



## The Australian Federal Budget 2025-26: Summary of key announcements

The recent [Federal Budget](#) committed to several measures consistent with the RACP advocacy platform, including the RACP's January 2025 Pre-Budget Submission to the Treasury, [The Healthcare Australia needs](#).

### First Nations health

#### Budget committed:

- \$9.2 million over three years to states and territories to deliver improved monitoring and detection of Acute Rheumatic Fever and Rheumatic Heart Disease and provide education and training for health care providers, individuals, families and communities.
- \$3.5 million in 2025–26 to extend the measure Deadly Choices to increase uptake of 715 Health Checks, a First Nations-specific health assessment focused on key areas of risk, critical to detect common and treatable conditions that are major contributors to First Nations illness.
- \$47.6 million over four years from 2025–26 (and an additional \$12.7 million in 2029–30) to fund Aboriginal Community Controlled Health Organisations and service providers to deliver culturally appropriate aged care assessments for Aboriginal and Torres Strait Islander people.

#### We called for:

- ✓ Funding for vital health assessment and diagnostic technologies particularly for cancer and cardiovascular diseases, inclusive of Computed Tomography, Echocardiogram, Magnetic Resonance Imaging, Positron Emission Tomography in Aboriginal Community Controlled Health Organisations (ACCHOs).
- ✓ Funded public health information campaigns promoting uptake of MBS Item 715 Health Check for the prevention and management of chronic diseases in First Nations communities.
- ✓ Increased funding for the establishment and operation of mobile health clinics for First Nations communities and boosted funding to optimise culturally safe care using ACCHO partner services.

### Critical medicine supplies

#### Budget announced:

- \$22.9 million over five years from to address intravenous (IV) fluids shortages by expanding onshore production, establishing a panel of suppliers for IV fluids, and undertaking a clinical review of IV fluids.

#### We called for:

- ✓ An urgent boost to National Medical Stockpile for emergent global healthcare threats and supply issues, including for IV fluid shortages, Mpox vaccines and treatments, avian influenza, and new and existing vaccines, diagnostics and medicines for antimicrobial resistance.

## Medical study places

### Government committed:

- \$48.4 million to an extra 100 Commonwealth Supported Places for medical students per year from 2026, increasing to 150 per year by 2028, and demand-driven places for First Nations students to study medicine.

### We called for:

- ✓ An increase to the number of rurally based medical students and prevocational doctors and funding to the Rural Health Multidisciplinary Training Program to facilitate two years of rural based medical school training for rurally inclined medical students.

## Hospital funding

### Government announced:

- An additional \$1.8 billion to fund public hospitals and health services in 2025–26.

### We called for:

- ✓ Commonwealth funding of public hospitals to be boosted under the National Health Reform Agreement consistently, including in [our Submission to the National Health Reform Agreement Mid-Term Review](#).

## Digital health and My Health Record

### Budget committed:

- \$228.7 million in 2025-26 to continue the operations and modernisation of My Health Record to drive a digitally connected healthcare system.
- \$15.6 million over two years from 2025–26 to continue My Health Record initiatives under the Health Delivery Transformation Program to support essential work.
- \$5.7 million in 2025-26 to improve electronic prescribing infrastructure and services Australia-wide.

### We called for:

- ✓ Implementation of Strengthening Medicare recommendation “modernise My Health Record to significantly increase the health information available to individuals and their health care professionals”:
  - Fund incentives and software interoperability platforms for physicians consistent with funded supports for General Practice, to enable and prepare for ‘sharing by default’ requirements.
  - Fund enabling digital enhancements for interoperability between My Health Record and other different digital health systems in private and public healthcare settings.
  - Continue work towards improving usefulness of clinical information in My Health Record to ongoing patient care, particularly access by physicians to critical information from other health professionals.
  - Streamlining My Health Record uploading processes to reduce administrative burdens.

## Bulk billing

### Government announced:

- \$7.9 billion over four years to expand the availability of bulk billing incentives to include all Australians eligible for Medicare.

### We called for:

- ✓ Extended bulk billing incentives to a broader range of priority groups impacted by a higher incidence of complex or chronic health conditions and social determinants of disease, expanding the incentives to a broader range of chronic and complex patient groups needing to see physicians.

## Aged health and care

### Budget committed:

- \$4.2 million over five years for specialist aged care programs.

### We called for:

- ✓ A national rollout of evidence-informed innovative models of care for health, wellbeing and lifestyle management of older people with chronic health conditions, considering opportunities such as the Active, Stronger, Better program model.

## Preventative health

### Government announced:

- \$2.9 million to extend funding for fetal alcohol spectrum disorder (FASD) prevention, diagnosis and support.

### We called for:

- ✓ Increase to national funding for FASD in our advocacy for alcohol risk minimisation through submissions and annually as part of NO FASD awareness month.

## Disability health and care

### Government announced:

- \$364.5 million over five years to reform the Information Linkages and Capacity building (ILC) program, providing general supports for people with disability and their families and carers outside of the NDIS. The National Information Program is part of the ILC and provides information on supports and services to people with disability, their families and their carers through consistent national information programs and products.
- \$42.2 million over 5 years for establishment of the National Autism Strategy, which seeks to improve access to timely, consistent early screening, diagnosis and monitoring.

### We called for:

- ✓ Enhanced accessible information in appropriate and diverse formats for people living with a disability, including through boosting funding for:

- Health resources in Easy Read, Braille and sign language supports in diverse languages.
- Peer-led education programs incorporating tailored workshops and training to build community confidence in navigating health systems.
- Training for healthcare professionals on clear and accessible communication for people with disabilities.
- ✓ Improved autism spectrum disorder diagnosis, assessment services and supports in the lead up to the Budget through [our recent advocacy](#) on the draft National Road Map to Improve the Health and Mental Health of Autistic People. This centred development of consistent identification screening, outcome and diagnostic tools with health professional codesign and upskilling, timely and responsive screening and early identification, and improved access to primary care.

## Early Childhood education and care

### Budget announced:

- \$426.6 million for a new 3 Day Guarantee to ensure families are eligible for at least three days a week of subsidised early childhood education and care. In its first financial year, the 3 Day Guarantee is expected to result in 100,000 families being eligible for additional hours of subsidised early childhood education and care.

### We called for:

- ✓ Universal access to quality early childhood education programs for all three-year-olds to be implemented through the [RACP Kids Catch Up campaign](#) and its promotion to Budget.

## Climate resilience

### Government announced:

- \$500 million for clean energy technology manufacturing capabilities as part of a \$1.5 billion investment through the Future Made in Australia Innovation Fund.

### We called for:

- ✓ A National Climate Change and Health Resilience Research Fund to identify resilience strategies suited to our health system.

## Next steps

With the 2025 Federal election approaching, the College continues to advocate for key asks included in our Pre-election statement, [Roadmap to the healthcare Australians need](#). The statement emphasises the need for a strong, flexible, appropriately distributed trainee and physician workforce, improved care and funding models, reliable and accessible supply of medicines, a climate-resilient health system and access to specialist care for priority populations.