

Bilateral Agreement between the Commonwealth of Australia and the Northern Territory 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 Northern Territory commit to working together to address the growing pressures on the NDIS, to ensure the Scheme can be delivered sustainably into the future.

Northern Territory financial contributions

2. The Northern Territory will contribute \$128.7 million in 2025-26.
3. The \$128.7 million includes a \$4.6 million Budget Neutral Adjustment as a result of changes to Commonwealth and State roles and responsibilities under Schedule F of the 2011 National Health Reform Agreement. The Budget Neutral Adjustment will be escalated at 3.5 per cent per annum.
4. The remaining contribution of \$124 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 the Northern Territory's financial contribution each year from 2019-20 to 2027-28 (inclusive).

TABLE 1: THE NORTHERN TERRITORY CONTRIBUTIONS

Year	Total (millions)
2019-20	\$103.6
2020-21	\$107.7
2021-22	\$112.0
2022-23	\$116.5
2023-24	\$119.0
2024-25	\$123.8
2025-26	\$128.7
2026-27	\$133.8
2027-28	\$139.1

6. From 2028-29, the Northern Territory'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, Northern Territory'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, the Northern Territory's annual NDIS contribution will be calculated by applying an escalation rate to Northern Territory'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 the Northern Territory 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, the Northern Territory 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. The Northern Territory must continue to pay all invoices in full while any dispute is being resolved.
13. The Northern Territory'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. The Northern Territory'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.
15. The Northern Territory'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 the Northern Territory, 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 the Northern Territory's 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. The minimum benchmarks are outlined in the COAG Decision Regulation Impact Statements – Standing Council on Federal Financial Relations for motor vehicle or workplace accidents.
25. The Northern Territory will make additional contributions to the NDIS if the Northern Territory's motor vehicle or workplace insurance schemes are below nationally agreed minimum benchmarks, or any revised minimum benchmarks subsequently amended by the Standing Council on Federal Financial Relations. The Commonwealth will agree with states and territories a process to verify that minimum benchmarks continue to be met.

26. The amount of any additional contributions from the Northern Territory under Clause 24 will be the cost of the NDIS plan, and agreed administration costs, provided to a person in the NDIS.
27. The Commonwealth and the Northern Territory 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 the Northern Territory 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:

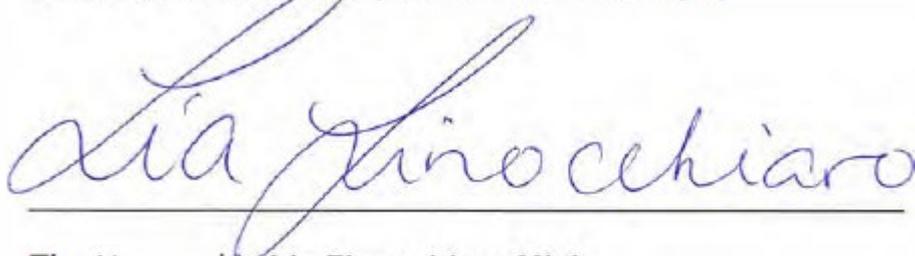
Signed for and on behalf of the Commonwealth of Australia by



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

27 February 2026

Signed for and on behalf of the Northern Territory by



The Honourable Lia Finocchiaro MLA
Chief Minister of the Northern Territory of Australia

2 Feb 26
January 2026