



Australian Government

Department of Finance

The Treasury

PUBLIC RELEASE OF 2019 ELECTION COMMITMENT COSTING

Name of proposal costed: Extension of <i>headspace</i> services	
Costing Identifier:	COA064
Summary of costing:	To provide \$30.0 million over four years from 2020-21 for additional <i>headspace</i> mental health services in regional locations.
Ongoing or Terminating (including date)^(a)	Terminating (30 June 2024).
Person making the request:	Prime Minister.
Date costing request received:	14 May 2019
Date of public release of policy:	14 May 2019
Date costing completed:	15 May 2019
Additional information requested (including date):	Not applicable.
Additional information received (including date):	Not applicable.

(a) Ongoing policies continue indefinitely (until a decision is made to cease or alter the program). Terminating measures end on a date set out in the initial policy and a further decision is required to continue the program beyond this date.

Financial implications (outturn prices)^(b)

Impact on	2018-19	2019-20	2020-21	2021-22	2022-23
Underlying Cash Balance (\$m)	0.0	0.0	-7.5	-7.5	-7.5
Fiscal Balance (\$m)	0.0	0.0	-7.5	-7.5	-7.5

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.

Where relevant, state that the proposal has been costed as a defined or specified amount.

This proposal has been costed as a defined amount.

Where relevant, include separate identification of revenue and expense components.

Not applicable.

Where appropriate, include a range for the costing or sensitivity analysis.

Not applicable.

Qualifications to the costing (including reasons for the costing not being comprehensive).

Not applicable.

Where relevant, explain effects of departmental expenses.

Consistent with the costing request, the costing assumes that the Department of Health will absorb any associated departmental operating or capital expenses.

Where relevant, explain the reason for any significant differences between the assumptions specified in a party costing request and those used in a Treasury or Finance costing.

Not applicable.

Other comments (including reasons for significant differences between the estimated impact on the fiscal and underlying cash balances).

Where relevant, include an explanation of the medium term implications of the proposal^(c).

There is a negative underlying cash and fiscal balance impact of \$7.5 million in 2023-24.

(c) Information on the medium term implications will be provided if the cost of the policy is expected to be significantly different beyond the forward estimates period.

Background information

Costing methodology used:

The proposal is costed to provide a grant of \$30.0 million over four years from 2020-21 (\$7.5 million per year) to support additional *headspace* community mental health services in regional locations.

- **Policy parameters**

The proposal is to commence from 1 July 2020.

- **Statistical data used**

Not applicable.

Behavioural assumptions used (as appropriate)

Not applicable.