



STEPHEN SMITH MP

MINISTER FOR FOREIGN AFFAIRS
PARLIAMENT HOUSE
CANBERRA ACT 2600

Mr John Beckett
National Coordinator
Micah Challenge Australia
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28 JUL 2009

Dear Mr Beckett

Thank you for your letter dated 24 April 2009 regarding an increase in health spending within the Australian aid budget. I regret the delay in response.

I appreciate your willingness to meet with me to discuss your concerns, but unfortunately I was not available to meet with you on 17 or 18 June 2009 due to other commitments.

The Australian Government shares the Micah Challenge's deep concern about the maternal and child health challenges facing our region. The 10,567 maternal health postcards received by the Government indicate that this is a concern also shared by the Australian public.

The Australian aid program has a strong focus on addressing the Millennium Development Goals (MDGs), including those concerned with reducing child mortality and improving maternal health. The strength of the Government's commitment to the MDGs is underlined by the continued scaling up of Australia's development assistance to 0.5 per cent of gross national income by 2015. This is a serious undertaking in light of the significant domestic budgetary pressures arising from the global recession.

Within the Government's overall commitment to increasing aid spending, health expenditure in the aid program is increasing both in dollar terms and as a proportion of the aid program. Funding for health will increase from \$440 million in 2008-09 to \$595 million in 2009-10, representing approximately 16 per cent of the total development assistance program. This represents a 35 per cent increase in just one year.

An aspect of this commitment includes increased funding of \$200 million over four years for a UN Partnership for the MDGs. This includes \$42.5 million for the United Nations Population Fund (a lead agency on MDG 5) to support its work in reproductive health, safe motherhood, addressing HIV and promoting gender equality.

Another aspect is the \$64 million in core funding to the World Health Organization (WHO) over four years increasing from \$10 million in 2008 to \$23 million in 2011. The Australian Agency for International Development (AusAID) will be working with WHO to advocate for an increased focus on maternal and child health issues in the region.

At a high level event on the MDGs in New York in September 2008 the Prime Minister, the Hon Kevin Rudd MP, committed Australia to spend \$250 million over the next four years to improve women and children's health, with a focus on Asia-Pacific countries where maternal and child mortality remains high. This commitment includes up to \$15 million over four years to UN agencies and non-government organisations (NGOs) for family planning and reproductive health activities to help reduce maternal deaths.


Recognising the need for bigger and better investments in international health, a High Level Taskforce on Innovative International Financing for Health Systems was launched in September 2008 to help identify innovative international financing mechanisms to generate the extra resources required to meet the health MDGs.

Australia is a member of this Taskforce and the recommendations from the Taskforce report are expected to be considered at meetings of the Group of Eight this week and the Group of Twenty later this year.

Australia will continue to support governments, international agencies and NGOs to improve access to cost-effective life-saving interventions for women and children.

Thank you for bringing your concerns to my attention.

Yours sincerely



Stephen Smith