

**2013-2014-2015-2016**

**THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA**

**HOUSE OF REPRESENTATIVES**

**NATIONAL DISABILITY INSURANCE SCHEME SAVINGS FUND  
SPECIAL ACCOUNT BILL 2016**

**EXPLANATORY MEMORANDUM**

**(Circulated by the authority of the  
Minister for Social Services, the Hon Christian Porter MP)**



## **NATIONAL DISABILITY INSURANCE SCHEME SAVINGS FUND SPECIAL ACCOUNT BILL 2016**

### **OUTLINE**

This Bill will establish a new ongoing special account, known as the National Disability Insurance Scheme Savings Fund Special Account, to help the Commonwealth meet its funding obligations relating to the *National Disability Insurance Scheme Act 2013*.

The Bill will provide for the Minister for Social Services to determine amounts to be credited to the special account. The special account will be subject to a review before 1 July 2027.

Credits to the special account will be announced and committed for a period of 10 years, with estimated savings calculated consistently with the Budget Process Operational Rules. The credits may result from:

- underspends and net savings from the NDIS and other portfolio savings, as determined by the Minister for Social Services;
- discretionary decisions by the Prime Minister or the Cabinet (for example, to establish a starting balance at the special account's commencement); and
- decisions by the Prime Minister or the Cabinet about identified savings from other Commonwealth portfolios.

Credits to and debits from the special account will be subject to the provisions of this Bill. The Minister for Social Services will be solely responsible for the day-to-day policy and management of the special account.

Where the Minister is advised that there is a funding shortfall for the NDIS that cannot be met from existing funding on disability services or the DisabilityCare Australia Fund, the Minister may decide to debit the special account to meet the remaining NDIS obligation.

From 2019-20 onwards, in any given financial year, the closing balance of the special account should not exceed the estimated funding shortfall. Any balance of the special account in excess of the funding shortfall will be returned to the Consolidated Revenue Fund.

### **Financial impact statement**

The Bill will have nil or negligible financial impact over the forward estimates. The special account would not increase the Commonwealth's gross debt and would not have a negative impact on the Budget bottom line as the special account sits within the Consolidated Revenue Fund and there are no associated Public Debt Interest or management costs.

### **STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS**

The statement of compatibility with human rights appears at the end of this explanatory memorandum.



## NATIONAL DISABILITY INSURANCE SCHEME SAVINGS FUND SPECIAL ACCOUNT BILL 2016

### NOTES ON CLAUSES

**Clause 1** sets out how the new Act is to be cited – that is, as the *National Disability Insurance Scheme Savings Fund Special Account Act 2016*.

**Clause 2** provides a table setting out the commencement dates of the whole of the new Act, being the day the Act receives Royal Assent.

**Clause 3** provides definitions for the two terms used throughout the new Act, ***National Disability Insurance Scheme Launch Transition Agency*** and ***National Disability Insurance Scheme Savings Fund Special Account***.

**Clause 4** sets out the main object of the new Act, which is to assist the Commonwealth to meet its funding obligations related to the *National Disability Insurance Scheme Act 2013*.

**Clause 5** establishes the National Disability Insurance Scheme Savings Fund Special Account, and clarifies that it is a special account for the purposes of the *Public Governance, Performance and Accountability Act 2013*.

**Clause 6** sets out the purposes of the National Disability Insurance Scheme Savings Fund Special Account, which include meeting the Commonwealth's funding obligations related to the National Disability Insurance Scheme.

**Clause 7** describes the circumstances in which funds will be credited to the account, which will be determined by the Minister in writing. The Minister may make a determination for the credit to the special account of a specified amount on a specified day, or for a specified amount to be credited in specified instalments on specified days. Subclause 7(2) assists readers by pointing out that the Minister's determination is not a legislative instrument (within the meaning of section 8 of the *Legislation Act 2003*).

**Clause 8** enables the Minister to delegate powers under the Act to certain officials in the Department, being the Secretary, or an SES employee or acting SES employee (within the meaning of section 2B of the *Acts Interpretation Act 1901*). Subclause 8(2) requires a delegate to comply with any directions issued by the Minister.

**Clause 9** requires the Minister to cause the operation of the Act to be reviewed in the financial year ending on 30 June 2027.

## **STATEMENT OF COMPATIBILITY WITH HUMAN RIGHTS**

*Prepared in accordance with Part 3 of the  
Human Rights (Parliamentary Scrutiny) Act 2011*

### **NATIONAL DISABILITY INSURANCE SCHEME SAVINGS FUND SPECIAL ACCOUNT BILL 2016**

This Bill is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

#### ***Overview of the Bill***

This Bill establishes a new ongoing special account, known as the National Disability Insurance Scheme Savings Fund Special Account to assist the Commonwealth to meet its funding obligations in relation to the *National Disability Insurance Scheme Act 2013*.

Credits to the special account can be made from various Commonwealth sources, whereas debits will only be made from the special account for the specific purpose of funding any Commonwealth shortfalls related to the National Disability Insurance Scheme. The special account will be subject to review before 1 July 2027.

#### ***Human rights implications***

The proposed Bill does not engage any of the applicable rights or freedoms outlined in the *Human Rights (Parliamentary Scrutiny) Act 2011*, such as encompassed in the International Covenant on Civil and Political Rights or the Convention on the Rights of Persons with Disabilities.

The proposed Bill does not limit any human rights, nor propose any offences or penalties.

#### ***Conclusion***

This Bill, as outlined above, does not have any human rights implications and is therefore compatible with the human rights and freedoms recognised or declared in the international instruments listed in subsection 3(1) of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

**[Circulated by the authority of the Minister for Social Services,  
the Hon Christian Porter MP]**