



**Mental Health  
Australia**

# **Incoming Government Brief: Mental Health portfolio**

National mental health priorities

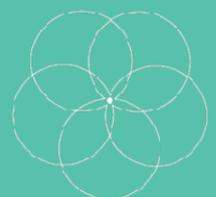
May 2025

**Mentally healthy people,  
mentally healthy communities**

[mhaustralia.org](https://mhaustralia.org)

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Mental Health Australia congratulates the returning Albanese Government and looks forward to working with this Government to build on the foundations laid during its first term, to deliver the systemic mental health changes Australia needs.

The election outcome provides an opportunity to drive ambitious, progressive and meaningful reform. We have heard the Prime Minister's calls for fairness, aspiration and opportunity for all, and are inspired by his positive outlook for Australia over the next three years and beyond.

*"[W]e must value every Australian and Labor will govern for every Australian... Everyone who counts on the National Disability Insurance Scheme... every Australian who relies on Medicare. Medicare belongs to all Australians and together, we will make it stronger for all Australians."* – Prime Minister Albanese

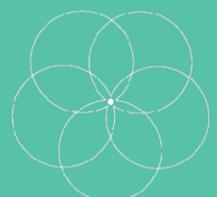
Labor's particular focus on Medicare as a key avenue for improving Australia's health and wellbeing, and investing in the healthcare system, demonstrates the fundamental values of equity and accessibility. Together, we can collectively work towards a future where everyone can achieve their best possible mental health, and have access to the mental health support they need and deserve in their community, without costly barriers to care.

## 2025 Federal Election commitments

Mental Health Australia welcomes the Albanese Government's recognition of the importance of mental health through significant election commitments, including:

- \$8.5bn to expand **GP bulk billing incentives**, including for Mental Health Care Plan appointments
- \$1bn for **more free mental health services**, including:
  - 31 new and upgraded Medicare Mental Health Centres
  - 58 new, upgraded or expanded headspace services
  - 20 Youth Specialist Care Centres for young people with complex needs
  - more than 1,200 training places for mental health professionals and peer workers.
- \$20.7m to support **men's mental health and wellbeing** through grassroots initiatives
- \$16.7m to establish a further eight **Perinatal Mental Health Centres**
- \$6.4 million to expand **preventive mental health education programs** through the Goanna Academy.

As the national, independent peak body for the mental health sector, Mental Health Australia looks forward to working with the Australian Government to support the further design and implementation of these commitments, along with broader mental health reform, to make a lasting difference for people needing mental health support across Australia.



## Pathway forward for national leadership

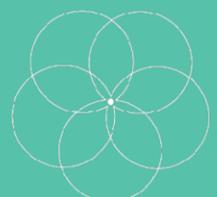
The first 100 days of this Parliamentary term is a crucial opportunity to demonstrate this Government's leadership in acting on mental health.

Through the first term of government, the Albanese Government has laid the foundations for reform – investing in a new low intensity service model; expanding free mental health supports for adults, children and youth through centre-based services; and providing stop-gap funding to address workforce shortages. **This second term is now an opportunity to work with the sector to deliver long-term transformational change.**

Mental Health Australia offers the following immediate priorities and achievements for this parliamentary term for the Government's consideration. This advice is based on consultations with members across the mental health sector, and review of outstanding recommendations of recent national inquiries.

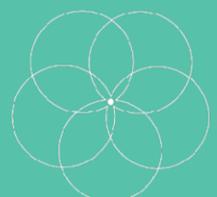
We also encourage you to review and consider the priorities put forward by both the National Mental Health Consumer Alliance and Mental Health Carers Australia in their joint incoming government briefing, to ensure that the voices and expertise of people with lived experience and their families, carers and kin inform government priorities.

Mental Health Australia is eager to continue to work with you as a trusted source of advice and a conduit to the mental health sector, to together deliver ambitious and bold reform.



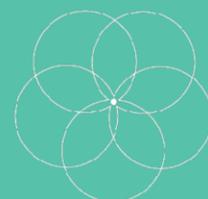
## The first 100 days

- Facilitate a national **Health and Mental Health Ministers meeting** (currently scheduled for June 2025), and at this meeting, commit with State and Territory Ministers to:
  - **recommend to National Cabinet that it agree a funding envelope** for a 50:50 cost share arrangement to increase investment in psychosocial supports over a five-year period to meet need<sup>i</sup>
  - **establish a public consultation process** to design future psychosocial support arrangements
  - **increase investment in child mental health** to address system gaps
  - develop clear system goals to drive coordinated action through the next **National Mental Health and Suicide Prevention Agreement.**<sup>ii</sup>
- Establish a **mental health taskforce** to provide expert guidance on the delivery of election commitments and longer-term reform, with a focus on prioritisation, implementation design and reform sequencing
- Release a public **workplan for the National Mental Health Workforce Working Group** to update and implement the 2022-2032 National Mental Health Workforce Strategy, in consultation with the National Mental Health Workforce Sector Advisory Group
- Respond to outcomes of the **consultation to reform the National Mental Health Commission** and progress arrangements to re-establish the Commission as an independent, standalone statutory agency with enabling legislation<sup>iii</sup>



## The first year

- Deliver a new National Mental Health and Suicide Prevention Agreement
  - **Immediately release the Productivity Commission’s final review** of the National Mental Health and Suicide Prevention Agreement when provided to Government in October 2025
  - **Negotiate the next National Mental Health and Suicide Prevention Agreement with States and Territories** to increase investment in mental health, ensure sector and lived experience involvement across governance committees, and consider alignment and cross-referencing with the National Health Reform Agreement
- Work with the Ministers for Social Services and Finance to ensure implementation of the **Community Sector Grants Engagement Framework and improve funding processes for mental health activities**, in line with Mental Health Australia’s **Sector Sustainability Statement**<sup>iv</sup>
- Facilitate the second national **meeting of Health and Mental Health Ministers** for 2025, and agree with State and Territory Ministers to:
  - finalise future arrangements for **psychosocial supports**
  - progress **child and youth investments**
  - adopt clear **shared goals** to deliver through the next National Mental Health and Suicide Prevention Agreement
- Work with the sector to mitigate potential adverse impacts of **social media restrictions** (effective December 2025) on young people’s access to mental health supports<sup>v</sup>
- Through MYEFO (or first available budget process):
  - expand existing **psychosocial supports**, and invest in capability uplifts for commissioning bodies and workforce development<sup>vi</sup>
  - fund implementation of the **Gayaa Dhuwi Declaration Framework and Implementation Plan**<sup>vii</sup>, including ongoing, secure and sustainable funding to Gayaa Dhuwi (Proud Spirit) Australia
  - ensure **sustainable independent peak bodies** through renewed, long-term funding (5 yrs) for Mental Health Australia, and long-term funding for the lived experience peak bodies



- **Prepare mental health investments for the 2026-27 Budget**
  - Commit increased mental health investment for the next National Mental Health and Suicide Prevention Agreement (potentially held in contingency subject to final negotiations)
  - Commit increased investment in psychosocial supports over forward estimates in line with five-year plan agreed by National Cabinet
  - In collaboration with State and Territory Governments, fund a full implementation plan for the National Mental Health Workforce Strategy
  - Ensure appropriate levels of indexation are budgeted for existing and new mental health service investments, in line with Mental Health Australia's Sector Sustainability Statement<sup>viii</sup>
  - Increase funding for preventive mental health activities, to reach 5% of the overall mental health budget<sup>ix</sup>
  - Increase ringfenced investment in mental health research (over and above existing investments for competitive medical and health research).

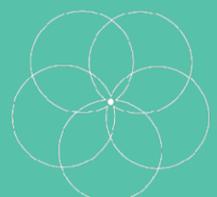
## Continued reform

The Albanese Government has made welcome progress in its first term to progress mental health reform, setting in motion several significant reviews, strategies and initiatives that continue to be delivered and can now be built upon.

These reforms are diverse, touching many different areas across the mental health system. There would be significant value in an overarching national mental health strategy to connect and prioritise these ongoing reform efforts, ensuring cohesive progress that capitalises on the opportunity for transformative system change through this second term.

### Drive strategic reform and accountability

- Develop a new **National Mental Health Strategy** to guide cohesive system reform
- Work closely with the **National Mental Health Consumer Alliance and Mental Health Carers Australia** as the recently established national mental health lived experience and carer peak bodies, to embed their role in advising on systemic reform
- Respond to outcomes of the **consultation to reform the National Mental Health Commission** and re-establish the Commission as an independent, standalone statutory agency
- Publish and fund implementation of the **National Stigma and Discrimination Reduction Strategy**



## Continue to address gaps in services and build out the stepped-care model

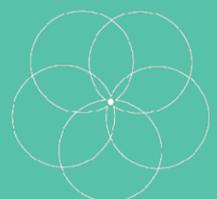
- Establish and launch the **National Early Intervention Service** by 1 January 2026
- Continue to progress rollout of **Medicare Mental Health Centres and Kids Hubs** with State and Territory governments, as committed to in the National Agreement and election campaign
- Continue to **reform youth mental health funding and service models**, informed by the sector-led review due to report in June 2025

## Grow and develop the mental health workforce

- Update and implement the **National Mental Health Workforce Strategy** in collaboration with State and Territory Governments and the sector, through the established Working and Advisory Groups
- Establish a **national professional association for the peer workforce**, as funded in the 2024-25 Budget
- Implement recommendations of the **Unleashing the Potential of our Health Workforce Scope of Practice Review**

## Improve system coordination and regional commissioning

- Implement recommendations of the sector-led **Digital Navigation Project**
- Respond to and implement recommendations of the **Reviews of Primary Health Network Business Model & Mental Health Flexible Funding Model**
- Develop and implement the **National Guidelines on Regional Commissioning and Planning**



## Mental health: community and sector context

Australia continues to face enormous pressures on our collective mental health and wellbeing. The prevalence of mental health conditions among young people has increased by over 50% in the last decade, mental health issues are the most common reason for people to see a GP and the cost-of-living crisis continues to impact people's mental health as well as their ability to access supports.

We need urgent action to address immediate service and workforce gaps, together with longer-term commitments to prevent the growth of mental ill-health and create a world-class system of mental health support.

### **Cost is a key barrier to accessing support**

1 in 5 people are now delaying or not seeing a health professional for their mental health when they need to due to cost,<sup>x</sup> and there is a growing divide in access to mental health supports depending on where people live and their income.<sup>xi</sup>

The Australian Government's commitment to increase access to bulk-billed GP care will improve equity in access to crucial healthcare, however we need further changes to ensure availability of mental health supports in the community that GPs can refer people to, so the pathway to affordable mental health support does not end at the GP office.

### **Workforce challenges**

The development of a sustainable mental health workforce is the cornerstone to improving access to high-quality and effective mental health care. This is an urgent priority - with an estimated 32% shortfall in mental health workers, anticipated to grow to 42% by 2030 if current shortages are not addressed.<sup>xii</sup> These workforce challenges are further exacerbated in remote areas of Australia and are limiting services' capacity to innovate and implement new models of care to better meet need.

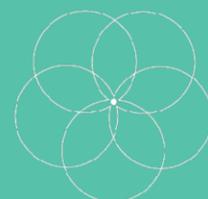
### **Increasing prevalence of mental ill-health amongst young people**

Children and young people in Australia are experiencing mental ill-health at never-before seen levels, with the rate of young people experiencing mental health conditions increasing 50% between 2007 and 2022.<sup>xiii</sup> An estimated 13% of children aged 0-12 in Australia are experiencing a mental health condition, with 22% of five-year-olds showing vulnerability to mental health issues in their first year of school. Mental ill-health is the primary threat to the health, wellbeing and productivity of young people as they develop and transition from childhood to adulthood.<sup>xiv</sup> Definitive government action is needed to curb this trend and ensure all young people in Australia can access the mental health support they need.

### **Gaps between State and Territory and Federal mental health systems**

There is an ongoing gap in Australia's mental health support system between the supports provided through GPs and primary care, and those provided by emergency departments and hospitals. For the many people whose support needs fall somewhere in-between, there is a confusing and disjointed service landscape which differs greatly dependent on where someone lives and their ability to pay.

Mental Health Australia calls on the new Australian Government to work with State and Territory Governments to bridge this gap between community, primary and acute care, and



create a truly cohesive national mental health system that is sustainably funded and integrated with both primary and tertiary services.

### **Lived Experience leadership**

The unique leadership of people with lived experience of mental health challenges and family, carers and kin is essential to progressing meaningful mental health reform. The Australian Government has made welcome progress through the establishment of two independent peak bodies to represent people with lived experience of mental health challenges and family, carers and kin - the National Mental Health Consumer Alliance and Mental Health Carers Australia. This represents a critical step forward in lived experience leadership and representation. Further work is now needed to deliver on the advice of these peak bodies and to embed lived experience leadership across the mental health system.

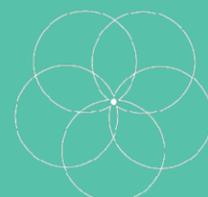
## **About Mental Health Australia**

Mental Health Australia is the national, independent peak body for the mental health sector. We unite the voices of the mental health sector and advocate for policies that improve mental health.

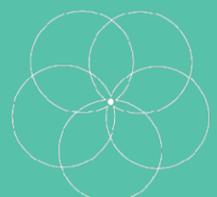
We have over 145 members, including service providers; professional bodies; organisations representing people with lived experience of mental ill-health, family, carers and kin; research bodies; and state and territory mental health peak bodies. The views and expertise of people with lived and living experience of mental ill-health, family, carers and kin, along with our member organisations, underpins our work.

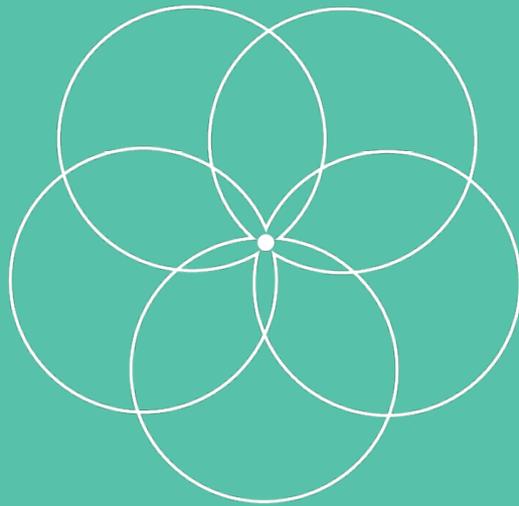
We believe that by bringing together diverse perspectives across Mental Health Australia's members, the community and governments, we will create greater change and more innovative solutions than any of us could achieve working alone.

Mental Health Australia has a track record of uniting the mental health sector to present a cohesive voice to government, and providing practical policy solutions to influence decision-making, which in turn, improves the mental health system and the mental health of people in Australia.



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- <sup>i</sup> Mental Health Australia (2024), **Statement on Addressing Unmet Need for Psychosocial Support Outside the National Disability Insurance Scheme.**
- <sup>ii</sup> Mental Health Australia (2025), **Submission to the Productivity Commission Review of the National Mental Health and Suicide Prevention Agreement.**
- <sup>iii</sup> Mental Health Australia (2024), **Submission to Department of Health and Aged Care consultation: Reforms to strengthen the National Mental Health Commission and National Suicide Prevention Office.**
- <sup>iv</sup> Mental Health Australia (2025), **Sector Sustainability Statement.**
- <sup>v</sup> Mental Health Australia (2025), **2025-26 Pre-Budget Submission.**
- <sup>vi</sup> Mental Health Australia (2024), **Statement on Addressing Unmet Need for Psychosocial Support Outside the National Disability Insurance Scheme.**
- <sup>vii</sup> Gayaa Dhuwi (Proud Spirit) Australia (2024), **Gayaa Dhuwi (Proud Spirit) Declaration Framework and Implementation Plan.**
- <sup>viii</sup> Mental Health Australia (2025), **Sector Sustainability Statement.**
- <sup>ix</sup> Wellbeing and Prevention Coalition (2025), **Transforming Australia’s approach to mental health and wellbeing.**
- <sup>x</sup> Australian Bureau of Statistics (2023-24), **Patient Experiences 2023-2024 financial year.**
- <sup>xi</sup> Pirkis J, Currier D., Harris M, Mihalopoulos C, et al (2022) **Evaluation of the Better Access initiative [Final Report]**, University of Melbourne.
- <sup>xii</sup> Department of Health and Aged Care (2022), **National Mental Health Workforce Strategy 2022-2032**, Australian Government, p16.
- <sup>xiii</sup> Australian Bureau of Statistics (2020-2022). **National Study of Mental Health and Wellbeing.**
- <sup>xiv</sup> McGorry P, et al. (2024). **The Lancet Psychiatry Commission on youth mental health.** The Lancet Psychiatry, Volume 11, Issue 9, 731 – 774.





# Mental Health Australia

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Mental Health Australia is the peak independent national representative body of the mental health sector in Australia.

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