Penelope and Ben Clark
[REDACTED]

15 Sept 2025

Dr Alison Roberts, Martin Stokie and Dr Angela Jackson
Commissioners
Productivity Commission Inquiry into Quality Care
c/- 5pillars@pc.gov.au

Dear Dr Roberts, Mr Stokie and Dr Jackson and Productivity Commission team members,

We have read the interim report and limit our submission to the third item, namely:

A national framework to support government investment in prevention

To provide some context for our submission, we have personal and professional interests in urban planning, health policy, economic management, sustainability and transport.

We support the four key items in the Summary on page 51.

Draft recommendation 3.1

We believe that an integrated health care model should place an emphasis on reducing the risk of illness and death due to preventable conditions and diseases (e.g. heart disease), by reducing and removing risk factors. We have focused on one risk factor - the largely sedentary lifestyle in our society, as it is a significant contributor to these diseases. Therefore, increasing daily activity should be an important preventative action. Encouraging a far greater proportion of the community to achieve this via 'incidental exercise', by going about their day's travel by bike or walking, and using public transport rather than driving, is a sensible policy move.

Planning, and accompanying government policy, will play an important step in this process. In our home state, Tasmania, there have been numerous plans prepared at local and State level (eight over the past decade that we have commented on) that espouse the need for better facilities for pedestrians and cyclists, and include them as policy outcomes.

As the interim report rightly notes, it is the follow-through that always lacks. The first problem is that there is often no funding attached to these strategy or policy documents.

We note the Federal funding allocation of $17.1b for road and rail construction over the coming decade (to 2035-26)[i]. However funding for the Active Transport Fund over the coming 4 years (to 2028-29 FY) is $100m, which equates to 1.2% of the roads budget (based on road funding over equivalent four year time period). International best practice is for at least 10% of road-related funding be allocated to active transport, with the UN recommending 20% allocation[ii].

If a 10-20% allocation for active transport were implemented, and a funding agreement made between the Australian Government and the collective states and territories, through the NPIF, it would equate to $1.7-$3.4b invested by the Australian Government over the coming decade. If this were provided on a 50:50 basis to the state and territory governments, it would create a total of $3.4b-$7.2b public investment. This doesn't include any additional local government or private sector investment that would likely follow. Economic benefits of this combined Federal, state and territory investment (such as reduced health costs, reduced congestion, property value uplift) are estimated to be 5:1, suggesting an economic boost of $17-$34 billion to the nation's economy[iii].

As an example from our home state, over the past decade, the Tasmanian Government budgets for infrastructure investment have grown considerably, however largely for road projects. The actual spend for active transport has hovered around 1% of the budget. With the State now in a 'budget black hole', the draft budget (now being revised) had slashed funding for active transport to $0 for 2026-27 and 2027-28. This seems incredibly short-sighted when the budget for road projects over the forward three years was $1,377.1 million (2025-26 to 2027-28).

Secondly, there is often no 'teeth' to see these well-intentioned policies and strategies become part of the funding criteria or become the basis for the transport planners and engineers to start from. As a consequence, it seems common that active transport modes are seen as 'niceties' rather than necessities, and only provided for once the vehicle needs are met. Some broader thinking, in terms of future health outcomes should be considered. As such externalities are not taken into account, and active transport tends to get dismissed as impossible within what are invariably tight budgets.

We now need the Australian Government to take a leadership role to translate scientific evidence into on the ground outcomes. It has a significant lever through its funding programs. Here are our suggested amendments for the Commission to consider.

<u>Recommendations</u>

- In line with the National Preventive Health Strategy, mandate Commonwealth funding for transport infrastructure to allocate a specific percentage to active transport modes (eg. a near term target of 5% by 2030, lifting to 10% by 2035),
- Require DITRDSA to consult Department of Health, Disability and Ageing on costs attributable to preventable diseases and work out a formula that accounts for 'avoided costs' due to active transport provision (e.g. $ saved in heart disease per km of separated path cycleway as this can help justify the added investment when budgets may be tight).
- Require the relevant State transport organisations to provide for active transport within all their transport infrastructure upgrades (unless there is a compelling reason why they shouldn't – e.g. ports/freight rail infrastructure that wouldn't be ordinarily accessed/used by community)
- Require National policy objectives and targets regarding improving preventative health (i.e. provision for active transport) to be written into the appropriate level of planning at State level (eg. via a planning directive), which can then direct local government.

We trust the above will be clear, but please contact us via reply email if you require clarification on any points raised.

Yours sincerely

Penelope and Ben Clark

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[i] Commonwealth Government, *2025-26FY Budget, Budget Paper No. 1, Statement 1: Budget Overview,* page 29 - https://budget.gov.au/content/bp1/download/bp1_bs-1.pdf

[ii] Adhikari, A, Ryan, M and Harrington, M, The Australia Institute, *Proactive investment: Policies to increase rates of active transportation* (2024), page 2-3, 27 - https://australiainstitute.org.au/wp-content/uploads/2024/10/Policies-to-increase-rates-of-active-transportation.pdf

[iii] Queensland Department of Transport and Main Roads (2023); *Queensland Cycling Infrastructure Investment Strategy and Business Case 2016–2026* - https://www.tmr.qld.gov.au/travel-and-transport/ cycling/cycling-investment-in-queensland