

Senate Community Affairs Legislation Committee
Public Hearing – 6 August 2024
NDIS Amendment (Getting the NDIS Back on Track No.1) Bill 2024
ANSWER TO QUESTION ON NOTICE
National Disability Insurance Agency

Topic: Budget Savings - Actuarial Underpinnings

Question reference number: NDIA IQ24-000056

Question asked by: Maria Kovacic

Type of Question: Spoken. Hansard Page: 19

Date set by the Committee for the return of answer: 7 August 2024

Question:

Senator KOVACIC: Would you be able to provide on notice the modelling that you've done that does inform it then?

Mr Gifford: Yes, we can. I think that's actually covered in previous questions.

Senator KOVACIC: I'm just trying to get an understanding because the modelling isn't set out. They're saying that you've done the modelling, and you guys are saying that you haven't done the modelling. So I'm just trying to understand who did the modelling. I want to know that.

Ms Falkingham: We've been really clear that that is a conversation with the central agencies. We would all say it's been quite a while since that National Cabinet decision. Since then, we've published the AFSR, which also sets out the pathway to eight per cent. So that's worth looking at. Also, we'll be releasing, later this year, another AFSR. I'm really happy to see what else exists with our central agency colleagues, but I think that they've now built that into the budget papers.

Senator KOVACIC: I can finish off because we're nearly at time. I'm just confirming that modelling in relation to the eight per cent growth target was not done by the NDIA actuary?

Mr Gifford: There's probably a bit of nuance. The initial modelling, we're sort of saying, 'No, that was a matter for central agencies.' Subsequent to that, a range of modelling that we have undertaken within the agency does inform that. As I said, that's what I would say is contained within the budget papers—or at least, at a high level—in the budget papers this year.

Amongst what we've taken on notice today, I would regard that as being the latest modelling that informs the eight per cent.

Senator KOVACIC: If you could clarify that in the information on notice, that would be wonderful.

Mr Gifford: Sure.

Answer:

The table below shows the modelled savings from legislative reforms as a proportion of Scheme costs. These savings underpin the 2024–25 Budget which achieves the National Disability Insurance Scheme Financial Sustainability Framework target of 8% growth from 1 July 2026.

	2024-25	2025-26	2026-27	2027-28
Savings from reform (%)				
<i>Budget model</i>	0.0%	-2.4%	-5.2%	-6.6%
<i>Other, including intraplan inflation measures</i>	-4.1%	-4.6%	-4.9%	-4.9%
Total	-4.1%	-7.1%	-10.1%	-11.5%