

ECR-2025-2661

Creative Australia – redirect towards Melbourne Jewish Arts Quarter and supporting broadcasting										
Party:	The Coalition									

Summary of proposal:

The proposal would reduce funding to Creative Australia by \$61.8 million and redirect this funding as follows:

- **Component 1:** provide \$18 million (evenly distributed over 4 years) towards a Jewish Arts Quarter project in Victoria.
- Component 2: return \$43.8 million over 4 years to the consolidated revenue fund, with the funding profile of: \$33.2 million in 2025-26, \$2 million in 2026-27, \$1.1 million in 2027-28 and \$7.5 million in 2028-29.

The proposal would be non-ongoing and commence on 1 July 2025.

Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$43.8 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in administered expenditure that is more than offset by a reduction in departmental expenses.

The proposal would not be expected to have an impact beyond the 2025-26 Budget forward estimates period, other than for public debt interest (PDI) impacts. A breakdown of the financial implications (including separate PDI tables) over the period to 2035-36 is provided at Attachment A.

The Parliamentary Budget Office (PBO) has not made any assessment as to whether the specified funding would be sufficient to meet the objectives of the proposal.

Table 1: Creative Australia – redirect towards Melbourne Jewish Arts Quarter and supporting broadcasting – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	33.2	2.0	1.1	7.5	43.8
Underlying cash balance	33.2	2.0	1.1	7.5	43.8

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

Key assumptions and methodology

Component 1 of the proposal is capped at a fixed amount of administered expenses, distributed over 4 years from the commencement date as specified. Departmental expenses associated with providing funding to the Melbourne Jewish Arts Quarter project are expected to be small and are assumed to be

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

⁻ Indicates nil.

absorbed within existing resources of the relevant department. We assume that no funds allocated to a given year are left unspent.

For both components, we assume there is sufficient uncommitting funding available to be redirected from Creative Australia's annual appropriations towards the proposal.¹

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

Data sources

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

Department of Infrastructure, Transport, Regional Development, Communications and the Arts, <u>Portfolio Budget Statements 2025-26</u>, accessed on 26 May 2025.

¹ Creative Australia, Entity resource statement (page 253).

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

Attachment A – Creative Australia – redirect towards Melbourne Jewish Arts Quarter and supporting broadcasting – Financial implications

Table A1: Creative Australia – redirect towards Melbourne Jewish Arts Quarter and supporting broadcasting – 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													
Administered													
Melbourne Jewish Arts Quarter	-4.5	-4.5	-4.5	-4.5	-	-	-	-	-	-	-	-18.0	-18.0
Total – administered	-4.5	-4.5	-4.5	-4.5	-	-	-	-	-	-	-	-18.0	-18.0
Departmental													
Saving from Creative Australia	37.7	6.5	5.6	12.0	-	-	-	-	-	-	-	61.8	61.8
Total – departmental	37.7	6.5	5.6	12.0	-	-	-	-	-	-	-	61.8	61.8
Total (excluding PDI)	33.2	2.0	1.1	7.5	-	-	-	-	-	-	-	43.8	43.8

⁽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.

⁻ Indicates nil.

Table A2: Creative Australia – redirect towards Melbourne Jewish Arts Quarter and supporting broadcasting – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)

	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	0.7	1.5	1.7	1.9	2.2	2.3	2.4	2.5	2.6	2.7	2.9	5.8	23.4
Underlying cash balance	0.6	1.3	1.7	1.9	2.1	2.3	2.4	2.5	2.6	2.7	2.9	5.5	23.0

⁽a) As this table is presented as a memorandum item, these figures are not reflected in the totals in the table above. This is consistent with the approach taken in 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 glossary.³

- Indicates nil.

⁽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 https://www.aph.gov.au/about parliament/parliamentary departments/parliamentary budget office/online budget glossary