

**Senate Finance and Public Administration Legislation Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**BUDGET ESTIMATES 2014-15**

Finance Portfolio

**Department/Agency:** Finance

**Outcome/Program:** 1/1.1

**Topic:** Recognition of State payments for the NDIS

**Senator:** Ludwig

**Question reference number:** F229

**Type of question:** Written

**Date set by the committee for the return of answer:** Friday, 11 July 2014

**Number of pages:** 2

**Question:**

- a) Can you explain why the State payments for the NDIS are recognised for the first time in the 2014-15 Budget?
- b) Can you include the year by year breakdown for the forward estimates, include 2017-18?
- c) Were these costs recognised in previous Budget updates? If not, does that mean that previous Budget updates (including the 2013-14 MYEFO) did not fully reflect the NDIS in the estimates?
- d) Are the NDIS State payments included in aggregate payments?
- e) Is the increase in payments included in the statement on page 3-12 of Budget Paper No.1: The real growth in payments inherited in 2017-18 was 5.9 per cent. Without action, the growth in payments in 2017-18 would have been \$38.0 billion, payments-to-GDP in 2017-18 would have been 25.9 per cent of GDP, and would have resulted in a deficit of \$28.4 billion.

**Answer:**

- (a) State and Territory payments for the National Disability Insurance Scheme (NDIS) are made directly to the National Disability Insurance Agency . These payments were recognised when the NDIA published it's financial statements as a stand alone agency for the first time in the 2014-15 Budget.
- (b) The estimated year-by-year State contributions as at the 2014-15 Budget are:

	2013-14	2014-15	2015-16	2016-17	2017-18
<i>State Contributions (\$m)</i>	87	265	491	2,088	5,938

- (c) Refer to response (a). Previous Budget updates reflected the Commonwealth contribution to the NDIS only.

- (d) Yes, NDIS payments made on behalf of the States and Territories are included in aggregate payments in the 2014-15 Budget. The increase in payments is directly offset by an increase in non-tax receipts reflecting State and Territory contributions to the Scheme.
  
- (e) The real growth in payments in 2017-18, which is referred to on page 3-12 of Budget Paper 1, was calculated by the Department of the Treasury (Treasury). Treasury has advised that payments made on behalf of the States and Territories for NDIS (and associated expenditure) were not included in the calculation of the 5.9 per cent real payments growth.