



Australian Government

National Mental Health Commission

Mr Michael Brennan
Chair
Productivity Commission
Locked Bag 2, Collins St East
Melbourne VIC 8003

Re: Submission to inquiry into expenditure on children in the Northern Territory

Dear Mr Brennan,

Thank you for the opportunity to make a submission to the Productivity Commission's inquiry into expenditure on children in the Northern Territory.

Please find attached the submission from the National Mental Health Commission to the inquiry. There is no confidential material presented.

Should you require clarification, or would like to discuss this submission in further detail, please contact Ms Catherine Brown.

Yours sincerely,

Christine Morgan
Chief Executive Officer
Ex-Officio Commissioner

15 July 2019





Australian Government

National Mental Health Commission

Submission to the Productivity Commission’s inquiry into expenditure on children in the Northern Territory (July 2019)

Introduction

The National Mental Health Commission (Commission), established in 2012, has a national remit to provide insight, advice and evidence on ways to continuously improve Australia’s mental health and suicide prevention system, and act as a catalyst for change to achieve these improvements. The Commission also has a mandate to work across all areas that impact on mental health, including education, housing, employment, justice, human services and social support. There are three main strands to the Commission’s work: monitoring and reporting on Australia’s mental health and suicide prevention systems; providing independent advice to government and the community; and acting as a catalyst for change.

The Commission supported the *Royal Commission into the Detention and Protection of Children in the Northern Territory’s* (hereafter the Royal Commission) call to reform the NT’s youth justice and child protection systems due to its systemic failure to address the needs of children, young people, and their families and communities. In addition, the Commission welcomes this inquiry into expenditure on children in the NT by the Productivity Commission (hereafter the “Inquiry”) in response to the Royal Commission’s recommendation. The proposed development of a joint funding framework between the Australian and NT Governments has benefits beyond a more efficient and effective allocation of resources – it provides the opportunity to ensure such a framework is transparent, accountable and includes evaluation.

Given our national focus, the Commission is not in a position to provide a detailed response addressing all the Inquiry’s Terms of Reference relating to child and family services in the NT. This submission primarily focuses on the principles and approaches for governance and funding to promote better outcomes as outlined in the second of the Productivity Commission’s terms of reference. This submission draws on the Commission’s recent submission to the *Productivity Commission’s inquiry into the role of improving mental health to support economic participation and enhancing productivity and economic growth*.¹

Recommendation 1:

The Commission recommends that the Productivity Commission develops a partnership approach to ensure Aboriginal and Torres Strait Islander peoples play a leading role in the planning, design and implementation of the new joint funding framework.

Recommendation 2:

The Commission recommends that the Productivity Commission consider the Commission’s Contributing Life Framework as a potential approach for conceptualising child and family wellbeing in the context of the Inquiry.

Recommendation 3:

The Commission recommends that the Productivity Commission adopt a social determinants approach when considering which services to include within the scope of the Inquiry.



Recommendation 4:

The Commission supports a more proactive approach to fostering the wellbeing of children and young people experiencing vulnerability. Thereby it recommends that the Productivity Commission embeds prevention and early intervention approaches to underpin the joint funding framework for Australian and NT Governments.

Recommendation 5:

The Commission recommends that the Productivity Commission consider the Western Australian Mental Health Commission's Mental Health Alcohol and Other Drug Engagement Framework as a model for community engagement and participation to support place-based approaches.

Recommendation 6:

The Commission recommends that the Productivity Commission endorse the positioning of Aboriginal and Torres Strait Islander controlled organisations as preferred providers of services for Aboriginal and Torres Strait Islander peoples.

Recommendation 7:

The Commission recommends that:

- the PC supports the implementation of a justice reinvestment approach to criminal justice, initially for Aboriginal and Torres Strait Islander communities
- pending the evaluation of this initiative, that the approach is more broadly rolled out.

Note this recommendation is also in the Commission's submission to the PC inquiry into mental health.

Aboriginal and Torres Strait Islander peoples

The Commission recommends that central to the development of the framework is the need for an engagement strategy that should promote a meaningful partnership with Aboriginal and Torres Strait Islander communities and facilitate their participation in leadership and governance structures such as the Children and Families Tripartite Forum established in 2018 to provide advice on key reforms for children and families in the NT. While the Appendix in the *Issues Paper* recognises the significant overrepresentation of Aboriginal and Torres Strait Islander children and families in the child protection system, there is no discussion on the factors that lead to this overrepresentation, nor does it highlight specific principles or approaches to promote better outcomes for Aboriginal and Torres Strait Islander children, their families and communities. The *Family Matters Report 2018* highlights that the disparate gap between non-Indigenous children in out-of-homecare (numbers reduced by more than 20%) and Aboriginal and Torres Strait Islander children (numbers increased by 120%) is widening from 2009-10 to 2016-17.²

Aboriginal and Torres Strait Islander experiences of the child protection system are shaped by a unique set of cultural and historical factors. As noted by the Royal Commission:

“The contemporary challenges in relation to the wellbeing of Aboriginal children cannot be understood without an appreciation of the historical policies that have sought to control and intervene in the family life of Aboriginal people.”³

Significantly, the Royal Commission specifically identified the intergenerational trauma stemming from the results of colonisation (including policies mandating the forced removal of children) as a key factor driving the overrepresentation of Aboriginal children and young people in out-of-home care and youth detention in the NT.⁴ It also highlighted the protective capacity of Aboriginal culture,

family and kinship for children.⁵ As noted by SNAICC – National Voice for Our Children (SNAICC) maintaining connections to family, culture and communities is crucial to ensure the ongoing safety and wellbeing of Aboriginal and Torres Strait Islander children removed from their families and communities.⁶ An understanding of factors such as these will be critical to developing child and family services that meet the needs of Aboriginal and Torres Strait Islander peoples and deliver value-for-money.

Many Aboriginal people have negative relationships with institutional settings across health, community and justice systems. This relates to the intergenerational trauma and previous traumatic experiences in such settings. Governments need to support partnerships among service providers, both mainstream and community controlled. To ensure that the Inquiry adequately considers the unique needs and circumstances of Aboriginal and Torres Strait Islander children and families, the Commission recommends that the Productivity Commission to develop a partnership approach to ensure Aboriginal and Torres Strait Islander peoples play a leading role in the planning, design and implementation of the new funding framework.

Recommendation 1: The Commission recommends that the Productivity Commission develops a partnership approach to ensure Aboriginal and Torres Strait Islander peoples play a leading role in the planning, design and implementation of the new joint funding framework.

The Contributing Life Framework

The Commission considers that its *Contributing Life Framework*, in particular its focus on the social determinants of health, could provide a useful approach to guide the present Inquiry. The Framework highlighted that *everyone* has the right to a ‘contributing life’, a life in which people who experience mental illness can expect the same rights, opportunities and health as the wider community. It is a life enriched with close connections to family and friends; good health and wellbeing to allow those connections to be enjoyed; having something to do each day that provides meaning and purpose; and a home to live in, free from financial stress and uncertainty.⁷

While the *Contributing Life Framework* centres on mental health, its emphasis on the broader conditions that can shape a person’s life outcomes and opportunities is highly relevant in the context of child protection. The *Contributing Life Framework* recognises that a fulfilling life requires more than just access to health care services. It draws attention to the importance of the social conditions in which people are born, grow, work, live and age, as well as the systems that shape the conditions of daily life. These conditions – collectively referred to as the social determinants of health – can strengthen or undermine the health of individuals and communities.⁸

The social determinants of health have particular significance for Aboriginal and Torres Strait Islander peoples, for whom mental health is inextricably linked to the broader concept of social and emotional wellbeing. This is a holistic concept that reflects the Aboriginal and Torres Strait Islander understanding of health and recognises the importance of connection to land, culture, spirituality, ancestry, family and community and how these affect the individual.⁹

Recommendation 2: The Commission recommends that the Productivity Commission consider the Commission’s Contributing Life Framework as a potential approach for conceptualising child and family wellbeing in the context of the Inquiry.

In line with the above recommendation, the Commission welcomes the recognition in the *Issues Paper* that a broad range of services have the potential to prevent harm to children, including some that are not typically characterised as child and family services. The Commission also acknowledges that it will not be possible for the Inquiry to consider all such services in detail. When considering which services to include within the Inquiry’s scope, the Commission encourages the Productivity

Commission to adopt a social determinants approach that takes into account the broad range of factors that may influence child protection. This approach would allow for the inclusion of services and supports that can play a central role in supporting child and family wellbeing, such as alcohol and other drug services, physical and mental health care, housing, and family and domestic violence services.

Recommendation 3: The Commission recommends that the Productivity Commission adopt a social determinants approach when considering which services to include within the scope of the Inquiry.

The importance of prevention and early intervention

Overwhelming evidence supports the provision of prevention and early intervention supports to families to improve outcomes for vulnerable children and their families through infancy, childhood and adolescence to improve opportunities and outcomes for people throughout their lifespan.⁹ Experiences during the early years have lifelong effects on children's later achievements, social adjustment, mental and physical health and life expectancy.¹⁰

Supporting population mental health and wellbeing, and intervening early when individuals are at risk reduces distress, disadvantage and disability over the lifetime. It is also known that policies focussed on early intervention and prevention have positive downstream impacts, particularly for the most disadvantaged in our society. It also reduces the likelihood of contact with more costly supports and services including the child protection and justice systems, acute hospital based care, and social support payments.

Childhood is a particularly critical period for mental health. Half of lifetime mental illnesses develop before the age of 14,¹¹ and experiences of childhood trauma (such as abuse and neglect) are a major risk factor for mental ill-health in adulthood.¹²⁻¹⁴ Mental illness in infancy, childhood or adolescence can have enduring consequences if left unresolved, including reduced social and economic outcomes in adulthood.¹⁵ It is noteworthy that Aboriginal and Torres Strait Islander children experience poverty at significantly higher rates than their non-Aboriginal counterparts and have some of the poorest health and developmental outcomes in Australia. Further, the rate of demand for costly downstream services continues to grow, particularly for Indigenous communities.

Aboriginal and Torres Strait Islander children are now 10.1 times more likely to be removed from their families than non-Indigenous children, a rate that is projected to triple in the next twenty years if urgent action is not taken. Fewer than half of Aboriginal and Torres Strait Islander children are placed with Aboriginal and Torres Strait Islander carers, following a steep decline over the last 10 years. This places Aboriginal and Torres Strait Islander children who are removed from their families at serious risk of being permanently disconnected from their families, communities and cultures, leading to poorer health outcomes.

Conversely, many issues which go on to develop into mental health problems in adolescence can be identified, prevented and managed if they are identified earlier in childhood.⁹ Prevention and early intervention strategies implemented in infancy and early childhood are more effective in addressing risk factors, limiting the severity or progression of the illness, reducing symptoms, and reducing adverse impact on development.^{15,16}

Early intervention is also critical to addressing the particular forms of disadvantage experienced by Aboriginal and Torres Strait Islander peoples, including their overrepresentation in the child protection system. Key early intervention strategies for Aboriginal and Torres Strait Islander communities include: increased investment in solutions, such as culturally safe preventative and early intervention measures; facilitation of greater access for Aboriginal and Torres Strait Islander children and their families to early years services to ensure the best possible start in life; and

respecting the importance of Aboriginal and Torres Strait Islander decision-making in child protection.

These strategies are reflected in the goal of the Australian 'First 1000 days' model, which aims to work with Aboriginal and Torres Strait Islander Elders, researchers, community members, front-line workers and policy makers to provide a culturally informed intervention to address the needs of Aboriginal and Torres Strait Islander families.¹⁷ Guided by the First 1000 Days Australia Council, this model takes a multigenerational view of family, and reflects the evolution of the 'First 1000 Days' movement from an initial focus on delivery of improved nutrition from birth to age two, to a more holistic view of the importance of the early environment. The expansion of this model is welcome recognising as it does, the interlinking factors encompassing complex family situations with heightened risk of neglect, underemployment and entrenched cycles of poverty or welfare dependency, which improved nutrition alone cannot correct.

The Commission therefore supports the public health approach to preventing harm to children described in the *Issues Paper*, whereby funding and policy priorities would be rebalanced to ensure a stronger focus on prevention and early intervention, and less reliance on acute interventions after harm has occurred. Based on experience within mental health system, the Commission considers that this approach would represent a more effective use of resources and deliver better outcomes for children and families.

Recommendation 4: The Commission supports a more proactive approach to fostering the wellbeing of children and young people experiencing vulnerability. Thereby it recommends that the Productivity Commission embeds prevention and early intervention approaches in the joint funding framework for Australian and NT Governments.

Community engagement and participation

A core principle underlying the Commission's work is that people with lived experience of mental illness, their families and supporters should be central to the way programmes are designed, managed and funded. This involves not only consulting with mental health consumers and carers, but also facilitating their participation in the governance and leadership structures which make decisions that affect their lives.

Full and meaningful participation by mental health consumers and carers is a fundamental component of a quality, high performing system. Supporting the participation of consumers and carers is one of the best ways to ensure that government investments in mental health services are hitting the mark.⁹ The importance of consumer and carer engagement and participation to effective service planning, delivery and evaluation has been increasingly recognised in the mental health sector. The *Fifth National Mental Health and Suicide Prevention Plan* (the Fifth Plan), for example, places consumer and carer experiences at the centre of reform efforts, with several actions specifically targeted at increasing their involvement in service design and delivery.¹⁸

Based on evidence from the mental health sector, the Commission considers that the involvement of people who have had direct experience with the child protection system will likely be essential to designing more effective funding approaches for child protection services. The Commission therefore supports the place-based approach to service provision described in the *Issues Paper*, whereby local communities would have a central role in making decisions about service provision.

The Commission also encourages the Productivity Commission, when considering how funding arrangements can better support place-based approaches to service delivery, to take into account the full spectrum of community engagement and participation activities. A meaningful process of

engagement necessitates involving affected communities as partners and decision makers in the design, planning, implementation and evaluation of policies, programs and services.

The Western Australia Mental Health Commission's *Mental Health and Alcohol and Other Drug Engagement Framework* provides a useful model for planning community engagement and participation activities across this spectrum, with applicability beyond the mental health sector and could be considered by the Productivity Commission.

Recommendation 5: The Commission recommends that the Productivity Commission consider the Western Australian Mental Health Commission's Mental Health Alcohol and Other Drug Engagement Framework as a model for community engagement and participation to support place-based approaches.

International studies have found that community-controlled models of health care are associated with improved health outcomes for indigenous people.¹⁹ In Australia, available evidence similarly indicates that Aboriginal Community-Controlled Health Services (ACCHS) make significant contributions to improving the health of Aboriginal and Torres Strait Islander people, in part due to their capacity to provide culturally appropriate care.¹⁹

Research conducted by the Lowitja Institute for the Commission, for example, highlighted the particular strengths of ACCHS in addressing the mental health needs of Aboriginal and Torres Strait Islander communities, such as their capacity to build 'a greater level of trust and cultural credibility with their clients and local community'.²⁰

The Commission endorses the principle that Aboriginal and Torres Strait Islander controlled organisations should be positioned as preferred providers of services for Aboriginal and Torres Strait Islander peoples. The Commission suggests that the same principle be endorsed for the present Inquiry.

Recommendation 6: The Commission recommends that the Productivity Commission endorse the positioning of Aboriginal and Torres Strait Islander controlled organisations as preferred providers of services for Aboriginal and Torres Strait Islander peoples.

Integrated regional planning

The Inquiry should consider the learnings from the significant mental health reform evident in the move across Australia towards regional/local service planning. The Commission's *2014 National Review Mental Health Programmes and Services* proposed an alternative approach to the fragmented mental health system, based on regional integration and joint planning of service delivery. This fragmentation was driven by a range of factors, including myriad service providers (often working in isolation from one another), siloed funding streams, and poor planning and coordination between the Commonwealth and state and territory governments.⁹

The Commission recommended that governments explore new funding models, such as pooled funding and bundle programs, to simplify funding arrangements and enable a more holistic, person-centred approach to mental health care and support.⁹ Achieving integrated regional planning and service delivery was subsequently adopted as a priority area under the Fifth Plan.¹⁸

A similar approach may assist in addressing some of problems identified by the Royal Commission in relation to funding of child and family services in the NT (such as duplication between service providers, lack of coordination between different levels of government and failure to build local community capacity). Regional planning can also support place-based approaches to service delivery by allowing services to be tailored to local needs.

Focusing on outcomes

The Commission continues to highlight the need to move towards an outcomes focused mental health system. The Commission has previously recommended that Commonwealth funding for mental health service focus on providing incentives to achieve outcomes (rather than on simply generating activity) and highlighted the need to embed a culture of evaluation as a core aspect of Commonwealth program design, including through funding evaluation as a specific element of implementation.⁹ The Commission therefore welcomes the focus on improving monitoring and evaluation of outcomes in the *Issues Paper* for the present Inquiry.

The Commission also notes that the Productivity Commission has been asked by the Australian Government to develop a whole-of-government evaluation strategy for policies and programs affecting Aboriginal and Torres Strait Islander Australians, to be reported against by all Australian Government agencies. The evaluation strategy provides an opportunity to build the evidence base on what is working, especially in relation to the community controlled sector.

The Commission intends to make a submission to the Productivity Commission on the evaluation strategy with further discussion and recommendations on outcomes and evaluation.

Justice reinvestment

The Commission notes that expenditure on core youth justice services (such as youth detention centres) is considered to fall outside the scope of the present Inquiry. However, the Commission encourages the Productivity Commission to consider funding and service frameworks that can prevent, and mitigate the effects of, individuals becoming caught up in the criminal justice system. In particular, the Commission wishes to highlight the justice reinvestment approach, which seeks to redirect government funding from the criminal justice system into local communities to address the causes of crime.

Justice reinvestment was initially developed in the United States as a means of curbing spending on corrections and reinvesting savings from this reduced spending in strategies that can decrease crime and strengthen neighbourhoods.²¹ The approach includes diversion away from prison into alternatives such as programs to improve mental health and reduce the use of alcohol and other drugs, programs to support young people and families, programs focussed on sport or other activities, and programs that enhance access to quality education and employment.

A Senate Inquiry in 2013 recommended that Australia implement a justice reinvestment approach to criminal justice in Australia.²¹ The Aboriginal and Torres Strait Islander Suicide Prevention Evaluation Project (ATSISPEP) also recommended the adoption of a justice reinvestment approach to redirect government funding from the criminal justice system into local Aboriginal and Torres Strait Islander communities, to a develop community-led upstream diversionary activity for Indigenous young people.²² The Commission supports these recommendations.

Recommendation 7: The Commission recommends that:

- the PC supports the implementation of a justice reinvestment approach to criminal justice, initially for Aboriginal and Torres Strait Islander communities***
- pending the evaluation of this initiative, that the approach is more broadly rolled out.***

Note this recommendation is also in the Commission's submission to the PC inquiry into mental health.

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