

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014

Question: AET 3020

Topic: National Injury Insurance Scheme

Hansard Page: page 85-86, 26 February 2014

Senator SMITH asked:

3020. **Senator SMITH:** Going to the issue around costs or savings: what are the projected savings to the National Disability Insurance Scheme? Have you done those calculations?

Ms Croke: In February last year I think the estimate was of around \$2 billion when mature, which is around 60 years after commencement. That is \$2 billion in today's dollars that the NDIS would not have to be funding.

Senator SMITH: Over a 60-year—

Mr Ray: At the end of that 60-year period. It takes a long time for this scheme to mature because it only applies to new injuries.

Senator SMITH: From the evidence, am I correct in thinking that it is the medical component of the scheme that requires the most—

Ms Croke: It is probably the general accidents. That would be a quad bike accident on a farm or something of that nature. Coming up with the benchmark for the scope of those general accidents will be quite exhaustive. We will need to think of almost every possible scenario, and that is quite difficult. That is why the work we are doing is a scoping piece of work to the end of this year.

Senator SMITH: Is Insurance Council Australia involved in this process somewhere and somehow?

Ms Croke: I would have to take that on notice but I think I could answer that pretty quickly.

Senator SMITH: I will be interested in those answers.

Answer:

3020. The former National Injury Insurance Scheme (NIIS) Advisory Group consisted of industry stakeholders to assist the government to consider the issues associated with the establishment of a NIIS. The Advisory Group included the General Manager of the Economic and Taxation Directorate of the Insurance Council of Australia.