

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

4 – 6 June 2013

Question: BET 1402

Topic: National Injury Insurance Scheme

Transferred from FaHCSIA: 1 July 2013

Senator SIEWERT asked:

Noting that the Productivity Commission itself: ‘emphasised that its costing of the National Injury Insurance Scheme at an annual net cost of around \$830 million was an approximate figure in the absence of more detailed evidence,’ who has been engaged to assess the Productivity Commission’s costing of, and also, the viability of the policy of, the National Injury Insurance Scheme, prior to it being part of the contractual agreement between the States and the Commonwealth on the NDIS?

What costing has been provided to the States about the purported cost of the NIIS?

What research or assessments have been conducted to deduce the number of individuals injured that currently do not receive coverage under any compensation scheme or entitled to receive compensation under the common law?

Answer:

Treasury engaged the Australian Government Actuary (AGA) to assess the impact of the National Injury Insurance Scheme (NIIS) on the cost of the National Disability Insurance Scheme (NDIS). This included reviewing the Productivity Commission’s (PC) costings and estimating the annual number of catastrophic injuries.

The AGA’s report was released to the States and Territories through the Heads of Treasuries Deputies (DHoTs) meeting on 22 February 2013. The Heads of Agreement on the NDIS between the Commonwealth and Victoria, South Australia, Tasmania, Queensland, the Australian Capital Territory and the Northern Territory were all signed after this date.

Further, a NIIS Senior Officials Group was established following the release of the PC report, comprised of officials from the Commonwealth, State and Territory Treasuries, to progress consideration of the NIIS in line with the PC’s recommendations. Work progressed by the group is provided to the Standing Council on Federal Financial Relations for consideration.