commonwealth Government has noted in the 2014–15 Health Portfolio Budget Statements, demographic shifts mean that in the coming decades this will increase, putting pressure on the health system and society as a whole. Supporting effective approaches now will both improve the health of Australians and reduce the future burden on our economy and health system.

VicHealth acknowledges the complexity of changing people's health-related behaviours. While individuals make their own lifestyle choices, governments play a critical role in ensuring every Australian can access and understand the healthy choice, and has the opportunity to actively improve their own health. This is influenced by their family, community, school, workplace, industry, income, social norms and beliefs, and a range of other factors. These influences mean that health and risk behaviours vary between areas and groups of individuals, often causing the greatest burden of ill health to be experienced by those with the most disadvantage.

VicHealth's work in health promotion and disease prevention focuses on those areas that represent the greatest burden of disease and disability, and where there is the most potential for health gains: promoting healthy eating, encouraging regular physical activity, preventing tobacco use, preventing harm from alcohol and improving mental wellbeing. The prevalence of ill health and the burden of disease from these areas present a clear case for government action.

## 1.1 Prevalence and burden of disease in Australia

### Healthy eating

- Energy dense but nutrient-poor foods contribute over one-third of the total daily energy intake of Australians, and only one in ten adults meet the recommended minimum daily intake for vegetables.<sup>1</sup> As a result, 63 per cent of Australian adults are overweight or obese,<sup>2</sup> and one in four Australian children aged 5–17 years are overweight or obese,<sup>3</sup> costing the Australian society and governments over \$58 billion in 2008.<sup>4</sup>
- Unhealthy eating and low fruit and vegetable consumption contribute to high blood pressure, high blood cholesterol and high rates of obesity,<sup>5</sup> accounting for around one-sixth of the total burden of disease in Australia.<sup>6</sup>

### Physical activity

- Only 43 per cent of Australians are getting enough physical activity to benefit their health, with those experiencing the most disadvantage less likely to be sufficiently active.<sup>7</sup>
- This can lead to increased risks of chronic disease, including mental ill health,<sup>8</sup> and has been estimated to cost the Australian economy a total of \$13.8 billion each year.<sup>9</sup>

## **Tobacco use**

- Even though the smoking rate has dropped across Australia, it remains the leading preventable cause of many cancers and respiratory, cardiovascular and other diseases,<sup>10</sup> and in Victoria costs approximately 4,000 lives and \$5 billion each year.<sup>11</sup>
- Exposure to second-hand smoke increases the risk of chronic and fatal health conditions, including cardiovascular disease, heart disease and lung cancer.<sup>12</sup>

## **Alcohol harm**

- In 2010, 20 per cent of Australians aged 14 or over had consumed alcohol at a level that put them at risk of alcohol-related disease or injury over their lifetime. Nearly 40 per cent drank at levels that put them at risk of alcohol-related injury from a single drinking occasion over the past 12 months.<sup>13</sup>
- More than 200 types of short- and long-term preventable harms can result from alcohol misuse. These include accident and injury, cancer, heart attack, stroke and liver cirrhosis. The harmful community impacts of alcohol include drink driving, alcohol-related injury, assault and chronic disease.<sup>14–17</sup>

## **Mental wellbeing**

- Mental illness is one of Australia's top three leading causes of disease burden,<sup>18</sup> and the largest contributor to the disability burden in Victoria.<sup>19</sup>
- Over 13 per cent of Australian adults reported having a mental and behavioural condition in 2011–12.<sup>2</sup> It is estimated that mental illness costs the Australian economy \$20 billion every year.<sup>20</sup>

## **1.2 The Commonwealth's leadership role in prevention**

VicHealth commends the Government's continued commitment to prevention, as articulated in the 2014–15 Health Portfolio Budget Statements. VicHealth agrees that 'more emphasis is needed on prevention to ensure our health system is sustainable for the long term'.<sup>21</sup>

VicHealth recognises that Bill's Explanatory Memorandum identifies the purpose of the Bill as streamlining and coordinating preventive health efforts, and that the Department of Health will continue to have a national leadership role in this area.

VicHealth has been a strong supporter of the establishment of ANPHA, however our priority is ensuring that the Commonwealth Government continues to strengthen its leadership role. The successes of ANPHA have shown the benefits of investment in preventive health, and VicHealth urges the Government to continue to sustain and expand these across Australia around a range of health promotion and disease prevention issues.

Without this leadership, there will be missed opportunities in terms of increased impact through combined and efficient efforts at local, regional, state and national levels. The Commonwealth Government is also best positioned to lead action to address disadvantage with a coordinated approach, and provide constitutional authority in matters of excise.

Successes in this area include past and recent efforts to reduce smoking and obesity. In these instances, a coordinated approach at the national level included social marketing, policy and regulation and program delivery, and was reinforced by tailored and targeted activity by local and state government agencies, health agencies and non-government organisations.

VicHealth also notes that this leadership role need not just be financial investment in programs, but also includes providing a national coordination function for local, regional and state efforts, representing Australia at the international level, and providing non-financial resources and support.

Similarly, effective health promotion and disease prevention efforts can include approaches beyond regulatory and legislative reform, such as positively-framed programs like VicHealth's [Alcohol Cultural Change program](#) and [Hello Sunday Morning](#).

There is strong public support for government investment in health promotion and disease prevention. A 2011 survey conducted by VicHealth and the Public Health Association of Australia found that over 75 per cent of respondents believed that Australian governments should be responsible for helping individuals to make healthy choices around areas including healthy eating, alcohol use and physical activity. Nearly 80 per cent of respondents supported additional funds being allocated to federal and state governments' health budgets to prevent people from getting sick and to help people have better health, and 73 per cent supported increasing funds spent on prevention from 2 per cent to 5 per cent of the health budget.<sup>22</sup>

## 2. The benefits of sustained commitment to health promotion and disease prevention

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Treasury has identified that Australia's GDP growth is expected to slow and rising ageing and health costs will be the biggest contributor to future government fiscal pressures.<sup>23</sup> In light of this, and as the Hon. Peter Dutton, MP noted on 25 February 2014, it is essential that expenditure in the health portfolio is a productive and efficient use of taxpayers' money.

By continuing and strengthening its leadership role in preventive health, the Commonwealth Government has the opportunity to invest in health promotion and disease prevention activity that is cost-effective and that can create real and lasting change to the health of all Australians, as well as reduce the fiscal pressures the Government faces.

### 2.1 Cost-effectiveness of health promotion and disease prevention

Conservative estimates in 2008 found that if the prevalence of key risk factors\* were reduced to realistic targets, it would save \$2.3 billion across the lifetime of the adult Australian population.<sup>24</sup> In addition, economic evaluation of the costs and benefits of specific health interventions shows that some can be very cost-effective, and in some cases investment can have cost savings.

Modelling has shown that preventive interventions such as taxation on alcohol, tobacco and unhealthy foods and regulation of salt content in processed foods can have a large impact on population health and the Australian economy. For example, imposing a mandatory limit on salt content of just three food items – bread, cereals and margarine – has the potential to save 110,000 disability-adjusted life years<sup>†</sup> (DALYs) and provide \$1.5 billion in cost offsets, for an intervention cost of \$70 million.<sup>25</sup>

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\* Intimate partner violence, high-risk alcohol consumption, inadequate fruit and vegetable consumption, physical inactivity, tobacco smoking, and high BMI

† A disability-adjusted life year (DALY) is a measure of the difference in healthy time lived comparing an intervention scenario with 'current practice' or 'do nothing'; the disability adjustment reflects the severity of disease or disability. More DALYs 'saved' means a longer life, a life with less disability, or a combination of these.

Importantly, small improvements at a population level can bring about substantial health and economic gains.<sup>26</sup> For example, increasing fruit and vegetable intake by just one serve a day would save between \$8.6 million and \$24.4 million per year in direct healthcare costs related to cancer and a further \$150 million in healthcare costs associated with heart disease.<sup>27</sup>

Currently, Australia invests a lower proportion of its health expenditure in prevention than most other OECD countries, with just 1.7 per cent of 2010–11 health spending going towards prevention efforts, or less than 0.2 per cent of GDP.<sup>28</sup> The health and economic benefits of cost-effective approaches to health promotion and disease prevention provide a case for strengthening this investment into the future.

## 2.2 The importance of long-term commitment to prevention

While there will always be debate over the best way to implement health promotion and disease prevention activity, there is a clear case for significant and sustained investment in the area. Generational change requires generational commitment, and irrespective of the structures through which they were implemented, Australia's strongest achievements have enjoyed ongoing support from federal and state governments. VicHealth believes that this is an essential factor in ensuring the success of future preventive efforts, as without it, major investments will be an ineffective and inefficient use of taxpayers' money due to inconsistent support and delivery.

As Dr Andrew Southcott, MP noted in 25 February 2014, 'Australia's results in areas such as tobacco control and immunisation have long had bipartisan support'. By providing long-term support and investment in approaches with proven effectiveness, such as tobacco control (see below), the Commonwealth Government has the opportunity to create a legacy that will improve Australians' health into the future.

### Case study: Tobacco control

The Applied Economics Review commissioned by the Howard Government identified the significant benefit of investing in preventive approaches, with a financial return on investment to government of \$2 for every \$1 spent.<sup>29</sup> Between 1983 and 2010 the smoking rate in Australian adults has dropped from 35.4 per cent to an all-time low of 15.1 per cent.<sup>30</sup>

This is a result of significant and sustained investment from a range of partners, with strong leadership from the Commonwealth Government. Public awareness campaigns, advertising bans, increased taxation and a focus on smokefree environments have been undertaken by local, state and federal governments and other health organisations.

With one of the lowest smoking rates in an OECD country, this activity places Australia at the forefront of tobacco harm prevention worldwide, and has saved thousands of lives and years lost to illness and disability. With smoking estimated to cost \$6.4 billion in 2004–05 due to increased healthcare costs and decreased productivity in the workplace,<sup>31</sup> these continued efforts are essential for both the health of Australians and our economy.

## 3. Transfer of specific ANPHA programs

VicHealth notes that the Bill includes transitional provisions, and that the Government has committed to a transparent, efficient and effective transfer of essential functions currently undertaken by ANPHA to the

Department of Health. We commend the commitment from Minister Dutton during the second reading of the Bill that action on alcohol, tobacco, obesity and chronic disease priorities will continue.

VicHealth emphasises that this is particularly important for programs such as the National Tobacco Campaign and the National Binge Drinking Strategy, as these present public health outcome and financial risks to the Government should they not be continued or be deferred.

As Minister Dutton noted during the reading, smoking is the largest cause of preventable death and disease in our country. As discussed above, tobacco control strategies, particularly public awareness and social marketing campaigns, are one of the single most cost-effective and proven prevention approaches. Should the transfer of the functions of the National Tobacco Campaign from ANPHA to the Department of Health result in interruptions in aspects such as social marketing, there are real risks in terms of program effectiveness.

This is particularly relevant as recent research into ongoing televised tobacco control campaign activity found that campaigns need sufficient exposure levels over relatively frequent intervals to produce benefits in terms of smoking cessation and health outcomes.<sup>32</sup>

The Minister also noted in his speech that the Government remains committed to addressing the harmful use of alcohol, including through education activities and by working with states and territories, stakeholders and communities. VicHealth encourages the Government to ensure that programs such as the current National Binge Drinking Strategy are maintained during the transition.

For example, should the partnerships with National Sporting Organisations under the *Be the Influence – Tackling Binge Drinking* initiative be ceased, there is significant risk that alcohol manufacturers could step into the space vacated by the national strategy to re-establish sponsorship partnerships with sports.

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