

Submission to the Productivity Commission's Interim Report for its
Review of the National Mental Health and Suicide Prevention
Agreement



31 July 2025



The voice for
local government



No one understands the challenges and opportunities facing Victoria in the 21st century better than local councils. From rapidly evolving technology to social changes, shifting economies to environmental pressures, our local communities and the governments that represent them—are at the forefront of multiple transformations happening simultaneously.

As the peak body for the Victorian local government sector, the Municipal Association of Victoria (MAV) offers councils a one-stop shop of services and support to help them serve their communities.



ACKNOWLEDGEMENT OF COUNTRY

The MAV acknowledges Aboriginal and Torres Strait Islander people as the traditional custodians of the land, and we offer our respects to their Elders past and present. We advocate for and encourage Victorian councils to strengthen relationships with local Aboriginal communities.

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Table of contents

<i>Introduction</i>	<i>2</i>
<i>Background - Local government's role in health and wellbeing.....</i>	<i>2</i>
<i>Context – rising demand for health services</i>	<i>3</i>
<i>MAV recommendations</i>	<i>4</i>
<i>Recommendation 4.1 Developing a renewed National Mental Health Strategy</i>	<i>4</i>
<i>Recommendation 4.2 Building the foundations for a successful agreement</i>	<i>5</i>
<i>Recommendation 4.3 The next agreement should have stronger links to the broader policy environment</i>	<i>5</i>
<i>Conclusion</i>	<i>6</i>

Introduction

The Municipal Association of Victoria (MAV) welcomes the opportunity to respond to the Productivity Commission's Interim Report on the Mental Health and Suicide Prevention Agreement. We appreciate the Commission's work in recognising the complex and cross-sectoral nature of mental health and suicide prevention in Australia.

The MAV is the peak body for local government in Victoria, representing the interests of all 79 councils and advocating for effective legislative change, policy development, funding and programs to support the sector.

In this brief submission we focus on the relevance of draft recommendations:

- 4.1 Developing a renewed National Mental Health Strategy;
- 4.2 Building the foundations for a successful agreement; and
- 4.3 The next agreement should have stronger links to the broader policy environment)

In particular the MAV highlights the potential for a greater focus on the role of local government in prevention and mental health promotion in national mental wellbeing arrangements.

Background - Local government's role in health and wellbeing

Councils connect with people and families every day through literally thousands of interactions across their many and varied services they provide. In Victoria, the 79 councils from across the state collectively spend over \$3.7 billion per year in local community infrastructure to support social activity and connection.

All Victorian councils develop municipal public health and wellbeing plans (MPHWPs) which are strategic documents focusing on priority areas relating to prevention and creating the conditions for community health and wellbeing. The MAV analysis of the plans 2021-2025 indicates that social connection/inclusion, and its link to mental wellbeing, was a prominent theme across the plans. This focus is likely to be a result of the COVID-19 pandemic, with analysis of the MPHWPs showing mental health and social isolation to be the most frequently cited issues linked to COVID. It is notable that while 97% of plans included improving mental wellbeing as a priority, 25% included social connection/inclusion as an additional, stand-alone priority, giving the broader area of mental and social health a double emphasis.

Councils are currently preparing their next four-year plans using health and wellbeing profiles from population health data and community consultation to guide their priority actions for the next term of council. Social connection is increasingly being recognised as a protective factor for mental health and wellbeing.

The very recent World Health Organisation (WHO) [Report of the WHO Commission on Social Connection](#) identified community infrastructure as one of the building blocks for increased social connectivity and local government is at the heart of community infrastructure – including facilities, parks, recreation, sports and community groups, youth and seniors groups, festivals and arts. Councils are

innately connected to and understand their communities. They have the knowledge, skills and expertise in health and mental health promotion to make a difference, however currently there are no organised funding programs in place to build and develop social connections to an even great extent with people currently socially isolated.

An example of councils working directly in the field of suicide prevention include the development of the program now known as Live4Life which commenced with Macedon Ranges Shire Council working with local schools and community to increase awareness and provide support and pathways for action, and is now a youth suicide prevention and mental health awareness model in fourteen rural communities. <https://www.live4life.org.au/about-us/our-story>

The Royal Commission Inquiry into Victoria's Mental Health System in 2021 recommended that the Victorian Government establish and recurrently resource community collectives for mental health and wellbeing in each local government area. The core premise is that Community collectives (now known as Social Inclusion Action Groups (SIAGs)) are run by local communities and supported by a funded coordinator from their local council. Described as a flagship prevention initiative that support local communities to drive improved social connection and inclusion, the SIAGs have funding to test, develop and fund activities to support community participation.

The Royal Commission noted the protective factors addressed through community connection in enhancing wellbeing of individuals in their communities.

Context – rising demand for health services

All levels of government are devoting considerable resources to services and facilities which support the mental health and wellbeing of people living in Australia yet demand for acute treatment services is rising. Not getting the right service at the right time is also frustrating for everyone – individuals, carers and families, and the staff working in these services.

Acting now to arrest these ever-increasing pressures by taking preventative actions absolutely makes sense, not just for the individuals and their families and carers, but the community as a whole.

There are also rapid technological changes at play which are significantly impacting social connection and public discourse and the way people connect. While there are many positives arising from these changes, the impact of social media and its negative impacts on mental health are increasingly becoming apparent. While many of these issues can and are not expected to be dealt with through the national arrangements on mental wellbeing and suicide prevention via the NMHSPA, giving more attention to issues such as social in-person isolation are matters which are going to require further attention in the future.

The MAV notes in this regard that mis- and dis-information have become pervasive elements of our social and political contexts. So much so that this has been named the top global risk of the immediate term ([World Economic Forum Global Risk Report, 2025](#)), for its capacity to erode institutional trust, promote social and political polarization, manipulate systems including economic, political and essential services,

incite violence and conflict, and hamper critical progress in areas like climate action and ethical use of artificial intelligence and technology.

At the societal level, these impacts on individual mental wellbeing are emerging, but there are clear indications more concentrated local-level response is going to be required to keep in-person connection.

MAV recommendations

Recommendation 4.1 Developing a renewed National Mental Health Strategy

MAV suggestion: Include a comprehensive focus on promoting wellbeing in a renewed National Mental Health Strategy

Good mental health – like good physical health – is one of life’s most important assets. When individuals and communities experience high levels of mental wellbeing and no or relatively few symptoms of psychological distress or a diagnosable mental health condition, they are generally happier, healthier, and more productive.

Experiencing ‘good’ mental health has many personal, social, and economic benefits, and so over the last few decades, mental health experts from around the world have started to ask themselves “what we can do to help people experience their best possible mental wellbeing, and live free from preventable mental health conditions”?

These questions have in turn spawned the field of mental health promotion, a new and exciting multidisciplinary field that brings together the principles and knowledge from mental health, health promotion, public health, community development, and other disciplines to focus on achieving three main goals:

- Promoting high levels of mental wellbeing across the community, from infancy to old age
- Preventing the occurrence or onset of mental health conditions like depression and anxiety disorders, wherever possible
- Building mental health and wellbeing literacy to promote self-care, destigmatise mental
- health conditions and encourage help-seeking and help-giving for mental ill-health.

Mental health promotion is different from, but complementary to mental healthcare. Rather than focusing on the diagnosis and management of mental health conditions and supporting individuals – and their families – through the process of recovery, mental health promotion works ‘upstream’ and aims to understand and tackle the root causes of mental ill-health and put in place the mental health protective factors that enable people and communities to thrive and flourish.

A simple way to think about these differences is that mental healthcare asks, “how can we help this individual improve their mental wellbeing and recover from mental ill-health?” whereas mental health promotion asks, “how can we improve the mental

wellbeing of this entire group, community or population, and lower their collective risk of experiencing a mental health condition”?

Mental health promotion is a relatively new field of endeavour that is different from, but complementary to mental healthcare. It aims to positively change the balance of the risk and protective factors that influence people’s mental wellbeing and create mentally healthy homes, schools, universities, TAFEs, workplaces, local neighbourhoods and online environments through a focus on individual behaviour change and structural/systems change.

It is an endeavour that happens in the everyday community settings where people learn, work, live and play, and it’s therefore no surprise that local governments have a critical role to play in this work.

There is also a need for delivery of more mental health services based in local communities, particularly across emerging growth areas, peri-urban townships, and regional and rural communities so that communities in every single municipality have access to locally based services.

Recommendation 4.2 Building the foundations for a successful agreement

MAV suggestion: Acknowledge and support local government in opportunities for mental health promotion and social connection

Considering the benefits of good mental health and the negative impacts of mental ill-health, as a society, it’s important that we find ways to promote high levels of community mental wellbeing and prevent mental health conditions from occurring in the first place, wherever we can. This is the focus of mental health promotion.

Recommendation 4.3 The next agreement should have stronger links to the broader policy environment

MAV suggestion Additional schedule in the next agreement to address the co-occurrence of problematic alcohol and other drug use and mental ill health and suicide.

We support an additional schedule being included in a renewed National Mental Health Strategy to provide a focus on alcohol and other drugs as an opportunity to enable national consistency and recognition of the co-occurrence of problematic alcohol and other drugs and mental ill health and suicide. This would provide the authorising environment to harmonise systems approaches from a ‘person-centred’ viewpoint.

We also recommend the inclusion of a schedule focusing on the mental health harm of gambling.

At the coal face, councils are aware of the ‘craters of misery’ occurring in their communities of people affected by the scourge of gambling addiction which includes not only the victims but their partners, families, workplaces, neighbours and friends. The link between gambling harm, economic cost, mental ill-health and suicide is increasingly recognised through research reports and in the recent release of the

[Social Cost of Gambling report](#) by the Victorian Department of Justice and Community Safety.

A separate schedule to a National Mental Health Strategy accompanied by the other reforms mooted in the Interim Report would provide a way forward for monitoring approaches to reducing gambling harm at a national level.

There also continues to be a need to significantly enhance investment and increase support for youth mental health services, prioritising early intervention, accessible care, and school and community-based mental health programs. Despite existing initiatives, demand continues to outpace capacity, leaving community-based services under-resourced.

Conclusion

MAV welcomes the continued development of the National Mental Health and Suicide Prevention Agreement and encourages further recognition of local government as an important partner in prevention. We support an expanded approach that includes additional schedules such as gambling harm and recognises councils' contributions to social connection and community resilience.

The more people in our community who experience high levels of mental wellbeing, and the fewer people who experience mental ill-health, the less costs accrue to federal and state government health, mental health, and social services.

Involving local government in national arrangements, including funded programs which build on councils' strong and deep local networks, will empower local communities to improve their mental wellbeing.

We look forward to working collaboratively across all levels of government to improve mental health outcomes for Victorian communities.