

MEDIA RELEASE



NSW Budget 2024-2025: Calls for increased investment in community-managed mental health services

Sydney 18 June 2024: Mental Health Coordinating Council (MHCC) welcomes the initiatives in the [NSW Budget 2024-2025](#) with new funding for mental health, but **we urge the NSW Government to recognise the pressing need for greater investment in psychosocial mental health supports across the state.**

Dr Evelyne Tadros, CEO of MHCC says, *“We support the investment in housing and repairing essential services, (including domestic and family violence), and whilst, as the budget announcement states - a ‘calm and measured response is required’; in light of the cost-of-living pressures, the significant impacts of continuing natural disasters and unmet mental health needs - the mental health and wellbeing of the people of NSW must be front and centre.”*

The NSW Budget has been developed against the backdrop of ten current simultaneous reviews and inquiries intersecting with mental health and ongoing discussions between State, Territory and Commonwealth Governments. Subsequently, **MHCC calls on the State and Commonwealth government to renegotiate and support the loss of \$11 billion in GST grant revenue in NSW, some of which could be used to reinvest in psychosocial supports in NSW.**

There were no new budget announcements following the 2024-2025 NSW [pre-budget announcements](#) which included:

- ✓ \$10m a year over 4 years for the **Pathways to Community Living Initiative**.
- ✓ \$7.6m a year over 4 years for **Community Mental Health Teams**.
- ✓ \$9.75m a year over 4 years for a **Mental Health Single Front Door** strengthening services delivered through Healthdirect providing Virtual GP, virtualKIDS and Urgent Care Services.
- ✓ \$2.4m for the **Mental Health Review Tribunal** to enable a long overdue digitisation of records, an upgrade to IT systems and an investment in a new case management system.

“While we appreciate the new initiatives and ongoing commitments, there remains a significant need for increased investment in psychosocial support services to facilitate recovery for those with mental health challenges,” Dr Tadros says.

The **NSW Budget falls short** of supporting those experiencing mental health challenges.

MHCC is calling for an annual commitment for the next five years for:

- **230 permanent places for Pathways to Community Living Initiative:** additional \$42 million yearly (for support services, not capital)
- **10,000 additional Community Living Support packages:** additional \$91.25 million yearly
- **130 Prevention and Recovery Centres places:** additional \$20.07 million yearly (to support an extra 2,000 people every year)
- **Community-Managed Organisations Workforce Development - Stage 1 Investment:** \$7.17 million yearly (239 new accredited trainees - peer & non-peer) and 5% workforce growth \$31.07 million yearly (239 new employees)
- **Mental Health Coordinating Council core funding increase:** additional \$1,333,040 yearly

MHCC stresses the need for **additional funding from both the State and Commonwealth government** addressing the recommendations of the **2020 Productivity Commission report**. This includes expansion in psychosocial supports delivered by the not-for-profit community sector.

This funding gap is critical, particularly for the estimated 46,000 individuals in NSW who currently lack access to essential psychosocial support services.

To address the further gaps identified, MHCC also calls upon the NSW Government to urgently respond to the recommendations of the recent [Mental Health Inquiry report](#). We ask them to make mental health the priority it needs to be.

Dr Tadros says, *“We have all the evidence demonstrating what is needed to address the social determinants leading to poor mental health and psychosocial outcomes for the people in NSW. Let’s get on with providing the right support, at the right time, in the right place.”*

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About: Mental Health Coordinating Council is the peak body for mental health community-managed organisations in NSW. MHCC provides policy leadership, promotes legislative reform and systemic change, and develops resources and training to assist mental health community organisations to deliver quality and effective services underpinned by best practice principles www.mhcc.org.au