

## **Mr Alan Castleman's address at the launch of the Australian Centre for Health Research**

Welcome

Ladies & Gentlemen, thank you for coming tonight, to this launch of the Australian Centre for Health Research. We are delighted with the attendance by you all, constituting such a substantial number of people who have distinguished themselves in health or related activities. And who have obviously all concluded that the sort of think tank we are launching is important to Australia.

I think we all understand that a great deal can and must be done to improve the health industry in Australia. It is not quite so clear what should be done, or how it should be done, and we hope that, this think tank will, be very useful in identifying and analysing and promoting issues and solutions to many of the challenges in front of us.

At the outset I should like to give my view of what we would like to achieve and what we do not propose to do.

I think the health industry is at one of the most interesting and challenging points in its long history. For centuries medicine has been groping with issues of health. In the last century it has made enormous advances, but I think we are now at a point of even greater takeoff. The number of areas in which medical and health research is now engaged is growing all the time and the rate of discovery and advance in opportunity is greater than it has ever been. The rate of change will only increase further.

Science can now treat or cure more conditions than ever. Death was once a certainty. Increasingly it may become an option if you have access to the money for new treatments and spare parts. This creates increasingly greater challenges on so many fronts from ethics to economics. We have seen the percentage of GDP devoted to health in Australia climbing from the 6% mark to 9%. It could grow much more if we let it, and why would we not want such services if the community demands them and they are effective, and we are able to provide them.

If an increased rate of national real spending on health is accompanied by real improvements that must be a good thing. To the extent that it reflects higher inflation in health costs than other national costs, or inefficiencies or wasteful activity, it is not good. Our challenges are to be able to deliver a highly productive and efficient range of health services to Australians, and to be of course world competitive in doing that.

We want to contribute to the more efficient, effective and productive delivery of world leading health services in this country.

In doing that we want to be objective and non ideological. Unfortunately much of the debate around health in Australia is tinged with (sometimes riddled with) ideology to do with the superiority of public health or the promotion of “equality” in health opportunity or outcomes. We come from or support the private sector in health, but we also recognise the huge and effective contribution made by the public health sector in Australia. This mixed health system has served us very well. That is not to say that we can not improve it and that is one of the challenges in front of our new centre. We want to objectively assess how to improve the system.

We do feel that any monolithic system is less capable of responding to the challenges and the health needs of our population, and that the private sector can play a major role in this. We will if necessary strongly defend the right of the private sector to participate in this challenge.

Because our new centre is obviously supported by the private health system, this does not make us opposed to the public system. Equally, we are not about attacking any of the essential components of the private system. We see the medical and other professional players, the private hospitals, and the health funds as all crucial parts of the system. Each needs to work as well as they can and the mechanisms of interaction between them needs to be as efficient as possible. Equally, we need a focus on preventative health as well as curing or treating.

We see the centre as being both supportive of research, and active in promotion of causes which we believe need promotion. We do not plan to be shrinking violets

when it comes to health debate, but we want to have something important and correct to say before we speak.

Now I want to introduce you to Neil Batt, who will discuss the purpose and organisation of the centre. I will return to outline the proposed structure and financing of the centre, after Neil's speech and of course we have other speakers and the opportunity for you to comment.

I am sure we all know Neil well. He has become very knowledgeable on many health issues in the last several years with his work in the Australian Private Health Insurance Association and through his other health involvements such as the presidency of the International Diabetes Institute. Importantly he has a highly respected background in politics and has wide respect across the two major political parties. He is very well connected in politics and the health area and we in Australian Unity believe he is the man to head this new centre.

<Neil Batt speech>

Return to Alan Castleman

Australian Unity has provided the seed funding for the centre to date, but expects that as others contribute funding the Australian Unity role will fall back to being one of a number of funders.

We have incorporated a company Australian Centre for Health Research Ltd, ACN 116 781 965. This is a public company limited by guarantee. That is, it has members rather than shareholders. Currently the members are Rohan Mead and I. The directors are myself as Chairman, Rohan Mead and Neil Batt. However, we see additional members and directors being provided by other groups who provide funding to the organisation. Basically, the board will be responsible for day-to-day administration and governance, subject to the members who are analogous to shareholders, who will ultimately control the company and represent those in the private sector who have funded it.

The Board has resolved to create a council. We see the council as being an extremely important advisory board for the company. Which in many respects will make a great many of the key decisions relating to research. We see the council as being a much larger body than the board and comprising many of the people here today. Being a member of the council does not involve the assumption of the responsibilities and liabilities of a director, but will involve meeting periodically to discuss health issues, hear about our research and provide comment and advice. We look to the council to comprise prominent and respected figures in the health world or people perhaps without such prominence, but who are able to provide valuable input and guidance to what we are doing. In many ways we see the council as the public face of the centre. Obviously it will include the directors, but also many more people. I would like to think it would be a place for some vigorous debate about the research subjects and the outcomes. It will be a source of ideas and also a sounding board for those doing research. This will be particularly important to ensure that the ideas we promote have been well tested in a balanced and expert arena.

We look to other health funds, the private hospital system and possibly other groups as funding sources. We look to individuals with expertise to give of that expertise. As I said earlier, Australian Unity looks forward to the day when it is merely one of several important players in the funding of the centre and when the centre is seen as truly representative of the industry at large.