

## **2017-18 BUDGET ESTIMATES HEARINGS – MAY 2017**

### **Budget Measure – Tackling substance abuse by Welfare Recipients**

#### **Funding for drug and alcohol support**

- According to the National Drug and Alcohol Research Centre, Australia's expenditure on alcohol and other drug treatment services in 2012-13 was \$1.2 billion, with 31.4 per cent of this coming from the Australian Government, 50.7 per cent from states and territories and 17.8 per cent from private providers.
- The Department of Health advises these are the most recent published estimates.

#### Australian Government Funding

- Over the four years from 1 July 2016, the Australian Government is providing almost \$685 million to reduce the impact of drug and alcohol misuse on individuals, families and communities. Of this:
  - Over \$544 million is dedicated for treatment services; and
  - \$298.2 million has been provided to support the actions under the National Ice Action Strategy (NIAS).
- On 3 March 2017, the Minister for Health announced a commitment of a further two years of funding for drug and alcohol treatment services (out of the \$544 million over four years) to provide service continuity and stability in the sector.
  - \$42 million in funding will transition to Primary Health Networks for existing service providers of non-residential, locally based treatment.
  - \$33 million in funding will continue to be administered by the Commonwealth Department of Health for services with a national and state-wise intake.

*If asked: given this funding was only extended until 30 June 2019, will support still be available in the last six months of the trial?*

- While Minister Hunt's announcement extended funding only until June 2019, funding for existing drug and alcohol treatment services under the Drug and Alcohol Program is an ongoing appropriation.
- Post-June 2019, funding of more than \$75 million per annum will continue to be available for drug and alcohol treatment services.
- Additional funding provided under the National Ice Action Strategy (NIAS), totalling approximately \$59 million per annum, is also provided under the Drug and Alcohol Program and currently expires in June 2020. Any extension of NIAS funding will be subject to future decisions of Government.

#### National Ice Action Strategy Funding

The Government is providing \$298.2 million over four years from 1 July 2016 towards a number of measures to reduce the impacts associated with drug and alcohol misuse to individuals, families and communities. This funding will strengthen education, prevention, treatment, support and community engagement and includes:

- \$241.5 million in funding for Primary Health Networks (PHNs) to commission further drug and alcohol treatment services to meet local need - with a focus on culturally appropriate mainstream services and services for Aboriginal and Torres Strait Islander people;
- \$24.9 million to support communities to deliver locally-based and tailored ice prevention and education activities;

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- \$13 million to introduce new Medicare Benefits Schedule (MBS) items for addiction medicine specialists from 1 November 2016;
- \$10.7 million to support clinical research into new treatment options, training of professionals and evaluating the effectiveness of clinical care for those using methamphetamines, which includes a new Centre of Clinical Excellence for Emerging Drugs of Concern; and
- \$8.1 million to more broadly improve our data sources on emerging trends in ice and other illicit drug use patterns, treatment options and early identification of newly emerging drug threats.