



# 'OPPORTUNITY LOST'

## Gillard fumbles NDIS opportunity

**MEDIA RELEASE: May 14th, 2012**

When Julia Gillard fronted the EVERY AUSTRALIAN COUNTS RALLY just two weeks ago, as over 15,000 people protested nationally demanding a genuine NDIS commitment, she knew something we did not.

Julia knew her Federal Govt had found in the 2012 Federal budget funding for several new \$5 billion dollars per annum social justice programs.

The PM also knew, as she stood pretending to sympathetically address Australia's disability community she was being less than honest in her words and intent and that she had decided families with school age children and lower incomes where more needy, more desperate and more deserving than the 410,000 people with disability identified by the Productivity Commission as living in total despair. Such a low priority for NDIS is shattering news again for so many.

In today's headline front page story in the Australian,

<http://m.theaustralian.com.au/national-affairs/treasury/future-of-ndis-funds-in-doubt/story-fndbwnla-1226354371347>

a genuine assessment of a great program being marginalised as a victim of short term politics is highlighted.

Funding for NDIS has now degenerated into a slanging match and war of words between all political parties, state and federal, which is very sad considering funding was available pre budget. The chances of resolution appear not good particularly as the Federal Government is avoiding several key Productivity Commission recommendations.

The most professional, polite and comprehensive assessment of the 2012 "NDIS Budget" is below, edited from a National Disability Services (NDS) post budget release.

**Federal Budget launches the first stage of the NDIS (extract from NDS Media**

## **Release 08.05.2012)**

As expected, the National Disability Insurance Scheme was one of the headline items (and one of the few positive stories) in this year's Federal Budget. Despite the tight fiscal environment, the Australian Government has committed \$1.03 b over the next four years to implement the first stage of the NDIS. This will allow 10,000 people to start being assessed for support from 1 July 2013, increasing to 20,000 participants (across four launch sites) from mid-2014.

The Australian Government will fully fund the establishment and administrative costs for the launch sites. To do this it will provide funding of:

- \$240.3 m over four years to build and operate the information technology system required to collect and analyse data;
- \$154.8 m over three years from 2013-14 to employ Local Area Coordinators to provide a more individually-focused approach to delivering assistance;
- \$122.6 m over four years to prepare the disability sector for the NDIS, with a focus on the launch locations;
- \$58.6 m over three years from 2013-14 to conduct assessments in launch sites;
- \$53.0 m over four years to establish the National Disability Transition Agency to coordinate the implementation and manage the delivery of services in the launch sites;
- \$18.3 m over four years to continue the Commonwealth taskforce responsible for providing policy advice to the government on the design, governance and funding of the NDIS;
- \$11.7 m over four years to undertake research into early interventions to improve support for people with disability and to support the implementation of the NDIS, and provide training of Local Area Coordinators; and
- \$5.2 m over three years from 2013-14 to evaluate the outcomes being achieved in launch locations.

On top of this, the Australian Government indicates it will provide \$342.5 m over three years from mid 2013 for the packages to support people with disability. These funds will form part of the negotiations with states and territories. Governments that host the launch sites will be expected to commit a combined total of about \$280 m of new funding over three years. The exact amount will depend upon which states and territories have launch sites. The Australian Government says it will recognise existing funding effort; state and territory governments that currently fund at the national average or above will contribute less than those that fund below this level. The average size of individual support packages - approximately \$35,000 - is in line with the modelling undertaken by the Productivity Commission.

NDS is very pleased with the funding announced to support the implementation of the NDIS but notes that the forward estimates contain no commitment to increase the number of participants beyond 20,000. The new funding lays the foundations of a new national system; but it won't build the new system. Expanding from 20,000 eligible service users to an estimated 410,000 nationally will require significant funding growth in future budgets. The Australian Government is aware of this. It has put significant money on the table to demonstrate that its commitment to the NDIS is in good faith, but is unwilling to commit beyond that until negotiations with States and Territories have progressed further.

The funding commitment to establish the Scheme is significantly less than that recommended by the Productivity Commission (especially in the year before launch) and reflects a decision to build the system gradually in parallel with (rather than in advance of) the launch sites.

NDS is pleased to see the \$122.6 m commitment to help prepare the sector to operate within the Scheme. As discussed at last week's NDS national conference, the challenges ahead for disability service providers are substantial.

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