Mental Health Australia

Sector workforce priorities – the next National Mental Health & Suicide Prevention Agreement

July 2026

Mentally healthy people, mentally healthy communities

mentalhealthaustralia.org.au

Contents

Appendices

Introduction

Severe workforce shortages are impacting the community's access to mental health support, and limiting the sector's capacity to implement reform. Australia has an estimated 32% shortfall in mental health workers, anticipated to grow to 42% by 2030 if current shortages are not addressed.[1] Workforce challenges are even further exacerbated in remote areas of Australia,[2] and by underutilisation of skilled allied health professions.

Ambitious action to address workforce challenges and ensure coordinated national reform must be central to the next National Mental Health and Suicide Prevention Agreement.

Mental Health Australia is pleased to provide these priorities from the sector for governments' consideration, to progress workforce reform as central to the next National Mental Health and Suicide Prevention Agreement (the Agreement).

These recommendations have been developed in consultation with the National Mental Health Workforce Sector Advisory Group and Network (Sector Advisory Group and Network). Collectively these bodies represent over 100 organisations and individuals across the full diversity of mental health professionals and stakeholders, including across settings, professions, specialities and representatives with lived experience of mental health challenges, carers, family and kin.

Addressing workforce challenges must be central to the next Agreement – implementation of all other service reforms relies on this. The Agreement is a unique and essential platform to build on jurisdictions' individual workforce strategies and efforts, to deliver nationally coordinated and jointly funded reforms.

Governments have already agreed to broad workforce priorities that can be progressed through the Agreement:

- Through the National Health Reform Agreement (NHRA), Governments have committed to national health workforce planning; developing a shared evidence base including exchange of data; and addressing priority joint actions of the Scope of Practice Review. These reforms will support improved planning and utilisation of the mental health workforce, and should be reflected in the Agreement, aligned with the NHRA.
- Workforce commitments in the Agreement should also be informed by the National Mental Health Workforce Capability Framework, the Mental Health Workforce Attraction and Retention report and the Mental Health Workforce Data report currently being developed for Health and Mental Health Ministers.

The next Agreement must improve on the limited action to address workforce challenges through the current National Mental Health and Suicide Prevention Agreement.

Through the current Agreement, governments made appropriate commitments to support workforce development and sustainability, develop the National Mental Health Workforce Strategy, increase the number of full-time equivalent mental health professionals, support the use of the National Mental Health Service Planning Framework and share data to achieve optimal workforce planning.

However, implementation progress has been slow, reflecting a lack of clear prioritisation, associated funding and accountability mechanisms. In their review of the current Agreement, the Productivity Commission

[1] Department of Health and Aged Care, National Mental Health Workforce Strategy 2022-2032, (2022), https://www.health.gov.au/sites/default/files/2023-10/national-mental-health-workforce-strategy-2022-2032.pdf, p16

[2] Australian Institute of Health and Welfare (2023) Mental health workforce.

found that actions under the Agreement have 'failed to address chronic workforce issues.' [3]
While the bilateral agreements between the Commonwealth and states and territory governments included workforce initiatives, none included dedicated funding for these commitments.

The National Mental Health Workforce Strategy 2022-2032 (Workforce Strategy) provides an agreed platform and roadmap to guide future workforce action.

The National Mental Health Workforce Sector Advisory Group and Network have previously provided advice to governments on priority actions from the Workforce Strategy for immediate implementation, including:[4]

- Developing initiatives to safeguard the wellbeing of the mental health workforce (Action 3.1.1)
- Addressing critical medical, nursing and allied workforce shortages with an initial focus on psychiatry, psychology, mental health nursing, and other relevant allied health professions (Action 1.1.1)
- Examining innovative service delivery models that support increased engagement of the Lived Experience (Peer) and First Nations workforces in different contexts (Action 1.1.2)
- Supporting initiatives to grow local mental health workforces, particularly in rural and remote settings, including training and placement opportunities (Action 2.4.4).

The Sector Advisory Group and Network have also identified the need for specific actions to grow the community-managed psychosocial mental health workforce, and provision of longer-term service contracts to support workforce retention.[5]

This document provides further detailed advice from the sector to support governments' consideration of actionable workforce reforms – across both systemic and profession-specific priorities – in development of the next Agreement. Mental Health Australia and our members look forward to continuing to work with governments to implement the next Agreement to grow, strengthen and strategically utilise the mental health workforce to better respond to community need.

This advice has been developed by Mental Health Australia based on the expertise and insights of the National Mental Health Workforce Sector Advisory Group and Network (Sector Advisory Group and Network). The Advisory Group and Network were established in 2025 to provide sector expertise to the interjurisdictional National Mental Health Workforce Working Group, supporting implementation of the National Mental Health Workforce Strategy 2022–2032. Mental Health Australia has been engaged by the Australian Government to facilitate these groups.

Mental Health Australia consulted with Sector Advisory Group and Network members on workforce priorities for the next Agreement in May – June 2026, examining both systemic shared priorities and priorities for specific workforces. Feedback was invited via email, survey and discussion at the Sector Advisory Group's June meeting. This paper presents the outcomes of this sector feedback.

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 160 members, including service providers; professional bodies; organisations representing people with lived experience of mental health challenges, family, carers and kin; research bodies; and state and territory mental health peak bodies.

[3] Productivity Commission (2025) Mental Health and Suicide Prevention Agreement Review [Inquiry Report]

[4] Mental Health Australia on behalf of the Mental Health Workforce Sector Advisory Group and Network (2025) Mental health sector guidance on National Mental Health Workforce Strategy 2022-2032 implementation priorities

[5] Mental Health Australia for National Mental Health Sector Workforce Advisory Group and Network (2025) Mental health sector guidance on National Mental Health Workforce Strategy 2022-2032 implementation priorities

Collective workforce priorities

Consultation with the Sector Advisory Group and Network highlighted many collective priorities and common themes across mental health workforces and stakeholders for governments' consideration for implementation in the next Agreement. These recommendations are summarised below, followed by further detail on each area.

Key recommendations – systemic priorities and common themes

Recommendation 1: Enable implementation of the National Mental Health Workforce Strategy through designated funding and public accountability.

Recommendation 2: Build the future mental health workforce by embedding structured student placements and graduate engagement across services funded under the Agreement to support growth and retention of the early career workforce.

Recommendation 3: Invest in workforce wellbeing and service sustainability by:

- Improving the stability of services through default longer term (5-year) contracts, appropriate indexation and a minimum 6-month notice period for contract adjustments
- Supporting retention through prioritising implementation of workforce wellbeing actions in the Workforce Strategy
- Improving access to supervision and professional development by resourcing protected time for training, development and supervision activities
- Establishing senior professional career pathways.

Recommendation 4: Capture the data needed to inform workforce planning by developing and delivering a national approach to mental health workforce monitoring.

Recommendation 5: Build the capability of the sector to meet the diverse needs of the Australian population by resourcing the implementation of the National Mental Health Workforce Capability Framework.

Recommendation 6: Support and measure the impact of family, carers and kin as a critical component of the informal workforce.

Implement the National Mental Health Workforce Strategy 2022-2032

Sector consultations highlighted the need for the next Agreement to enable implementation of the Workforce Strategy by committing to funding, timelines and accountability to deliver it. Workforce reform should be implemented in a coordinated, practical and measurable way, with clear accountability and coordinated action across all levels of government.

> *'The real value the Agreement can add is accountability. Whatever it commits to should carry public, jurisdiction-level reporting against targets, so workforce progress is measured rather than assumed.'*
> – Mental Health Workforce Sector Advisory Member

Through the next Agreement, governments should commit to implementation of immediate priorities of the Strategy, including:

- Dedicated funding for workforce commitments outlined in bilateral agreements (given the absence of associated funding in any bilateral under the current Agreement was a fundamental barrier to implementation)
- Updating the Workforce Strategy to include the community mental health workforce, with specific actions to support the growth of this essential workforce
- Publicly reporting on Workforce Strategy implementation progress and outcomes
- Articulating clearly defined intergovernmental workforce responsibilities.

RECOMMENDATION 1: The next Agreement **should enable implementation of the National Mental Health Workforce Strategy through designated funding and public accountability**. The Agreement must shift from aspirational commitments to measurable delivery of this Strategy and ensure progress is publicly tracked. Reforms must be informed by ongoing engagement with the sector, people with lived experience and carers, family and kin.

Build the future workforce through increasing placements and early career support

Addressing road bumps in the training and transition of new graduates is a clear opportunity for governments to intervene to address severe shortages and maldistribution of key mental health professionals. Students are struggling to find and complete placements, and new graduates hit a steep gap between finishing a certificate, degree or diploma and practising safely on their own.

Governments have a key opportunity to address these challenges by **embedding student placement and graduate support into program funding under the Agreement**. This would deliver key priorities of the Workforce Strategy and should include resourcing structured transition-to-practice support.

The Early Career Program developed by headspace is an effective and scalable model that could be adapted and expanded across programs under the Agreement including Medicare Mental Health Centres, Kids Medicare Mental Health Hubs and Youth Specialist Care Centres.

The Early Career Program has been demonstrated to successfully contribute to growth of the mental health workforce through resourcing for clinical educator roles to provide supervision, structured education and support positive early career experiences for students and graduates.[6] The program also increases service capacity, facilitates evidence-based practice and establishes experience in multidisciplinary teams.[7]

Together with the recently announced extension of Commonwealth Prac Payment to some allied health workers, the provision of structured placement and early career opportunities would fundamentally strengthen mental health workforce training pipelines and equitable access to quality training opportunities. Extension of the Commonwealth Prac Payments from 1 July 2027 is a complimentary step to ensure all students can participate in placements where they are available – and has been welcomed by allied health professions.

RECOMMENDATION 2: Build the future mental health workforce by embedding structured student placements and graduate engagement across services funded under the Agreement to support growth and retention of the early career workforce.

[6] Headspace National Youth Mental Health Foundation (2025) evaluation of the headspace Early Career Program 2021-2025: evaluation snapshot report.

[7] Deloitte independent evaluation of Early Career Program for Department of Health and Aged Care (2023), as cited by headspace (2024) Pre-budget submission 2024-25.

This recommendation supports National Mental Health Workforce Strategy Strategic Pillar 1: Attract and Train.

Invest in workforce wellbeing and service sustainability

Improving workforce wellbeing was identified early on as a priority by the Sector Advisory Group and Network. Central elements to workforce wellbeing are job security, psychologically safe workplaces and good working conditions including supervision and opportunities for career development. Workforce shortages contribute to poor workforce wellbeing, and drive unsustainable conditions and attrition.

Chronic short term funding cycles have perpetuated uncertainty and staff retention challenges for mental health services, and uncertainty for people and communities needing mental health support. These issues are highlighted in Mental Health Australia's Sector Priorities Statement for the next Agreement, which outlines how problematic government funding and commissioning approaches are causing significant issues for mental health service providers including short contract durations; late notice of contract renewals; long delays in the development and execution of new service agreements; and inadequate indexation or inclusion of mandated increases for worker payments.

Professional development and supervision support workforce wellbeing by building confidence and competence, reducing fatigue, and ensuring workers feel skilled and supported in their roles. However, supervision can be de-prioritised when services and staff are already stretched. For peer workers and workers from marginalised communities, workload recognition for identity-related labour is important for wellbeing and psychological safety.

Clarifying and enabling professions to work to their full scope of practice is essential for effective use of multidisciplinary teams and workforce satisfaction. Broader health workforce commitments under the National Health Reform Agreement could be linked to in the next Agreement, including releasing and implementing recommendations from the Scope of Practice Review and the yet-to-be-released National Allied Health Workforce Strategy – aligning both with the National Mental Health Workforce Strategy.

RECOMMENDATION 3: Through the next Agreement, governments **should invest in workforce wellbeing and service sustainability** by:

- Improving the stability of services under the Agreement through default longer term (5-year) contracts, appropriate indexation that includes mandated wage increases and a minimum 6-month notice period for contract adjustments
- Supporting retention through prioritising implementation of workforce wellbeing actions in the Workforce Strategy
- Improving access to supervision and professional development by resourcing protected time for training, development and supervision activities
- Supporting senior professional career pathways through service funding, to enable workforce retention and supervision capacity.

These actions support National Mental Health Workforce Strategy Strategic Pillar 3: Support and Retain.

Capture the data needed to inform workforce planning

There is no dataset that captures a national and comprehensive view of the mental health workforce. Developing a true national picture of the size, composition and distribution of the full diversity of the mental health workforce is critical to inform workforce planning and policy development.

While there is generally good data on registered mental health professions such as psychiatrists, psychologists, mental health nurses and occupational therapists, for non-regulated and emerging professions (for example low-intensity support, peer workers, and workers delivering psychosocial supports), robust, collated data is scarce. For self-regulated professions (such as social workers, counsellors and psychotherapists), professional bodies have valuable data but this is not consistently incorporated into national monitoring and reporting. There is also no national data on the community-managed (NGO) mental health workforce, despite the significance and size of this workforce (for example, it comprises over 26% of the total mental health workforce in NSW).[8]

As outlined in Mental Health Australia's Sector Priorities Statement for the next Agreement, there is a key opportunity to address this long-standing gap through the next Agreement, utilising the well-established interjurisdictional Data Governance Forum to lead the development and implementation of consistent data measures, building on initial scoping from the Australian Institute of Health and Welfare.

Ideally, national mental health workforce data would capture employment setting (for example, community-managed, public or private), provide enough detail to differentiate between different allied health and direct support professions, and measure the capability of the workforce as part of the implementation of the forthcoming National Mental Health Workforce Capability Framework currently being developed for Health and Mental Health Ministers.

RECOMMENDATION 4: In the next Agreement, governments should **capture the data needed to inform workforce planning by developing and delivering a national approach to mental health workforce monitoring**, led by the Data Governance Forum, to address key data gaps identified in the Data Scoping Report, and improve integration and utilisation of existing data.

These actions support National Mental Health Workforce Strategy Strategic Pillar 4: Data, Planning, Evaluation and Technology.

Build the capability of the sector to meet the diverse needs of the Australian population

Mental health sector and lived experience representatives highlighted that it is the responsibility of the entire mainstream mental health workforce to provide safe and responsive care to the diverse Australian population - including Aboriginal and Torres Strait Islander peoples, people from culturally and linguistically diverse (CaLD) backgrounds, and LGBTIQA+ people. Responsibility for providing culturally safe care does not sit solely with individual practitioners. While practitioners have an important role, systems and organisations must also be accountable for ensuring cultural safety is properly taught, assessed, supervised, practised, and embedded.

Ministers recently commissioned the development of a National Mental Health Workforce Capability Framework to complement existing state-based frameworks. The next Agreement should resource its implementation, to support high-quality, inclusive and culturally safe care that responds to the diverse needs of the Australian population.

The Sector Advisory Group and Network have raised a number of priorities for further consideration in improving workforce capability and implementing the National Mental Health Workforce Capability Framework. These include:

- Building skills in rights-based, trauma-informed, non-coercive and person-centred practice

[8] Lee Ridoutt (2021), Mental Health Workforce Profile: Community Managed Organisations Report 2021. Human Capital Alliance and Mental Health Coordinating Council, NSW

- Mandatory cultural competency and safety training and stronger partnerships with Aboriginal and Torres Strait Islander community-controlled organisations
- Improving culturally safe and responsive care for LGBTIQA+ people through workforce development, professional training and specialist peer roles[9]
- Building capability to support culturally safe engagement with CaLD communities, including understanding of culturally informed concepts of mental health and wellbeing, migration and settlement experiences
- Improving disability-inclusive mental health workforce capability through training Auslan-competent mental health workers, funding Auslan interpreter access as a universal service standard, and creating dedicated pathways for Deaf people to enter the peer mental health workforce
- Enhancing capability in gender-responsive care, including understanding the impacts of domestic, family and sexual violence and gender bias
- Building workforce capability in family-inclusive and relational practice including skills to work with consumers and their families, carers and kin to navigate differing perspectives, conflict, choices and complex relational dynamics
- Investing in specialist capability areas, including eating disorder workforce development and implementation of the National Eating Disorders Workforce Implementation Plan.

RECOMMENDATION 5: In the next Agreement, governments should **build the capability of the sector to meet the diverse needs of the Australian population by resourcing the implementation of the National Mental Health Workforce Capability Framework**, which is currently being developed for Health and Mental Health Ministers.

Implementing and resourcing the National Mental Health Workforce Capability Framework will build a more skilled, inclusive and responsive workforce, better equipped to meet the diverse needs of the population. This supports National Mental Health Workforce Strategy Strategic Pillar 1: Attract and Train.

Acknowledge and measure the impact of mental health family, carers and kin

The majority of mental health care in Australia is delivered by unpaid by family, carers and kin with the total annual replacement cost of informal mental health care estimated at $13.2 billion.[10] This unseen and often unacknowledged informal "workforce" impacts the sustainability of the entire mental health system. Yet the wellbeing and social and economic participation of families, carers and kin supporting people experiencing mental health challenges is too often left unsupported. The unpaid care that family, carers and kin provide is invisible in current national data. Informal carers should be recognised as a critical "informal workforce" who enable the formal system to function, particularly for people with complex needs. If unpaid care remains invisible, the next Agreement risks overlooking the unpaid care provided by households that underpins the service system.

Regional workforce planning processes - including through the implementation of the National Mental Health Service Planning Framework - must be required to meaningfully engage family, carer and kin representatives.

[9] The **National Action Plan for LGBTIQA+ Health and Wellbeing 2025–2035** outlines actions to build a pipeline of culturally safe and inclusive health and wellbeing workers and upskill the existing workforce to ensure responsive and safe care for LGBTIQA+ people (Actions 12 and 13).

[10] Diminic S, Hielscher E, Lee Y, Harris M, Schess J, Kealton J, & Whiteford H, (2017) The economic value of informal mental health caring in Australia: technical report. The University of Queensland.

RECOMMENDATON 6: To **support and measure the impact of family, carers and kin as a critical component of the informal workforce**, through the next Agreement, governments should commit to:

- Collecting data on hours of informal care, impact on carers' paid workforce participation, financial impacts, and navigation/coordination burden
- Commissioning, measuring and training services and the mental health workforce to provide family-inclusive practice
- Requiring meaningful engagement of carers and family representatives in regional planning processes, including through representation at regional planning tables, as part of national workforce planning
- Developing and funding actions to protect carers and families from harm when systems fail or when they carry clinical risk alone.

Profession-specific workforce priorities

Further detail on workforce priorities identified by specific professional groups are outlined below – providing both further information on shared priorities and recommendations on particular issues and priorities for specific workforces that should be considered for the next Agreement.

Aboriginal and Torres Strait Islander Social and Emotional Wellbeing workforce

Strengthening the Aboriginal and Torres Strait Islander social and emotional wellbeing workforce is critical to realising the highest attainable standards of social and emotional wellbeing, mental health, and suicide prevention outcomes for Aboriginal and Torres Strait Islander Peoples. By addressing systemic barriers through national standardisation, reforms to commissioning, sustained Aboriginal and Torres Strait Islander governance, and cultural safety standards for workers, governments can unlock the full strength of this workforce.

As recommended by Gayaa Dhuwi and Indigenous Allied Health Australia in their joint position paper Strengthening the Social and Emotional Wellbeing, Mental Health, and Suicide Prevention Workforce[11], the next Agreement should support:

- **Formal and consistent recognition** of the Aboriginal and Torres Strait Islander social and emotional wellbeing, mental health, suicide prevention and postvention workforce
- **Strategic, joint funding commitments** from the Commonwealth and jurisdictions to progress Aboriginal and Torres Strait Islander-led pathways for training, accreditation, and clinical and cultural supervision across community, lived experience, and professional roles via implementing the National Aboriginal and Torres Strait Islander Health Workforce Strategic Framework and Implementation Plan 2021 to 2031
- **Collection and public reporting of workforce data**, including unregulated and culturally defined roles (including social and emotional wellbeing workers, cultural brokers, and traditional healers)
- **Embedding Aboriginal and Torres Strait Islander workforce governance** in all workforce planning, data collection, funding, implementation, and evaluation processes, including through the meaningful implementation of reforms by partners under the National Agreement on Closing the Gap, and recognition of the value and expertise of Aboriginal and Torres Strait Islander organisations.

Further, *all* workforces and services have a responsibility to provide care that is culturally safe. As outlined in Mental Health Australia's Sector Priorities statement for the next Agreement, the systemic integration of cultural safety standards and elimination of racism in mental health care should be prioritised by the Safety and Quality Group under the Agreement, so that Aboriginal and Torres Strait Islander people can access culturally safe care regardless of where they seek support.

Allied health

Allied health workers play a critical role in delivering mental health care. However, members of the Sector Advisory Group have highlighted challenges including significant gaps in workforce data, making it difficult to monitor the scale and location of the range of allied health professionals and where they could be better utilised. Access to placements is also a key challenge for students. The sector calls for the release of the National Allied Health Strategy, alongside greater recognition of the psychosocial role of allied health professionals and improved understanding of how both clinical and non-clinical roles contribute to psychosocial outcomes. Actions that governments should commit to in the next Agreement include:

[11] Strengthening the Social and Emotional Wellbeing, Mental Health, and Suicide Prevention Workforce [Position paper], Gayaa Dhuwi (Proud Spirit) Australia and Indigenous Allied Health Australia, July 2026

- Improving data and tracking of allied health workforce distribution to support targeted initiatives
- Increase access to and support for student placements, particularly in regional areas. As outlined above, this could be delivered by embedding student placement support in services funded through the Agreement, to complement extension of the Commonwealth Prac Payment eligibility.

Bicultural and bilingual mental health workforce

Half of all Australians have a migrant background, and this rich diversity of cultures, experiences and perspectives shapes how mental health and wellbeing are understood, experienced and responded to across communities. To effectively meet the needs of culturally and linguistically diverse (CaLD) communities, the mental health workforce must be equipped to deliver culturally responsive care, recognising the different ways communities communicate, seek support and engage with services. This requires inclusive, innovative approaches informed by a strong understanding of evolving CaLD community needs and strengths, while recognising context dependence, complexity and intersectionality.

The recent State of Multicultural Mental Health in Australia Research Report funded by the Commonwealth Government, and delivered through Mental Health Australia's Embrace Multicultural Mental Health Project,[12] highlights the importance of building workforce capability and sustainability by investing in bilingual/bicultural mental health professionals. This should include a commitment to funding dedicated bilingual and bicultural worker roles, mandatory cultural safety training across all funded services, and partnership with CaLD community organisations as co-designers of workforce and service models. Bilingual and bicultural roles must be recognised and remunerated as specialist, rather than incidental, skills.

As part of broader health workforce reforms, barriers facing multicultural, migrant and overseas-trained workers should be addressed. These include limited entry pathways, unclear qualification-to-visa pathways, limited recognition of overseas qualifications, a lack of bridging programs, and limited opportunities for career progression. Potential solutions include developing dedicated multicultural workforce pathways, bridging pathways for overseas-trained community mental health and wellbeing workers, expanded qualification recognition for community-managed mental health and psychosocial support roles, and sector-level visa sponsorship arrangements.

To build the bicultural and bilingual mental health workforce, the next Agreement should:

- Invest in dedicated specialist bilingual and bicultural worker roles, including incentivising recruitment and supporting training
- Funding an increase in the number of interpreters with specific mental health training, and training more interpreters in the languages of newly-arrived communities
- Develop funding models that recognise bilingual and bicultural capability where it is required for the role and resource bilingual skills loading or equivalent recognition mechanisms in community sector funding and pay structures.
- Mandate cultural safety training across all funded services and
- Ensure co-design of workforce and service models with culturally and linguistically diverse community organisations.

[12] Slewa-Younan S, Blignault I, Chimoriya R, Agho K, Li B, Jorm AF, Salvador-Carulla L, Bagheri N, Renzaho AM. 2025. The State of Multicultural Mental Health in Australia Research Report, Western Sydney University, Sydney

Counsellors and Psychotherapists

Counsellors and psychotherapists are a skilled, accessible and well-distributed workforce often not utilised to their full capacity. There is opportunity to leverage this workforce further. Recent work has progressed National Standards and regulatory models for this workforce to support upholding professional standards, quality and consumer safety. There is concern however that the role of this workforce could be confused through the proposed redesign of psychology training and creation of psychology assistant roles, that risk overlapping with services already provided by counsellors, but could be provided without equivalent counselling skills. At the same time, student placements remain limited and difficult to access.

In the next Agreement, governments should commit to:

- Improving access to student placements
- Improving employment opportunities for graduate and early career counsellors
- Increasing utilisation of counsellors in government funded mental health programs.

General Practitioners

General Practitioners play a crucial role in mental health support - often being the first point of contact for people seeking help. Mental health concerns are the most common reason people see a GP,[13] but funding structures prevent and disincentivise GPs providing holistic mental health care (including Focused Psychological Strategies). Further, specialist GPs working in rural areas provide essential mental health care for communities with little other available supports – but are at high risk of burnout.

In the next Agreement, governments should commit to:

- Exploring further funding reforms to better enable mental health care in general practice, including decoupling GP Focused Psychological Strategies from the Better Access Initiatives
- Increase workforce availability in rural and remote areas as a crucial component of supporting rural and remote community access to mental health care, by:
  - State and Territory governments providing workforce incentives to encourage junior doctors to train as GPs in regional, rural and remote areas via the Australian General Practice Training program and the Fellowship Support Program. State and Territory governments should also expand and support community-based training rotations through the funding of the RACGP Pathways to Rural program[14]
  - Boosting funding for GP training and address in rural and remote areas through investment in the Fellowship Support Program, Practice Experience Program Specialist Program and extending the Rural Locum Assistance Program to include GPs
  - Australian government undertaking structural change to training pipelines to set and meet general practice quota of 50% of medical students choosing general practice as a speciality.

Mental Health Nurses

Mental Health Nurses provide continuous, recovery-oriented care across acute, community, primary care, aged care, and increasingly digital settings. They play a vital role in promoting mental health, preventing mental health conditions, providing care to people with mental health challenges and assisting in

[13] General Practice: Health of the Nation 2025 (2025), The Royal Australian College of General Practitioners

[14] Provision of mental health services in rural Australia [Position Statement] (2025) Royal Australian College of General Practitioners.

rehabilitation. However, inadequate staffing ratios, rising workloads, casual employment and frequent exposure to workplace violence negatively impact workforce wellbeing and retention.[15]

In the next Agreement, governments should commit to:

- Enabling Mental Health Nurses to work to full scope of practice, particularly in underserved regions
- Allocating funds to post-graduate studies in Mental Health Nursing and nurse practitioners working in regional and remote areas
- Funding clinical supervision and leadership development.

Peer Workforce/Lived Experience workforce

Lived experience workforces, including both consumer and family and carer peer workers, are one of the fastest growing mental health workforces, bringing distinct knowledge, skills and perspectives to support the wellbeing and recovery of people accessing mental health services and their families carers and kin. However, they face ongoing challenges due to limited understanding of their roles and contributions within the broader mental health workforce. This lack of clarity can undermine workforce wellbeing, limit effectiveness, and hinder integration into multidisciplinary teams. Inconsistent role definitions and limited career development pathways further constrain the growth and sustainability of this workforce.

The Australian Association of Peer Workers (AAPW) has recently been established and is expected to be fully operating by the end of 2026. Over two years, the AAPW is tasked with developing role definitions, defining career pathways and supporting best practice training and supervision. It will develop a national supervision framework, national training pathways and workplace safety standards. Initially, the AAPW will focus on consumer and carer peer workforce, rather than broader lived experience workforce roles.

To build on this work, in the next Agreement, governments should commit to:

- Working with the Australian Association of Peer Workers to support investment in the continued growth of the consumer and family and carer peer workforce across all service settings and models of care, including continued funding for AAPW beyond 31 December 2028 to implement a national registration and accreditation system; and develop and deliver ongoing professional development training
- Investing in expanding and subsidising the Certificate IV in Mental Health Peer Work across all jurisdictions to ensure sufficient training places, access to high-quality placements, and alignment with best-practice peer work standards, while also supporting the development of further accredited peer work pathways, including apprenticeships, diplomas and degrees
- Reforming governance frameworks that oversee peer workers and peer work services in mainstream organisations, from a clinical risk management approach to support best practice peer work
- Supporting better understanding, recognition, support and respect for the Peer Workforce within the mental health system, including amongst other mental health professionals, including embedding lived experience perspectives in mental health education and training curricula
- Monitoring and publicly reporting on the growth and integration of lived experience consumer, carer, family and kin roles to ensure accountability and sustained investment.

[15] Australia's mental health services are buckling due to rising demand, staff shortages and patient violence (2025) RMIT University.

Psychiatrists

Demand for psychiatric services continues to increase, but workforce growth is insufficient to meet current and future need, with a projected 20.7% undersupply of psychiatrists by 2048.[16] Nearly one-third of psychiatrists are considering leaving the profession due to burnout, excessive on-call duties and moral injury. As psychiatry training takes a minimum of 5-7 years after medical school, building the future psychiatry workforce requires immediate and sustained investment. The Royal Australian and New Zealand College of Psychiatrists is calling for urgent, coordinated interjurisdictional investment in workforce expansion, supervision, retention and training.[17] In the next Agreement, governments should commit to:

- Strengthening rural and remote mental health services by expanding funded psychiatry training places, including a targeted investment to support up to 70 rural psychiatry posts, supervision, and digital infrastructure. This initiative will capitalise on increased interest in psychiatry training while enabling earlier intervention, reducing costly emergency department presentations, and mitigating productivity losses
- Strengthening private psychiatry by developing and delivering a 2–3-year pilot of the National Consistent Payment and Approved Private Emergency Department frameworks for psychiatry, enabling funded trainee and supervisor positions within private hospitals and community clinics to grow national training capacity and improve access to mental health care
- Embedding psychiatrist positions within Medicare Mental Health Kids Hubs to provide complex assessment and clinical governance, supported by investment in a shared data and outcomes framework to monitor access, service use, and impact for children and young people.

Psychologists

Australia continues to experience significant and persistent unmet demand for psychology services. Despite growth in the psychology workforce, many Australians experience long wait times, high costs, and limited access to care, particularly in public services and in regional, rural, and remote communities. Supervision requirements, service models and limited workplace flexibility impact the psychology workforce. The current system does not consistently enable psychologists to operate to their full capacity or in the settings where need is greatest. Without targeted workforce planning, these constraints are likely to continue limiting access to appropriate psychological care, even as demand increases. In the next Agreement, governments should commit to:

- Supporting psychologists in the public sector by ensuring jurisdictions offer consistent terms, conditions, career progression opportunities and salaries to enable them to work to full scope of practice
- Developing a clear evidence-base on psychology-specific workforce participation, career trajectories, service delivery, training and retention to inform targeted workforce planning.

Psychosocial and community mental health

Despite being central to delivering accessible mental health support, the psychosocial disability and community-managed mental health workforce was not included in the current Agreement or the National Mental Health Workforce Strategy. This workforce plays a critical role in delivering psychosocial support, early intervention and recovery-oriented services. Experiences across community-based programs highlight

[16] RANZCP Federal Pre-Budget Submission 2026-2027 (2026) Royal Australian and New Zealand College of Psychiatrists.

[17] RANZCP Federal Pre-Budget Submission 2026-2027 (2026) Royal Australian and New Zealand College of Psychiatrists.

the importance of flexible, place-based workforce models, particularly in regional areas where service delivery must adapt to local workforce availability and demand.

The next Agreement presents an opportunity to expand psychosocial supports outside the NDIS by investing in this workforce to scale up service delivery. However, growth of this workforce has been hampered by chronic funding insecurity, casualisation, limited career pathways and fragmented qualifications.

To support the development, growth, monitoring and retention of the psychosocial and community managed mental health workforce, in the next Agreement governments should commit to:

- Reviewing the Workforce Strategy to include the community mental health sector with defined national growth targets and clear accountability for implementation at the interjurisdictional level
- Resourcing the sector to develop and implement a National Community-Managed Mental Health Workforce Framework to establish clear role definitions, capability levels, formalise career progression pathways, and embed lived experience and the Aboriginal and Torres Strait Islander Social and Emotional Wellbeing workforce across all levels
- Improving national data on the community mental health workforce, building on existing jurisdictional surveys to map the composition, distribution, scope and gaps of this workforce to support evidence-based workforce planning and investment
- Supporting psychosocial and community mental health workforce placements and early career support, and requiring and resourcing services to contribute to workforce development through supported traineeship and placement arrangements
- Funding specialised training for frontline community workers in trauma-informed care, dual diagnosis, digital mental health, and culturally safe practice, accessible to small organisations that cannot build this capacity internally.

As outlined in Mental Health Australia's Sector Priorities statement for the next Agreement, commitment from governments to longer minimum service contract lengths is critical to enable retention of the community mental health workforce.

Occupational Therapists

A sustainable, well-supported and fully utilised occupational therapy workforce, working alongside the broader multidisciplinary workforce, is essential to meeting Australia's mental health and psychosocial support needs. There are over 35,000 occupational therapists nationally, a significant proportion of whom work in mental health and psychosocial disability, including as credentialled mental health occupational therapists. However, better data is needed to reflect the breadth of this and other allied health professions to enable targeted workforce planning. In the next Agreement, governments should:

- Recognise and enable the full scope of occupational therapy in mental health. Occupational therapists provide clinically trained mental health and psychosocial practice, yet they are often miscategorised as providing only daily living supports
- Recognise and resource occupational therapy's role in the psychosocial workforce**.** Occupational therapists deliver recovery-oriented functional and psychosocial support
- Ensure occupational therapists are appropriately and specifically counted and monitored as part of strengthened national mental health workforce data collection
- Strengthen training pipeline, placements and retention, centre-based placement programs (such as Early Career Program), senior clinical roles, longer minimum service contract lengths and embedded supervision, wellbeing and burnout initiatives. These changes would complement the welcome expansion of Commonwealth Prac Payment eligibility to include occupational therapists.

Social Workers

Social Workers deliver mental health care across a range of different settings, as well as supporting access to and integration of other services. Social workers can undertake additional credentialling to become Accredited Mental Health Social Workers which allows them to access Medicare rebates for community members under the Better Access scheme. Social workers can work across multiple funding frameworks with conflicting requirements creating inefficiencies, with providers navigating multiple, often conflicting, documentation, audit, registration and pricing frameworks. Streamlining and aligning these requirements would increase clinical capacity quickly and cost-effectively, allowing more time to be spent delivering care. There are over 47,000 social workers in Australia, with over 20,000 students currently studying social work and being trained in relevant skills for the mental health sector. Increasing leadership pathways and placement opportunities, particularly in rural and regional areas would encourage the growth and retention of this workforce. It is also important that self-regulated professional bodies are funded to provide data to the relevant data custodians. In the next Agreement, governments should seek to:

- Increase the availability of high-quality placements opportunities for social workers, particularly in rural and regional areas
- Improve career development pathways for social workers from early career to senior leadership roles to support retention
- Recognise the full scope of practice for both non-accredited and Accredited Mental Health Social Workers regardless of the setting being worked in
- Increase the capacity of social workers and other self-regulated mental health professions to provide regular data to the relevant data custodians by funding this work
- Allow portable funding across Medicare, NDIS and Worksafe streams, to reduce administrative burden and support AMHSW to work to their full scope of practice.

Rural and regional mental health workforce

The National Rural Health Alliance highlight the importance of investing in training, education and locally-based models to bolster the rural healthcare workforce as a whole, noting the importance of multidisciplinary and wrap around support in enabling positive mental health and suicide prevention outcomes for rural and regional communities. Clear, measurable action in the areas of workforce development and retention, rural funding prioritisation and allocation, and supporting locally-based models must be prioritised to ensure progress of national, systemic workforce priorities in the next Agreement. Rural and regional healthcare professionals and psychosocial and community managed mental health workers often face high levels of burnout, fatigue and moral injury due to the isolated and complex nature of providing healthcare and support in rural communities.

To strengthen the rural and regional mental health workforce in the next Agreement, governments should commit to:

- Investing in rural and regional workforce pipelines through supported placements, locally responsive training pathways, and ongoing professional development and supervision to improve recruitment, retention and workforce wellbeing in rural and remote communities
- Prioritising targeted rural and regional investment by committing dedicated funding to address the rural mental health service gap by expanding workforce capacity; preventative mental health initiatives; community liaison, outreach and service navigation roles; and the physical and digital infrastructure needed to support accessible care in rural and remote areas.

Appendix A: Background - Workforce priorities in the current National Agreement and National Health Reform Agreement

Workforce commitments in the current Agreement

In the current National Mental Health and Suicide Prevention Agreement, governments committed to addressing workforce challenges by:

- supporting **workforce development and sustainability** across sectors, especially in areas of thin markets (clause 149)
- **developing the National Mental Health Workforce Strategy** (clauses 150–151) and supporting the development of the National Suicide Prevention Workforce Strategy (clause 156)
- working together to take action to **increase the number of full-time equivalent (FTE) mental health professionals** per 100,000 people over the life of the Agreement for professional groups identified, including psychiatry, psychology, mental health nursing, Aboriginal and Torres Strait Islander mental health and suicide prevention workers, lived experience (peer) workforce and other relevant allied health professionals (clauses 154 and 159)
- supporting the governance and use of the National Mental Health Service Planning Framework and sharing program level and other data to achieve optimal **workforce planning** at the regional level (clause 153).

While the bilateral agreements between the Commonwealth and states and territory governments included workforce initiatives, none included dedicated funding for these commitments.

The **Final Report** of the Productivity Commission's review of the National Mental Health and Suicide Prevention Agreement provides clear direction for tangible actions to address workforce challenges in the next Agreement, including by:

- Recommending that the next Agreement should support implementation of the Workforce Strategy through **clear prioritisation, timelines and accountability mechanisms** for recommended actions; as well as **explicit delineation of responsibility and funding** for workforce development initiatives
- Calling for Governments to take **immediate action on initial priorities** under the Workforce Strategy prior to the next agreement, to address pressing workforce issues and relieve acute shortages.

Workforce commitments under the National Health Reform Agreement

Governments also made health workforce commitments under the recently negotiated National Health Reform Agreement (Schedule G) that could be leveraged for specific mental health commitments under the next Agreement. These include:

- All Parties commit to national health workforce planning by collaborating at the regional and local levels with key sector stakeholders, including Local Health Networks, Aboriginal and Torres Strait Islander organisations, universities, the vocational education and training sector, unions, peak bodies and professional colleges and/or associations, regulators, health economists and the private sector.
- The Health Workforce Taskforce (HWT) will provide stewardship and governance of planning objectives, actions and implementation of this schedule, reporting to Health Chief Executives Forum (HCEF) and Health Ministers Meeting (HMM) as outlined in Preliminaries clause 42.
- In line with its Terms of Reference, HWT will develop an annual workplan (reporting annually from May 2027) which: sets out strategic priorities and areas for cross-jurisdictional collaboration; supports

national modelling of future supply and demand; provides workforce insights to inform investment decisions on workforce; and develops accountability measures for the delivery of initiatives.

- The Parties commit to developing a shared evidence base, including exchange of relevant data and the use of nationally consistent data sets that enhances workforce planning. This shared evidence base will underpin collaborative national strategic workforce planning and guide the HWT annual workplan.
- By July 2026 Parties will develop a program of reform to address priority joint actions of the Scope of Practice Review that have been agreed by HMM. This will be incorporated in the HWT annual workplan.
- Parties agree an initial focus will be to undertake harmonisation of scope of practice outcomes through changes to regulation including legislation and guidelines to enable a wider range of health professionals to undertake restricted activities consistent with their scope of practice.
- The HWT will oversee the implementation of actions endorsed by Health Ministers and will develop a Review of Regulatory Complexity in the NRAS Implementation Plan by March 2026. This will be incorporated in the HWT annual workplan.
- All Parties will work in partnership with Aboriginal and Torres Strait Islander organisations in developing actions to grow, monitor and sustain the Aboriginal and Torres Strait Islander Health Workforce, recognising the role of this specialised workforce in improving outcomes for Aboriginal and Torres Strait Islander people.

While not specific to mental health, these will have implications for the mental health workforce.

Summary of headline workforce commitments in the current National Mental Health and Suicide Prevention Agreement bilaterals

Some specific workforce actions are included in bilateral agreements between each State/Territory and the Commonwealth. While many of the bilaterals include the same wording, Victoria, Western Australia and ACT have further adapted workforce commitments in their bilateral agreements. There is no associated funding in any bilateral for these workforce commitments.

Jurisdiction	Workforce commitments in bilateral agreements
NEW SOUTH WALES **QUEENSLAND** **NORTHERN TERRITORY**, **SOUTH AUSTRALIA** **TASMANIA**	State/Territory and the Commonwealth will work collaboratively to: a. Support alignment with the soon-to-be finalised National Medical Workforce Strategy*/ National Mental Health Workforce Strategy** and similar measures already funded by the Commonwealth. b. Ensure students and graduates receive a mix of rotations between the acute and community/primary care settings, and to ensure they are appropriately supervised throughout training and placements. c. Promote mental health careers as an attractive career option. d. Support a national approach to attracting an overseas workforce with consideration given to broader health workforce needs. e. Build structures and supports for the Lived Experience workforce. * NSW, NT and Tas bilaterals reference the National Medical Workforce Strategy ** SA, WA and QLD bilaterals reference the National Mental Health Workforce Strategy.

	Victoria references both.
WESTERN AUSTRALIA	All of the above (except b. regarding mix of rotations, instead **Work with the education sector to advocate for the inclusion of job ready skills in undergraduate curricula)**, plus: Commonwealth ONLY • Lead collaboration with the Royal Australian & New Zealand College of Psychiatrists (RANZCP) to grow the psychiatry workforce. • Support pathways to practice for allied health and nursing students through scholarships, clinical placements, internships and graduate positions in Commonwealth funded services, NGOs and other settings. • Support the mental health of workforce through targeted early intervention and treatment services, and implementation of Every Doctor, Every Setting: A National Framework. • Provide specialised training and support for GPs and other medical practitioners to enhance their capacity to address the mental health concerns of patients.
AUSTRALIAN CAPITAL TERRITORY	• Support alignment with the National Mental Health Workforce Strategy, and ACT strategies including ACT Mental health Workforce Strategy. • Ensure students and graduates receive a mix of rotations between the acute and community/primary care settings, and to ensure they are appropriately supervised throughout training and placements.
VICTORIA	All of the above (except b. regarding mix of rotations, instead *Work with the education sector to advocate for the inclusion of job ready skills in undergraduate curricula*), plus: **Joint** • Work collaboratively to align the Victorian Mental Health and Wellbeing Workforce Strategy with the National Mental Health Workforce Strategy and broader national workforce plans and strategies, including the National Medical Workforce Strategy. • Expanding placements for higher education students and training pathways for graduates. • Coordinate investments in scholarships, training posts, placements. • Increase representation of Aboriginal and Torres Strait Islander peoples in the mental health workforce and upskill the mental health workforce in culturally appropriate care. • Grow the lived experience (peer) workforce through subsidised vocational training and support. **Commonwealth ONLY** • Continue to support and subsidise training pathways to practice for allied health and nursing students through scholarships, clinical placements, internships and graduate positions in Commonwealth funded services. • Continue to support the mental health of workforce by funding national early intervention and treatment services, and implementation of Every Doctor, Every Setting: A National Framework. • Grow the rural and regional workforce through targeted incentives. **VIC ONLY**

	• Fund pre-qualification employment programs for health and allied health students. • review current state for psychiatry training in Victoria with RANZCP. • subsidised training places in core disciplines, including psychiatry, psychology, social work, occupational therapy, mental health nursing and other allied health workforces. • Support growth of the mental health workforce in rural and regional areas through funded incentives. • Support international mental health recruits through training programs as well as settlement and migration support activities and programs.

Mental Health Australia

PO Box 9611
Deakin ACT 2600

+61 2 6285 3100
info@mentalhealthaustralia.org.au

mentalhealthaustralia.org.au