

STATEMENT

24 June 2026

NDIS Senate Inquiry Interim Report: We Were Heard. Now Let's Talk About What Still Needs To Change.

More than 4,000 submissions landed before the Senate Inquiry into the [National Disability Insurance Scheme Amendment \(Securing the NDIS for Future Generations\) Bill 2026](#) in under a fortnight. Out of all of them, MIFA was quoted directly in the Committee's [Interim Report](#).

We are proud of that. Not for the credential, but because it means the voices of people living with high need mental health challenges, their families, and the community organisations that serve them made it into the formal parliamentary record of the most significant NDIS reform in a decade. It also means we have a responsibility to say clearly what this Report gets right, what it gets wrong, and what must still change before this Bill becomes law.

We believe in reform

MIFA has never argued that the NDIS should be left as it is. The Committee quoted MIFA saying the scheme must be financially sustainable, that a scheme that grows without discipline will lose the community confidence it depends on, and that the Government is right to act. We said it, we meant it, and we say it again. The NDIS has grown well beyond what was originally intended, in ways that have not always served people well. Reform is necessary, and that is not a concession. It is our honest view, held for years.

What we have also said, consistently, with evidence, without apology, is that it matters enormously who this Bill acts on, when, and with what safety net already in place. That is where the Interim Report and MIFA part ways.

What the Report gets right

The Committee has made some important calls, and they deserve acknowledgement. It recognises that the Bill's proposed permanence test, which would require someone to exhaust all appropriate treatment before their disability is considered permanent, needs significant clarification before it is applied to people with mental illness. That is a direct response to what MIFA argued. For someone living with schizophrenia or complex PTSD, there is no straightforward treatment checklist. Recovery is not linear. The Committee has heard that, and said so.

The Report also acknowledges that services in regional, rural and remote Australia are already stretched thin, and that the impact of these reforms on those communities must be actively monitored. And it formally directs state and territory governments to deliver on their foundational supports commitments, the services and programs that are meant to exist outside the NDIS, there for the people this Bill will transition out of the scheme.

These are meaningful findings, and we welcome them.

What the Report leaves behind

But a finding is not a protection, and this is where we have to be honest. The 50 per cent cut to community participation funding still starts on 1 October 2026. Nothing in this Report stops that. No impact assessment is required before it happens. No evidence must be produced that it is safe for the people who rely on it most.

Here is what that means in practice. People living with psychosocial disability spend more of their NDIS plan on community participation than any other disability group. Not because they are using it frivolously. Because for many of them, it is the difference between being part of the world and not. It is the regular contact that means someone notices when things are going wrong. It is the structure that makes everything else more manageable. Cut it by half, and the cost does not disappear. It moves to emergency departments, to crisis services, to families who are already carrying more than they should.

In its own commentary, the Government states participants generally do not use their full community participation budget, so the real impact will be smaller than it looks. That may be true on average. It is not true for the people who use every dollar.

The rules that will govern how this Bill applies to people with psychosocial disability have not been written yet. The test that will determine whether someone's mental illness is permanent enough to qualify for the NDIS will be developed next year. After the Bill passes. The people most likely to be affected by how that test is designed have no guarantee they will be part of designing it.

The supports meant to replace what the NDIS no longer provides do not exist yet. States and territories said so themselves. They said clearly, in their joint submission, that they were not consulted on these reforms, that they have made no agreement to replace what people will lose, and that they are not ready. The Committee's response is to encourage them to move swiftly. Encouragement is not a safety net.

What must happen before August

The Inquiry has been extended to 14 August. That time is not a gift; it is a responsibility. In addition to the recommendations already made in the Interim Report, MIFA is calling for three further recommendations in the Final Report:

- **One.** The 50 per cent community participation funding cut must be deferred for people with psychosocial disability until a proper, published assessment of its impact on this specific group has been completed. Not a general modelling exercise. A specific, honest account of what happens to people managing psychosocial disability when this support is halved, before it is halved.
- **Two.** The rules governing how the permanence test applies to people with mental illness must be co-designed with people who have lived experience, and the organisations that support them, and they must be published before the Bill commences for this group. Not after, and not simultaneously. Before.
- **Three.** Before eligibility changes begin, the Government must demonstrate that there are real, funded, accessible services available to the people who will leave the NDIS as a

result. Not a commitment, and not an agreement in principle. But demonstrated readiness, jurisdiction by jurisdiction.

We are asking every Senator, of every party, who has sat with the evidence from this inquiry, to hold those three things in mind when the vote on the final recommendations comes.

The bigger picture

Australia has produced national mental health plans for over three decades. Each one named the same problems. Each one promised the same solutions. And each one failed to resolve them, because the structural conditions producing those problems were never seriously addressed. Tightening who can access the NDIS, while leaving the community mental health system underfunded and foundational supports unbuilt, does not fix that pattern. It repeats it with a new set of paperwork.

MIFA is not here to obstruct reform. We never have been. We are here because the people we represent, people living with mental health challenges, their families and their carers, are among the most affected by what this Bill proposes, and among the least positioned to absorb what it gets wrong.

The Inquiry extension gives parliament more time to get this right. We intend to use every week of it. Through the MIFA Network, through the Finding North Network, and through every available platform, we will continue to make the case for reform that is orderly, evidence-based, and built around the people it is supposed to serve.

Being heard in the Senate Standing Committee's Interim Report was a beginning, not an ending. The work must continue.