

ECR-2025-3838

Disability rights and services - NDIS reforms - reverse NDIS budget cuts									
Party:	Australian Greens								

Summary of proposal:

The proposal would reverse National Disability Insurance Scheme (NDIS) budget cuts so that all disabled people who need NDIS support can access it without barriers.

The proposal would start from 1 July 2025 and would be ongoing.

Additional information (based on further advice provided):

The proposal would reverse the changes described as moderating additional growth, (of \$14.4 billion between 2024-25 and 2027-28), in the 2024-25 Budget measure *National Disability Insurance Scheme – getting the NDIS back on track.*¹ Other components of the measure would not be reversed.

## Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$17.6 billion over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in NDIS participant 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: Disability rights and services - NDIS reforms - reverse NDIS budget cuts - Financial implications (\$m)<sup>(a)(b)</sup>

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-3,800.0	-4,000.0	-4,400.0	-5,400.0	-17,600.0
Underlying cash balance	-3,800.0	-4,000.0	-4,400.0	-5,400.0	-17,600.0

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

### **Uncertainties**

The financial implications are uncertain and sensitive to assumptions around the profile of NDIS participant expenses when the 2024-25 Budget measure *National Disability Insurance Scheme – getting the NDIS back on track* is reversed (see *Key assumptions*).

<sup>(</sup>b) PDI impacts are not included in the totals.

<sup>-</sup> Indicates nil.

<sup>&</sup>lt;sup>1</sup> National Disability Insurance Scheme – getting the NDIS back on track, page 172, 2024-25 Budget Paper 2.

## Key assumptions

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

- The full amount of savings, less any savings from retained anti-fraud measures, estimated in the 2024-25 Budget measure *National Disability Insurance Scheme getting the NDIS back on track* for 2025-26 to 2027-28 would be added back to NDIS expenses. Over the medium term, NDIS expenses would grow at the rates projected in the 2022-23 Annual Fiscal Sustainability Report.
- In the baseline, NDIS expenses would grow at a constant rate after 2034-35.

# Methodology

The NDIS expenses profile with the 2024-25 Budget savings reversed was estimated as per Key assumptions. The 2025-26 Pre-election Economic and Fiscal Outlook (PEFO) baseline profile was subtracted from this estimate to yield the impacts of reversing the 2024-25 Budget savings.

Financial implications were rounded consistent with the PBO's rounding rules.<sup>2</sup>

#### Data sources

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025,* Commonwealth of Australia.

The National Disability Insurance Agency and Department of Social Services provided the medium-term profiles of NDIS expenses from the 2022-23 *Annual Fiscal Sustainability Report*, the 2024-25 *Budget* and the 2025-26 *Budget*.

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<sup>&</sup>lt;sup>2</sup> https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules

# Attachment A – Disability rights and services - NDIS reforms - reverse NDIS budget cuts – Financial implications

Table A1: Disability rights and services - NDIS reforms - reverse NDIS budget cuts - 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													
Departmental													
NDIS expenses	-3,800.0	-4,000.0	-4,400.0	-5,400.0	-6,500.0	-7,800.0	-9,400.0	-11,200.0	-13,300.0	-15,800.0	-18,500.0	-17,600.0	-100,100.0
Total (excluding PDI)	-3,800.0	-4,000.0	-4,400.0	-5,400.0	-6,500.0	-7,800.0	-9,400.0	-11,200.0	-13,300.0	-15,800.0	-18,500.0	-17,600.0	-100,100.0

<sup>(</sup>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.

Table A2: Disability rights and services - NDIS reforms - reverse NDIS budget cuts – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>

	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	-80.0	-260.0	-450.0	-690.0	-980.0	-1,350.0	-1,790.0	-2,340.0	-3,000.0	-3,800.0	-4,760.0	-1,480.0	-19,500.0
Underlying cash balance	-60.0	-210.0	-410.0	-630.0	-910.0	-1,260.0	-1,680.0	-2,210.0	-2,840.0	-3,600.0	-4,520.0	-1,310.0	-18,330.0

<sup>(</sup>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 glossary<sup>3</sup>.

Indicates nil.

<sup>(</sup>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.

<sup>-</sup> Indicates nil.

<sup>&</sup>lt;sup>3</sup> Online budget glossary – Parliamentary Budget Office (pbo.gov.au)