

10 June 2025

The Hon Tim Nicholls MP
Minister for Health and Ambulance Services

By email: [REDACTED]

Subject: Mental health levy expenditure accountability and transparency

Dear Minister

We write in support of the Royal Australian and New Zealand College of Psychiatrist's letter to you of 21 May 2025 seeking greater transparency of how and where mental health levy funds are being spent (enclosed).

The former government introduced a mental health levy based on a recommendation of the bipartisan Mental Health Select Committee for a dedicated funding stream for mental health and alcohol and other drug services (MHAOD) in June 2022. In accepting the recommendation in its response, the government stated legislative amendments:

...specify that the proceeds of the levy are to be spent on the provision of services and infrastructure that are consistent with the main objects of the Mental Health Act 2016 or implementing the guiding principles in sections 5(2) to 5(5) of the Queensland Mental Health Commission Act 2013. Any proceeds that are not expended within a financial year will be retained in the Consolidated Fund for expenditure in a later year consistent with those purposes.

These requirements are set out in Section 12A of the *Payroll Tax Act 1971* (Qld). Expenditure was also to be overseen by an assurance committee as part of the *Better Care Together* initiative.

To date, psychiatrists and other health professionals working in the MHAOD sector report a paucity of information on how revenues collected from the mental health levy have been spent. As called for in our pre-Budget submission 2025-26, there must be full transparency of spending of revenues raised through the mental health levy. Clinicians, patients and the public deserve certainty that the monies have been spent on MHAOD services and infrastructure.

As you know, mental health services across Queensland are in crisis, demonstrated most recently by the failure of Toowong Private Hospital. This will result in more patients presenting to our busy public hospitals seeking mental health treatment.

We reiterate RANZCP's request for an update on the nature and findings of your investigation into the expenditure of funds raised by the mental health levy and are open to meet should it be of assistance.

Yours sincerely



Dr Nick Yim
President
AMA Queensland

Dr Brett Dale
Chief Executive Officer
AMA Queensland