MENTAL ILLNESS FELLOWSHIP AUSTRALIA

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STATEMENT

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NDIS Senate Inquiry Final Report: The Evidence Was Heard. The People Weren't.

James Maskey, Chief Executive Officer, Mental Illness Fellowship of Australia

On Friday, a Senate Committee handed down its final report on the *National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill 2026*. The Bill will tighten eligibility for the NDIS and cut the funding current participants receive for everyday support. The report's recommendation, its only recommendation, is that the Bill be passed.

The Mental Illness Fellowship of Australia (MIFA) put its case to this Inquiry at every opportunity available to us, in writing, then in person at a public hearing before the Senate Committee. That evidence sits in the Committee's final report, named and quoted. Our position is straightforward. This Bill should not pass in its current form. However, being quoted is not the same as being heeded, and the final report's single recommendation shows the difference.

Start with the numbers themselves. Capacity Building funding, which pays for allied health therapy relied on by 752,454 people, well over 95 per cent of the scheme, falls by 10 per cent under the Bill. Community participation funding is slashed by 50 per cent. Government has justified this cut by noting that on average and across the scheme, participants don't spend their entire community participation budget, so the real-world impact will be softer than the headline figure suggests. We gave the Committee a figure that complicates that defence. At one MIFA member organisation, 96 per cent of NDIS participants with a psychosocial disability are funded under that exact category, and using nearly all of it. An average is not a person. Somewhere behind every percentage point is someone whose whole week is built around the support this Bill is about to drastically shrink.

We put a real example of community participation funding to the Committee, from one of our member organisations. A man they support had not left his house in months. A support worker kept visiting and kept talking with him through the door, until one day he opened it. Months later, he stepped outside with this support worker. Eventually, he came into the organisation's office himself and began accessing psychosocial support services.

That progression, from a closed door to a support worker's regular visits, to a person re-entering his own community, is exactly what community participation funding is actually for. It is not a discretionary extra. It is medication checked, a fridge with food in it, a bill paid on time and someone who notices before a challenge or a crisis becomes an emergency. It is the mechanism by which someone stays known to another person. Evidence from the Australian Disability Royal Commission has established that people who remain connected in this way are less likely to experience violence, neglect and exploitation than people who become isolated. Slashing this funding by half is a deliberate decision. It trades a known protection for a saving on paper.

This is not occurring in isolation, either. Right now, 500,000 Australians and another estimated 900,000 people who love and care for them are already going without adequate psychosocial support outside the NDIS. Meanwhile, the agreement that is supposed to fund and prioritise that support, the next National Mental Health and Suicide Prevention Agreement, is still being negotiated between Canberra and the states. Narrowing NDIS eligibility and slashing community participation supports before that gap is closed doesn't make the need smaller. It widens the gap and relocates the need onto whichever system is left holding it. That could be a hospital ward, a crisis line, a family member rearranging their week around care nobody is paying them to provide.

When asked whether the state and territory governments this Bill leans on are actually prepared for that, the Committee's own record already had the answer. States and territories told the Inquiry, in their own joint submission, that they weren't consulted on these reforms and are not ready to move at the pace the Commonwealth has set. The Commonwealth was asked the same question directly this weekend. Asked whether it would delay these changes until state-delivered alternative supports were ready, it said it was "not contemplating" a delay. Asked whether concerns raised during the Inquiry about people being left to languish in hospitals would become amendments to this Bill, the answer was the same.

Passing this Bill without that readiness in place will widen existing service gaps and push people off the scheme, or see their funded supports cut, into a system that isn't built to catch them and that nobody, state or Commonwealth, is waiting to fix first.

The final report itself carries dissenting statements from the Australian Greens and independent Senator David Pocock, and additional comments from Coalition Senators, three different political positions arriving at some version of the same warning. Senator Pocock's report calls for eligibility changes to be held back until replacement supports are "funded, operating and accessible." The Greens' report describes the changes as "devastating to the lives of disabled people." Coalition Senators, while ultimately supporting the Bill's passage, described the community participation cut as creating "an unacceptable risk to the safety and welfare" of the people who rely on it.

Outside Parliament, the Federal Disability Discrimination Commissioner warned the cuts could leave participants isolated and newly "at risk of violence, abuse and exploitation." People with Disability Australia's CEO called it "irresponsible and disrespectful" to hear that evidence and then set it aside in a single recommendation. These are not fringe views. That is a Human Rights Commissioner, a national peak body, a Senate crossbench and coalition, all reading the same evidence and landing on variations of the same concern.

MIFA has never argued that the NDIS should stay as it is. We argued, and still argue, for a scheme built to last. What we cannot accept is a version of sustainability that balances its books by moving the cost somewhere less visible and calling the ledger fixed. Or a version that balances the Federal Budget at the expense of real people in real communities.

MIFA's unwavering position that this Bill should not pass Parliament rests on three unresolved issues from this Inquiry:

1. First, we do not support any cut to social and community participation supports, let alone the 50 per cent slash that will be applied if this Bill passes as written. If government intends to proceed regardless, it should first publish a specific and honest assessment of what that cut will do to people with psychosocial disability. Not general modelling applied after the fact, but a proper account of the impact on this group, produced before the cut takes effect, not after.

2. Second, our own evidence to the Committee said this plainly and is quoted in the Committee's final report: any test used to decide whether someone's psychosocial disability is permanent must be built with the subject matter expertise of people who understand the episodic and fluctuating nature of mental health challenges. Furthermore, the permanence test rules themselves are still unwritten, and there is no guarantee the people they will be applied to will have any say in writing them.

3. Third, before anyone loses access to the NDIS, government needs to show, state by state, that the services meant to replace it actually exist. And that these services are well funded and operating, not just promised.

Now that the Committee has delivered its final report, a formal Senate vote on the Bill is likely to happen early this week. Reporting suggests that the Senate already has the numbers to pass this Bill exactly as written. What it does not have, after thousands of submissions and six days of public hearings, is the evidence to justify doing so. If anything, it has a library of evidence pointing the other way. This Bill should not pass as written. The Senate has that evidence in front of it. What it does with it now is a choice, not an accident.

ENDS

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About MIFA

Mental Illness Fellowship of Australia (MIFA) provides national leadership and coordination across the Australian mental health sector, bringing together lived experience, community service delivery, and policy expertise under one federation.

For forty years, MIFA has connected frontline practice with national reform through community mental health member organisations: Selectability, Karakan, Skylight Mental Health, MIFWA, MIFANT, Mental Health Foundation ACT, and Out Doors Inc. Together, these organisations employ approximately 1,650 people and support around 12,000 Australians each year, in the communities where they already live, work, recover and thrive. MIFA's Finding North, Out From the Mist and Schizophrenia Awareness Week programs extend that reach further still, providing people with lived experience a genuine platform of their own.