

Bilateral Agreement between the Commonwealth of Australia and the State of New South Wales on the National Disability Insurance Scheme

Schedule A. Financial Contributions

Commitment to sustainable growth

1. Consistent with the commitment set out in the Heads of Agreement on the National Health Reform Agreement, National Disability Insurance Scheme reforms, and Foundational Supports (the Heads of Agreement), the Commonwealth and NSW commit to working together to address the growing pressures on the NDIS, to ensure the Scheme can be delivered sustainably into the future.

New South Wales' financial contributions

2. NSW will contribute \$4,120.3 million in 2025-26.
3. The \$4,120.3 million includes \$92.8 million, escalated by 3.5 per cent per annum, as a result of the National Disability Specific Purpose Payment having fully transitioned to the NDIS.
4. The remaining contribution of \$4,027.5 million in 2025-26 will be escalated at a fixed rate of 4.0 per cent per annum until (and including) 2027-28.
5. Table 1 outlines NSW's financial contribution each year from 2018-19 to 2027-28 (inclusive).

TABLE 1: NSW CONTRIBUTIONS

Year	Total (millions)
2018-19	\$3,206.0
2019-20	\$3,333.8
2020-21	\$3,466.8
2021-22	\$3,605.1
2022-23	\$3,748.9
2023-24	\$3,810.3
2024-25	\$3,962.3
2025-26	\$4,120.3
2026-27	\$4,284.6
2027-28	\$4,455.6

6. From 2028-29, NSW's NDIS contribution will escalate each year thereafter at the lower of:
 - a. the annual actual Scheme growth rate as reported in the NDIA Annual Report; or
 - b. 8.0 per cent.
7. In the 2030-31 financial year, First Ministers will review and determine any change to the escalation rate for state and territory contributions to apply from 1 July 2031. Should First Ministers not agree to a revised enduring escalation rate, NSW's contribution will, unless otherwise agreed, continue as provided in clause 6 of this Schedule.
8. Actual Scheme cost growth is defined as the national increase in total NDIS participant support expenses and will be calculated annually by the NDIA as published in the NDIA Annual Report.
9. Beginning in 2028-29, NSW's annual NDIS contribution will be calculated by applying an escalation rate to NSW's funding contribution in the previous year. This escalation rate will be equal to the projected Scheme growth rate for the current financial year, capped at 8 per cent, as set out in the Annual Financial Sustainability Report (AFSR) released prior to the commencement of the financial year. The AFSR is published by the NDIA, as required under section 180B of the NDIS Act, using data to 30 June each year.
10. In the subsequent financial year, the actual annual Scheme growth rate will be reported in the NDIA's Annual Report.
11. The NDIA will reconcile the annual actual Scheme growth rate adjusted amount, capped at 8 per cent, against payments previously made and provide the reconciliation statement to NSW within twenty-eight (28) days of the release of the relevant NDIA Annual Report. The adjustment amount from the reconciliation statement will be reflected in the Quarter 3 invoice.
12. In the event of a dispute regarding the adjustment amount, NSW must provide a written response to the NDIA within fourteen (14) days of receiving the reconciliation statement. The NDIA will refer the matter to the Department of Health, Disability and Ageing for resolution. NSW must continue to pay all invoices in full while any dispute is being resolved.
13. NSW's contribution will pay for participant supports, including:
 - a. individualised support packages for scheme participants; and
 - b. Information, Linkages and Capacity Building and other general supports as described by section 13(2) of the NDIS Act.
14. NSW's cash contributions will be made in advance, on the first working day of each quarter following receipt of an invoice from the NDIA.
15. NSW's cash contributions will be adjusted to take into account end of transition arrangements and in-kind funding contributions, as outlined in Schedule B.

Commonwealth contributions

16. The Commonwealth will continue to project the future cost of the NDIS, informed by each independent review of NDIS costs commencing from 2028.
17. The Commonwealth will be responsible for the balance of all NDIS costs, taking into account the financial contributions from NSW, and will fully provision for all Commonwealth financial contributions.
18. The Commonwealth's cash contributions will be made in advance, within the first two working days of each quarter, following receipt of an invoice from the NDIA.

Reallocation of New South Wales' contributions

19. A net neutral reallocation of all state and territory contributions will occur from 1 July 2028 and every five years thereafter, in line with each state's and territory's share of the total national population as per the most recent Census data at the time. This Schedule will be amended in 2028 and every five years thereafter to reflect the reallocation.
20. State population shares will be taken from the Australian Bureau of Statistics measure *3101.0 – Australian Demographic Statistics*.
21. State population shares will be taken from the December data from the year that each Census was undertaken (i.e. the first data used will be December 2026 Census data).
22. When a reallocation occurs, the total quantum of baseline state and territory financial contributions to the NDIS in a financial year will be considered as a single figure. This figure will then be divided based upon the updated share of national population residing in each state and territory.
23. This reallocation will result in increased contributions from states and territories whose share of the national population has grown, and reduced contributions from states and territories whose share of the national population has fallen, at the time of reallocation.

The National Injury Insurance Scheme (NIIS)

24. NSW arrangements for motor vehicles and work cover insurance as at January 2018 will be considered to satisfy any minimum standards that will be required for all states and territories participating in the NDIS, unless the minimum standards are amended by agreement through the Standing Council on Federal Financial Relations.
25. NSW will make additional contributions to the NDIS if the NDIS incurs additional costs because changes are made to NSW motor vehicle or workplace insurance schemes after January 2018 that reduce benefits or eligibility for NSW citizens below nationally agreed minimum benchmarks.

26. The amount of any additional contributions from the NSW Government under Clause 24 will be the cost of the NDIS plan, and administration of that plan, provided to a person in the NDIS.
27. NSW and the Commonwealth will continue to assess the feasibility of a NIIS for catastrophic general accidents in good faith, through the Standing Council on Federal Financial Relations.
28. The Commonwealth and NSW may continue negotiations, through the Standing Council on Federal Financial Relations, on coverage for no fault catastrophic medical treatment accidents, following a decision by First Ministers Council in 2017 to not proceed with the medical injury stream of the NIIS at this time.

The Parties have confirmed their commitment to this Agreement as follows:

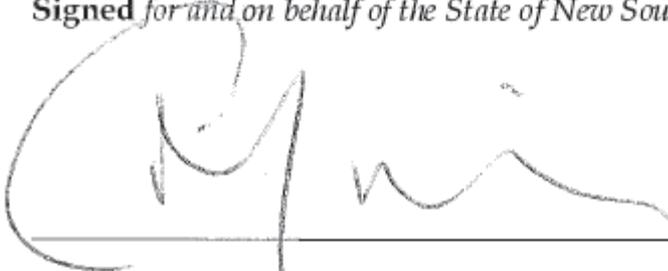
Signed *for and on behalf of the Commonwealth of Australia by*

A handwritten signature in blue ink, appearing to read 'Anthony Albanese', written in a cursive style.

The Honourable Anthony Albanese MP
Prime Minister of the Commonwealth of Australia

27 February 2026

Signed *for and on behalf of the State of New South Wales by*

A handwritten signature in black ink, appearing to read 'Chris Minns', written in a cursive style.

The Honourable Chris Minns MP
Premier of the State of New South Wales

January 2026