



**LEGISLATIVE ASSEMBLY**  
FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON THE COVID-19 2021 PANDEMIC RESPONSE  
Ms Elizabeth Lee MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair), Ms Jo Clay MLA

**ANSWER TO QUESTION TAKEN ON NOTICE**  
**4 November 2021**

**Asked by Mrs Giulia Jones MLA on 4 November 2021: Ms Bec Cody and Ms Corinne Dobson took on notice the following question(s):**

[Ref: Hansard Transcript 4 November 2021 [PAGE 33]]

In relation to:

**Ms Cody:** Thanks, Mrs Jones. Look, I do not know that the—obviously, the pandemic has had an impact on our members. No one is denying that. We see that. But I think what we have really come to see is that over the last five years—longer, 2014—we have seen a massive decrease in the level of funding that has been provided to the community mental health sector. Really since the NDIS came on board. It has been really difficult and our service delivery for our members has not changed, so we are still expected to provide as much, if not more, service delivery on the same, if not less, funding that they were receiving in 2014.

So that has been challenging at the best of times. During a pandemic, it has always made it more difficult.

**MRS JONES:** On notice, would you be able to quantify that reduction since 2014? And if I am correct, the problem with funding being assumed to be through NDIS is that people need diagnoses and a lot of what the community sector does is helping people at the very early, as well as advanced, stages of their mental health journey in a way that the NDIS probably cannot. Would that be fair to say?

**Ms Cody:** Yes. Look, Mrs Jones, you are quite correct...

**MRS JONES:** ...So I really would love it if on notice, you could get back to me with some information about that drop in funding for your sector and how it has affected the ACT since 2014.

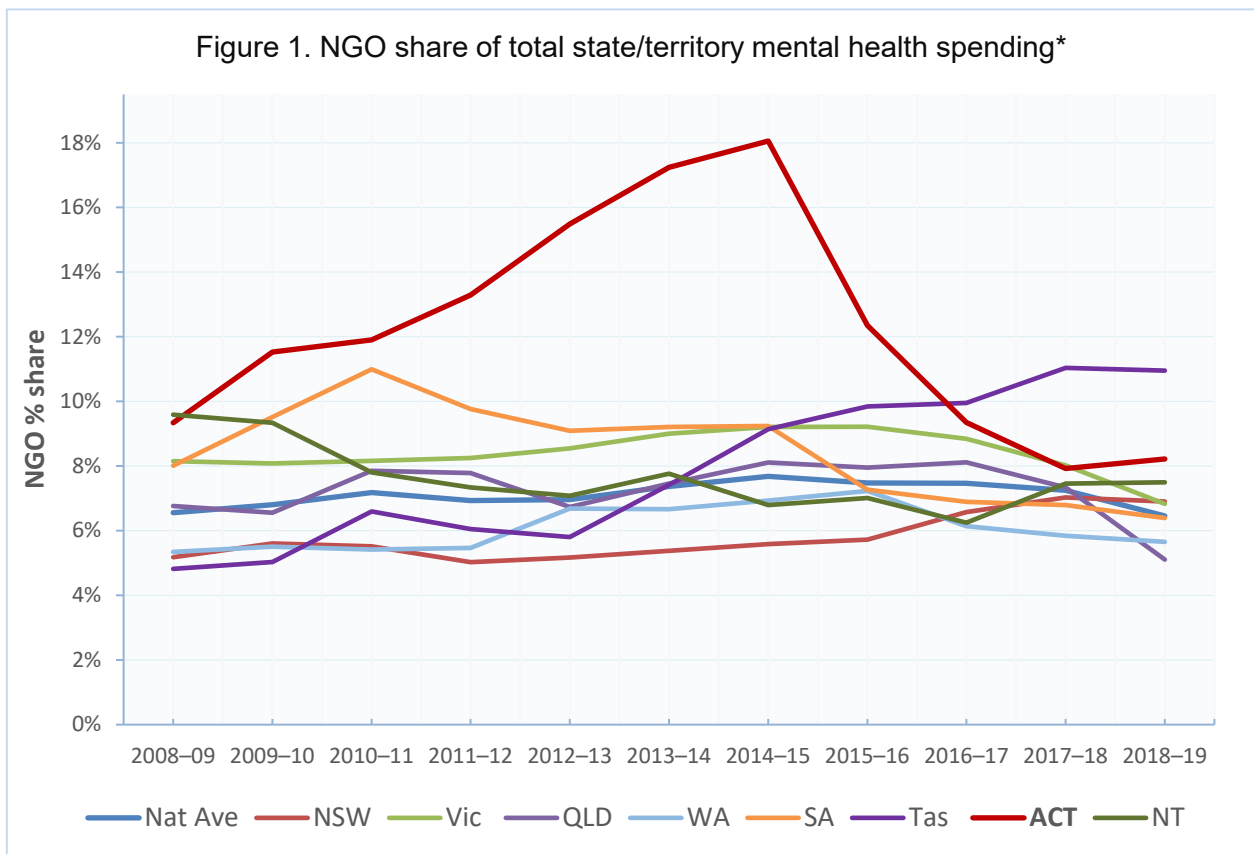
**Ms Dobson:** Yes.

**Ms Cody:** Absolutely. I believe the ANU have done some modelling around that that we have been involved in. So happy to provide that on notice.

**Bec Cody/Mental Health Community Coalition ACT: The answer to the Member's question is as follows:**

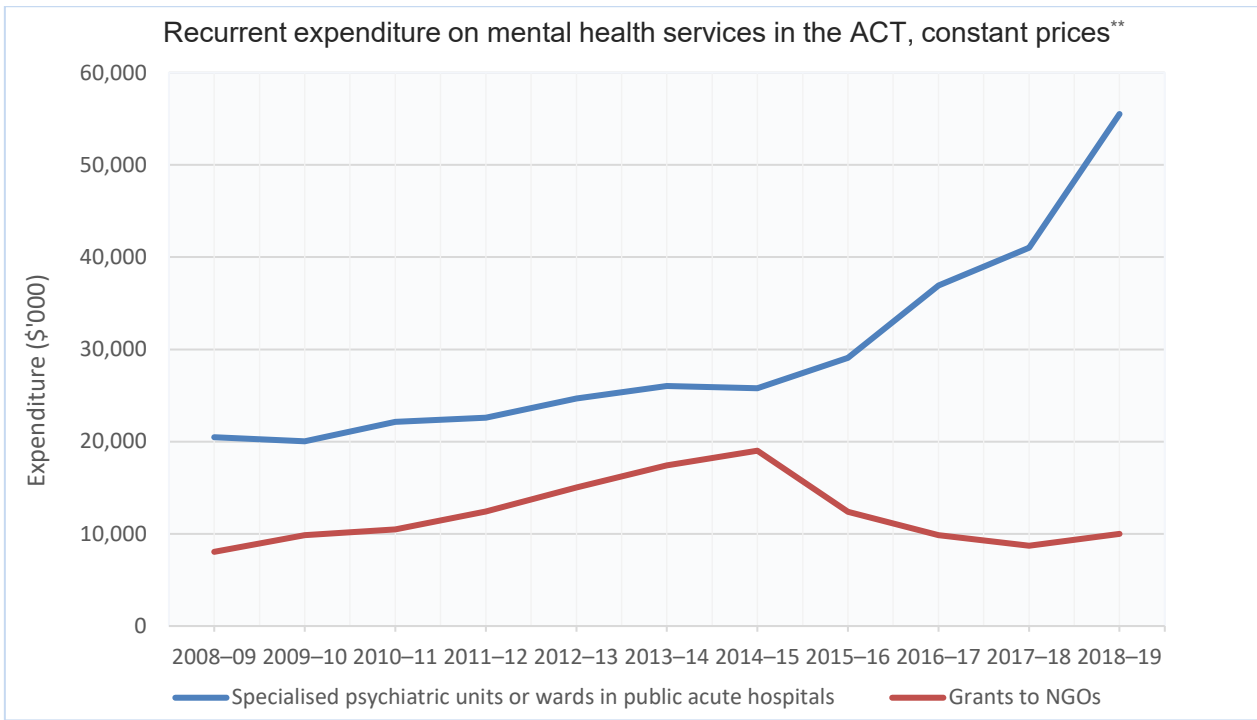
Government funding for community-managed mental health services in the ACT has declined significantly since 2014: in real terms, on a per capita basis, and as a proportion of overall government spending on mental health.

Figure 1 below shows the percentage of total mental health spending directed to NGOs in each state and territory between 2008 and 2019. Between 2008 and 2014, ACT Government spending on NGO community mental health services steadily increased, reaching a peak of more than 18% of the total ACT mental health budget in 2014-15. The roll-out of the National Disability Insurance Scheme (NDIS) in the ACT commenced in July 2014, and this coincided with a swift reduction in ACT government spending on community-managed mental health services, to the point where the ACT now spends just 8.2% of its total mental health spending on this type of care. In the development of the NDIS, psychosocial disabilities was to be included which is partially why the ACT has recorded a decrease in funding. The latest data suggests there is approximately 154,000 people with psychosocial disability who are not covered by the NDIS.



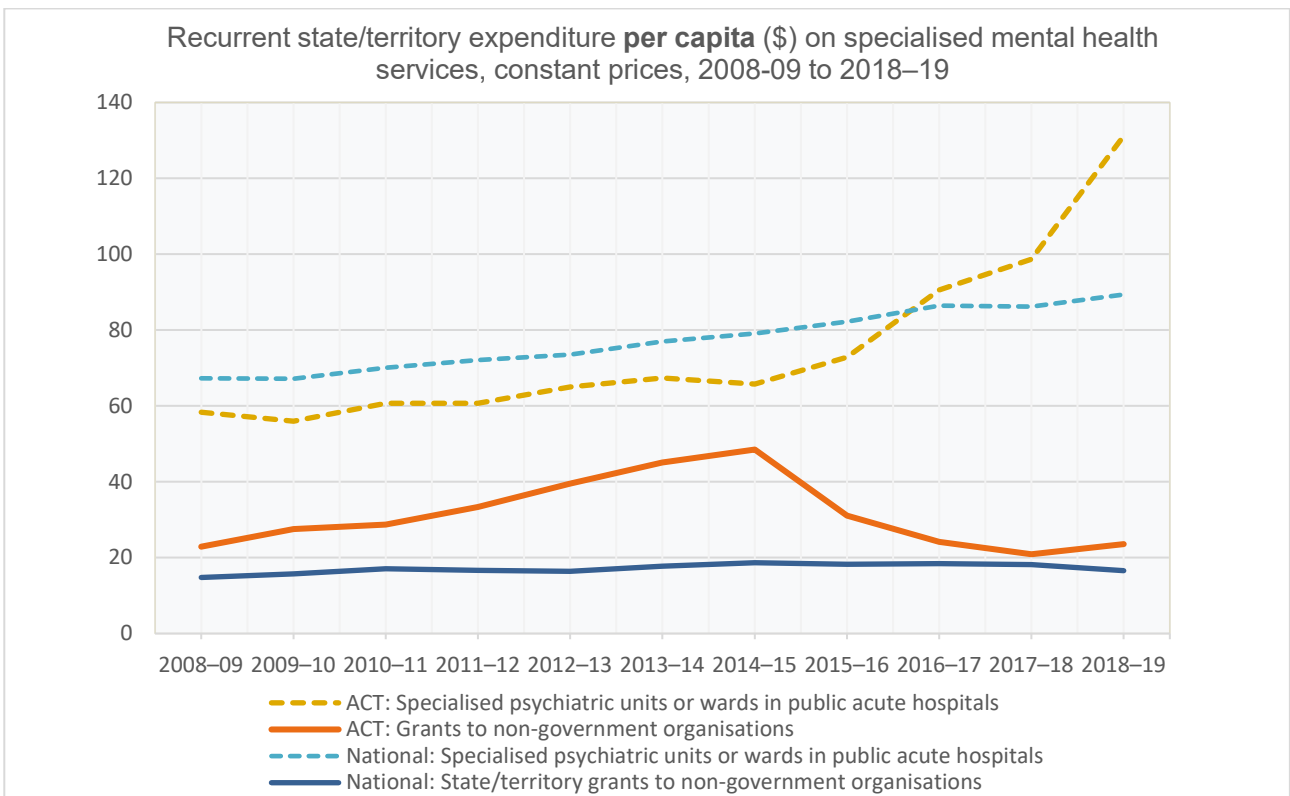
\*The figures presented are based on data from the Australian Institute of Health and Welfare, (2021), *Mental health services in Australia*. <https://www.aihw.gov.au/reports/mental-health-services/mental-health-services-in-australia>. Grants to NGOs are treated as a proxy for government funding for NGO community mental health services; this does not include funding for non-government-operated residential mental health services.

Funding to NGOs has also declined dramatically since 2014 both in real terms (Figure 2) and in terms of per capita expenditure (Figure 3). As indicated below, the drop in funding for community mental health care coincides with a sharp increase in ACT Government funding for specialised psychiatric units and acute care wards in public hospitals. Between 2014-15 and 2018-19, the average annual increase in expenditure on specialised psychiatric units and acute mental healthcare wards in hospitals was **21%**, while annual expenditure on NGO community mental health services **decreased** by an average of **-15%**.



\*\*NB Constant prices are adjusted to remove effects of inflation.

Figure 3 shows the decline in per capita spending on NGO mental health services, in addition to the increase in per capita funding for specialised psychiatric units or wards in hospitals (which has rapidly outpaced the rate of increase at the national level). This trend is at odds with the stated goal of successive national mental health plans and policies and the recent Productivity Commission report on Mental Health, which underlie the need to re-orientate mental health systems to increase community support and reduce the reliance on acute, hospital-based mental health services.



Approved for circulation to the Select Committee on the COVID-19 2021 Pandemic Response

Signature: 

Date: 23/11/2021

By Bec Cody CEO  
Mental Health Community Coalition ACT