

2025-26 FEDERAL BUDGET RESPONSE

25 March 2025

This budget offers important support for Australians in a fiscally constrained environment – the next step must be the long-term reforms the nation needs to meet the challenges ahead.

“This is a difficult budget to deliver at a difficult time for Australians,” Universities Australia Chief Executive Officer Luke Sheehy said.

“Cost-of-living relief in the budget is a win for Australians when many are doing it tough, including university students, and we welcome the government’s support in this way.

“We know that in a tight fiscal environment not every priority can be fully funded all at once, but an investment in Australia’s universities is an investment in Australia, and a worthy one.

“With universities expected to educate a million extra students each year by 2050, now is the time to back the institutions that are critical to building our future.

“But this budget is a missed opportunity to build on the government’s good, recent investments in the Universities Accord.

“Our student funding system needs urgent attention – it’s time for the Job-ready Graduates Package to go.

“JRG has unfairly altered fees for students and reduced funding to universities. This is counterintuitive to the goal of growing our universities in line with Australia’s growing skills needs.

“We want to work with the next federal government as a priority to set new funding rates and it’s imperative that the next federal budget funds this work properly and fully.

“We need strong universities to deliver the skilled workers and the research and development that make our economy larger and more productive and drive our country’s progress.

“Our economy stands to gain \$240 billion by 2050 from a fully skilled, university-educated workforce. This is a serious return on investment that we can’t ignore – an economic dividend for all Australians.

“We’ll continue to advocate for the right policy settings and funding to put universities on a firm footing for the future. Our country depends on them.”

Universities Australia is also calling on the next federal government to:

- re-establish the Education Investment Fund to support the expansion of Australia’s universities
- increase funding for research and development, irrespective of what business does
- lift the PhD stipend to better support Australia’s best and brightest, and
- grow Australia’s international education sector sustainably without reducing its size or value.

ENDS

UA MEDIA TEAM: 0480 031 061