



MEDIA RELEASE

Minister for Health and Ageing

Tony Abbott MHR

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Health and Medical Investment Fund

The Howard Government will establish a new Health and Medical Investment Fund to ensure that Australians swiftly receive the benefits of the latest health and medical breakthroughs.

The Health and Medical Investment Fund will generate ongoing returns each year which can be directed to new facilities and the latest equipment to treat diseases and save lives.

All expenditure from the Fund will be over and above the Federal Government's standard commitment to provide new health, medical and pharmaceutical services each year under current programs.

The Fund is not a replacement for the ordinary expenditure on health services that is the responsibility of state governments.

Access to many new technologies and services comes at significant upfront capital cost which can limit their availability to Australian patients. It is these next generation technologies which the Fund will help ensure are delivered to the community more quickly.

The Fund will receive an initial allocation of \$2.5 billion from the higher than expected 2006-07 Budget surplus. The proceeds of the sale of Medibank Private will also be invested in the Fund to generate higher returns in future years.

The capital in the Fund will be protected to ensure that ongoing investment returns will be available for the latest health care innovations and facilities into the future. It is expected that, as occurs now, expenditure from the Fund will be available for use in both the public and private sectors.

Decisions on annual spending from the Fund will be made by the Government on advice from a panel of expert advisers led by the Commonwealth Chief Medical Officer following a competitive grant application process.

For more information call Mr Abbott's office on ph 02 6277 7220.