

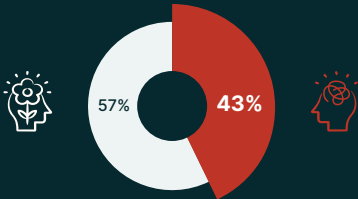
The challenge

Higher levels of mental ill health in the community



4 in 5 working Australians are concerned about experiencing mental health challenges that could impact their ability to work and manage their financial commitments.¹

Almost one in two Australians will have a mental health condition in their lifetime.²



1 in 3 working Australians say they could only cover one month or less of living expenses in the event they were unable to work.³

34%

66%

Young Aussies are particularly impacted



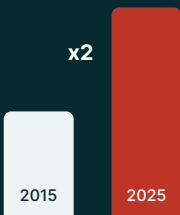
Almost 3 in 5 (58%) of working Australians aged 18-34 are either at-risk of or are completely burned out and **1 in 4** report being in severe psychological distress.³



We've seen a **732%** increase in the rate of claim of permanent disability due to mental health by people in their 30s.⁴

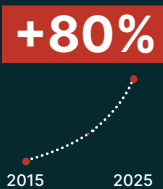


What's happening in life insurance claims

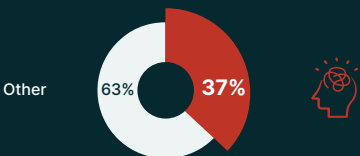


In the last 10 years, on average the proportion of insured Australians who are permanently disabled due to a mental health condition has more than **doubled**.⁴

80% of the increase in the permanent disability claims rate in the last decade is due to mental ill health.⁴



Cost to the Federal Government



37% of Disability Support Pension (DSP) recipients (about 286,000 people) had a primary medical condition in the 'Psychological/Psychiatric' category.²

\$4.25 billion of paid supports were provided to NDIS participants with a psychosocial primary disability in the year ending June 2024, with an average payment per participant of **\$71,600**.⁵



Only 9.4% of these NDIS participants are in paid employment, compared to **22%** across the rest of NDIS participants.⁵

The solution

What industry is doing

Providing **essential financial support** to thousands of Australians deeply affected by mental ill-health.



Improving our **systems, processes and products** to provide customers with certainty and transparency, taking the perceived 'luck' out of the system.

Aligning our claims assessments to contemporary workplace practices and modern medical evidence.



Advocating for **long term solutions to ensure our nation's safety net** is strong enough to catch Australians severely impacted by mental ill health. We need a collective effort to create a more mentally fit community.

Investing in research to understand how to better support customers with mental health challenges, as well as looking at people's intention to claim to better predict future claims and their impact on affordability.



What the Federal Government can do



Coordinate a **whole-of-government response to the mental health crisis**, including developing national mental health targets and driving government action and accountability across Departments.



Guarantee Australians **equitable access to timely treatment and support**, no matter where they live, by better funding quality community-based services and allowing both the public and private systems to help people sooner.



Invest in **education, training and boosts to the mental health workforce** to ensure Australia has an adequate supply of mental health professionals to meet the care needs of the Australian people.

1 Life Insurance Sentiment Tracker. (2025, June). Wave 9.
2 Australian Institute of Health and Welfare. (n.d.). Summary – Mental health. Australian Government. Retrieved August 24, 2025, from <https://www.aihw.gov.au/mental-health/topic-areas/summary>
3 SuperFriend. (2025, June). Indicators of a thriving workplace survey. SuperFriend.
4 KPMG. Mental health check-up report. KPMG.
5 Australian Institute of Health and Welfare. (n.d.). Psychosocial disability support services. Australian Government. Retrieved August 24, 2025, from <https://www.aihw.gov.au/mental-health/topic-areas/community-based-services/psychosocial-disability-support>