

**Senate Community Affairs Committee**  
**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**  
**FAMILIES, HOUSING, COMMUNITY SERVICES AND**  
**INDIGENOUS AFFAIRS PORTFOLIO**  
**2012-13 Budget Estimates Hearings**

**Outcome Number:** 5

**Question No:** 86

**Topic:** National Disability Insurance Scheme

**Hansard Page:** 28/05/2012 - CA67

**Senator Fifield** asked:

Can you provide a copy of the letter sent to states and territories by the minister seeking in principle agreement to trial sites?

**Answer:**

See attached.



**The Hon Jenny Macklin MP**  
**Minister for Families, Community Services and Indigenous Affairs**  
**Minister for Disability Reform**

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MN12-001049

<State/Territory Disability Minister>

Dear Minister

I write in relation to the Australian Government's Budget commitment for the first stage of the National Disability Insurance Scheme (NDIS), and to offer you the opportunity for <jurisdiction> to work with the Commonwealth on a launch of an NDIS in July 2013. This offer comes following the recent correspondence from the Prime Minister and the Commonwealth Treasurer to the <jurisdiction> <Premier/Chief Minister> and Treasurer which set out the details of the Commonwealth's commitment to funding of \$1 billion over four years for the first stage of an NDIS.

The Commonwealth's contribution provides an unparalleled level of support for this landmark reform. It covers the full administrative and start-up costs for the infrastructure of the first stage of an NDIS, including 100 per cent of the costs of the NDIS Launch Transition Agency and critical information communication technology – totalling \$348 million over four years. It also provides for the full cost of improved assessments and the development of localised planning – totalling \$336 million over four years. These are components of an NDIS that all Governments have agreed are fundamental to this reform. In addition, the Commonwealth is offering to fund a significant proportion of the additional costs of reasonable and necessary care and support for up to 20,000 people with significant and permanent disability during the launch of an NDIS – a further \$342.5 million over four years.

While the Commonwealth recognises that all States and Territories will need to maintain existing arrangements during the first stage of an NDIS, we do expect an increased investment to contribute to the additional costs of individual care and support. This is particularly important given that COAG has acknowledged shared responsibility for this reform.

To make these reforms a reality, I would like to work with States and Territories to identify up to four sites for this first stage. This first stage of an NDIS will provide long-awaited care and support to 10,000 individuals with a significant and permanent disability in 2013 and a total of 20,000 participants from 2014 onwards.

Launching the first stage of an NDIS in July 2013 requires an ambitious timetable of work. I hope we can engage in these discussions in good faith and work with States and Territories that would like the opportunity to build the scheme on the ground together with the Commonwealth and are committed to making it happen from July 2013.

The Commonwealth will be looking for quick progress on launch governance and design and the identification of potential launch sites. These next 12 months must be focused on solving issues and building effective service responses for people with disability in these sites. To achieve these goals in the timeframes ahead, negotiations between governments will occur through a range of forums including multilateral and bilateral discussions. In the first instance, I have asked the Commonwealth NDIS Taskforce to initiate bilateral discussions with your officials about the detail of the launch proposal. Officials will also be discussing the potential to second state and territory officers to the NDIS Launch Transition Agency.

In parallel to this work, it is critical that effort is maintained on the policy development for the full NDIS. The Select Council's work on options for funding, governance and eligibility/access issues that was agreed by COAG will continue to be a priority. Much of this work will be an important component of shaping the launch, enabling all States and Territories to remain involved in the policy design.

To give each State and Territory the opportunity to play a part in the first stage of this reform, I am asking that you write back to me before the end of May to indicate your interest in working with the Commonwealth on hosting a launch.

I have written in similar terms to disability ministers in all States and Territories. This letter has been copied to: the Prime Minister, the Hon Julia Gillard MP; the Treasurer and Deputy Prime Minister, the Hon Wayne Swan MP; and the Parliamentary Secretary for Disabilities and Carers, Senator the Hon Jan McLucas.

Yours sincerely

**JENNY MACKLIN MP**