

# No bailout for NDIS blowouts, Weatherill warned by Libs

EXCLUSIVE

RICK MORTON  
SOCIAL AFFAIRS WRITER

The commonwealth will not honour an agreement to fund cost blowouts in the South Australian trial of the National Disability Insurance Scheme because it was misled by the state, which it accuses of trying to "fudge its responsibilities".

But the stalemate over the bungled trial of the \$22 billion scheme continues with the state government accusing the Abbott government of "playing politics".

Assistant Social Services Minister Mitch Fifield said the Weatherill government was not "behaving responsibly" after *The Australian* revealed yesterday it had convinced the former Gillard government to accept vastly lower participant numbers for the NDIS trial. The state said 5085 places were needed, despite previously concealed actuary analysis from the then government estimating 11,000 children would be eligible for the trial.

Eager for a deal, the two governments agreed, but the false projections are causing havoc as the trial is delayed by a year and is seriously underfunded. The delays are likely to hobble plans for

## Tight rein sees pension approval rate tumble

Approval rates for people attempting to access the \$17 billion Disability Support Pension have dropped to their lowest levels in more than a decade on the back of reforms initiated by the former Labor government and strengthened by the Coalition.

Last financial year there were 41,832 pensions granted, compared with a peak of 91,131 in 2009-10 under Labor before then minister Jenny Macklin began tightening eligibility criteria in 2011 and 2012. "Under the Labor government the grant rate for the payments spiked to 64.5 per cent in 2008-09, on average more than 7000 a month," Social Services Minister Scott Morrison said yesterday. "Under the Coalition

the full rollout from next July. "South Australia has not been fulfilling its funding responsibilities for disability for years, which is why the NDIS is required in the first place," Mr Fifield said.

"Now South Australia wants to fudge its own responsibilities in

government the approval rate in 2014-15 has dropped to 36.9 per cent, which is on average less than 4000 a month."

There are 814,391 Australians on the Disability Support Pension. Between December 2011 and June 2013 numbers fell by 1.2 per cent to 821,738. Welfare groups said the measures were too harsh and would result in people unable to work living on the dole, a lower payment.

Ms Macklin, now opposition spokeswoman for disability reform, said the government was trying to "demonise" people and was taking credit for her changes. "When in government Labor made sensible reforms backed by solid evidence to help people with disability find work and get off welfare," she said.

On 2GB radio yesterday Mr Morrison invoked the spectre of the Greek economy. "Well, you

transition to the NDIS, the most basic of which was to provide accurate information on participant numbers for the trial. The commonwealth will cover natural cost overruns, but where a state makes massive, fundamental and avoidable errors in areas within their

know you can live beyond your means for a generation and the next generation pays for it and that is what is happening in Greece as we speak," he said.

"If you have a fair-dinkum disability and you go to a government doctor, then that is what the support pension is there for, but the other thing is this ... the DSP can sometimes resign people to effectively opting out of participating in our economy and I believe people with disabilities want to participate, can participate, do participate.

"The NDIS, the National Disability Insurance Scheme, that will have a role to play in all of those things. It is an incredibly expensive scheme but a very necessary one and we have to make reforms to the welfare system because that is going to cost us, the NDIS, when it fully comes in, an extra more than \$5bn a year."

RICK MORTON

control then they have to come to the party.

"The commonwealth is already putting the lion's share of new money into the NDIS. South Australia needs to start co-operating, accept its responsibilities and step up."

The state's Disabilities Minister Tony Piccolo said his government continued to fund children who should have moved to the NDIS, but funding was under the old, piecemeal system.

He said the Abbott government had not committed enough money for the trial for the agreed numbers, even before the cost blowout. "The federal government needs to stop playing politics with the lives of some of our most vulnerable people and simply fund the scheme, as the agreement clearly states," he said.

Disability Speaks chairman David Holst said while the stand-off continued, children were missing out.

"You know this is a massive, all-consuming, labour-intensive problem that is just going from bad to worse," he told Radio 5AA in Adelaide yesterday. "Playing politics with seven, eight, 10-year-old kids with a disability and their families and then putting on hold the rest of the programs that should be being rolled out for other people ... with older children who are in crisis and need desperate help. It is a fixable problem."

Mr Fifield said those not accessing services now would be "fast-tracked" on to the NDIS, but the state government would be forced to continue funding disability services outside the NDIS.