



Safe injecting facilities	
Party:	Australian Greens
<p>Summary of proposal:</p> <p>The proposal would establish 11 supervised injecting facilities across Australia, modelled on the North Richmond Medically Supervised Injecting Room (MSIR).</p> <p>The proposal would be ongoing and start on 1 July 2026.</p>	
<p>Additional specifications (based on further advice provided):</p> <p>The facilities would be in either regional or metro areas in the following locations:</p> <ul style="list-style-type: none">• Western Australia (2)• New South Wales (1)• Victoria (1)• Tasmania (2)• Queensland (2)• South Australia (1)• Australian Capital Territory (1)• Northern Territory (1).	

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$261.2 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in administered and departmental expenses.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

Table 1: Safe injecting facilities – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	-108.5	-75.5	-77.2	-261.2
Underlying cash balance	-	-108.5	-75.5	-77.2	-261.2

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

- Indicates nil.

Uncertainties

The Parliamentary Budget Office (PBO) has made no assessment of potential flow-on effects of the proposal to the broader health systems surrounding the specified locations, including any impacts on ambulance callouts or diversions from other addiction services.

The financial implications of the proposal are sensitive to the availability of suitable locations within each of the specified areas, range of services provided and negotiations with providers.

There is a lack of publicly available financial and staffing information on the North Richmond MSIR. The PBO's estimates of the total operating costs of the North Richmond MSIR are based on the limited amount of information available and are highly uncertain. The PBO has estimated the operating costs of the North Richmond MSIR to be around 30% higher than those of the Sydney Medically Supervised Injection Centre (MSIC), for which estimated costs are published in the NSW Health annual report.

The PBO's higher estimate of costs at the North Richmond MSIR compared to the MSIC is due to the wider range of services offered at the Melbourne facility, including those implemented in response to the independent review chaired by John Ryan in 2023. If the operating costs of the North Richmond MSIR are in fact significantly different to the PBO's estimation, the costs of replicating the facility in other locations would also be different.

Key assumptions

The PBO has made the following assumptions in costing this proposal.

- Suitable locations and providers for all 11 facilities would be identified in time for the policy to commence from 1 July 2026.
- The facilities would be staffed by the following personnel during opening hours:
 - 4 x nurses
 - 4 x social workers
 - 1 x general practitioner
 - 2 x security guards
 - 3 x support workers
 - 2 x receptionists/administrative assistants
 - A full-time director.
- Staff would be paid based on the national median hourly rate for their respective professions, adjusted for the relative average income for health workers in their location.
- Staffing costs would grow in line with average weekly ordinary time earnings.
- Program, insurance, compliance and overhead costs would sum to a similar proportion of staffing costs as for the Sydney MSIC.
- Property related costs would be similar to those for the Sydney MSIC, adjusted by the average property price in each location. Property related costs would grow in line with the Consumer Price Index (CPI).
- Establishment costs equalling 50% of operating costs would be incurred in the first year of operation.

- Ongoing departmental expenses would be incurred to monitor and review the funding provided to the centres.

Methodology

Staffing, program, compliance, overhead and property costs were estimated based on the parameters outlined in *Key Assumptions* and adjusted based on the broad locations of the proposed facilities to yield the total administered costs of the proposal.

Departmental expenses were estimated using the PBO's departmental costs calculator. The estimates are indexed to the Wage Cost Index, adjusted for the public service efficiency dividend.

Financial implications were rounded consistent with the PBO's rounding rules.¹

Data sources

Andrews D (2023) [Strengthening MSIR to Keep Saving Lives](#), accessed 15 May 2025.

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Department of Health Victoria (2019) [‘Medically Supervised Injecting Room Tour’ \[video\]](#), Department of Health Victoria, accessed 15 May 2025.

Flynn J (2019) [North Richmond Community Health AOD Program Independent Review](#), report to the Victorian Government, accessed 15 May 2025.

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Medically Supervised Injecting Room Review Panel (2020) [Review of the Medically Supervised Injecting Room](#), report to the Victoria Government, accessed 15 May 2025.

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Ryan J (2023) [Review of the Medically Supervised Injecting Room 2023 – Final report: Key findings and recommendations](#), report to the Victorian Government, accessed 15 May 2025.

Salmon S, Maher L and Kaldor J (2005) [Sydney medically supervised injecting centre interim report No. 1](#), report to NSW Department of Health, National centre in HIV Epidemiology & Clinical Research, University of New South Wales, accessed 15 May 2025.

Wait P (2008) [Economic evaluation of the medically supervised injection centre at Kings Cross](#), report to NSW Health, SAHA, accessed 15 May 2025.

¹ <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – Safe injecting facilities – Financial implications

Table A1: Safe injecting facilities – Fiscal and underlying cash balances (\$m)^(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
Administered													
<i>Safe injecting facilities</i>	-	-108.0	-75.0	-77.0	-80.0	-83.0	-86.0	-89.0	-92.0	-96.0	-99.0	-260.0	-885.0
Departmental													
<i>Department of Health and Aged Care</i>	-	-0.5	-0.5	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.2	-0.3	-1.2	-2.7
Total – expenses	-	-108.5	-75.5	-77.2	-80.2	-83.2	-86.2	-89.2	-92.2	-96.2	-99.3	-261.2	-887.7
Total (excluding PDI)	-	-108.5	-75.5	-77.2	-80.2	-83.2	-86.2	-89.2	-92.2	-96.2	-99.3	-261.2	-887.7

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: Safe injecting facilities – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	-	-2.4	-6.6	-10.3	-14.2	-18.5	-23.1	-28.1	-33.5	-39.3	-45.6	-19.3	-221.6
Underlying cash balance	-	-1.8	-5.5	-9.3	-13.2	-17.4	-22.0	-26.9	-32.2	-37.9	-44.0	-16.6	-210.2

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary².

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

² [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/)