



CMHA PRE-BUDGET SUBMISSION 25-26

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About CMHA

Community Mental Health Australia (CMHA) is the coalition of states and territory peak community mental health organisations and provides a voice for several hundred community-based non-government organisations providing psychosocial supports and working to improve the mental health and wellbeing of people living with mental health distress, their families, chosen supporters and kin, and for all Australians.

CMHA Coalition

- Mental Health Coalition of South Australia
- Mental Health Community Coalition of the ACT
- Mental Health Council of Tasmania
- Queensland Alliance for Mental Health
- Western Australian Association for Mental Health

Context:

CMHA acknowledges the recent announcement by the Commonwealth Government to extend funding for the existing Psychosocial Support Program for a further two years from July 2025. While this extension provides short-term continuity for existing supports, it does not address the significant unmet need for psychosocial supports outside the NDIS. Analysis released in August 2024 revealed that, despite existing programs, over 230,500 Australians with 'severe mental illness' and 263,100 Australians with 'moderate mental illness' still lack access to necessary psychosocial supports. These figures are conservative, as they do not account for potential increases in unmet need due to NDIS reforms, which may exclude some individuals with disabling psychosocial challenges from the Scheme. They also exclude Australians outside the 12-65 age span.

The NDIS reforms underway propose tightened eligibility criteria, which will result in some individuals with disabling psychosocial challenges no longer meeting the threshold for NDIS access. The reforms aim to establish foundational supports as a safety net, yet these supports remain underdeveloped and underfunded, leaving gaps for individuals with severe and complex needs. This places significant pressure on the community mental health sector, which is already under-resourced. Without immediate action to expand psychosocial supports outside the NDIS, individuals will face increased risk of crisis, and the demand for acute services will grow exponentially.

CMHA Key Asks

1. \$1bn over 4 years Investment Plan for Psychosocial Supports Outside the NDIS

CMHA recognises that costing the future plan for psychosocial supports is yet to be finalised. However CMHA asks that the National Cabinet agrees on an initial minimum \$1bn package over 4 years, jointly funded through a 50:50 cost-share agreement between the Commonwealth and State/Territory Governments, to:

- Expand existing psychosocial supports to address unmet need.
- Develop integrated interfaces with existing PHN, NDIS and state/territory clinical mental health services (hospital and community treatment).
- Develop a national program with clear targets and guidelines to ensure equity and quality across jurisdictions, including diverse and priority population groups, and including funding for independent and robust evaluation.
- Build workforce capacity and commissioning capabilities, including social prescribing.
- Establish and maintain foundational supports for individuals excluded from the NDIS due to recent reforms.

This investment will:

- Reduce pressure on acute health services, including emergency departments.
- Improve mental health and social outcomes through earlier, locally-responsive and needs-adapted interventions.

CMHA asks that the implementation of the future plan for psychosocial supports to address the unmet need is included in the next National Agreement.

Recommended Timeframe:

- **2025-26:** Begin phased implementation of a four-year plan to meet 25% of unmet need.
- **2027-29:** Scale funding to address the remaining unmet need, ensuring all identified gaps are closed.

2. \$450k Investment in Community Managed Organisations Workforce Growth, Development and Sustainability

- CMHA calls for funding mechanisms that guarantee five-year contracts with appropriate indexation for NGOs delivering Commonwealth-funded mental health and wellbeing supports.
- \$150k funding to establish and conduct a comprehensive national Community Managed Organisation (CMO) workforce survey, to be delivered through CMHA member organisations and state/territory peaks. This survey, modeled on the successful NSW approach, will create the first consolidated national dataset on the CMO workforce, enabling evidence-based planning and development strategies.
- CMHA requests \$300k to build on the CMO workforce survey and develop a CMO Workforce Strategy to grow the scale and capability of the community mental health and wellbeing workforce, including suicide prevention and alcohol and other drugs capabilities, as well as priority population group capabilities, with a focus on the Lived Experience workforces.
- Support the development of national data collection systems, including a biennial workforce survey to track trends and inform planning.

3. Strengthen Governance and National Collaboration

To ensure accountability and quality, CMHA urges:

- Clear, transparent governance structures as part of the upcoming negotiations for the new National Mental Health and Suicide Prevention Agreement, including appropriately funded engagement with the two national Lived Experience Peak bodies, Gayaa Dhuwi and the Aboriginal and Torres Strait Islander Lived Experience Centre, and the community managed mental health sector as part of this process. CMHA is not currently included within the Mental Health and Suicide Prevention Senior Officials (MHSPSO) governance structures and given the clear future direction of investment in psychosocial supports this needs to be urgently addressed.
- Lived experience engagement in the design, delivery, and evaluation of psychosocial supports. We support both the National Mental Health Consumer Alliance and Mental Health Carers Australia's pre-budget submissions calling for further investment in the lived experience workforces at all levels.
- Ensure that the national wellbeing framework Measuring What Matters (Appendix 1) is independently evaluated to assess the extent to which the wellbeing indicators which have been selected for the framework include non-clinical mental health indicators that are able to provide true, unbiased measures of progress.

4. \$350k Community Mental Health Australia (CMHA) Peak Body Core Funding

CMHA is the well-established coalition of state/territory peak bodies for the community managed mental health sector, representing hundreds of organisations providing psychosocial supports in the community.

It currently works closely with the NDIA, DSS, together with the national Lived Experience peak bodies through the DRO and DRCO programs in the psychosocial disability sector and is ideally positioned through its states and territory members to help drive the urgently required transformation of a buckling clinical mental health system.

It is the community managed mental health sector that holds capability in integrating needs-adapted and rights-upholding social supports such as employment, housing and inclusion.

It is the community managed mental health sector that will optimize the realisation of the NDIS individualized packages for psychosocial disability, release economic productivity as people with lived experience of distress and their families are given pathways back into employment and education.

It is the community managed mental health sector that will relieve the spiralling burden on primary, tertiary and private mental health services.

Additionally, given the high degree of cross-portfolio policy intersections with mental health – for example justice, disability and family/domestic violence, a trauma-capable community managed mental health sector resourced to both address social determinants and provide needs-adapted wrap-around responses has the obvious potential of benefitting beyond the mental health portfolio, as outlined in Appendix 1.

CMHA welcomes the 2021 Productivity Commission recommendation to address unmet psychosocial support needs being progressed through MHSPSO.

However in 2023 the 77th session of the United Nations General Assembly adopted its first ever

mental health resolution, 'Mental Health and Psychosocial Support'. This resolution was co-sponsored by Australia.

The resolution, in addition to reaffirming commitment to the UNCRPD and OPCAT, and recalling the Human Rights Council resolutions 32/18 of 1 July 2016, 43/13 of 28 September 2017, 43/13 of 19 June 2020 and 52/12 of 3 April 2023 on mental health and human rights, called for a paradigm shift away from the overmedicalization of mental health and towards community based, coercion-free, psychosocial supports.

Australia lacks a domestic instrument to implement these resolutions, and so CMHA calls on government to urgently progress the recommendation of the [Parliamentary Joint Committee on Human Rights](#) to introduce legislation to establish an Australian Human Rights Act. In the Health portfolio, mental health is uniquely characterized by stigma, discrimination and coercion, and requires urgent attention to remedy this.

In order to send appropriate market signals and lay the necessary foundations for a cohesive, systematic (including co-production with lived experience) approach to building a safe, rigorous, rights-based, contemporary psychosocial supports architecture and workforce fully integrated with PHNs, jurisdictional clinical mental health services and the NDIS, CMHA requests an allocation of \$350K annual core funding this budget cycle.

This is in addition to the \$450k request to support the foundational growth of the CMO workforce and is for the purpose of engaging with government, the community managed mental health sector, national Lived Experience peak bodies, priority population groups, PHNs and other clinical services in order to develop contemporary, needs-adapted and integrated psychosocial support models.

Appendix 1: Psychosocial Support outside the NDIS and the National Measuring What Matters Framework

Measuring What Matters is Australia's national wellbeing framework to track progress towards a more healthy, secure, sustainable, cohesive and prosperous Australia. The framework will gradually be embedded into all levels of government decision making, to develop, coordinate and evaluate policies.

The psychosocial foundational supports provided by well-formed Psychosocial Support Program outside the NDIS would address the following indicators in the national *Measuring What Matters* framework.

Healthy

Healthy throughout life

- **Life expectancy, Mental health, Prevalence of chronic conditions**
 - A well-formed psychosocial support program can improve mental health outcomes, which are closely linked to life expectancy and the management of chronic conditions. These programs provide support and coping strategies, leading to improved mental well-being and potentially reducing the impact of chronic health conditions.

Equitable access to quality health and care services

- **Access to health services, Access to care and support services**
 - Psychosocial support programs are crucial for providing equitable access to health and care services, particularly for mental health, ensuring that individuals from all backgrounds have access to necessary mental health support and services.

Secure

Living peacefully and feeling safe

- **Feeling of safety, Experience of violence, Childhood experience of abuse, Online safety, National safety, Access to justice**
 - Psychosocial programs offer support to individuals who have experienced violence or abuse, enhancing safety and security in the community. They also support online safety and access to justice.

Having financial security and access to housing

- **Making ends meet, Homelessness, Housing serviceability**
 - Psychosocial support can aid financial security and housing stability, especially where mental health issues are affecting individual's work ability or housing stability.

Sustainable

Resilient and sustainable nation

- **Fiscal Sustainability**
 - Psychosocial Support Services will reduce demand on the hospital system and better ensure the sustained provision of these essential government services.
- **Economic Resilience**
 - Psychosocial support services produce a range of secondary effects on improving

wellbeing, resilience, social connection and economic participation of carers, families and communities.

Cohesive

Having time for family and community

- **Time for recreation and social interaction, Social connections, Creative and cultural engagement**
 - Effective psychosocial support improves mental health, leading to more active engagement in community and family activities, better time management, and maintained social connections.

Valuing diversity, belonging, and culture

- **Experience of discrimination, Acceptance of diversity, First Nations languages spoken, Sense of belonging**
 - An inclusive, culturally sensitive psychosocial support program fosters an environment of diversity and belonging, supporting individuals from diverse backgrounds and promoting acceptance and community belonging.

Trust in institutions

- **Trust in others, Trust in key institutions, Trust in Australian public services, Trust in national government, Representation in parliament**
 - Accessible psychosocial support programs can build trust in public services and institutions by demonstrating a public commitment to community well-being and by providing reliable and empathetic support, empowering individuals through participation, fostering safe community connections, educating them about their rights and social systems, collaborating with other institutions, and respecting individual and cultural differences. This approach helps in alleviating feelings of alienation and fosters a more inclusive and trusting relationship between individuals and the community at large.

Prosperous

Dynamic economy that shares prosperity

- **National income per capita, Productivity, Household income and wealth, Income and wealth inequality, Innovation**
 - Indirectly, a national psychosocial support program can contribute to a more productive and prosperous economy by improving workforce mental health, enhancing productivity and overall economic performance.

Access to education, skills development, and learning throughout life

- **Childhood development, Literacy and numeracy skills at school, Education attainment, Skills development, Digital preparedness**
 - Psychosocial support aids in childhood development and enhances learning outcomes by addressing mental health barriers in families to supporting childhood education and skill development.

Broad opportunities for employment and well-paid secure jobs

- **Wages, Job opportunities, Broadening access to work, Job satisfaction, Secure jobs**
 - Psychosocial support indirectly influences employment opportunities by improving mental health, leading to better job performance, satisfaction, and the ability to secure stable employment. Psychosocial Support also increases labour market participation rate for participants as well as employee reliability and sustainability.