



Australian Tertiary Education Commission - not proceeding	
Party:	The Coalition
Summary of proposal: The proposal would not proceed with funding currently committed to the establishment of the Australia Tertiary Education Commission (ATEC). The proposal would be ongoing and start on 1 July 2025.	

Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by \$23 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects a decrease in departmental expenses.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

Table 1: Australian Tertiary Education Commission - not proceeding – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	5.4	6.0	6.0	5.6	23.0
Underlying cash balance	5.4	6.0	6.0	5.6	23.0

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

Key assumptions and methodology

The Department of Education provided estimates to establish ATEC from the Mid-Year Economic and Fiscal Outlook (MYEFO) 2024-25 measure '*Australian Universities Accord – further reforms*'.¹

As these estimates only covered the period from 2024-25 to 2034-35, the Parliamentary Budget Office has assumed that funding would continue to grow to 2035-36 in line with the growth rate between 2033-34 and 2034-35.

Financial implications were rounded consistent with the PBO's rounding rules.²

¹ The 2024-25 MYEFO measure *Australian Universities Accord – further reforms* invested an additional \$2.5 billion in net funding over 11 years from 2024-25 to further respond to key recommendations of the *Australian Universities Accord Final Report* providing more university places, introducing a demand driven system to help more students from under-represented backgrounds enrol in universities, and helping more of these students to finish their degrees.

² <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Data sources

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025*, Commonwealth of Australia.

The Department of Education provided the medium-term funding profile for the establishment of ATEC.

Attachment A – Australian Tertiary Education Commission - not proceeding – Financial implications

Table A1: Australian Tertiary Education Commission - not proceeding – Fiscal and underlying cash balances (\$m)^(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
<i>Departmental</i>													
<i>Australian Tertiary Education Commission</i>	5.4	6.0	6.0	5.6	5.6	4.3	4.8	4.4	4.5	4.5	4.6	23.0	55.7
Total – expenses	5.4	6.0	6.0	5.6	5.6	4.3	4.8	4.4	4.5	4.5	4.6	23.0	55.7
Total (excluding PDI)	5.4	6.0	6.0	5.6	5.6	4.3	4.8	4.4	4.5	4.5	4.6	23.0	55.7

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

Table A2: Australian Tertiary Education Commission - not proceeding – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	0.1	0.4	0.7	0.9	1.2	1.5	1.8	2.1	2.4	2.7	3.0	2.1	16.8
Underlying cash balance	0.1	0.3	0.6	0.9	1.2	1.4	1.7	2.0	2.3	2.6	2.9	1.9	16.0

- (a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary³.
- (b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

³ [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://www.pbo.gov.au/online-budget-glossary)