

# Australian Labor government partners with Coalition to slash disability services

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The federal Labor government last week joined hands with the right-wing opposition parties, including the Liberal-National Coalition, to guillotine debate and ram through legislation explicitly designed to cut projected spending on the National Disability Insurance Scheme (NDIS) by \$60 billion over the next decade.

This will have a devastating impact on tens of thousands of people with disabilities, particularly children. They now face being removed from the scheme altogether or having their support programs cut. Many will be shunted onto non-existent or poorly-funded “foundation supports” that are supposed to be provided by state and territory governments.

This regressive legislation is another display of Labor’s intent to slash public health, education and other essential social spending to satisfy the dictates of the corporate ruling class. At the same time, the government is handing out over \$200 billion in income tax cuts to wealthy households over the same decade, on top of the hundreds of billions to be spent on the AUKUS alliance and other military preparations for a US-led war against China.

After striking backroom cost-cutting deals with state and territory governments—all Labor except one—the federal government pushed the misleadingly named “Getting the NDIS Back on Track No. 1” bill through the Senate or upper house and sent it back to the House of Representatives for agreement in just one day last Thursday.

The government ignored outrage from disability organisations and activists who had flown across the country to Canberra to demand that the bill not be passed. Likewise, it dismissed hundreds of opposed submissions to token parliamentary committee inquiries into the bill in recent months.

Alongside Labor and the Coalition, the bill was backed by the far-right One Nation, whose leader Senator Pauline Hanson has a long record of witch-hunting and

demonising welfare recipients. NDIS Minister Bill Shorten held a joint media event with Hanson in July to launch an aggressive campaign to push through deep cuts to the scheme.

Up until the last minute, groups such as Every Australian Counts and People with Disability Australia, and the government’s own NDIS consultation collective, the Disability Representative Organisations, urged the government to pause or reject the bill for fear of causing harm to NDIS participants.

To no avail, they called instead for more support for service providers, who have already been starved of adequate funding for years, including via a five-year freeze on indexation for costs, regardless of high inflation.

People with Disability Australia president Marayke Jonkers said the changes would severely restrict access to the NDIS, as well as the support services people needed. “We are deeply disappointed with the outcome,” she said in a press release. “These reforms will make it harder for people with disability to participate in our schools, workplaces, and communities... Our community is deeply worried about what their future looks like.”

Advocacy for Inclusion acting CEO Craig Wallace said in a media statement that the proposed list of approved NDIS supports had “sweeping and troubling exclusions of health, support and mental health services.” These included “generators and batteries people use to charge their wheelchairs or keep ventilators going, and general appliances like smart whitegoods.”

At present, the NDIS covers 661,000 participants, but this is only a fraction of the estimated 5.5 million people in Australia with a disability. The government’s declared aim is to reduce that number substantially, first of all by cutting off 60,000 children with autism or developmental delays.

These children and their parents will be told to rely on “foundational supports,” supposedly to be primarily

supplied by already under-staffed and poorly-resourced public schools and pre-schools, inflicting even greater workload burdens on teachers and education staff.

As intended when the Gillard and Rudd Labor governments created the NDIS in 2013, the state governments scrapped most of their disability services. That effectively privatised the sector, requiring NDIS participants to buy services on a market mostly dominated by profiteering companies.

Its introduction also accelerated the disintegration of special needs programs at schools. Carers and advocacy programs were eviscerated and the remaining residential facilities, supporting individuals with complex needs, were shut down. Several deaths resulted as a consequence.

Last December, the “National Cabinet” of federal, state and territory leaders agreed to share the costs of “foundational supports” equally between the federal government and the states and territories.

In January the federal Labor government committed just \$11.6 million over two years to support the development and implementation of such services. That is a pittance compared to what is needed to fund adequate support programs.

Worse is to come. Shorten said passing the legislation was just the starting point. It was “the construction of the scaffolding” for new assessment “tools” and lists of what participants could not spend money on.

Despite Shorten promising consultation, the government has essentially ignored or rejected the requests made by disability groups in drafting the bill. It has made clear that the cuts will begin rapidly, designed to “save” \$14.4 billion over the next four years alone. In the meantime, it has kept about 50,000 current NDIS participants on hold waiting for plan or budget reviews—the longest-ever queue.

The other main features of the bill include:

- Using “assessors” to deny access to many adult applicants, overturning the current system of determining eligibility by medical diagnoses.

- Stopping automatic top-ups of participant plans that run out of funding for care.

- Boosting the powers of the National Disability Insurance Agency (NDIA) to declare what is an appropriate “NDIS support.”

- Strengthening the powers of the NDIA to issue debt notices, like in the notorious “robo-debt” scheme used to hound welfare recipients, against participants who allegedly spend money on services that do not qualify.

- Giving the NDIA chief executive greater powers to enforce funding constraints and take over the management of a participant’s plan where an official deems they are “overspending.”

The disability sector is already in crisis. A sector-wide survey last month revealed that nearly three-quarters of care providers were considering shutting their doors, describing recent government service price increases as “insufficient” to keep up with costs after five years of zero indexation.

As the Socialist Equality Party warned from the outset in 2013, Labor’s disability “market” has produced a predictable disaster by privatising services, leading to sub-standard programs and profit-making at the expense of clients. Now the Labor government is seeking to exploit this failure to further dismantle services.

For all people, including those with disabilities, high quality and freely accessible care and services is a basic social right, along with the right to public education and healthcare.

As far as the financial elite is concerned, however, Labor’s regressive NDIS legislation is welcome but not enough. An editorial in the *Australian* declared, “the main challenge is still to come. That is, making hard decisions to achieve the necessary savings by reforming the NDIS, what it offers and to whom.”

Moreover, the NDIS cuts are regarded as the spearhead of a wider assault on social spending, deepening cuts to public health, education and housing already begun in Labor’s first three budgets since scraping into office in 2022.

On this front, as on every other, the Labor government is intensifying the program of war and austerity, and increasingly relying on the Coalition for support.



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