

**Submission
No 28**

**PERFORMANCE OF THE REGIONAL INVESTMENT ACTIVATION FUND AND
THE REGIONAL JOB CREATION FUND**

Organisation: Australian Association of Psychologists Inc

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Regional Investment Activation Fund and the Regional Job Creation Fund

To the committee,

The Australian Association of Psychologists Inc (AAPi) is the leading not-for-profit peak body representing all psychologists in Australia. AAPi would like to express our gratitude for the opportunity to provide feedback on the performance of the Regional Investment Activation Fund and the Regional Job Creation Fund, particularly under the 'Support for Start-Ups' reference term.

Our organisation recognises the importance of fostering a supportive environment for start-ups across various industries. However, we wish to draw attention to a critical aspect that requires urgent attention — the establishment and growth of psychology private practice start-ups and businesses in the New South Wales (NSW) regions.

Over the years, mental health services and supports in regional areas of NSW have been consistently underfunded, resulting in an inability to meet the escalating demand for mental health support (McKell, 2023). Waitlists for essential mental health services have become a persistent issue, leaving residents without timely access to the care they need. This situation not only compromises the mental health and well-being of individuals but also places an undue burden on existing mental health professionals.

The current landscape of government support schemes often excludes psychology practices, leaving many dedicated psychologists in regional areas financially strained and struggling to sustain their practices. Unlike some other industries that may qualify for economic assistance, psychology services are frequently overlooked, leading to a significant gap in financial support. This oversight exacerbates the financial burden on psychologists, hindering their ability to provide essential mental health services to the communities they serve. As a consequence, a distressing number of psychologists find themselves compelled to close their practices in regional areas and relocate to metropolitan and urban regions where economic conditions are perceived to be more favourable. This trend not only compromises the availability of mental health services in regional communities but also diminishes the professional and personal connections that psychologists have with their hometowns.

The unfortunate result is that many psychologists, who have a genuine desire to contribute to the mental well-being of their local communities, are forced to choose between pursuing their passion and maintaining financial stability. The lack of meaningful support for psychology practices in regional areas not only impacts the professional lives of psychologists but also undermines the overall mental health infrastructure of these communities. With proper financial assistance, many psychologists would be empowered to stay in their hometowns or move to regional areas, bolstering mental health services where they are needed most and fostering a sense of community and continuity in the provision of essential care. It is crucial that policymakers recognise the importance of including psychology practices in support initiatives to ensure the vitality of mental health services in all regions of the country.

By investing in and supporting psychology start-ups in the NSW regions, there is an opportunity to address these longstanding challenges. The benefits to the mental health and well-being of NSW residents would be significant. With increased funding and resources, these start-ups could enhance accessibility to mental health services, reduce wait times, and meet the growing demand for support.

The establishment of more psychology businesses in regional areas would not only contribute to the improvement of mental health outcomes but also create valuable economic opportunities. Start-ups in this sector have the potential to generate employment, stimulate local economies, and contribute to the overall growth and development of the regions.

Moreover, supporting psychology start-ups aligns with broader public health goals, as improved mental health outcomes positively impact productivity, reduce healthcare costs, and foster a more resilient and thriving community. Investing in mental health services is an investment in the overall well-being of the population, contributing to a healthier and more productive society.

There is a significant need to expand Federal Government incentives to rural and regional psychology practices. There is a strong need for paid rural placements for provisional psychologists and registrars and creating more university hubs in regional areas as well as further recruitment support and incentives to help place psychologists in practices in regional and rural areas where there are job vacancies (McKell, 2023).

In conclusion, we strongly urge the continued and increased support for psychology private practice start-ups and businesses in the NSW regions. By doing so, we believe there is a tremendous opportunity to address the longstanding underfunding of mental health services, reduce waitlists, and contribute to the economic and mental well-being of the residents in these areas.

Thank you for considering our perspective on this matter. We look forward to ongoing collaboration to ensure the comprehensive well-being of the residents of New South Wales.

Thank you for considering our feedback, we look forward to working closely with you for future editions.

Warmly,



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References

Under Pressure: Australia's Mental Health Emergency - The McKell Institute. (2023, February 14). The McKell Institute. <https://mckellinstitute.org.au/research/reports/under-pressure-australias-mental-health-emergency/>