

## Pandemic E-News 15 May 2008

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### 2008-09 Commonwealth Budget Update on Pandemic Influenza and Related Topics

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## Summary

The new expenditure measures for Pandemic Influenza in the 2008-09 Commonwealth Budget totaled \$171.2 million of which \$166.5 million was for the replacement of the National Medical Stockpile pharmaceuticals and pandemic vaccines, and \$4.7 million for ensuring a whole of government approach to pandemic preparedness in Australia. However in reality, the \$4.7 million is not new money but was transferred from the Department of Health and Ageing's budget.

Two pandemic influenza initiatives were cancelled, saving \$7.3 million. There were the rapid deployment teams for thermal scanning at airports and the purchase of deployable mortuaries.

The budget documents identified the following key actions for 2008-09:

- The Australian Health Management Plan for Pandemic influenza will be revised and released in 2008-09.
- \$110,000 has been allocated to continue the development of up-to-date communication materials for use before and during a pandemic.
- The government will provide \$3 million for the relocation of the Melbourne-based WHO Collaborating Centre for Reference and Research on Influenza to new facilities at the Victorian Infectious Diseases Reference Laboratory, as well as its operation.

## New Expense Measures

### Expense measures (including cancelled initiatives) since the 2007-08 MYEFO<sup>(a)</sup>

		2007-08	2008-09	2009-10	2010-11	2011-12
		\$m	\$m	\$m	\$m	\$m
<b>ITEM</b>	<b>HEALTH AND AGEING</b>					
1	National Medical Stockpile – replenishment	-	0.6	-	-	-
2	Human Influenza Pandemic Prevention and Preparedness	-2.0	-2.7	-	-	-
	<b>PRIME MINISTER AND CABINET</b>					
	<i>Department of the Prime Minister and Cabinet</i>					
2	Human Influenza Pandemic Prevention and Preparedness	2.0	2.7	-	-	-
	<b>AGRICULTURE, FISHERIES AND FORESTRY</b>					
	Equine influenza					
3	– eradication	97.2	-	-	-	-
4	– extension of assistance	26.1	-	-	-	-
6	Quarantine Research and Preparedness Plan	0.5	1.8	1.9	1.2	-
7	Pandemic influenza preparedness – rapid deployment teams	-	-2.8	-2.9	-	-
8	Securing the Future: protecting our industries from biological, chemical and physical risks – continuation	-	4.9	-	-	-
	<b>ATTORNEY-GENERAL'S</b>					
5	Equine Influenza Commission of Inquiry – additional funding	2.5	0.1	-	-	-
375	Chemical, biological and radiological incident response – provision of deployable mortuaries	-	-0.8	-0.8	-	-

### Capital measures since the 2007-08 MYEFO

	2007-08	2008-09	2009-10	2010-11	2011-12
	\$m	\$m	\$m	\$m	\$m

**HEALTH AND AGEING**

1	National Medical Stockpile – replenishment	-	124.7	41.2	-	-
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**Legend**

.. Not zero, but rounded to zero.

- Nil.

(a) This statement reports all measures since the 2007-08 MYEFO. All financial impacts are changes since the 2007 Pre-Election Economic and Fiscal Outlook. A minus sign before an estimate indicates a reduction in expenses, no sign before an estimate indicates increased expenses.

**New Initiatives****1) National Medical Stockpile — replenishment**

Capital (\$m)	2007-08	2008-09	2009-10	2010-11	2011-12
Department of Health and Ageing	-	124.7	41.2	-	-
<i>Related expense (\$m)</i>					
Department of Health and Ageing	-	0.6	-	-	-

The Government will provide \$166.5 million over two years to replace expiring National Medical Stockpile pharmaceuticals and pandemic vaccines. This will include purchasing pharmaceuticals that would be available to assist in responding to a possible influenza pandemic or a chemical, biological or radiological incident. The Government will continue to examine the make-up of the Stockpile, based on current and future threats and consider funding for 2010-11 and beyond following the examination.

The National Medical Stockpile was created in 2002 as a strategic reserve of medications and medical equipment to respond to potential mass casualty emergencies or health disasters.

This expenditure will ensure that the Stockpile's present state of readiness is maintained including continuing the availability of up to 8.7 million courses of antivirals and 1.2 million courses of H5N1 vaccine for use in an influenza pandemic, along with other vaccines, antibiotics, antivirals, antidotes and equipment.

**2) Human Influenza Pandemic Prevention and Preparedness**

Expense (\$m)	2007-08	2008-09	2009-10	2010-11	2011-12
Department of the Prime Minister and Cabinet	2.0	2.7	-	-	-
Department of Health and Ageing	-2.0	-2.7	-	-	-
Total	-	-	-	-	-

The Government will provide \$4.7 million over two years to ensure a whole of government approach to pandemic preparedness in Australia. This includes both coordination across State and Territory governments and Australian Government agencies.

The cost of this measure will be offset from within the existing resourcing of the Department of Health and Ageing.

### 3) Equine influenza — eradication

Expense (\$m)	2007-08	2008-09	2009-10	2010-11	2011-12
Department of Agriculture, Fisheries and Forestry	97.2	-	-	-	-

The Government provided \$97.2 million in 2007-08 towards the cost of the national response to eradicate equine influenza from Australia. Australia was declared provisionally-free of the disease on 14 March 2008.

The agreed limit for the national response is capped at \$108.0 million. Under Commonwealth, state and industry cost-sharing arrangements, the Government agreed to underwrite the horse industry's proportion.

Further information can be found in the press release of 15 February 2008 issued by the Minister for Agriculture, Fisheries and Forestry.

### 4) Equine influenza — extension of assistance

Expense (\$m)	2007-08	2008-09	2009-10	2010-11	2011-12
Department of Agriculture, Fisheries and Forestry	26.1	-	-	-	-

The Government provided an additional \$142.9 million in 2007-08 to extend the equine influenza assistance package to 14 March 2008 to allow the horse industry more time to properly recover from the influenza outbreak.

The extension provided support through the Commercial Horse Assistance Payment, the Business Assistance Grant, Equine Workers Hardship Wage Supplement Payment and grants for non-government, not-for-profit equestrian organisation programs.

Extending the Business Assistance Grants and grants for non-government, not-for-profit equestrian organisation programs has enabled eligible businesses and organisations to apply for a second round of grants.

Provision for \$116.8 million has already been included in the forward estimates.

### 5) Influenza Commission of Inquiry — additional funding

Expense (\$m)	2007-08	2008-09	2009-10	2010-11	2011-12
Attorney-General's Department	2.5	0.1	-	-	-

The Government will provide additional funding of \$2.6 million over two years from 2007-08 to extend the administrative support provided to the Inquiry into the Outbreak of Equine Influenza in Australia. The additional funding will help allow the Commission to meet its reporting date of 25 April 2008.

### 6) Quarantine Research and Preparedness Plan

Expense (\$m)	2007-08	2008-09	2009-10	2010-11	2011-12
Department of Agriculture, Fisheries and Forestry	0.5	1.8	1.9	1.2	-

The Government will provide \$5.4 million over four years to implement a comprehensive Quarantine Research and Preparedness Plan to minimise the impacts of pests, diseases and contaminants on Australia's agriculture, fisheries and forestry industries.

The funding includes provision for development and implementation of a National Fruit Fly Strategy, continued development of Australia's ability to rapidly and accurately diagnose plant pests and diseases, and development and piloting of a model for on-farm biosecurity planning.

This measure delivers on the Government's election commitment.

## 7) Securing the Future: protecting our industries from biological, chemical and physical risks — continuation

Expense (\$m)	2007-08	2008-09	2009-10	2010-11	2011-12
Department of Agriculture, Fisheries and Forestry	-	4.9	-	-	-

The Government will provide \$4.9 million in 2008-09 to continue to improve Australia's ability to detect and respond to biosecurity threats, and to minimise the costs to industry and governments caused by established pests and exotic pest and disease incursions.

## ***Cancelled or slowed of previously announced national security initiatives***

### 8) Pandemic influenza preparedness — rapid deployment teams

Expense (\$m)	2007-08	2008-09	2009-10	2010-11	2011-12
Department of Agriculture, Fisheries and Forestry	-	-2.8	-2.9	-	-

The Government will not proceed with funding in 2008-09 and 2009-10 for the *Pandemic influenza preparedness — rapid deployment teams for thermal scanning at airports* measure announced in the *Mid-Year Economic and Fiscal Outlook 2007-08*. The measure will proceed, with costs met from within the existing resourcing of the Department of Agriculture, Fisheries and Forestry.

This measure will provide savings of \$5.8 million over two years and delivers on the Government's commitment to responsible economic management.

### 9) Chemical, biological and radiological incident response — provision of deployable mortuaries

Expense (\$m)	2007-08	2008-09	2009-10	2010-11	2011-12
Attorney-General's Department	-	-0.8	-0.8	-	-

The Government will not proceed with funding for the purchase of deployable mortuaries announced in the 2006-07 Budget. The Attorney-General's Department has determined that deployable mortuaries could be more effectively delivered through a service agreement with a commercial provider.

This measure will provide savings of \$1.6 million over two years and delivers on the Government's commitment to responsible economic management.