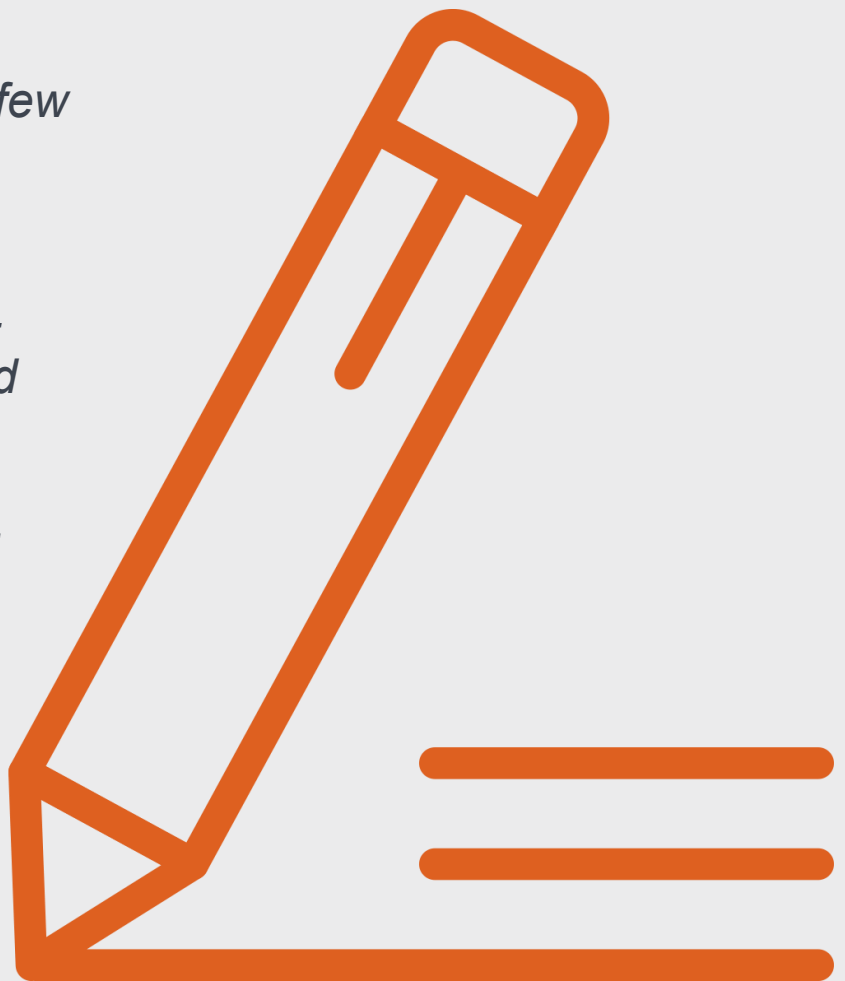


Pre-Budget Submission 2026-27: Embedding Equity

Children and Young People with
Disability Australia's (CYDA) submission
to the Australian Treasury's 2026-27 Pre-
Budget Consultation

*"I do not have an extra few
\$1000 plus to pay for
multiple reports from
multiple therapists [as
evidence of disability]" -
Parent/caregiver of child
with disability, CYDA's
2025 NDIS Eligibility
Reassessments Report*

January 2026



Children and Young People
with Disability Australia

**Authorised by:**

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A note on terminology:

Throughout this submission, Children and Young People with Disability Australia (CYDA) uses person-first language, e.g., person with disability. However, CYDA recognises many people with disability choose to use identity-first language, e.g., disabled person.



Content warning: references to systemic ableism, marginalisation, and exclusion.

Acknowledgements:

Children and Young People with Disability Australia would like to acknowledge the Traditional Custodians of the Lands on which this report has been written, reviewed and produced, whose cultures and customs have nurtured and continue to nurture this Land since the Dreamtime. We pay our respects to their Elders past and present. This is, was, and always will be Aboriginal Land.

About CYDA

Children and Young People with Disability Australia (CYDA) is the national representative organisation for children and young people with disability aged 0 to 25 years. CYDA has extensive national networks of young people with disability, families and caregivers of children with disability, and advocacy and community organisations. Our vision is that children and young people with disability in Australia will fully exercise their rights, realise aspirations, and thrive in all communities. We do this by:

- Raising community attitudes and expectations
- Championing initiatives that promote the best start in the early years
- Leading social change to transform education systems to be inclusive at all points
- Advocating for systems that facilitate successful life transitions to adulthood
- Leading initiatives to ensure sustainability and impact of CYDA and the broader sector.

CYDA welcomes the opportunity to make this submission to the Australian Government's Pre-Budget 2026-27 consultation. This submission builds on our previous Pre-Budget submissions, that highlight the need for future investment into children and young people with disability in Australia. Our recent Pre-Budget submissions can be accessed here:

- [CYDA's Pre-Budget Submission 2025-26](#)
- [CYDA's Pre-Budget Submission 2024-25: Charting an Inclusive Path.](#)

Summary of Recommendations

Recommendation 1. Invest in **truly inclusive education** for children and young people

Recommendation 2. Invest in a **fair, safe, accessible disability support ecosystem** for children and young people, including NDIS and non-NDIS supports

Recommendation 3. Address **barriers to employment** for children and young people with disability, including related cost of living issues

Recommendation 4. Invest in **sector sustainability** through funding coordination, capacity building, and targeted intersectional support.

Explainer note: “Rollover Recommendations”

Our Pre-Budget Submission 2026-27 intentionally prioritises similar recommendations as our Pre-Budget Submission 2025-26, when those recommendations have not yet been addressed. We flag these as “Rollover Recommendations”, and have ensured that they have been updated to reflect current policy settings.

Recommendation 1 - Inclusive education

Policy challenge

Students with disability are currently not fully supported to reach their potential in Australia's education system ([CYDA 2024a](#), [CYDA 2025a](#)).

- **Lack of funding for inclusion in Early Childhood Education and Care.** There is a need for a dedicated Inclusion Fund including improving access to the Inclusion Support Program (ISP) through increasing funding, removing barriers to employing additional educators, and simplifying administrative requirements ([Productivity Commission 2024](#)).
- **Lack of funding for inclusive education** across all levels. Students with disability face barriers in educational settings including discrimination, segregation, bullying, under-resourcing, gatekeeping, and abuse. These challenges result in poor educational experiences and outcomes ([CYDA 2024a](#)).

Government investment needed

- 1.1 Invest in an **Inclusion Fund for Early Childhood Education and Care** including increasing funding for the [Inclusion Support Program](#), as recommended by the [Productivity Commission](#). (*Rollover recommendation*)
- 1.2 Fund a **National Roadmap to Inclusive Education** to reform Australia's education system for students with disability. It must include clear targets, a desegregation strategy, an ambitious timeline, and adequate resources. This has been recommended by the Committee on the Rights of Persons with Disabilities (General Comment No 4: Article 24: Right to Inclusive Education, 16th session, UN Doc CRPD/C/GC/4 (2016) [70]), Senate Inquiry Report into Current Levels of Access and Attainment for Students with Disability (Recommendation 9), and the Disability Royal Commission. (*Rollover recommendation*)
- 1.3 Fund a **national co-ordinating function** for the [Australian Coalition for Inclusive Education](#) (ACIE) akin to the federal government-funded role played by [Disability Advocacy Network Australia](#) (DANA), which has strengthened the disability advocacy sector since 2023. This function would connect and build the capacity of disability, education, and family organisations nationally; support shared evidence, training and policy leadership; and enable consistent, coordinated engagement with governments on reform.¹
- 1.4 Fund a **national independent oversight body** to ensure that all education providers (State and Territory, Primary, Secondary, and Tertiary) are meeting statutory and legal obligations for inclusion and complaints can be investigated, monitored, and resolved.
- 1.5 Invest in **teacher training, support, and professional development** to ensure all teachers meet their obligations under the Disability Standards for Education (DSE) and uphold the rights of students and families. Integrate compulsory inclusive education components into every education degree that qualifies graduates for teacher registration.

¹ Recommendation 1.3 has been endorsed by the following [ACIE](#) members: [All Means All](#), [Down Syndrome Australia](#), [Purple Orange](#) and [Community Resource Unit](#).

Recommendation 2 - Disability ecosystem

Policy challenge

Despite 66% of new NDIS participants since September 2025 being children under the age of 15 ([NDIA 2025](#)), 83% of children and young people with disability aged 2-17 in Australia have unmet support needs ([O'Flaherty et al. 2024](#)). These gaps are greater for families on low incomes, children and young people outside the NDIS, and those in regional or remote areas.

- **NDIS eligibility reassessments impact.** Children and young people with disability are being disproportionately targeted by NDIS eligibility reassessments, with even higher rates of reassessment and removal from the scheme for First Nations, culturally diverse, and Autistic children ([CYDA 2025b](#)). The appeals process is cumbersome and expensive ([Law Foundation 2025](#)).
- **Perceptions of children as cost burden.** While there are sustainability challenges to providing all children with support, long term benefits and outcomes are equally crucial. For every dollar invested in early support to children with disability, the NDIS could save at least three dollars and reduce support needs in the future ([Bent et al. 2023](#), [Raising Children Network 2023](#)).
- **Thriving Kids coordination.** Children and young people with disability, their families and caregivers want guarantees that Thriving Kids will provide neuro-affirming, person-centred, and trauma-informed supports, and will not be used as a mechanism to remove children aged 0 to 8 years from the NDIS without clear alternative supports ([CYDA 2025c](#)).

Government investment needed

- 2.1 Fund **parallel access to NDIS supports** for younger children with disability 0-8 years with substantial need who are also accessing Thriving Kids, and invest in evidence-based supports by funding the implementation of the [National Best Practice Framework for Early Childhood Intervention](#).
- 2.2 Invest in **clear support pathways** for children aged 9-14 years, to mitigate a service cliff. This includes access to NDIS and alternative supports, including clinical intensives, additive school supports, and non-school supports for those experiencing "[school can't](#)."
- 2.3 Invest in **mental health supports and participation funding** (sports, arts, community programs) for young adults aged 15-17, to ensure support through key transition points.
- 2.4 Fund **flexible supports** for young adults aged 18-25 to build skills and capacity for adulthood (employment, driving, tertiary education, independent living), such as support-worker hours for mentoring and community access.
- 2.5 Provide **financial support** to families, caregivers, children and young people with disability for obtaining evidence for the NDIS eligibility reassessments process, and fund **legal support** to them to engage in the appeals process.

Recommendation 3 - Inclusive employment

Policy challenge

Young people with disability are far more likely to be un/underemployed, and have lower incomes, compared with people without disability and those with disability over 25 years old ([CYDA 2025d](#)). Households with children with disability also record lower incomes ([AIHW 2024](#), p360) This negatively impacts quality of life and opportunities, and exacerbates vulnerability to the cost of living crisis—especially as people with disability face much higher living costs ([Olney and Yates 2025](#)).

- **Barriers to education and employment.** Rates of educational attainment and employment have been consistently lower for young people with disability. Known barriers include poor transition planning, inaccessible education and training pathways, competitive labour markets, insufficient support or opportunities, and negative employer attitudes ([Social Ventures Australia 2024](#), p6; [CYDA 2024b](#)).
- **Inadequate income support.** Income support rates are not enough to cover basic needs and keep many in poverty. Rates must be raised and indexed to [at least \\$80 a day](#), with supplements of [at least \\$65 a week](#) for disability and illness to mitigate higher living costs. People on the Disability Support Pension can have their payments lowered or cut depending [on a partner's income](#). [44%](#) of DSP claims are rejected each year ([PWDA 2024](#), [ACOSS 2024](#)).
- **Segregation in Australian Disability Enterprises.** The polished pathway into segregated employment means that many young people with disability are paid less than minimum wage in Australian Disability Enterprises, with little opportunity to move into open and meaningful employment ([Inclusion Australia 2022](#), [PWDA 2025](#)).

Government investment needed

- 3.1 Fund a **National Youth Disability Employment Strategy** to align policies and programs across government that support young people with disability into education and employment (also recommended in [CYDA 2025d](#), [CYDA 2025e](#)). (*Rollover Recommendation*)
- 3.2 Increase **income support** to young people with disability, families and caregivers by raising JobSeeker Payment and Youth Allowance rates, and introducing supplements to Disability Support Pension and carer payments to provide equal support for disability and illness. (*Rollover Recommendation*)
- 3.3 Invest in a **Ministerial Working Group** to transition to wage equity, including implementing a minimum wage in Australian Disability Enterprises while ensuring this does not impact access to the social safety net, and providing funding for opportunities and training to move into open employment. (*Rollover Recommendation*)

Recommendation 4 - Sector sustainability

Policy challenge

CYDA is part of both a disability sector and disability community that is currently experiencing a crisis of sustainability. The key issues are provider burnout, consultation fatigue including a lack of genuine co-design, and the need for tailored intersectional support.

- **Consultation fatigue.** Our disability community report feeling over-consulted, but paradoxically also that their insights are not translating into policy reform, with a lack of genuine co-design being implemented ([CYDA 2025c](#)). This is exacerbated by a lack of coordinated consultation across several disability-related government reforms, meaning similar input is sought across multiple consultations.
- **Intersectional support.** There is an ongoing lack of recognition of the need for targeted supports and consultation methods for intersectional cohorts ([Bates et al. 2024](#)).
- **Lack of genuine co-design.** Many disability organisations are time and resource poor, requiring investment in capacity building to ensure that genuine co-design can occur ([DANA 2025](#)).
- **Provider burnout.** Seventy-seven per cent of NDIS-contracted disability support providers delivered unfunded services last year such as support coordination, crisis response, and navigation across systems, at an average cost of almost \$500,000 per provider ([NDS 2025](#)).

Government investment needed

- 4.1 Invest in **whole-of-government coordination** of disability-related consultations through funding a streamlined consultation platform (for Australia's Disability Strategy, the Department of Disability, Health, and Ageing, and the NDIS) and process (including accessible consultation methods and showing how feedback has been incorporated).
- 4.2 Invest time and resources for conducting genuine co-design and developing evidence-based disability policy, by extending **funding of the National Disability Research Partnership**. Sustained funding for the NDRP would ensure sector capacity building for co-design resources and tools, and ensure that government decisions affecting children and young people with disability are informed by high-quality, inclusive, and policy-relevant evidence.
- 4.3 Invest in **targeted, regionally-weighted funding for intersectional disability communities** (including First Nations, culturally and linguistically diverse and LGBTIQ+) to participate equitably in consultation and co-design—through resourcing trusted community-led organisations, such as NDRP and individual advocacy organisations, and strengthening national data collection to better identify unmet need and tailor responses.
- 4.4 **Expand the pricing model** of services that can be funded by NDIS disability support providers, to ensure that NDIS plans adequately fund support coordination, crisis response, and navigation across systems.

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