

# 2023 / 2024 Commonwealth Budget Analysis

The clock is ticking for action on health and climate



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### **Recognition and Commitment**

We recognise Aboriginal and Torres Strait Islander People as the traditional custodians of the land on which we live and work and acknowledge that sovereignty of the land we call Australia has never been ceded. We commit to listening to and learning from Aboriginal and Torres Strait Islander people about how we can better reflect Indigenous ways of being and knowing in our work.

# Policy Analysis

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As highlighted in our [pre-budget submission](#), challenges posed by climate and health issues are serious and growing. Climate change directly impacts human health, and increases both demand for health services and the stress on the people and institutions providing those services. It is clear that action on climate and health is hugely beneficial for social, environmental, cultural and economic outcomes but can only be achieved with urgent and decisive action, and the funding to execute it.

We welcome funding in the May 9 Commonwealth Budget that will move Australia towards a cleaner, healthier and more just world. However, the pace and scale of action needed must be drastically increased to deliver the transformation that climate science tells us we need.

We are calling for urgent, additional funding to support the work of the National Health Sustainability and Climate Unit and to resource the implementation of the National Health and Climate Strategy.

In addition to [Tuesday night's response](#), read below for our full analysis of the 2023 / 2024 Commonwealth Budget, how its key commitments can support climate and health, and what more needs to be done.

## Wins for climate change

The 2023 / 2024 Commonwealth Budget contains some significant investment towards achieving the Albanese Government's [net zero target](#) by 2050. Many of these will also have health benefits. We welcome these initiatives as starting points:

- The **\$1.3b Household Energy Upgrades Fund** moves Australia closer towards electrification of the grid, much needed improvements to energy performance, improvements to social housing and reducing cost of living pressures, without increasing carbon emissions. This fund will need more resourcing to ensure that low-income people, private renters and owner occupiers have access to it.
- The establishment of the national **Net Zero Authority** is a significant structural shift towards Australia becoming a "[renewable energy superpower](#)", reducing health burdens associated with pollution and protecting the needs of workers. In order to run a transition which is healthy, regenerative and just, the Authority will also need to uplift the voices and values of Indigenous communities from day one.
- The Albanese Government has provided \$28m over two years for the development of the first **National Climate Risk Assessment and National Adaptation Plan**. The Assessment and Plan will be a guidepost for health system resilience, and the management of health impacts of climate change. Such an assessment of Australia's climate risk is essential and overdue. However, this assessment and development of the Plan must occur in parallel to addressing the pressing health risks from climate change already present in many communities.
- The budget also provides modest support for the decarbonisation of Australia's transport system, which accounts for almost 20 per cent of Australia's total emissions burden. \$20.9m has been allocated over five years to the development of a **Transport and Infrastructure Net Zero Roadmap and Action Plan**. Any action to decarbonise transport is welcome. However, developing a plan ought not to be a reason to delay action on [transport-related air pollution](#). Thus, we are concerned by any delay in introducing **Fuel Efficiency Standards**. Australia needs comprehensive emission standards, alongside moves to give more transport choices by supporting public transport, walking and cycling and other healthier, cleaner modes of transport.

## Wins for health services and and social determinants

The 2023 / 2024 Commonwealth Budget includes funding for much needed health systems reform and relief on cost of living pressures.

- Cost of living relief includes the \$5.7b over five years to **Strengthening Medicare**, with \$3.5b to triple bulk billing incentives for concession card holders and \$358.5m for Medicare Urgent Care Clinics. These changes come from long standing asks from the health sector for a shift to mixed models of care that can better support chronic and complex health needs consumers and will better support access to affordable, responsive care for people on low incomes. Access to primary care physicians and care is a key component of health systems resilience in the face of climate change, and therefore should be a priority for the commonwealth budget.
- There is a further commitment of \$2.7b over five years for the **Commonwealth Rent Assistance Program**, and \$3b for electricity bill offsets in the **Energy Price Relief Plan**. While improving access to basic needs in the short term is a key aspect of building resilience across the board in the face of accelerating climate change, longer term, sustained funding is crucial for intergenerational and lasting change.
- The Albanese Government has fulfilled their pre-election commitment to establish an **Australian Centre for Disease Control**, with \$91.1m over two years for the establishment of stage one of the CDC. It remains unclear how climate related diseases such as zoonoses and vector borne diseases will be addressed in stage one of the CDC, or how a climate and health approach will be integrated into the broader remit of the CDC as and when it is rolled out. It is important for national and regional security in the face of a warming planet, particularly when resourcing a new agency to monitor contemporary health risks, that climate and health are a centrepiece of the CDC, and that a preventive health approach is adopted..
- The budget has allocated \$364.6 million over three years to deliver constitutional reform through the establishment of a **Voice to Parliament** for First Nations peoples. We welcome this funding commitment and strongly support moves towards centering First Nations voices, culture and knowledge in the business of government. The Voice to Parliament will enhance Australia's ability to respond to climate and health issues, and is a crucial step towards healing. We also welcome the \$362.1m over four years to fund **Close the Gap** to directly improve health outcomes.
- There was also modest funding for **mental health and mosquito-borne disease support for flood affected communities**, with \$9.8m going to flooding regions in Victoria, Tasmania and New South Wales, and First Nations communities. Funding of this nature will be crucial as part of ongoing climate resilience.

## More needed for climate and health

The Climate and Health Alliance remains concerned that the budget does not provide much needed resources to directly address climate and health.

- Our pre-budget submission called for baseline funding of \$1m p.a to resource the newly established **National Health Sustainability and Climate Unit** and ~\$3m p.a to resource the implementation of the **National Health and Climate Strategy** - due for release late 2023. Unfortunately, both these items were not accounted for in this year's budget, and without it, it remains unclear how the Unit and Strategy can deliver much needed timely action on climate and health.
- Our pre-budget submission also called for funding of a **National Vulnerability and Capacity Assessment**. Central to delivering ongoing benefits will be an accurate assessment of vulnerability and capacity, as well as investing in systems to monitor and evaluate climate and health impacts in real time. Unfortunately, the Assessment remains unfunded. It is unclear how the National Climate and Risk Assessment can support a joined up approach to climate and health without a targeted sectoral approach, and the inclusion of adaptation, across state, territory and commonwealth jurisdictions.
- CAHA also recommended the establishment of a **\$500 million climate and health contingency fund** to deal with rapidly accelerating climate and health issues. This year is forecast to see the return of El Niño, with significant implications for climate and health. Recent research demonstrates how events in Australia can affect the global climate and in turn feedback onto further climate impacts in Australia. Bushfires, exacerbated by climate change driven extreme heat, then drove global climate changes that made flooding in subsequent years much worse. Adaptation in ways that build resilience, health and equity is today's issue not something that can wait.
- Crucial national health strategies including the **National Preventive Health Strategy** and the **National Injury Prevention Strategy** remain unfunded, despite their consideration of the impacts of climate on high disease burden conditions and actions to address it. Without funding for these strategies, our health system remains unprepared for the increasing burden of disease associated with climate change.
- It is heartening to see the \$263.8m commitment to the establishment of a **National Lung Cancer Screening Program**. However, it is unclear if this program will take into consideration the impacts of pollution and bushfire smoke related to climate change, or the impacts of transport-related air pollution on lung cancer rates. As extreme weather events increase in frequency and severity, action to reduce the risk of

respiratory diseases including lung cancer and Chronic obstructive pulmonary disease (COPD) is critical.

- There has been a commitment of \$236m over 10 years for **flood warning infrastructure** to support climate resilience, but much more is needed to protect health during extreme weather events. In addition to flooding, drought, heatwaves and increased frequency of cyclones, will all have direct and indirect impacts on human health including increased rates of cardiovascular disease, food and housing insecurity, drowning, injury and mental health.
- Equally, while there have been great strides in progress towards net zero, it remains unclear if adjustments to the **Petroleum Resource Rent Tax** and the \$2b commitment to the **Hydrogen Headstart** will be enough to support the mission of decarbonisation with sufficient urgency.
- We join our colleagues in welcoming the commitment of \$214.1m over four years to deliver the **Nature Positive Plan**, which includes \$121m over four years for the establishment of the **Environment Protection Australia** and its enforcement of environmental laws. Experts have been cited as calling for \$2b of annual funding for ecosystem and endangered species restoration to meet the urgency and scale of the task. Intact ecosystems are a fundamental basis of human health and livelihoods. Healthy and resilient communities rely on a healthy natural environment and thriving ecosystems. Climate change is accelerating and directly threatens ecological integrity so we must invest now to restore and safeguard Australia's ecosystems.

## Where to from here?

Given the urgency of the climate crisis, we will be seeking clarification from the Commonwealth Government on behalf of the health sector about whether the Strategy can deliver timely action without a clear commitment of funds this financial year.

We will also work with our members and sector allies to speak to representatives about how they can secure more rapid action to address climate and health challenges and opportunities.

If you or your organisation would like to get involved, or support the work of the Climate and Health Alliance, you can [donate here](#) or [become a member here](#).

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