



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition
Date Referred: 14/02/2019

Proposal No: Y045
Date Published: 18/03/2019

Proposal Title: Counselling and Mental Health Support for Students

Cluster: Education

General Government Sector Impacts

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	1,500	15,229	29,165	45,894
Depreciation	-	-	-	-	-
Less: Offsets	-	1,500	15,229	29,165	45,894
Revenue	-	-	-	-	-
Net Operating Balance:	-	-	-	-	-

Capital Expenditure	-	-	-	-	-
Capital Offsets	-	-	-	-	-
Net Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing):	-	-	-	-	-
---------------------------------	---	---	---	---	---

Total State Sector Impacts

Net Lending/(Borrowing):	-	-	-	-	-
---------------------------------	---	---	---	---	---

Notes and costing assumptions

The policy is to provide two full time mental health professionals (one full-time counselling position including psychologists and counsellors and one full time student support officer) in every government high school across the State; dedicated services for rural and remote students; and partnering with third party specialists to offer improved teacher training and programs to assist with early intervention and prevention of mental health issues for students. The intended date of implementation is 1 July 2019.

The expenses of this policy are shown in the table below.

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000	2022-23 \$'000
Additional 100 psychologists in high schools	0	0	3,406	6,720	10,126	13,460
Additional 350 mental health support workers in high schools	0	0	9,397	19,263	28,659	39,486
Rural and regional mental health specialists	0	0	926	1,682	2,608	3,228
Third party specialists	0	1,500	1,500	1,500	4,500	1,500
TOTAL EXPENSES	0	1,500	15,229	29,165	45,894	57,674
Less: intra sector transactions	0	0	-2,295	-4,394	-6,689	-9,335
NET EXPENSES	0	1,500	12,934	24,771	39,205	48,339

Notes and costing assumptions continued:

Intra sector transactions (mainly for payroll tax, superannuation and long service leave), reduce the expenses of this policy to \$39.2 million over the forward estimates and \$87.5 million over the five years to 2022-23.

Most of the cost is for the employment of staff who provide mental health and student support services. The net cost is zero because this policy states that it will be funded from within existing resources of the Department of Education. The PBO considers that this is feasible. The NSW Government will be providing an additional \$6.4 billion for schools across the State between 2019 and 2027 under the Gonski 2.0 agreement with the Commonwealth Government. This is a potential source of funds for the program.

General assumptions

Salary rates are sourced as follows:

- School Counsellors - *Crown Employees (Teachers in Schools and Related Employees) Salaries and Conditions Award 2017*.
- Psychologists - *School Psychologists Determination No.2 - 2017*.
- School Support Officers - *Youth Outreach Worker Award 1982*.
- 2.5% per year wage escalation, in line with NSW Government wages policy.
- Employee related oncost rates are as verified by the Department of Education - 23.01% for all positions apart from the Senior Psychologist position which has a rate of 21.04%.
- An allowance of \$3,000 per annum for each senior school psychologist for ongoing training to maintain professional accreditation. DoE advice is that, under current labour market conditions, this allowance is necessary to retain DoE's employer competitiveness.
- The PBO assumes that DoE will be able to continue to employ psychologists that do not possess teaching qualifications.
- An allowance of 10% of salaries (including salary related oncosts) for operating expenses for the 100 additional school counsellor positions and 350 student support officers. This is in line with the broad public sector average and has been verified with the Department of Education.
- An allowance of 20% of salaries (including salary related oncosts) for operating expenses for the rural and regional mental health specialists. These teachers are operating in remote and regional NSW where travel and associated costs are higher.

100 additional full time onsite school counselling positions - expenses of \$10.2 million over the forward estimates

- The policy states that the employment of an additional 100 school counselling positions which will allow a full time school counselling position in each public high school across the State.
- The policy also states that the positions will be filled over the next term of government and that there needs to be a lead time to fill these positions given the tight labour market. The PBO has assumed a twelve month lead time, with implementation commencing from 1 July 2020. The PBO assumes the following cumulative employment profile over the forward estimates:
 - 2020-21: 25 additional positions
 - 2021-22: 50 additional positions.
- The PBO assumes salary rates in 2020-21 of \$113,000 for a school counsellor; \$147,000 for a senior psychologist; and \$174,200 for the Lead, Psychology Practice. These rates are inclusive of salary related oncosts.

Notes and costing assumptions continued:

350 Student Support Officers (SSO) - expenses of \$28.6 million over the forward estimates

The policy states that the additional full time student support officers will be employed so that every public high school has a full time SSO on site. It is intended that these positions will be filled over the next term of government. The PBO assumes the following cumulative employment profile over the forward estimates:

- 2020-21: 88 additional positions
- 2021-22: 176 additional positions.

The PBO assumes a salary rate in 2020-21 of \$98,000 (inclusive of salary related oncosts) for a school support officer.

Rural and Regional Mental Health Specialists - expenses of \$2.6 million over the forward estimates

- The policy states that there will be 16 additional senior school psychologists, in addition to one Leader Psychology Practice to travel to remote, rural and regional schools and provide face to face, online and telepsychology services. The positions will be rolled out from school year 2020 throughout the next term of Government.
- The PBO assumes the following cumulative employment profile over the forward estimates:
 - 2020-21: Five additional positions (includes Leader, Psychology Practice)
 - 2021-22: Nine additional positions.
- The PBO assumes salary rates in 2020-21 of \$147,000 for a senior psychologist and \$174,200 for the Lead, Psychology Practice. These rates are inclusive of salary related oncosts.

Partnering with Third Party Specialists - expenses of \$4.5 million over the forward estimates

- The policy states that there is an annual unescalated amount of \$1.5 million for this item.
- The funding is for a grant-based partnership with third party specialist organisations:
 - To offer teacher training to better identify and deal with mental health risks in students
 - To implement early prevention and mitigation strategies to benefit young people, and
 - Other programs to provide schools with the resources and capabilities relating to mental health awareness.