

Federal Pre-budget Submission 2022-23

January 2022



**MISSION
AUSTRALIA**

About Mission Australia

Mission Australia is a national, non-denominational Christian charity that has been serving Australia for more than 160 years. Our vision is an Australia where all of us have a safe home and can thrive. In the 2020-21 financial year, we supported over 150,000 individuals through 474 programs and services across Australia in a range of areas including housing, homelessness, aged care, community development and youth.

Introduction

In 2020-21, Mission Australia worked with 150,000 people to support them with a range of challenges they are facing. Most of the people we work with are on very low or low incomes; many are reliant on income support payments, while many others are in low-paid work or are underemployed.

As the pandemic enters a new iteration with the Omicron variant, we continue to observe people in low-paid, insecure and casual work living precariously and unable to afford the basic necessities, including housing. Cost of living pressures are increasing. The Consumer Price Index rose 1.3% in the December 2021 quarter and 3.5% over the preceding 12 months, driven by factors including housing and transport costs.¹ Rental affordability remains low, and affordability for low-income households has worsened in many of the capital cities and in the regional areas of every state, driven by outward migrating city residents as a result of COVID.²

This sustained disruption and vulnerability for people is taking a toll on their lives and the service system designed to support them. We need urgent action to be taken to tend to immediate needs as well as to safeguard against future crises.

Stable housing and adequate income are necessary to build opportunities for social and economic participation, including in education and employment. This is imperative for the long-term future of individuals and families, and also of the Australian economy, and is reflected in the following Budget recommendations.

Our submission focuses on Federal Government measures to prevent homelessness, invest in social and affordable housing, support a safe and sustainable aged care sector, deliver adequate income supports, address locational disadvantage, provide alcohol and other drug (AOD) services, and support young people to meaningfully engage in public matters that interest and affect them.

Further information on any of these recommendations can be provided on request.

¹ Australian Bureau of Statistics (2022) Consumer Price Index, Australia, December 2021, published 25 January 2022, accessible at [Consumer Price Index, Australia, December 2021 | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au/australian-bureau-of-statistics/publications/price-index-australia-december-2021)

² SGS Economics and Planning with National Shelter, Beyond Bank Australia and the Brotherhood of St Laurence (2021) Rental Affordability Index November 2021 Key Findings, accessible at [SGS-Economics-and-Planning Rental-Affordability-Index-2021.pdf \(sgsep.com.au\)](https://www.sgsep.com.au/sgs-economics-and-planning-rental-affordability-index-2021.pdf)

Summary of recommendations

Homelessness and social and affordable housing

- Develop a national plan to address housing affordability and homelessness, including targets for at-risk groups.
- Invest in 10,000 social housing units over a two-year period under the proposed Social Housing Acceleration and Renovation Program at a cost of approximately \$3.5 billion.
- Create a housing capital aggregator to leverage government co-investment and attract private sector investment into social and affordable housing.

Aged care

- Implement immediate retrospective block payments to cover incurred costs of PPE and RATs in residential aged care facilities.
- Allocate funding for measures to address workforce shortages in the aged care sector.
- Fund the expansion or construction of new specialist homelessness residential aged care facilities, based on an assessment of need.

Income support

- Permanently increase the base rate of income support payments to ensure that they are adequate and keep people out of poverty.
- Increase Commonwealth Rent Assistance by 50%.

Strengthening communities

- Initiate and fund place-based approaches to entrenched locational disadvantage, targeted to areas of concentrated inter-generational welfare dependency.

Young Australians

- Provide funding to Australian Youth Affairs Coalition as the national voice and advocate for young people.
- Address system gaps where young people seeking support to overcome ice, other drug or alcohol dependency cannot receive treatment, by funding new youth-specific AOD residential services in metro and non-metro areas of need, including tailored services for Aboriginal and Torres Strait Islander young people.

Homelessness and social and affordable housing

The costs of homelessness are significant, with an estimated average annual figure of \$32,254 in health, justice and welfare costs for each person experiencing homelessness.³

Homelessness was already a major issue in Australia prior to the COVID-19 pandemic, with over 116,400 people homeless on Census night 2016. A further 97,000 people were at risk of homelessness living in marginal housing such as crowded dwellings.^{4,5} In 2020-21, over 278,000 people sought support from Specialist Homelessness Services.⁶ During the COVID-19 pandemic, several known drivers of homelessness have increased, including mental health issues⁷ and domestic and family violence.⁸

An adequate supply of social and affordable housing is a critical response to homelessness due to the significant shortfall between the number of houses needed and those available. There is a chronic shortage of housing for people on low and moderate incomes. There has been a rapid escalation in rent inflation from mid-2020 as a result of the COVID pandemic, the fastest rate of increase for well over a decade (at over 8%), and far ahead of wage growth (at 1.7%). Regional Australia has been particularly affected (at 12.4%).⁹

The proportion of low-income households in housing stress rose from 35% in 2007-8 to 43.1% in 2017-18 (the most recently available data),^{10,11} and more than 155,000 people are on waiting lists for social housing.¹² The recent statutory review of the National Housing Finance and Investment Corporation (NHFIC) estimated that an additional 891,000 social and affordable dwellings would be required over the next 20 years, at a cost of \$290 billion.¹³

³ Conroy, C, Bower, M, Flatau, P, Zaretsky, K, Eardley, T and Burns L (2013) The MISHA Project: From homelessness to sustained housing 2010-2013, accessible at <https://www.missionaustralia.com.au/what-we-do/research-impact-policy-advocacy/misha>

⁴ Marginal housing is housing that does not meet the statistical definition of homelessness but is considered by the Australian Bureau of Statistics to place them at risk of homelessness – for example, crowded dwellings or living long-term in caravan parks.

⁵ Australian Bureau of Statistics, (2018) Census of Population and Housing: Estimating homelessness, accessible at <https://www.abs.gov.au/statistics/people/housing/census-population-and-housing-estimating-homelessness/latest-release#data-download>

⁶ Australian Institute of Health and Welfare (2021) Specialist Homelessness Services annual report 2020-21, Clients, services and outcomes, accessible at [Specialist homelessness services annual report 2020–21, Clients, services and outcomes - Australian Institute of Health and Welfare \(aihw.gov.au\)](https://www.aihw.gov.au/reports/10/specialist-homelessness-services-annual-report-2020-21-clients-services-and-outcomes)

⁷ Kaleveld, L, Bock, C, Maycock-Sayce, R (2020) COVID-19 and mental health: CSI response, accessible at https://www.csi.edu.au/media/uploads/csi_fact_sheet_covid_and_mental_health.pdf

⁸ Pfitzner, N, Fitz-Gibbon, K and True, J (2020). Responding to the ‘shadow pandemic’: practitioner views on the nature of and responses to violence against women in Victoria, Australia during the COVID-19 restrictions. Monash Gender and Family Violence Prevention Centre, Monash University, Victoria, Australia.

⁹ Pawson, H., Martin, C., Thompson, S., Aminpour, F. (2021) ‘COVID-19: Rental housing and homelessness policy impacts’ ACOSS/UNSW Poverty and Inequality Partnership Report No. 12, Sydney, accessible at <https://bit.ly/3nTsZld>

¹⁰ Housing stress is defined as households in the bottom 40% of income, paying more than 30% of their income on housing-related costs.

¹¹ Australian Bureau of Statistics (2019) 4130.0 Housing Occupancy and Costs, 2017-18, Table 21.1, accessible at [Housing Occupancy and Costs, 2017-18 financial year | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au/statistics/housing-occupancy-and-costs-2017-18-financial-year)

¹² Australian Institute of Health and Welfare (2021) Housing assistance in Australia 2021, Cat. No. HOU 320, Priority groups and waiting lists summary, accessible at [Housing assistance in Australia, Priority groups and Waiting lists - Australian Institute of Health and Welfare \(aihw.gov.au\)](https://www.aihw.gov.au/reports/10/housing-assistance-in-australia-priority-groups-and-waiting-lists)

¹³ Australian Government (2021) Statutory review of the operation of the National Housing Finance and Investment Corporation Act 2018 – final report, accessible at: <https://treasury.gov.au/sites/default/files/2021-10/p2021-217760.pdf>

Investment in building, upgrading and improving social and affordable housing will support economic recovery, reduce homelessness and improve social and economic outcomes for people on low incomes. The Federal Government must play a role in direct investment in social and affordable housing, as well as supporting private and institutional investment.

A national approach to housing and homelessness

Leadership from the Federal Government is needed to comprehensively address housing affordability and homelessness in Australia. Recent analysis has found that state-based housing stimulus packages announced in the past two years will slightly improve housing opportunities for low-income households in those jurisdictions, but that without significant involvement from the Federal Government these gains will not be maintained.¹⁴

A national plan is needed to guide and drive action to increase the supply of social and affordable housing and to prevent homelessness, with specific targets for particular at-risk cohorts.

Recommendation:

- Develop a national plan to address housing affordability and homelessness, including targets for at-risk groups.

Immediate, short-term COVID stimulus via social and affordable housing

Mission Australia supports the proposal in the pre-budget submissions of National Shelter and the Community Housing Industry Association for a modified Social Housing Acceleration and Renovation Program (SHARP) as an immediate, short-term stimulus to the economy in light of the recession associated with the COVID-19 pandemic.

While the original SHARP proposal sought funding for 30,000 social housing units, in recognition of current state investment in social housing a modified proposal would build 10,000 social housing units over a two-year period.¹⁵ It would bring together Federal investment with state, territory and potentially council contributions and support, to enable not-for-profit community housing providers and Aboriginal controlled community housing providers to deliver new and improved social housing units.

The SHARP plan seeks an investment of approximately \$3.5 billion, with Federal Government contributions complemented by State and Territory Governments in the form of land and/or capital. The program could be administered by a new arm of the National Housing Finance Investment Corporation (NHFIC) accountable to an oversight body reporting to the housing committee of the National Cabinet.

Additional housing investment could also be generated off this program by community housing providers leveraging against the resulting units and associated future rental income.

¹⁴ Pawson, H., Martin, C., Thompson, S., Aminpour, F. (2021) 'COVID-19: Rental housing and homelessness policy impacts' ACOSS/UNSW Poverty and Inequality Partnership Report No. 12, Sydney, accessible at <https://bit.ly/3nTsZld>

¹⁵ Community Housing Industry Association (2020) Social Housing Acceleration and Renovation Program (SHARP), accessible at: <https://www.communityhousing.com.au/wp-content/uploads/2020/05/SHARP-Full-Report-1.pdf?x59559>

Recommendation

- Invest in 10,000 social housing units over a two-year period under the proposed Social Housing Acceleration and Renovation Program at a cost of approximately \$3.5 billion.

Supporting private and institutional investment through a housing capital aggregator

The long-term demand for additional social and affordable housing units in Australia was estimated in the recent NHFIC Review at 891,000 over the next 20 years.¹⁶ This significant level of need necessitates large-scale, ongoing investment.

As a complement to direct investment in social and affordable housing, further incentives should be provided to enable private and institutional investment in such housing. NHFIC is making a useful contribution in providing concessional funding to Community Housing Providers. However, current NHFIC activity including the low-interest, long-term debt financing offered through its Affordable Housing Bond Aggregator is insufficient to generate the investment required to address the existing shortfall in social and affordable housing. This was noted in the NHFIC Review, with the point made that “[NHFIC] must be supported by other forms of government subsidy, whether at the Commonwealth, State or Territory or local government level, as well as renewed interest and innovation from the private sector.”

Private and institutional investors, including superannuation funds, have considerable appetite and capital available to leverage government contributions through investing in below-market residential property in Australia, but require the right incentives to do so.

The Federal Government should establish a housing aggregator to enable large scale private investment in affordable housing. This proposal, developed by the Constellation Project¹⁷ - a joint initiative of the corporate, academic and community sectors – demonstrates how private institutional investment can be pooled into construction capital for affordable housing, which can be unlocked by future recurrent government co-investment.¹⁸

Recommendation

- Create a housing capital aggregator to leverage government co-investment and attract private sector investment into social and affordable housing.

Aged care

Mission Australia runs three Residential Aged Care Facilities (RACFs) specifically for a population who have experienced homelessness, who have a mental health issue, a drug and alcohol issue, a cognitive impairment or a mixed morbidity, and who are socially isolated.

Aged care services affected by COVID

Like many RACFs, our aged care services have been affected by COVID and have incurred significant expenses in the purchase of personal protective equipment (PPE) and rapid antigen tests (RATs). We

¹⁶ Australian Government (2021) Statutory review of the operation of the National Housing Finance and Investment Corporation Act 2018 – final report, accessible at: <https://treasury.gov.au/sites/default/files/2021-10/p2021-217760.pdf>

¹⁷ The Constellation Project (undated webpage) Who we are, accessible at: <https://www.theconstellationproject.com.au/about-the-project/>

¹⁸ The Constellation Project (2019) The case for a housing aggregator, accessible at: https://theconstellationproject.com.au/wp-content/uploads/2020/02/Housing-Capital_Redesign_WEB.pdf

support calls to make PPE and RATs freely available to the community and care sectors, but also urge the government to fund retrospective payments to cover costs already incurred by services which have experienced a COVID outbreak or have incurred significant costs in preparing for one. This has precedent in block payments made available for COVID costs in the previous financial year. This retrospective block payment should be calculated on the basis of bed numbers and avoid onerous reporting requirements.

Recommendation

- Implement immediate retrospective block payments to cover incurred costs of PPE and RATs in residential aged care facilities.

Workforce investment

Significant staff shortages are affecting our services, as is the case for many other aged care service providers around the country. Although the Omicron variant's effects have severely exacerbated shortages in early 2022, this is not a short-term issue. The number of Australians receiving aged care services is projected to grow from over 1 million in 2011 to over 3.5 million by 2050.¹⁹ If workforce expansion continues at its current pace, a shortfall of 110,000 direct aged-care workers by 2030 (400,000 by 2050) has been projected, with at least 17,000 additional workers each year for the next decade required to meet even the basic standards of care.²⁰ It is imperative that workforce funding be allocated to the aged care sector in 2022-23 and the outyears to address this significant threat to the viability of the whole aged care sector.

Recommendation

- Allocate funding for measures to address workforce shortages in the aged care sector.

Aged care services for people with histories of homelessness

Older people are the fastest growing subpopulation of people experiencing homelessness and of people using homelessness services in Australia.²¹ There was a 28% increase in the number of people aged 55 years and above experiencing homelessness between the 2011 and 2016 Censuses.²² In 2020-21, about 23,900 older people sought help from homelessness services.²³

¹⁹ Productivity Commission (2011) Caring for older Australians, Productivity Commission Inquiry Report Overview, No. 53, 28 June 2011, accessible at [Overview and Recommendations - Inquiry report - Caring for Older Australians \(pc.gov.au\)](#)

²⁰ Committee for the Economic Development of Australia (CEDA) (2021) Duty of care: Meeting the aged care workforce challenge, accessible at [aged-care-workforce-2021-final_1.pdf \(windows.net\)](#)

²¹ Australian Institute of Health and Welfare (2020) Specialist homelessness services annual report 2019-20, Cat. No. HOU 322, Older clients summary, accessible at <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/older-clients>

²² Australian Bureau of Statistics, (2018) Census of Population and Housing: Estimating homelessness, accessible at <https://www.abs.gov.au/statistics/people/housing/census-population-and-housing-estimating-homelessness/latest-release#data-download>

²³ Australian Institute of Health and Welfare (2021) Specialist homelessness services annual report 2020-21, , Older clients summary, accessible at [Specialist homelessness services annual report 2020-21, Older clients - Australian Institute of Health and Welfare \(aihw.gov.au\)](#)

Many older people who become homeless have conventional housing histories and lose their housing through a combination of low income, high housing costs and a life shock such as illness or separation. Affordable housing is a needed response for this group.

However, older people with long histories of homelessness often have complex mental and physical health care needs that mean they are unable to live independently. This group generally requires specialist homelessness residential aged care facilities that provide permanent accommodation and 24-hour medical care.

The Royal Commission into Aged Care Quality and Safety found that the current aged care system is not adequately equipped to support people from a range of backgrounds, including those who have experienced homelessness or are at risk of becoming homeless.²⁴ We note that the Government in its response to the Royal Commission agreed in principle to additional funding for this group.²⁵ However, there remain insufficient facilities across Australia to meet the high demand for these very vulnerable individuals and funding arrangements have not yet been put into place to cater for the needs of this growing cohort.

Recommendation

- Fund the expansion or construction of new specialist homelessness residential aged care facilities, based on an assessment of need.

Income support

Current income support levels are inadequate for keeping Australians out of poverty. While the original rates of the Coronavirus Supplement and JobKeeper payment were responsible for reducing poverty in Australia by 32%, the decrease in payment amounts are projected to lead to growing numbers of children, families and individuals living in poverty.^{26,27}

As Australia transitions from crisis responses to recovery, the Government has a unique opportunity to build on the gains initially seen by redesigning the income support system to assist people to remain out of poverty and support them to look for work and become job ready. Economic modelling has found that increasing income support payments will not act as a disincentive to work, and did not do so even during the time the highest level of Coronavirus Supplement was applied. On the contrary, higher income support levels facilitate job seeking as they provide resources for people to pay associated costs including transport and clothing for interviews.²⁸

²⁴ Royal Commission into Aged Care Quality and Safety (2021) Final Report: Care, Dignity and Respect, Vol 1: Summary and Recommendations, accessible at [Aged Care Royal Commission Final Report: Care, Dignity and Respect Volume 1](#)

²⁵ Australian Government Department of Health (2021) Australian Government response to the Final Report of the Royal Commission into Aged Care Quality and Safety, May 2021, accessible at [Australian Government response to the final report of the Royal Commission into Aged Care Quality and Safety \(health.gov.au\)](#)

²⁶ By 740,000, compared to the original payment rates

²⁷ Phillips, B, Gray, M and Biddle, N (2020) COVID-19 JobKeeper and JobSeeker impacts on poverty and housing stress under current and alternative economic and policy scenarios, accessible at https://csm.cass.anu.edu.au/sites/default/files/docs/2020/8/Impact_of_Covid19_JobKeeper_and_Jobseeker_measures_on_Poverty_and_Financial_Stress_FINAL.pdf

²⁸ Borland, J (2020) New finding: Boosting JobSeeker wouldn't keep Australians away from paid work, in The Conversation, accessible at <https://theconversation.com/new-finding-boosting-jobseeker-wouldnt-keep-australians-away-from-paid-work-150454>

Commonwealth Rent Assistance (CRA) is available to eligible people who rent in the private rental market or community housing. Rental affordability remains low across Australia, and affordability for low-income households has worsened in many of the capital cities and in the regional areas of every state, driven by out-ward migrating city residents as a result of COVID.²⁹ At its current level, CRA does not meet the needs of people on low incomes facing the highest rents, particularly in capital cities.³⁰ It should be increased by 50% to better reflect minimum rents paid by people on low incomes.³¹

Recommendations

- Permanently increase the base rate of income support payments to ensure that they are adequate and keep people out of poverty.
- Increase Commonwealth Rent Assistance by 50%.

Strengthening communities

Entrenched disadvantage is present in a small but persistent number of locations in each state and territory across Australia.³² This disadvantage includes high levels of unemployment, low levels of income and education, housing stress, a high level of criminal offending and inter-generational welfare dependency. This limits opportunities for individuals living in these communities and imposes high avoidable costs for taxpayers.

Locational disadvantage is a complex problem that is best addressed by a coordinated, collaborative place-based approach, led by communities, supported by local service providers and funded by the Federal Government in conjunction with state/territory and local governments, in recognition of the community benefits and avoided taxpayer costs. This approach requires long term investments, with a minimum of ten years' commitment.

Recommendation

- Initiate and fund place-based approaches to entrenched locational disadvantage, targeted to areas of concentrated inter-generational welfare dependency.

²⁹ SGS Economics and Planning with National Shelter, Beyond Bank Australia and the Brotherhood of St Laurence (2021) Rental Affordability Index November 2021 Key Findings, accessible at [SGS-Economics-and-Planning_Rental-Affordability-Index-2021.pdf](https://www.sgsep.com.au/assets/main/SGS-Economics-and-Planning_Rental-Affordability-Index-2021.pdf) ([sgsep.com.au](https://www.sgsep.com.au))

³⁰ SGS Economics and Planning (2021) Rental Affordability Index, November 2021 key findings, accessible at https://www.sgsep.com.au/assets/main/SGS-Economics-and-Planning_Rental-Affordability-Index-2021.pdf

³¹ Australian Council of Social Service (2021) Tough times, less support: Analysis of effective unemployment and Government income support in two waves of the pandemic, accessible at <https://www.acoss.org.au/wp-content/uploads/2021/09/ACOSS-Briefing-Tough-times-less-support-1.pdf>

³² Productivity Commission (2013) Deep and persistent disadvantage in Australia, accessible at <https://www.pc.gov.au/research/supporting/deep-persistent-disadvantage> and Tanton, R., Dare, L., Miranti, R., Vidyattama, Y., Yule, A. and McCabe, M. (2021), Dropping Off the Edge 2021: Persistent and multilayered disadvantage in Australia, Jesuit Social Services: Melbourne, accessible at www.dote.org.au

Young Australians

A national voice for young people

The social and economic impacts of COVID-19 have been disproportionately felt by young people. They have experienced higher rates of psychological distress, loneliness, educational disruption, unemployment, housing stress and family and domestic violence when compared with older age groups.³³ Mission Australia's annual Youth Survey of young people aged 15-19 showed similar findings. Our 2020 Survey data revealed more than one quarter of young people met the criteria for experiencing psychological distress – an increase of 8% since 2012.³⁴ For young people who listed COVID-19 as one of their biggest personal concerns in 2020, many wrote about the impacts on their education, being and feeling isolated and their mental health.³⁵

This significant impact on young people means that, now more than ever, governments must enact meaningful measures to hear from young people directly and respond to their issues and concerns. Young people in Australia are routinely under-consulted on policy matters, including those that directly affect them.³⁶ But when given the opportunity, they demonstrate incredible insight into their situations and ability to generate solutions to their problems. Mounting evidence shows that involvement of young people in the development and delivery of policies and strategies increases the relevance and effectiveness of the implementation of services.³⁷

We see a leading role for the Australian Youth Affairs Coalition (AYAC) to engage young people in meaningful ways, working alongside governments and others to develop and embed measures that affect their lives. As the national voice and advocate for young people, AYAC must be sufficiently funded to bring long-term certainty to their work, as well as specifically enable them to build the capacity and capability of young people to contribute directly on matters that affect them.

Recommendation

- Provide funding to Australian Youth Affairs Coalition as the national voice and advocate for young people.

Young people's AOD use

There is high unmet need for AOD treatment services for young people, particularly residential rehabilitation and detoxification services, but inadequate funding from all levels of government. In particular, there is a lack of:

³³ Australian Institute of Health and Welfare (2021) COVID-19 and the impact on young people., AIHW, Australian Government, accessible at <https://www.aihw.gov.au/reports/children-youth/covid-19-and-young-people>

³⁴ Brennan, N., Beames, J. R., Kos, A., Reily, N., Connell, C., Hall, S., Yip, D., Hudson, J., O'Dea, B., Di Nicola, K., and Christie, R., 2021. Psychological Distress in Young People in Australia Fifth Biennial Youth Mental Health Report: 2012-2020. Mission Australia: Sydney NSW. <https://www.missionaustralia.com.au/publications/youth-survey/2061-psychological-distress-in-young-people-in-australia-fifth-biennial-youth-mental-health-report-2012-2020/file>

³⁵ Greenland, N., 2021. Young Voices of the Pandemic: Youth survey COVID-19 report 2020. Mission Australia, NSW. <https://www.missionaustralia.com.au/publications/youth-survey/2052-young-voices-of-the-pandemic-mission-australia-s-youth-survey-2020-sub-report/file>

³⁶ Child Rights Australia (2005) 'The Non-Government Report on the Implementation of the United Nations Convention on the Rights of the Child in Australia', The National Children's and Youth Law Centre and Defence for Children International (Australia)

³⁷ Inspire Foundation, (2010) 'Submission to the review of the Commission for Children and Young People Act', Inspire Foundation

- youth-specific AOD treatment facilities, meaning that some young people are treated in adult centres;
- treatment options in rural and regional areas; and
- treatment options for Aboriginal and Torres Strait Islander young people.³⁸

For example, in 2017, a government needs analysis evidenced the need for residential AOD rehabilitation services for youth, Aboriginal people and adults in the South West of Western Australia. No services have been funded for young people since that time, leaving an outstanding need that Mission Australia has observed significantly increasing. A treatment facility to support the successful recovery of young people aged 16 to 24 years from harmful alcohol and drug addiction is needed to meet this ongoing and urgent demand. An investment of \$8 million over three years (\$2 million for building and establishment costs plus \$6 million for service delivery over three years) would fund a residential rehabilitation facility with 8-10 beds based on Mission Australia's successful Triple Care Farm model, which has been calculated to generate a Social Return on Investment of \$7 for every \$1 invested.³⁹

Recommendation

- Address system gaps where young people seeking support to overcome ice, other drug or alcohol dependency cannot receive treatment, by funding new youth-specific AOD residential services in metro and non-metro areas of need, including tailored services for Aboriginal and Torres Strait Islander young people.

³⁸ Sir David Martin Foundation (2020) Evolve: Are we doing enough for young people with drug and alcohol addiction?, accessible at https://www.martinfoundation.org.au/wp-content/uploads/dlm_uploads/2020/08/SDMF-Research-Report-2020-singles-1.pdf

³⁹ Sir David Martin Foundation (2020) Evolve: Are we doing enough for young people with drug and alcohol addiction?, accessible at https://www.martinfoundation.org.au/wp-content/uploads/dlm_uploads/2020/08/SDMF-Research-Report-2020-singles-1.pdf