21 March 2017

Review of NDIS Costs
Productivity Commission
GPO Box 1428
BARTON ACT 2600

Via email: ndis.costs@pc.gov.au

Dear Sirs,

Re: Submission into the Review of the National Disability Insurance Scheme (NDIS) Costs

Regional Development Australia Murraylands and Riverland (RDAMR) congratulates the Government on the roll-out of the National Disability Insurance Scheme (NDIS) and acknowledges the enormity of the task. We welcome the opportunity to provide you with a written submission into the current review of NDIS costs.

As a conduit of Federal and Local Government with links to the State Government, the RDA's role is to be the catalyst to achievement of the region's priorities through advocacy, facilitation and funded service delivery. The list of regional priorities is extensive and RDAMR strives to work with its stakeholders in government, industry, not for profits and the community sectors to develop strategies to achieve these priorities together.

Regional Background:
Regional Development Australia Murraylands and Riverland Inc (RDAMR) is the primary economic development agency for a region that is home to some 70,600 people covering an area of 36,720 square kilometres. The region has an ageing demographic and between 2006 and 2011 the largest employment growth sector was healthcare and social assistance. Under the NDIS there are currently 800 participants in our region, and this number has been forecast to double to 1,600 by 2019. Like many other regional areas, we are not without our social, environmental and economic challenges and for the NDIS rollout we are one of three regions in South Australia which share the lowest amount of NDIS participants per square km.

We believe that our long term strategy and the priorities listed in the RDAMR Regional Roadmap 2016-2020 are critical to advancing the vision we have for our region to be a "vibrant, resilient region that capitalises on change, embraces economic development and prosperity and provides an inspirational living, investment and working environment" and we would like this to be a shared among all stakeholders in our region.

Knowing the background, having experience with challenges for rural communities and acknowledging the size and enormity of the tasks for NDIS going forward, it is our view the transport cost subsidies are not sufficient to cover the logistical challenges people with disability and relevant potential suppliers will face.

The challenges of providing supports to participants in regional areas has been raised by providers who either currently deliver, or are considering delivering, services in these areas. As documented in the NDIS Market Position Statement, primary challenges identified were:

- Recruitment, including staff with appropriate qualifications
- Supporting people who frequently moved locations and providing continuing of support
- Extensive travel requirements, and
- Limited transport options.

RDAMR sees its role in the new NDIS Scheme as assisting to facilitate suppliers and customers to overcome the logistical challenges that will be experienced by people with disability in what is termed in the Productivity Commission Issues Paper as:

"*Thin Markets* (ie. markets with insufficient demand and high costs of supply may result in an under- or a complete lack of supply of supports, which leads to unmet demand. Thin markets may arise in a number of circumstances, including:

– rural and remote areas ...."

The Murraylands-Riverland region covers a large geographic area, with some townships within commuting distance to metropolitan Adelaide while other townships are closer to Melbourne. There are no passenger rail services in the region nor regular air services, so passenger commuting is restricted to road travel.

Residents living in regional areas do not have the same access to Allied Health professionals that residents in the metropolitan area have and this could impact on the region's capacity to deliver disability care as the scheme expands. To use an example, residents in the Riverland have a three-hour drive to Adelaide and if people with disability find the regional resources are insufficient to accommodate their needs, there could be a displacement effect to the metropolitan areas, which is a major concern with regard to the future sustainability of regions. Any negative population impact is substantial as this would often include a whole of family move. We see this as an extreme disadvantage for regional populations compared to those based in larger population centres.

Alternatively, we are hearing evidence of individual NDIS packages having significant travel expenses which are limiting the ability to fund other required support services. It is imperative that the travel costs and time allocated for regional and remote travel accurately reflect the local experience so that we can encourage and sustain suppliers to meet individual needs and keep people in our regional communities.

The Productivity Commission Issues Paper identified thin markets and it is essential we consider other regional businesses that are not currently servicing the disability market and how they could be encouraged to consider this as a new business opportunity. These include tourism, education and general health. Development of these services on a broader scale will in turn have positive economic development impact and a flow-on effect for potential employment.

We note the role of Local Area Coordinators (LAC's), however we believe sufficient funding needs to be available to allow the LAC's to cover liaison and care or we will see an internal migration between regional and metropolitan areas, causing a flow-on effect of the future viability of regional areas.

We thank you for the opportunity to submit formally to the Productivity Commission and look forward to the outcomes.

Yours sincerely,

Jo Podoliak
Chief Executive Officer