



Australian Government

Department of Finance and Deregulation

MEDIA RELEASE

28 July 2010

Our Ref: GOV13

RECEIPT OF REQUEST FOR COSTING OF ELECTION COMMITMENT

The Department of Finance and Deregulation has been asked by the Prime Minister to cost the following election commitment under the *Charter of Budget Honesty Act 1998*:

Taking Action to Tackle Suicide – Promoting good mental health and resilience in young people.

The costing will be completed in accordance with the *Charter of Budget Honesty: Costing Election Commitments* guidelines issued on 11 June 2010. The guidelines are available at www.electioncostings.gov.au.

The costing request is attached to this media release. A further media release will be issued when the costing has been completed.

A handwritten signature in black ink, appearing to read 'David Tune'.

David Tune
Secretary
Department of Finance and Deregulation

Contact: Clive Hawkins
Telephone: 02 6215 3929

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| Name of policy | Taking Action to Tackle Suicide - Promoting good mental health and resilience in young people |
| Person requesting costing (Prime Minister/Leader of the Opposition): | Prime Minister |
| Date of public release of policy: | 27 July 2010 |
| Date of request to cost the policy: | 28 July 2010 |
| Summary of policy (please attach copies of relevant policy documents): | A re-elected Gillard Labor Government will invest \$65.9 million in providing more services for children with mental health problems, as well as in promoting resilience and good mental health in young people. |
| Intention of policy: | To provide more support to those at greatest risk of suicide, and better equipping our youth to deal with mental health. |
| Description of policy | |
| What are the key assumptions that have been made in the policy including: | |
| Please note that where the request to cost a proposal differs from the announced policy, the costing will be on the basis of information provided in the costing request. | |
| Is the policy part of a package? • If yes, list and outline components and interactions with proposed or existing policies. | Yes - Taking Action to Tackle Suicide |
| Where relevant, is funding for the policy to be demand driven or a capped amount? | The amount of funding available will be capped. |
| Will third parties, for instance the States/Territories, have a role in funding or delivering the policy? • If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged? | Yes. |

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| <p>Are there associated savings, offsets or expenses?</p> <ul style="list-style-type: none"> • If yes, please provide details. | <p>NA</p> |
| <p>Description of policy (continued)</p> <p>What are the key assumptions that have been made in the policy including:</p> | |
| <p>Does the policy relate to a previous budget measure?</p> <ul style="list-style-type: none"> • If yes, which measure? | <p>The measures build on the Government National Health and Hospital Reforms.</p> |
| <p>If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program. Will funding/cost require indexation?</p> <ul style="list-style-type: none"> • If yes, list factors used. | <p>NA</p> |
| <p>What are the estimated costs each year? Are these provided on a cash or fiscal basis?</p> | <p>The estimated impact on the underlying and fiscal cash balance is:</p> <p>2010-11: \$4.8 million</p> <p>2011-12: \$19.7 million</p> <p>2012-13: \$20.1 million</p> <p>2013-14: \$21.3 million</p> |

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| <p>What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?</p> | <p><i>Kidsmatter expansion (\$19.6m)</i> The Government will provide \$19.6 million over four years (\$2.5 million in 2010-11, \$5.2 million in 2011-12, \$5.5 million in 2012-13 and \$6.4 million in 2013-14) to help fund up to 1700 additional primary schools promote good mental health and improve children’s resilience through the Kidsmatter program.</p> <p><i>Services for children with mental health and developmental issues (\$24.0m)</i> \$24 million over four years (\$0.4 million in 2010-11, \$7.8 million in 2011-12, \$7.8 million in 2012-13 and \$8.0 million in 2013-14) will be provided to Medicare Locals to develop linkages and support networks between primary health care services and local mental health providers. Funding will also be provided to Medicare Locals to purchase services for up to 26,000 children with severe behavioural problems or mental health issues.</p> <p><i>Expanding online mental health and counselling services (\$22.3m)</i> The Government will invest \$22.3 million over four years (\$2.0 million in 2010-11, \$6.6 million in 2011-12, \$6.8 million in 2012-13 and \$6.9 million in 2013-14) in online mental health and counselling services.</p> |
| <p>Has the policy been costed by a third party?</p> <ul style="list-style-type: none"> • If yes, can you provide a copy of this costing and its assumptions? | <p>NA</p> |
| <p>What is the expected community impact of the policy?</p> <ul style="list-style-type: none"> • How many people will be affected by the policy? • What is the likely take up? • What is the basis for these impact assessments/assumptions? | <p>The policy will provide more support for people at risk of suicide, and it is expected that the funding allocated will be fully utilised under the plan.</p> |
| <p>NOTE: it will be up to the professional judgment of the relevant Secretary as to whether these assumptions are adopted in a Treasury or Finance costing of the policy.</p> | |

| Administration of policy | |
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| How will the policy be administered: who will administer the policy (for example, Australian Government Agency, States, non-government agency)? | The policy would be administered by the Department of Health and Ageing. |
| Should Departmental expenses associated with this policy be included in this costing? <ul style="list-style-type: none"> • If no, will the Department be expected to absorb expenses associated with this policy? • If yes, please specify the key assumptions, including whether Departmental costs are expected with respect to program management (by policy agencies) and additional transactions/processing (by service delivery agencies). | Departmental costs would be absorbed by the relevant portfolio. |
| Intended date of implementation. | 1 January 2011 |
| Intended duration of policy. | Ongoing |
| Are there transitional arrangements associated with policy implementation? | NA |
| List major data sources utilised to develop policy (for example, ABS cat. no. 3201.0). | NA |
| Are there any other assumptions that need to be considered? | NA |