SUBMISSION

Submission to 2026-27 Budget Consultation

28 January 2026

NATIONAL MENTAL HEALTH CONSUMER ALLIANCE

Acknowledgement of Country

We acknowledge Aboriginal and Torres Strait Islander Peoples as the traditional custodians of the land on which we work and pay our respects to Elders past and present. Sovereignty was never ceded.

All references to ‘Consumer’ and ‘lived experience’ in this submission refer to mental health consumers with lived experience of mental health challenges and/or suicidality. We use the term “mental health consumers” as a catchall term due to its connection with our movement’s history, but we acknowledge that different people self-identify with different terms. We do not include family, carers, kin or the bereaved in our definition of lived experience as it appears in this report.

About us

The Alliance is the national peak body representing mental health consumers. We work together to represent the voice of all mental health consumers on national issues. We are the people experiencing mental health issues/distress, at the table advocating with government and policy makers, and working with a robust network of grassroots communities.

More information is available on the Alliance's website: nmhca.org.au.

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Headline summary of budget request from the National Mental Health Consumer Alliance ('the Alliance')

The Alliance proposes that the 2026-27 Budget include:

- Extension of the Alliance's existing peak funding across the forward estimates to 30 June 2030 (currently expires 30 June 2027)
- Project specific uplift of $1.85 million across FY26-27 and FY27-28 for the Alliance to deliver agreed outcomes for the next National Mental Health and Suicide Prevention Agreement.
- Project specific uplift of $3.99 million across FY26-27 and FY27-28 for the Alliance to co-create and co-implement national psychosocial supports reforms.
- Establishment of a Chief Mental Health Consumer role within the Department of Health, Disability and Ageing.

Cost effective solutions to the Australian Government provided by this budget request

Through the Alliance's federated structure and deep connections with mental health consumers across Australia, resourcing of the Alliance provides the Australian Government with:

- Coordinated national engagement with mental health consumers across every Australian jurisdiction on all matters relating to mental health reforms; improved mental health and suicide prevention outcomes; and mental health services, policies and laws;
- Authentic and well-considered policy responses to all Australian Government initiatives and processes relating to mental health challenges and psychosocial disability;
- A National Consumer Register of experienced advocates who are ready to be placed on committees and speak with lived experience and expertise;
- Delivery of decisions by National Health and Mental Health Ministers relating to lived experience engagement;
- Delivery on the recommendations from the Productivity Commission relating to embedding lived experience in the development and implementation of the next National Mental Health and Suicide Prevention Agreement ('National Agreement');
- Nationally coordinated engagement with State and Territory Governments on the next National Agreement; and
- Delivery on the co-creation and ongoing implementation of reformed national psychosocial supports (whichever model is adopted by governments).

In providing these solutions, the Alliance is positioned to minimise risks of failed national mental health reform including poor national coordination; inability to embed authentic lived experience in the next National Agreement; and national psychosocial support reforms that are not fit for purpose. The financial cost of failing to mitigate these risks is far in excess of the Alliance's funding request.

The Alliance brings with it strong, established, integrated working relationships with the five community-led mental health peaks (the Alliance; Indigenous Australian Lived Experience Centre (IALEC); Mental Health Carers Australia (MHCA); Community Mental

Health Australia (CMHA); Gayaa Dhuwi). The Alliance collaborates closely with Mental Health Australia (MHA); the National Mental Health Commission (NMHC); the National Suicide Prevention Office (NSPO); and the Department of Health, Disability and Ageing.

Ongoing mental health consumer national peak body funding

The Alliance welcomes extended and additional funding received from the Australian Government announced through the Mid-Year Economic and Financial Outlook (MYEFO) to 30 June 2027.

This will enable the Alliance to plan core activities with additional certainty, retain core staff, and undertake additional projects such as establishing a Mental Health Consumer Register (providing government departments and agencies with a higher quality and more efficient way to include consumers with lived expertise in their work).

To ensure the Alliance can continue to deliver all expected functions over the medium term, the Alliance requests that the 26-27 Budget include confirmation of funding over the forward estimates (to 30 June 2030). The Alliance believes the case for extending existing funding has been made by the Alliance's demonstrated performance under the current funding agreement and Activity Work Plan, and represents outstanding value for money.

In 2024 and 2025, the National Mental Health Consumer Alliance:

- became formally established and recognised as the national consumer mental health peak body, with a federated structure of state and territory consumer peaks bringing together more than 8,000 active members, and working in allyship with the Indigenous Australians Lived Experience Centre
- released a 2025–2028 strategic plan, *Reimagining Mental Health*, setting out a clear, unambiguous vision and priorities for consumer-led systemic reform, and expanded psychosocial supports
- delivered annually Australia's first mental health consumer human rights survey
- created paid Consumer Advisory Groups and Affinity Groups in every jurisdiction, ensuring consumers directly shape national priorities
- established multicultural and regional and remote expert advisory groups
- submitted 18 policy papers to national inquiries and reforms, elevating consumer perspectives and lived-experience evidence into the national policy arena; influencing how systemic problems are defined; and leading to consumer-led design recommendations
- communicated and engaged through multiple communication channels and

events, reaching tens of thousands of consumers, service providers and policy makers.

These actions collectively strengthened the consumer voice in national reform processes and laid groundwork for continued impact in 2026-27 and beyond.

TABLE 1: Proposed extended core funding for the National Mental Health Consumer Alliance over the forward estimates

Core funding + Public Sector Wage Price Indexation estimate 3.5%	***2026-27*** *(confirmed in MYEFO)*	**2027-28**	**2028-29**	**2029-30**
	$2,390,297 *(includes estimated carry forward)*	**$2,473,957**	**$2,560,545**	**$2,650,165**

Project specific funding for *National Mental Health and Suicide Prevention Agreement* and national reform of psychosocial supports

The Alliance seeks adequate funding over the 2026-27 and 2027-28 financial years to deliver genuine national mental health consumer co-creation of:

- the next National Mental Health and Suicide Prevention Agreement
- national reform of psychosocial supports to address unmet need outside the NDIS.

Given uncertainty around the timing of the introduction of new national psychosocial support reforms, the Alliance has separately calculated the expected costs of national co-creation for these two processes (see **Table 2** below).

This funding will enable the Alliance to ensure mental health consumer co-creation in these two critical national reforms is both broad and deep across all of Australia, ensuring the best possible mental health services, initiatives and outcomes.

This proposal reflects the expectation, identified repeatedly by the National Mental Health Commission and the Productivity Commission, that lived-experience peak bodies must be appropriately resourced to ensure successful reform. Further, in the National Health and Mental Health Ministers (HMHM) meeting communique of June 2025, the Ministers committed to "consult with lived experience and sector representatives in their Jurisdiction, to inform negotiations of the next National Agreement".

It reflects the recommendations in the Productivity Commission Report on the National Mental Health and Suicide Prevention Agreement, which identified that the current National Agreement was not fit for purpose and recognised that the next National Agreement represents a pivotal moment for system transformation, creating the need for:

- lived experience co-creation
- lived experience participation in governance of reform processes and commissioning

- consumer-defined outcomes
- federated, representative lived-experience leadership
- structural reform of the intersection of harm reduction (suicide prevention), co-occurring Alcohol and other Drugs (AOD) and mental health.

The Productivity Commission Report repeatedly highlights that to ensure that the next National Agreement is fit for purpose:

- co-creation (also referred to as 'co-design', 'co-production' and 'co-commissioning') requires resourcing
- lived experience peaks must be funded as system infrastructure
- lived-experience engagement at scale is labour-intensive, complex and must be nationally distributed.

The project specific funding set out in **Table 2** will enable the Alliance to deliver the Australian Government large-scale coordination, national leadership, specialist expertise, and sustained engagement with tens of thousands of mental health consumers across Australia on critical mental health reforms.

The requested funding will ensure that the next National Agreement and associated national reforms to psychosocial supports are genuinely co-created and transformative, delivering better outcomes for millions of Australian mental health consumers.

The Alliance is the only mental health consumer organisation with the federated architecture required to mirror the nine-government structure involved in the Agreement. The Alliance has unique capacity, and significant responsibility, to participate meaningfully in governance, commissioning, and outcomes frameworks across the national system.

The Alliance has developed a national co-creation methodology with six elements (as set out in **Table 2** below), reflecting the Alliance's role as the national steward of consumer-led co-creation in mental health reform.

Successfully implementing these elements will help ensure Australia has:

- an effective, reliable, consistent and equitable mental health and suicide prevention system that addresses unmet need, improves mental health outcomes, and upholds the human rights of mental health consumers
- a demonstrably more accountable, equitable, outcome-focused mental health system
- a national approach to the suicide prevention and AOD-mental health harm minimisation intersection that is structurally grounded in lived experience
- commissioning architecture for a national psychosocial support scheme that embeds lived experience.

For each of the elements in **Table 2** below, please note:

- 'the Alliance' includes the Alliance national office, and each State/Territory consumer peak
- the Alliance will work in allyship with IALEC, MHCA and the new national Peer Workforce Association
- there will be focused efforts to ensure inclusion and diversity of rural and regional; LGBTIQA+; CALD; intersecting disabilities; older; and youth consumer cohorts.

TABLE 2: Project specific uplift funding to the National Mental Health Consumer Alliance for national mental health reform processes

Mental Health Consumer National Co-Creation Element	Description of national co-creation element	Proposed Methods (Cost Outputs)	Cost Estimate (2 years)	
			National Agreement (excluding NPSR)	New national psychosocial support reform (NPSR)
1. Access for all mental health consumers in Australia to participate in reforms processes	Provide opportunities for any and all mental health consumers in Australia to contribute to co-creation through methods that are low-barrier, meaningful, and reach consumers who are not currently engaged, including those outside organised structures.	• Online advertising and 'instant' consumer engagement tools • Online consumer submission portal • Curated consumer surveys • Cross-sector promotion to reach new cohorts • Induction for new cohorts • Researcher analysis of results	**$240,447**	**$599,839**
2. Intentional, intensive application of specialist lived expertise	Support and remunerate people with lived expertise in specialised areas to provide deep insights into what works, using evidence-based methods over extended periods.	• Empathy interview methods • Deliberative polling methods • Focus group methods • Peer group projects • Researcher analysis of results	**$277,439**	**$799,786**
3a. Application of previous and emerging research **3b. Application of previous concurrent consumer engagement initiatives**	Identify, analyse and apply the findings from research, consumer engagement and co-creation work already undertaken (or underway) by organisations working with mental health consumers, to minimise duplication of effort and 'reinventing the wheel'.	• Consumer-led desktop research and analysis • Application of research to co-creation processes	**$184,959**	**$559,850**

4. Utilise existing consumer-led structures in each State/Territory jurisdiction	Use existing and emerging structures for activated consumers to contribute to co-creation, including via State/Territory consumer peak membership; peer worker networks; and project specific outreach to discrete geographic, identity-based, and marginalised communities. Build local capacity to do this work where required. Provide uplift resourcing to State/Territory peaks for time-critical and complex projects.	• Member forums • Affinity groups • Consumer Advisory Groups • Expertise of consumer lived experience workers • National coordination of outputs from local and state/territory initiatives	**$647,358**	**$999,732**
5. Transparent application of co-creation in governance arrangements.	Ensure that co-creation efforts have a clear, realistic pathway to adoption by governments; that consumer leadership works flexibly with governments to reach practical agreement on implementation; and there is a communication 'loop' back to all participating consumers on co-creation outcomes. Build long-term consumer capacity in implementation, monitoring and evaluation of system reform. Transparency with consumers about the complexity and risks of system re-design, and bring consumers on the journey of reaching 'best possible' negotiated outcomes.	• Accountable consumer leadership embedded in government processes • Continuous communication with consumers about "the co-creation journey" • Effective governance and solidarity across the consumer movement • Contracted specialist expertise where required (for example commissioning; detailed service design; cost-benefit analysis; monitoring and evaluation etc)	**$351,423**	**$639,829**
6. Working with allies and sector stakeholders	To support reform feasibility and recognise cross-system needs, collaborate to the best extent possible with (among others) disability representative organisations, carers/family/kin bodies, peer workforce associations, community mental health providers, suicide prevention organisations, AOD lived experience organisations.	• Targeted exchange of information with stakeholders • Collaborative meetings, workshops, forums and events • Leadership discussions and joint positioning	**$147,968**	**$399,893**
TOTAL			**$1,849,594**	**$3,998,929**

Establishment of a Chief Mental Health Consumer role in the Department of Health, Disability and Ageing

The Alliance is concerned that lived experience perspectives are not represented at the most senior leadership levels of the Department of Health, Aging and Disability (the Department), contrasting with the presence of clinical representation including a Chief Psychiatrist and a Chief Allied Health Officer. As such, priority mental health projects – such as the review of the National Mental Health Commission and National Suicide Prevention Office – are led by the Chief Psychiatrist without a counter-balancing consumer perspective.

This is incongruent with the Department's commitment to uplifting and embedding the voices of people with lived experience, as demonstrated by the Department's Lived Experience Team and the Government's support of the three mental health lived experience peaks. We are concerned that clinical perspectives are preferenced in this way, reinforcing the clinical model of mental healthcare, rather than the social model.

To shift this way of thinking and practice, the Alliance is proposing a new role of Chief Mental Health Consumer within the Department who would be tasked with ensuring that a consumer lens is included at a high level when critical decisions about mental healthcare are made.

Consumers have been calling for similar roles for some time. Victoria now has an Executive Director of Lived Experience, and Mental Health Lived Experience Peak Queensland has called for a similar role in their State.

The Alliance proposes that the Chief Consumer is paid and resourced at a rate comparative with the Chief Psychiatrist.

Recognition of Lived Experience

As a consumer lived experience-led organisation, the National Mental Health Consumer Alliance values the skill and expertise of consumers with lived experience. We pay tribute to those we have lost for the work that they have done to advocate for our rights. We acknowledge that we stand on the shoulders of giants who have paved the way for the rights we have today, and we will continue their work today and every day until the mental health system recognises and upholds our human rights.

Nothing about us without us.

Submission prepared January 2026. National Mental Health Consumer Alliance.

See nmhca.org.au for more information about the Alliance.

For questions about this submission, please contact us at ceo@nmhca.org.au.