# Australian Government Plans Overhaul of NDIS to Achieve Billions in Savings



The 2024 Australian federal budget has outlined an overhaul of the National Disability Insurance Scheme (NDIS), projecting $14.4 billion in savings over four years. This move is part of the Albanese government’s broader plan to recover $27.9 billion through various savings measures, aiming for "responsible economic management." The budget indicates that these reforms are designed to make the NDIS financially more sustainable, as costs are expected to surge from $44.3 billion in 2024 to over $90 billion by the decade's end.

The planned savings from the NDIS will mainly stem from a recently introduced bill which intends to modify how funding plans for NDIS recipients are approved and the types of supports that can be financed. Additionally, the legislation aims to tackle "plan inflation" by refining the eligibility pathways and controlling the funding of certain supports.

Finance Minister Katy Gallagher emphasized managing this plan inflation as central to bringing the NDIS back on track, with the scheme’s actuary confirming the government’s savings projections. NDIS Minister Bill Shorten reiterated the government's commitment to keeping people with disabilities at the core of the scheme.

Beyond the NDIS, the government plans to generate further savings through heightened tax compliance efforts targeting the shadow economy and multinational tax avoidance, expected to net an additional $3.1 billion.

The overhaul also includes funding boosts for the NDIS Quality and Safeguards Commission to enhance IT systems and decrease regulatory burdens, totaling $160.7 million. Moreover, close to $130 million has been allocated for the next two years to develop and implement recommendations from the recent NDIS review. This review suggests transitioning individuals with less severe disabilities to foundational supports managed by state and territory services to further curb costs.