



End AUKUS	
Party:	Australian Greens
Summary of proposal: The proposal would withdraw Australia from the AUKUS agreement. 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 around \$18 billion over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects a decrease in administered 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: End AUKUS – Financial implications (\$m)<sup>(a)(b)</sup>**

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<b>17,954.0</b>
Underlying cash balance	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<b>17,954.0</b>

(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.

*nfp* Not for publication.

Withdrawing Australia from the AUKUS agreement would consist of 2 elements: ending the AUKUS submarine program; and discontinuing the AUKUS advanced capabilities funding.

A year-by-year breakdown of the AUKUS nuclear submarines funding could not be provided as the annual profile of the current cost estimate points to the various stages of the program that remain commercially sensitive. The disclosure of this would undermine the Commonwealth of Australia and its negotiation position as it enters program contract(s) for the delivery of the future SSN AUKUS.

The Department of Defence (Defence) advised that the profile presented reflects the current cost estimate and, as Defence progresses through this long and complex program, the cost estimate and profile will need to be updated as the program matures.

Further, the financial implications of this costing are indicative. The Australian Government may be subject to compensation for the reversal of any contracts already entered, as well as for reversing any agreements within the AUKUS partnership. The Parliamentary Budget Office (PBO) deems these costs to be unquantifiable, as any fair and equitable settlements are subject to the terms and conditions stipulated in any agreements and contracts entered and are subject to negotiation.

As part of the AUKUS Nuclear Submarine program, an allowance has also been made in the contingency reserve of \$122.6 billion over the life of the program through to 2054-55, for when a contingent event occurs.

## Key assumptions

The PBO has made the following assumptions in costing this proposal.

- All reversed nuclear submarine funding from 2025-26 and onward would be returned to the Consolidated Revenue fund, regardless of whether the funds were originally offset from existing funding from relevant departments. This includes funding tied to contracts already entered.

## Methodology

All AUKUS nuclear submarine funding amounts are reversed as allocated in the budget. Due to data limitations, this may include funding which was met from within existing Defence resources.

As a year-by-year breakdown of the funding profile was not provided, the funding (excluding the contingency) over the forward estimates period and medium-term period were distributed evenly for the purposes of calculating the PDI impact only.

Financial implications were rounded consistent with the PBO's rounding rules.<sup>1</sup>

## Data sources

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

The Department of Defence provided the funding profile of the AUKUS advanced capabilities funding as at the 2025-26 Budget.

The Department of Defence provided the breakdown of costs of AUKUS nuclear submarine funding as at the 2025-26 Budget.

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<sup>1</sup> <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

## Attachment A – End AUKUS – Financial implications

**Table A1: End AUKUS – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>**

	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
<b>Expenses</b>													
<b>Administered</b>													
<i>AUKUS Advanced Capabilities</i>	27.0	27.0	-	-	-	-	-	-	-	-	-	54.0	54.0
<i>Nuclear-Powered Submarine Program</i>	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	17,900.0	83,280.0
<b>Total – expenses</b>	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	17,954.0	83,334.0
<b>Total (excluding PDI)</b>	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	nfp	17,954.0	83,334.0

(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.

(b) The total yearly financial impacts of the party's platform presented in the Election Commitments Report reflects this costing being profiled with an even split of the Total to 2028-29 over the forward estimates, and an even split of the remainder of the Total to 2035-36 over the rest of the medium term. This profiling is for aggregation purposes only and does not reflect the true profile of this costing, which remains not for publication.

nfp Not for publication.

- Indicates nil.

**Table A2: End AUKUS – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)<sup>(a)(b)(c)</sup>**

	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
<b>Fiscal balance</b>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<b>1,340.0</b>	<b>19,400.0</b>
<b>Underlying cash balance</b>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<b>1,180.0</b>	<b>18,350.0</b>

- (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 glossary<sup>2</sup>.
- (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.
- (c) The total yearly financial impacts of the party's platform presented in the Election Commitments Report reflects this costing being profiled with an even split of the Total to 2028-29 over the forward estimates, and an even split of the remainder of the Total to 2035-36 over the rest of the medium term. This profiling is for aggregation purposes only and does not reflect the true profile of this costing, which remains not for publication.

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<sup>2</sup> [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au)