

Australian Labor government prepares to cut disability services

Max Boddy
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Statements by the recently-installed Labor government's minister for the National Disability Insurance Scheme (NDIS), Bill Shorten, make it plain that plans are being drawn up to reduce spending on the scheme.

The NDIS funds support services for more than 500,000 people with a disability in Australia, but there have been mounting cases of people being denied, or being cut off, support funding packages. Throughout the campaign for the May 21 federal election, Labor claimed it would address the crisis and the widespread hardship and anguish it is causing to disabled people and their carers.

Speaking to Australian Broadcasting Corporation's (ABC) "Insiders" program on June 12 however, Shorten said: "[T]his scheme can't subsidise everyone in Australia. It's aimed for the most profoundly impaired and severely disabled." He added: "The problem for the NDIS, in a nutshell ... is that this scheme is the only lifeboat in the ocean for Australians who live with disability."

Shorten's remarks refer to the thousands of people trying to access or stay on the NDIS as a desperate lifeline. That is because decades of under-funding and defunding of the mental health, public hospital and school systems, by both Labor and Liberal-National Coalition governments, have left millions without proper care.

As Shorten admitted on "Insiders," "people [are] doing whatever they can to get into the scheme... it's a wasteland outside of it."

The NDIS was legislated by the previous Labor government in 2012. It was based on the doctrine of removing governmental responsibilities for the care of people with a disability by outsourcing services and creating a profit-driven "disability market."

Part of its cost-cutting design was the dismantling of large residential facilities, which caused multiple deaths and the loss of a workforce that had decades of experience and knowledge.

What has been revealed in the near decade since the NDIS commenced is that there is a far greater level of need than officially predicted.

The Productivity Commission, the pro-market think tank that drafted the scheme, estimated that the NDIS would cost \$22 billion a year, but it is now costing \$30 billion. There are frenzied warnings in the corporate media that this cost could double in a decade, with actuaries at Taylor Fry estimating the scheme might cost \$74.2 billion by 2029-30.

This is the primary concern of the Labor government, as it was with the defeated Coalition government. These costs must be slashed as rapidly as politically possible, regardless of Labor's election vows to improve the NDIS.

In reality, the inherent design of the NDIS was to limit the number of people able to access it. This is what is behind Shorten's emphasis that the scheme is not for everyone.

Some 4.4 million Australians have a disability. To limit this number, the NDIS was confined to only those under 65 and placed caps on the numbers of support plans. Other people with disabilities were to be pushed into so-called Tier 2 services, particularly those with psychosocial disabilities and supposedly low-level support needs.

As a smokescreen for cutting services, Shorten said the government would "crack down" on crime syndicates that are alleged defrauding the scheme by as much as 5 percent or \$1.5 billion per year. This supposedly includes false bookings, inflated invoices and accessing funds through stolen information.

Zero evidence has been presented for this claim, with the Australian Crime and Intelligence Commission refusing to speak publicly on it.

Shorten also flagged cutting the \$40 million spent annually on lawyers to fight the many families who are appealing against the rejection of their NDIS package plans. Without revealing any details, he indicated that tribunal reviews would be replaced with some form of mediation process.

The other chief goal of the NDIS was the creation of a profitable disability market. On “Insiders,” Shorten lauded this achievement, saying there had been an “explosion in the market for disability services.”

Shorten brushed aside complaints about the quality of the services delivered by these providers, 90 percent of which are not registered with the Quality and Safety Commission that is meant to have regulatory oversight.

Moreover, he backed the transformation of the providers into gig economy-type services, in which workers are super-exploited, the work is insecure, with no leave entitlement or guarantees. Shorten stated bluntly: “We’re not going to put away the gig economy.”

The reality of the NDIS for families and people with a disability has been revealed in the experiences of the past ten years. There are numerous reports of people dying while waiting to be put on the scheme, and others while waiting for life-saving services under the scheme.

The process of getting support is widely known to be a bureaucratic nightmare. Shorten’s pitch is to rebuild “trust” in the scheme. Such trust is to be used as the battering ram to cut services, job conditions and provisions for people with a disability.

Shorten reiterated Labor’s pro-business focus on primarily using the scheme to get disabled people into the workforce, saying that every dollar spent on the NDIS, “generates \$2.25 in economic outcome.”

Prime Minister Anthony Albanese clearly appointed Shorten, his predecessor as Labor leader, as NDIS minister because of the centrality of the task of slashing the NDIS and other social spending. This is a key part of the government’s mission to make the working class pay for the huge budget deficits and government debt—exceeding \$1 trillion—incurred by bailing out the banks and big business in the first two years of the COVID-19 pandemic.

Last weekend, Treasurer Jim Chalmers specifically

targeted the NDIS. He gave an “exclusive” interview to the *Australian Financial Review*, in which he vowed to cut government spending even more than he initially flagged straight after the election, and to stifle workers’ demands for wages to match inflation.

Chalmers said a key element of the government’s budget “challenge” was funding “the desirable and unavoidable”—aged care, the NDIS, defence, health and debt servicing. “There’s not a bottomless pit of Commonwealth cash to solve everything,” he said.

The treasurer echoed last week’s declaration by Treasury secretary Steven Kennedy that “commitments to structural spending in areas including disability support and aged care” were “putting sustained pressure on the budget.”

Many NDIS participants have complex needs, including assistance with daily living, respite care, travel assistance, equipment such as walkers, home modifications, and specialist disability accommodation.

Free and guaranteed access to high-quality healthcare for all, including disability services, is a basic social right. The provision of care for those with a disability cannot be left in the hands of the financial elite and their political representatives, whether Labor or Coalition. It requires a fight against the capitalist profit system itself.



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