



## **2026-27 Pre-Budget Submission**

January 2026



## Acknowledgement of Country

MIFA acknowledges the Traditional Owners of the country throughout Australia and their continuing connection to land, sea and community. We pay our respect to them and their cultures and the Elders, past and present.

## Recognition of Lived Experience

MIFA recognises and value the expertise of people, families and carers with living experience of mental health challenges. We uplift and amplify marginalised voices to create a more inclusive future for all.

## About MIFA

The [Mental Illness Fellowship of Australia](#) (MIFA) is a leading national mental health organisation with a clear system-stewardship mandate. Established in 1986, MIFA brings together lived experience leadership, community-based service delivery expertise, and national policy engagement to drive practical, durable reform across Australia's mental health ecosystem.

For four decades, MIFA has operated at the intersection of people, practice, and policy, providing government with trusted frontline intelligence on what works and where gaps persist. Through our federation of community mental health organisations, we connect community-based delivery with national reform priorities.

MIFA also leads and amplifies lived experience nationally through platforms including [Finding North](#), [Out From the Mist](#), and [National Schizophrenia Awareness Week](#), ensuring these perspectives inform system design, investment decisions, and reform implementation.

MIFA translates national policy intent into real-world outcomes by integrating lived experience, community service delivery, and evidence-based policy expertise to support effective implementation. This legacy positions MIFA as one of the sector's key unifying leaders, providing coherent, grounded advice that is credible to government and built to endure.

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## About This Submission

This submission is structured around three complementary funding priorities:

- Part 1: Immediate Expansion of Existing Supports
- Part 2: Longer-Term Structural Reform
- Part 3: MIFA-Specific Funding

Parts 1 and 2 together present a coherent national roadmap for Commonwealth action. Immediate investment is required to address urgent unmet need, while longer-term reform is essential to establish a sustainable, integrated psychosocial support system outside the NDIS. These objectives are interdependent and must progress concurrently.

Part 3 sets out a targeted case for Commonwealth investment in Out From the Mist, an established lived experience arts initiative that delivers measurable cultural, social, and mental health outcomes. This request is modest in scale and designed to complement, not compete with, broader system reform.

## Executive Summary

Nearly 500,000 Australians with moderate to high mental health needs are unable to access the psychosocial supports required to live safely, independently, and well in their communities. MIFA calls on the Commonwealth to act decisively in FY26-27:

- Double investment in the Commonwealth Psychosocial Support Program (CPSP) to reach ~50,000 people annually (\$272.1 million in FY26-27).
- Launch six new Clubhouse pilots in five states (\$3.0 million in FY26-27).
- Fund a 12-month national co-design phase for a dedicated psychosocial support program (\$10 million in FY26-27).
- Expand Out From the Mist to four regional activations annually (\$198,000 in FY26-27).
- Total proposed investment for FY26-27: \$285.3 million.

Outside of FY26-27, this submission proposes additional investment across the forward estimates period to 2030 to co-design, develop, and scale a sustainable whole-of-sector national psychosocial support system.

## Case For Action

Australia's mental health system is at a critical inflection point. Nearly 500,000 Australians with moderate to high mental health needs are unable to access the psychosocial supports required to live safely, independently, and well in their communities.<sup>i</sup> At the same time, Commonwealth expenditure through the NDIS is approaching \$6 billion in 2024-25 to support approximately 66,000 people with psychosocial disability, more than \$90,000 per participant per year.<sup>ii</sup> This investment is essential for those it serves, but it is not a sustainable or appropriate mechanism for meeting broader psychosocial need. Hundreds of thousands of Australians remain unsupported, while fiscal pressure on the NDIS continues to intensify.

The consequences of this gap are profound and well evidenced. People without access to psychosocial support experience higher rates of homelessness, repeated hospital admissions, escalating mental distress, and disengagement from work, education, and community life. They frequently interact with multiple public systems such as health, housing, income support, justice, and emergency services, in ways that are preventable, costly, and harmful.<sup>iii iv</sup>

Beyond direct health system costs, mental ill-health imposes an estimated \$70 billion annually in lost productivity and informal care. When broader social and economic impacts are included, unemployment, welfare reliance, social isolation, and reduced life expectancy, total costs exceed \$150 billion per year, rising above \$220 billion when long-term indirect costs are considered.<sup>v</sup>

The Productivity Commission's Final Report on the National Mental Health and Suicide Prevention Agreement confirms what the sector has long observed:

- Approximately half a million Australians cannot access psychosocial supports, increasing their risk of hospitalisation, homelessness, unemployment, and social isolation.
- The current system is fragmented and reactive, characterised by short funding cycles, unclear accountability, and the absence of a national mechanism capable of driving coordinated reform.
- Past investments have not delivered a recovery-oriented, integrated system, leaving community services overstretched and people with complex needs unsupported.<sup>vi</sup>



Demand continues to outpace supply. Emergency department presentations for mental health challenges have more than doubled since 2011, exceeding 71,000 presentations in 2023-24.<sup>vii viii</sup> Workforce shortages persist, crisis services are under sustained pressure, and access varies significantly by geography and capacity to pay. Mental health and substance use conditions account for around 15% of Australia's total burden of disease<sup>ix</sup>, yet only 7% of government health expenditure is directed to mental health.<sup>x</sup>

The economic and social case for action is unequivocal. Community-based psychosocial supports are cost-effective and deliver strong outcomes, including reduced hospitalisation, improved housing stability, increased workforce participation, and strengthened social connection. These supports represent one of the most financially prudent investments available to government.<sup>xi xii</sup>

The Commonwealth already has mechanisms capable of delivering immediate impact, including the Commonwealth Psychosocial Support Program and emerging hospital step-down initiatives. Expanding these now does not pre-empt reform; it prevents avoidable harm while longer-term solutions are designed. Each year of delay compounds risk, deepens disadvantage, and escalates downstream costs. Immediate investment, paired with deliberate structural reform, is the credible response.

## Part 1: Immediate Expansion of Existing Supports

Immediate Commonwealth investment in proven, nationally scalable psychosocial support programs can deliver tangible improvements in the lives of Australians living with moderate to high need mental health challenges, while longer-term system reforms are co-designed and implemented. The Commonwealth already possesses the policy levers, contractual infrastructure, and operational capability to act now.

Programs such as the [Commonwealth Psychosocial Support Program \(CPSP\)](#) and the internationally recognised Clubhouse model are evidence-informed, established, and ready for national expansion. Scaling these initiatives immediately provides practical, recovery-oriented support to people currently underserved while strengthening the system’s capacity to transition into future reform under the next National Mental Health and Suicide Prevention Agreement.

Importantly, the development of a fit-for-purpose future Agreement must not be used as a rationale for delay. Immediate expansion addresses unmet psychosocial support demand within a 12-month timeframe, providing real assistance to people who have already waited too long, while longer-term reform is deliberately designed in parallel.

### Commonwealth Psychosocial Support Program

Immediate, sustained, and expanded investment in CPSP will double national reach, address a severe psychosocial gap, reduce acute system pressure, and provide a scalable platform for future reform.

#### Current Status, 2024-25 MYEFO Extension, and Proposed Expansion

| Description   | Amount                             | Annual Equivalent        | Reach  |
|---|------------------------------------|--------------------------|--|
| Annual baseline (pre-MYEFO)                                 | ~\$136 million                     | ~\$136 million           | ~25,000 Australians                                    |
| 2024–25 MYEFO extension (covers 1 July 2025 – 30 June 2027) | \$272.1 million total over 2 years | ~\$136 million per annum | Maintains ~25,000 Australians annually <sup>xiii</sup> |



| Description                 | Amount                                 | Annual Equivalent         | Reach                        |
|-----------------------------|--|---------------------------|------------------------------|
| FY 26-27 Proposed Expansion | \$272.1 million per annum from FY26-27 | \$272.1 million per annum | Scale to ~50,000 Australians |

*Note: The 2024-2025 MYEFO extension maintains current per-annum funding. Through this submission, MIFA’s proposed expansion in FY 26-27 advocates a per-year increase to genuinely double reach.*

### **Purpose and Impact**

CPSP delivers short-term, community-based, recovery-focused supports for Australians with moderate to high need mental health challenges who need extra assistance to function day-to-day. Delivered through PHNs commissioning local organisations, supports help participants:

- Connect with clinical care and community resources
- Build capacity, confidence, and independence in daily living
- Strengthen social, family, and peer relationships
- Develop educational, vocational, and training skills

These interventions combine individual and group support to address functional, social, and relational impacts of mental illness that clinical services alone cannot resolve.<sup>xiv</sup> Evaluations of predecessor programs show participants experience improved wellbeing, reduced isolation, and sustained community participation. CPSP complements NDIS and state-funded programs, ensuring equitable access for those ineligible or outside those systems.

### **Proven Value and Cost-Effectiveness**

CPSP represents a highly cost-effective investment in psychosocial support, with an average annual cost of approximately \$5,440 per participant, dramatically lower than the \$90,900 per participant spent through the NDIS for primary psychosocial disability in 2024–25. This efficiency not only delivers meaningful outcomes at a fraction of the cost of higher-intensity services, but also reduces reliance on hospitals and emergency departments, prevents escalation to more intensive disability supports, and generates measurable social and economic benefits by supporting greater independence. An independent evaluation underway from 2025–27 will further quantify these impacts and guide future program design.



## **The Urgent Case for Further Investment and Scaling**

While the 2024-25 MYEFO extension secures continuity (~25,000 participants annually), it does not address the vast unmet need. Immediate and sustained expansion to \$272.1 million per annum from FY26–27 would scale support to around 50,000 participants nationally, enable safe, independent living and stronger social, educational, and workforce participation, reduce avoidable hospitalisations, emergency presentations, and NDIS reliance, and establish a scalable, evidence-based platform for national consistency.

## **Call to Action**

Building on the 2024-25 MYEFO extension, the Commonwealth should:

- Commit \$272.1 million per annum from FY26–27 as core funding, with phased scaling to 50,000 participants
- Embed CPSP insights into future arrangements to ensure evidence-based, equitable reform

Australians with moderate to high need mental health challenges deserve more than maintenance. Genuine expansion averts suffering, saves costs, strengthens independence, and ensures no one falls through the cracks. Immediate prioritisation is essential.

## **Clubhouse Pilots Proposal**

### **Clubhouse Proposal Executive Summary**

MIFA, on behalf of its member organisations, seeks \$3.0 million in FY2026-27 and \$3.1 million in FY2027-28 to pilot six Clubhouse models in five jurisdictions: Queensland, ACT, South Australia, Western Australia, and Northern Territory. These pilots will implement the internationally recognised Clubhouse model, a community-run, non-clinical approach emphasising meaningful work, education, transitional employment, peer support, and belonging, to directly address acute service gaps.

Funding will support MIFA's vetted federation member organisations, including [Selectability](#) (to expand an additional site in Queensland), [Karakan](#), [Mental Health Foundation ACT](#), [Skylight Mental Health](#), [MIFWA](#), and [MIFANT](#), to deliver high-fidelity operations. These organisations will work towards Clubhouse International standards. An independent evaluation will be commissioned at the end of year two to generate robust evidence for national scaling and long-term policy planning. This low-risk, high-return investment addresses immediate unmet need.



### Investment Overview

| Financial Year | Total Allocation | Notes   |
|----------------|------------------|---|
| FY2026-27      | \$3,000,000      | Six pilots, covering staffing, premises, and operations       |
| FY2027-28      | \$3,100,000      | Six pilots (continued operations) plus independent evaluation |
| Total          | \$6,100,000      | Six pilots across five jurisdictions and evaluation           |

*Note: Each pilot receives approximately \$500,000 per year to deliver high-fidelity Clubhouse operations.*

### Proposal Overview

Clubhouse pilots represent immediate, actionable, and evidence-based investment. They provide recovery-oriented support that reduces hospitalisations and crisis escalation while strengthening social and economic participation for people living with mental challenges in regions where service gaps are most acute. Immediate funding prevents avoidable system costs, while delays risk compounding both human and fiscal impacts.

Funding will enable MIFA's federation member organisations to establish and operate the pilots. This includes expanding Selectability's proven Clubhouse Program (operating since 2015 in Mackay and Townsville, and since 2022 in Bowen and Charters Towers) through an additional Queensland site, as well as supporting all other member organisations to implement a Clubhouse model alongside their existing group-based programs.

### What is a Clubhouse?

A Clubhouse is a member-driven community centre for adults living with moderate to high need mental health challenges. Members co-manage daily operations in a structured "work-ordered day," which mirrors ordinary employment. Membership is voluntary and ongoing, with no diagnostic requirements, waiting lists, or clinical appointments. The model focuses on strengths, contribution, and belonging, rather than illness or deficits.

Clubhouse International enforces 37 rigorous standards, and accreditation is granted only after independent on-site review and renewed periodically. Globally, over 360 accredited Clubhouses operate in 33 countries, ensuring consistent, high-fidelity psychosocial rehabilitation.



## **Australian Evidence and Context**

Accredited Clubhouse models in Australia include Stepping Stone Clubhouse (Brisbane, est. 1994), which functions as a global training base and specialises in suicide prevention and social/economic inclusion.<sup>xv</sup> Additionally, Kindred Clubhouse (Melbourne, est. 2019) emphasises employment pathways and community-based recovery.<sup>xvi</sup>

Selectability's Clubhouse Program, adapted from the Clubhouse International model with contemporary recovery-oriented practices, has operated successfully across four regional Queensland locations since 2015 (Mackay and Townsville) and 2022 (Bowen and Charters Towers). A 2025 independent evaluation of 246 active members demonstrated strong impacts, including:

- A strong sense of belonging and community, with 90% of surveyed members reporting they feel they belong to the Clubhouse community and value their time with staff and other members.
- Reduced use of acute services: 52% of members presented to emergency departments or hospitals for mental health reasons less frequently, 41% had fewer hospital admissions, and 43% interacted less with crisis supports since starting Clubhouse.
- Improved wellbeing and goal confidence: Members showed meaningful progress in wellbeing domains such as lifestyle, managing symptoms, and family/friends (via Well-being STAR tool), with 87% feeling more confident progressing towards their goals.
- Greater sense of purpose and mental health: 83% of members reported better mental health and wellbeing, and 83% a greater sense of purpose since starting Clubhouse.
- High engagement and retention: Many members described Clubhouse as a turning point in their recovery, with flexible, member-led activities fostering social connection, daily living skills, and hope.

These findings align with broader evidence from accredited Clubhouses and demonstrate the model's effectiveness in regional and underserved areas.

All MIFA member organisations deliver a range of group-based programs, including therapeutic groups for emotional regulation and recovery, activity groups, and community connections initiatives. These programs foster social inclusion, skill-building, and wellbeing



in supportive environments, complementing the proposed Clubhouse pilot by offering scalable, group-oriented support that reaches more people amid resource constraints and significant unmet need.

### **International Evidence and Return on Investment**

Systematic reviews and Australian studies confirm that Clubhouses improve job tenure, reduce psychiatric hospital days by up to one-third, and sustain gains in quality of life and community integration.<sup>xvii xviii</sup>

Canadian Clubhouses operating in comparable funding contexts have demonstrated a \$5–\$14 societal return per \$1 invested, driven by health savings, employment, and reduced inpatient use.<sup>xix xx</sup> One year of Clubhouse membership approximates the cost of a two-week hospital stay, with annual societal savings per member estimated at ~\$11,000 in selected analyses.<sup>xxi xxii</sup>

Recent 2025 research further reinforces reduced readmission risk, with engaged Clubhouse members showing approximately 50% lower 90-day psychiatric hospital readmission rates compared to non-engaged populations.<sup>xxiii</sup>

### **Why Invest Now In Clubhouse Pilots**

Nearly 500,000 Australians face unmet psychosocial needs outside the NDIS, contributing to preventable hospitalisations, emergency department presentations, homelessness, and lost workforce participation, all at escalating human and fiscal cost.

Clubhouse pilots provide a targeted, community-led solution. They reduce acute care demand, boost employment and social inclusion, and generate ready-to-scale evidence. Immediate action embeds a proven international model, prevents compounding costs, and positions Australia for sustainable psychosocial reform within the next National Mental Health and Suicide Prevention Agreement.

### **Management, Accountability, and Evaluation**

MIFA is submitting this proposal on behalf of its membership and will support the promotion of the impact of member-led projects funded by the Commonwealth. The funded organisations will deliver the pilots and report on outcomes as required. An independent evaluation will be commissioned at the end of the two-year period to provide robust evidence on outcomes and cost offsets.



### **Clubhouse Pilots Summary**

For \$6.1 million over two years, the Commonwealth can:

- Establish six high-fidelity pilots across five jurisdictions
- Reduce hospitalisations and crisis escalation
- Increase workforce participation and social inclusion
- Deliver strong fiscal returns
- Generate independent, Australian-specific evidence to inform sustainable national scaling

This complements the proposed CPSP expansion, offering a practical, evidence-generating bridge to longer-term psychosocial reform. Delays risk unnecessary suffering, inefficiency, and missed opportunity to embed a proven international model.

## Part 2: Longer-term Structural Reform

### Investment Pathway

MIFA submits that targeted, staged Commonwealth investment over four years is required to establish, implement, and scale a whole-of-sector National Psychosocial Support Program (NPSP). This pathway prioritises immediate action in FY26-27 through a structured co-design phase, followed by progressive rollout aligned and underpinned by the next National Mental Health and Suicide Prevention Agreement.

| FY           | Commonwealth Investment | Focus   | Key Activities / Scale   |
|--------------|-------------------------|---|--|
| 26-27        | \$10 million            | 12-month national co-design                   | <p>Convene National Psychosocial Support Committee and State and Territory Psychosocial Support Scheme Committees; whole-of-sector co-design; national framework, outcomes, and formal recommendations for the 2027 Agreement.</p> <p>This \$10 million allocation reflects the scale of a genuine national co-design process across the entire mental health ecosystem, consistent with past major reform efforts, ensuring inclusive, high-quality inputs that inform sustainable long-term reform</p> |
| 27-28        | \$500 million           | Initial rollout (first year of new Agreement) | Progressive commissioning and early service mobilisation for priority cohorts and regions  |
| 28-29        | \$500 million           | Scaled national rollout                       | Expanded coverage building on prior years, informed by evaluation  |
| 29-30        | \$500 million           | Steady-state scaling                          | Clear trajectory to full national coverage by 2030   |
| <b>Total</b> | <b>\$1.51 billion</b>   |   |  |

### Context

Australia is experiencing a profound psychosocial support crisis. Nearly 500,000 Australians aged 12-64 with moderate to high mental health needs currently lack access to the



psychosocial supports required to live safely, independently, and with dignity, as identified in the 2024 Analysis of Unmet Need for Psychosocial Supports Outside the NDIS. Tens of thousands of older Australians aged 65 and over, who are ineligible for the NDIS, face similar unmet need.

The consequences of this gap are well established and costly: preventable hospital admissions, homelessness, reduced workforce participation, and escalating demand on emergency, justice, housing, and social services. These impacts impose significant economic costs on governments while diminishing individual wellbeing and community cohesion.

As the next National Mental Health and Suicide Prevention Agreement is under review, and longer-term reform of psychosocial supports is actively being considered, MIFA proposes the National Psychosocial Support Program as the national solution. The NPSP is a whole-of-sector framework designed to deliver integrated, sustainable psychosocial supports outside the NDIS, underpinned by national investment, a shared outcomes framework, and inclusive governance.

The NPSP is explicitly designed to integrate with existing Commonwealth and State and Territory systems, including the NDIS, Foundational Supports, hospital step-down programs, Primary Health Networks, and broader health, housing, employment, and social service systems. It provides the structural backbone required to move beyond fragmented, short-term programs toward a coherent national approach.

### **Whole-of-Sector Leadership and Co-Design**

MIFA submits that genuine whole-of-sector leadership offers the strongest and most sustainable pathway for reform. Unlike models that centre primarily on one perspective, whether lived experience leadership, clinical services, or community service delivery alone, the NPSP embeds equitable collaboration across the full psychosocial ecosystem. By drawing equally on lived experience, service delivery, commissioning, policy, funding, and research expertise, the NPSP ensures no single viewpoint dominates decision-making.

This balanced approach avoids the risks of siloed governance, limited system integration, or uneven long-term impact that can arise when reform is driven predominantly from one angle.



It maximises collective insight, strengthens accountability, and delivers more durable, effective outcomes for people, families, and communities.

### **Inclusive Governance Framework**

The NPSP is underpinned by genuinely inclusive governance, ensuring that all key stakeholders participate as equal partners in shaping, implementing, and overseeing reform.

Representation includes:

- Lived and living experience expertise: people with mental health challenges, families, carers, kin, and representative peak bodies.
- Service delivery expertise: community mental health organisations, hospitals, health services, psychosocial providers, federations, and peak bodies.
- Regional and commissioning expertise: Primary Health Networks.
- Policy, funding, and oversight expertise: Commonwealth and State/Territory governments, alongside research and academic partners.

### **Oversight Structures**

The NPSP will be guided by two interconnected governance bodies designed to balance national consistency with local adaptability, while preventing concentration of decision-making power within any single stakeholder group.

- National Psychosocial Support Committee (NPSC): A national peak committee with balanced representation from all stakeholder groups. The NPSC provides strategic oversight, sets national principles and outcomes, facilitates cross-jurisdictional learning, monitors system-wide performance, and ensures accountability through transparent reporting and independent evaluation.
- State and Territory Psychosocial Support Scheme Committees (PSSCs): Established in each jurisdiction with equivalent balanced representation, scaled to local context. PSSCs oversee local commissioning, funding allocation, provider selection, service adaptation, and performance management, ensuring responsiveness to metropolitan, regional, remote, and culturally diverse needs while operating within national guardrails.

Importantly, the composition of these committees would capture and deliberately expand the current membership of the Mental Health and Suicide Prevention Senior Officials (MHSPSO) Group, to ensure whole-of-sector representation.



These committees are decision-making bodies with shared authority. Joint agreement on key decisions is required, embedding integration and collaboration directly into the program's core architecture.

### **Program Objectives**

The NPSP will deliver:

- Recovery-oriented psychosocial supports, including life skills development, social connection, vocational assistance, housing-related support, and relational and family-inclusive interventions.
- Integrated, person-centred pathways across health, disability, housing, employment, justice, and social services.
- A strengthened and sustainable psychosocial workforce, including peer workers and interdisciplinary teams.
- Improved social inclusion, workforce participation, cultural safety, and long-term wellbeing, with a particular focus on First Nations people, regional and remote communities, and older Australians.
- Reduced reliance on preventable, high-cost interventions such as hospital admissions and emergency responses through evidence-informed prevention and early intervention.

### **Implementation approach:**

- Year 1 (FY26-27): A 12-month national co-design phase delivered through the NPSC and PSSCs. Key outputs include a national framework, governance and commissioning structures, outcome measures, and formal recommendations to underpin the next National Mental Health and Suicide Prevention Agreement.
- Year 2 (FY27-28): Initial rollout aligned with commencement of the new Agreement, including progressive commissioning and early service mobilisation in priority regions and cohorts.
- Years 3 and 4 (FY28-29 and FY29-30): Scaled national rollout with consistent annual delivery, expansion of coverage, and continuous refinement informed by evaluation and lived experience feedback.

### **Key Points for Treasury Consideration**

- It is proposed that the Commonwealth enter into a 50:50 cost-sharing arrangement with States and Territories, to strengthen shared accountability and leverage existing funding commitments.
- Integration with existing infrastructure, including PHNs, hospitals, and community mental health organisations, maximises efficiency and reduces duplication.
- The program is evidence-informed, building on proven psychosocial models that demonstrate reductions in hospitalisation and improved functional outcomes.
- The NPSP is flexible and scalable across metropolitan, regional, and remote contexts, including thin markets.
- By preventing escalation to high-cost crisis responses and supporting workforce participation, the program delivers a strong return on investment.

### **Rationale for Commonwealth Leadership**

The scale, urgency, and national significance of unmet psychosocial support demand coordinated Commonwealth leadership. Federal leadership ensures equity, consistency, and alignment with parallel reforms such as NDIS Foundational Supports. Partnership with States and Territories enables effective local adaptation and shared accountability.

The NPSP positions psychosocial support as a foundational pillar of the next National Mental Health and Suicide Prevention Agreement.

### **Summary**

The NPSP enables comprehensive, system-wide reform rather than isolated or time-limited initiatives. The proposed four-year investment directly supports sustained, adaptable psychosocial supports, genuine cross-sector integration, workforce stability, equitable national access, and proactive prevention in place of repeated crisis response.

By bringing all perspectives together as equal partners, the NPSP maximises collective expertise while avoiding the well-documented limitations of narrowly focused models, particularly siloed decision-making that undermines integration and long-term impact.

The National Psychosocial Support Program represents MIFA's proposed long-term solution to Australia's psychosocial support crisis. Through targeted four-year Commonwealth investment, including \$10 million for national co-design in FY26-27, \$500 million for initial rollout in FY27-28, and \$500 million per annum in indicative forward estimates, the NPSP provides a clear pathway to supporting more than 500,000 Australians by 2030.



## Part 3: MIFA-Specific Funding

### Out From the Mist

#### Funding Sought

| Financial Year | Funding Requested |
|----------------|-------------------|
| FY26-27        | \$198,000         |
| FY27-28        | \$198,000         |
| Total          | \$396,000         |

#### Proposed Cost-Sharing Across Commonwealth Departments

MIFA proposes that Commonwealth investment in Out From the Mist be shared across three political portfolios to reflect the program’s triple impact: arts and culture, mental health and social inclusion, and regional development. Proposed allocations per annum:

- Minister for the Arts, The Hon. Tony Burke MP: \$66,000
- Minister for Regional Development, Local Government and Territories, The Hon. Kristy McBain MP: \$66,000
- Assistant Minister for Mental Health and Suicide Prevention, The Hon. Emma McBride MP: \$66,000

This approach ensures accountability across portfolios, leverages existing infrastructure, and enables efficient, nationally coordinated delivery.

#### Purpose and Context

MIFA delivers [Out From the Mist](#), a nationally and internationally recognised, lived experience-led arts initiative, entering its eighth year in 2026. Through photography, short film, and music, it powerfully represents mental health experiences, fostering empathy, understanding, and social connection.

The program is deliberately inclusive. Contributors need no professional arts qualifications. What matters is lived experience, personal, familial, or caring, translated into creative expression. Each year, hundreds of participants contribute, generating work that resonates deeply while delivering measurable social, cultural, and economic benefits.



Historically concentrated in Brisbane and supported by the Queensland Mental Health Commission, demand for Out From the Mist is growing nationally, particularly in regional and non-metropolitan communities where high-quality, lived experience-led cultural programs are limited. This proposal seeks modest Commonwealth investment to deliver four regional place-based activations per year, extending the program beyond metropolitan centres while leveraging existing partnerships, infrastructure, and frameworks. Region selection would occur in partnership with government.

### **Program Delivery Model**

Commonwealth funding in FY26-27 and FY27-28 will support four regionally tailored activations per year, delivered in partnership with local galleries, councils, and community organisations. Each activation will:

- Present curated exhibitions of photography, short film, and music created by people with lived experience.
- Include facilitated engagement connecting audiences with the stories behind the works.
- Be digitally documented and shared through online galleries, extending reach nationally and ensuring enduring visibility.

MIFA's ongoing central coordination ensures efficiency, quality, artist support, and proportionate evaluation while minimising overheads.

### **Why Commonwealth Investment Is Needed Now**

Mental illness remains one of Australia's most significant social and economic challenges. Yet lived experience is rarely engaged outside clinical or crisis contexts. Arts and culture provide a complementary pathway, reaching audiences emotionally, challenging stigma, and fostering dialogue across communities and decision-makers.<sup>xxiv xxv</sup>

National funding ensures equitable access, consistent quality, and broad geographic reach beyond Brisbane through the current state funding for Out From the Mist. Commonwealth investment allows MIFA to scale the program efficiently, embedding a transferable model of lived experience-led engagement across Australia.

Commonwealth support enables:

- Leveraging a proven initiative with low delivery risk.
- Equitable access to high-quality cultural programming in underserved regions.



- Digital and national amplification of outcomes at minimal additional cost.
- Maximising return on investment by expanding an established program rather than creating a new initiative.

This is a measured national scale-up: low-risk, high-return, and immediately impactful.

### **Investment and Value for Money**

The proposed annual investment of \$198,000 prioritises program delivery and national reach while generating high social and cultural return:

- Four professionally delivered regional activations per year, including presentation, freight, installation, staffing, event management, monitoring and evaluation.
- National coordination, quality assurance, and artist support.
- Digital documentation and amplification to maximise reach.

This funding leverages existing partnerships and infrastructure, minimising risk while delivering immediate social and economic impact, including reduced stigma, improved community engagement, and enhanced psychosocial wellbeing.

### **Summary**

Out From the Mist is a mature, credible, and nationally recognised initiative with a proven track record. With Commonwealth support, Out From the Mist will:

- Expand access to lived experience-led arts programming in regional and non-metropolitan communities.
- Amplify voices often absent from public and policy discourse.
- Reduce stigma and foster empathy through direct community engagement.
- Create meaningful cultural touchpoints between lived experience and civic life.
- Deliver enduring value via digital and national visibility.
- Drive regional placemaking and renewal to boost community connection, civic pride, and wellbeing while reducing isolation.

These outcomes represent high social and economic return on a modest investment, supporting Commonwealth priorities in mental health, social inclusion, regional development, and cultural participation.<sup>xxvi xxvii xxviii xxix xxx</sup>

This is a targeted, cost-effective investment leveraging a proven program to achieve maximum impact with minimal delivery risk, providing immediate and tangible benefits for Australians while demonstrating strong fiscal responsibility.



## **MIFA 2026-2027 Pre-Budget Conclusion**

Australia's mental health system stands at a crossroads. Far too many people, hundreds of thousands with moderate to high needs, are still without the psychosocial supports that could help them live with greater stability, connection, and purpose in their own communities. The human toll is real. Families endure the strain of repeated crises, avoidable hospital stays, and deepening isolation, while community organisations work tirelessly to fill gaps that no system has fully addressed.

The solutions are within reach. MIFA brings together a federation of proven community providers, the powerful voices of lived experience we support and amplify, the evidence-backed impact of programs like CPSP and Clubhouse, and the transformative reach of initiatives like Out From the Mist. What is needed now is clear Commonwealth leadership to unite these strengths with the funding, coordination, and long-term commitment required to deliver lasting change.

This submission provides a practical, achievable pathway:

- Immediate, targeted investment to expand CPSP and launch Clubhouse pilots, bringing recovery-oriented support to thousands more Australians without further delay.
- A structured four-year plan to establish a truly national psychosocial support system outside the NDIS, one that is integrated, equitable, and sustainable.
- Modest, high-impact funding for Out From the Mist to carry lived experience stories into communities nationwide, breaking down stigma and building understanding.

The cost of continued delay is measured not only in billions of dollars in preventable health, welfare, and productivity losses, but in lives diminished, potential unrealised, and hope deferred. Australians deserve more than incremental steps. With decisive leadership and investment from the Commonwealth, we can transform these proven solutions into real, enduring outcomes that strengthen individuals, families, and communities right across the country.

MIFA is prepared to collaborate fully with Government to make this vision a reality. The foundation is strong. The moment for action is now.

## Reference List

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