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## **THE IMPACT OF POOR MENTAL HEALTH - AN ECONOMIC ISSUE**

The National Mental Health Commission has put the impact of poor mental health on the economic agenda, as its cost to the nation soars to more than \$60 billion a year.

Commission Chair, Professor Allan Fels AO, said there is a need for action across sectors to improve our mental health system through the appropriate allocation of resources.

“Evidence suggests we should focus on prevention and early intervention which can reduce the need for more complex and costly interventions,” Professor Fels said.

“Our current focus is on treating mental illness once it hits crisis point, whereas preventative interventions can improve peoples’ lives and are cost effective.

“These interventions can involve improving health treatments as well as areas such as disability, housing and employment services.”

The Commission is hosting Professor Martin Knapp from the London School of Economics who will have the opportunity to brief senior Australian Government policy makers on the economic case for better mental health.

Professor Knapp said his work uses economic arguments and evidence to inform policy discussion and influence the mental health sector’s practice development.

“I’ve found the question is ‘can we afford *not* to fund early intervention mental health practices’,” Professor Knapp said.

“For example, there are huge costs to society and individuals if early intervention isn’t provided when children experience bullying. Its consequences were revealed when I examined the lives of victims 40 years later when they were 50; they were less likely to be employed, own their own home and less likely to marry; and they used more mental health services.

“Another example is if hospitals allocate funding towards treating people who self-harm by offering psychosocial intervention in emergency departments, it aids mental and physical recovery and has substantial societal and economic benefits,” he said.

Professor Fels said the estimated cost of mental ill-health to Australia is around four per cent of GDP or about \$4000 for every tax payer.

“Better mental health can increase national ‘mental wealth’. We’d see an increase in workforce participation, productivity and economic competitiveness as well as an increase in GDP,” he said.

“Our vision is to support contributing lives and thriving communities through the wise allocation of funding and services across the mental health sector and other related sectors.”

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