

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

Western Australia financial contributions

2. Western Australia will contribute \$1,415 million in 2025-26.
3. The \$1,415 million includes a \$40.8 million Budget Neutral Adjustment as a result of changes to Commonwealth and State roles and responsibilities under Schedule F of the National Health Reform Agreement – Addendum 2020-25.
4. The Budget Neutral Adjustment will be escalated at 3.5 per cent per annum.
5. The remaining NDIS contribution of \$1,374.2 million in 2025-26 will be escalated at a fixed rate of 4.0 per cent per annum until (and including) 2027-28.
6. Table 1 (below) shows Western Australia’s financial contribution for each year from 2023-24 to 2027-28 (inclusive).

TABLE 1: WESTERN AUSTRALIA CONTRIBUTIONS

Year	Budget Neutral Adjustment (millions)	NDIS contribution (millions)	Total (millions)
2023-24	\$38.1	\$1,270.5	\$1,308.6
2024-25	\$39.4	\$1,321.4	\$1,360.8
2025-26	\$40.8	\$1,374.2	\$1,415.0
2026-27	\$42.2	\$1,429.2	\$1,471.4
2027-28	\$43.7	\$1,486.3	\$1,530.1

7. From 2028-29, Western Australia’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.

8. 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, Western Australia's contribution will, unless otherwise agreed, continue as provided in clause 7 of this Schedule.
9. 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.
10. Beginning in 2028-29, Western Australia's annual NDIS contribution will be calculated by applying an escalation rate to Western Australia'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.
11. In the subsequent financial year, the actual annual Scheme growth rate will be reported in the NDIA's Annual Report.
12. 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 Western Australia 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.
13. In the event of a dispute regarding the adjustment amount, Western Australia 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. Western Australia must continue to pay all invoices in full while any dispute is being resolved.
14. Western Australia's contribution will be spent on individualised support packages for Western Australian Scheme participants.
15. Western Australia'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.
16. Western Australia's cash contributions will be adjusted to take into account any in-kind funding contributions or other adjustments, as outlined in Schedule B.

Commonwealth contributions

17. The Commonwealth will continue to project the future cost of the NDIS, informed by each independent review of NDIS costs commencing from 2028.

18. The Commonwealth will be responsible for the balance of all NDIS costs, taking into account the financial contributions from Western Australia, and will fully provision for all Commonwealth financial contributions.
19. The Commonwealth's cash contributions will be made in advance, on the first two working days of each quarter, following receipt of an invoice from the NDIA.

Reallocation of Western Australia contributions

20. 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.
21. State population shares will be taken from the Australian Bureau of Statistics measure *3101.0 – Australian Demographic Statistics*.
22. 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).
23. 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.
24. 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.
25. The reallocation will exclude the Budget Neutral Adjustment component of Western Australia's contribution.

The National Injury Insurance Scheme (NIIS)

26. The NIIS minimum benchmarks are outlined in the COAG Decision Regulatory Impact Statements – Standing Council on Federal Financial Relations for motor vehicle accidents which was released on 22 June 2017 and for workplace accidents which was released on 30 November 2016.
27. Western Australia will make additional contributions to the NDIS if Western Australia's motor vehicle or workplace insurance schemes are below nationally agreed minimum benchmarks, or any revised minimum benchmarks subsequently amended by the Council on Federal Financial Relations. The Commonwealth will agree with states and territories a process to verify that minimum benchmarks continue to be met.

28. The amount of any additional contributions from Western Australia under Clause 26 of this Schedule will be the cost of the NDIS plan, and agreed administration costs, provided to a person in the NDIS.
29. Western Australia and the Commonwealth will continue to assess the feasibility of a NIIS for catastrophic general accidents in good faith, through the Council on Federal Financial Relations.
30. The Commonwealth and Western Australia may continue negotiations, through the 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 that time.

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

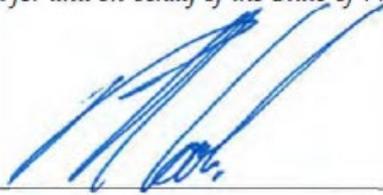
Signed for and on behalf of the Commonwealth of Australia by



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

27 February 2026

Signed for and on behalf of the State of Western Australia by



The Honourable Roger Cook MLA
Premier of the State of Western Australia



January 2026