



Reforming the JRG in 2026

The Australian Universities Accord Final Report recommended reducing the student contribution rates in the highest charging fields, moving to three bands of student contributions, and increasing government funding to support Science, Technology, Engineering and Mathematics courses (STEM). The purpose of this briefing is to estimate the costs of these reforms to the Job-Ready Graduates (JRG) package in 2026. This builds on the 2024 [IRU discussion paper – Reforming JRG funding rates](#).

Key results: Three changes to reform the JRG in 2026

1. Restore the three band student contribution system by reclassifying fields currently in the current top-charging band (\$17,000) to the second highest band (\$14,000);
(estimated additional cost of \$801M p.a.; \$417M p.a. for HASS and \$384M p.a. for Law and Commerce)
2. Restore the Humanities and related fields to their pre-JRG rates by reclassifying these from the current second highest band (\$14,000) to the mid-charging band (\$10,000);
(estimated additional cost \$436M p.a.; cumulative total cost \$1,237M p.a.)
3. Restore STEM to pre-JRG funding rates by increasing government funding in STEM by \$5,000.
(estimated additional cost of \$680M p.a.; cumulative total cost \$1,917M p.a.)

The annual cost of fully reforming the JRG has been relatively stable at around \$1.7B to \$1.9B since 2021 due to the declines in CSP EFTSL, especially in the fields that experienced student contribution increases, and stability of CSP EFTSL in fields that experienced total funding cuts (STEM). Government forecast 3% commencement growth in 2025 and around 5% growth in CSPs in 2026 compared with 2024. The long-term growth targets will dramatically increase the costs of future reform.

Every year, students in the highest charging band continue to pay roughly \$1,237M more than they otherwise would have had the JRG not been introduced. Cumulatively these students have paid around **\$6 billion** more for their education from 2021 to 2026, despite declining CSP EFTSL in these fields. Students in the lowest charging fields continue to pay less for their education.

Table 1. Change in total funding (\$M) under modelled options compared to 2026 rates

	1. Restore 3 Band Student Contributions			2. Restore HASS to mid-Band			3. Restore STEM funding		
	CGS	Student	Total	CGS	Student	Total	CGS	Student	Total
JRG 2026 Reference	\$7,733 m	\$6,872 m	\$14,605 m	\$7,733 m	\$6,872 m	\$14,605 m	\$7,733 m	\$6,872 m	\$14,605 m
% of total by source	52.9%	47.1%	100.0%	52.9%	47.1%	100.0%	52.9%	47.1%	100.0%
Proposal \$	\$8,533 m	\$6,071 m	\$14,605 m	\$8,970 m	\$5,635 m	\$14,605 m	\$9,650 m	\$5,635 m	\$15,285 m
% of total by source	58.4%	41.6%	100.0%	61.4%	38.6%	100.0%	63.1%	36.9%	100.0%
Change in \$	\$801 m	-\$801 m	\$0 m	\$1,237 m	-\$1,237 m	\$0 m	\$1,917 m	-\$1,237 m	\$680 m
Change in % of \$	10.4%	-11.7%	0.0%	16.0%	-18.0%	0.0%	24.8%	-18.0%	4.7%

Background

In February 2024, the Australian Universities Accord Final Report recommended “urgent remediation” to the student and government contribution rates in the JRG package by:

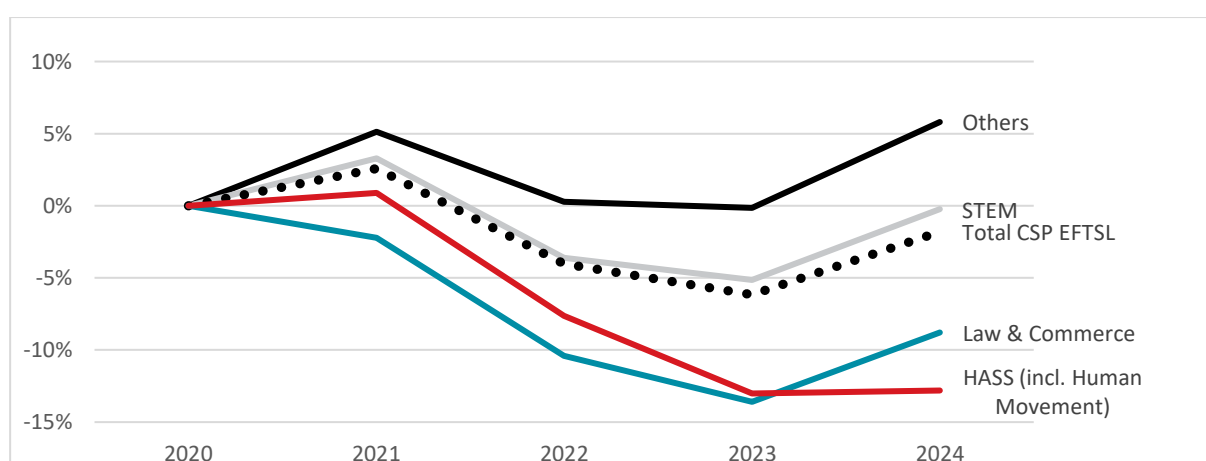
1. Reducing the student contribution rates in the highest charging fields (humanities, human movement, society and culture, and communications) (**Recommendation 16a**);
2. Progressively moving towards a student contribution system aligned with lifetime earnings (**Recommendation 16a**), with three bands of student contributions (**Recommendation 40**);
3. Increasing government funding to support science, technology, engineering and mathematics courses (STEM) to reduce the negative impacts of the JRG package (**Recommendation 41d**).

The JRG changes in 2021 shifted more of the cost of higher education onto students, but even more importantly, made student contributions more unequal, complex and socially regressive. A \$50,000+ debt for a three-year Arts degree is negatively impacting the public perception of the cost and value of university degrees, particularly for the debt-averse and disadvantaged cohorts required to meet the Accord targets.

It has been two years since release of the Accord Final Report and nothing has changed. Student contributions have steadily increased based on annual indexation. The Government’s 2025 changes to HECS-HELP indexation and 20% reduction of outstanding HELP loan debt are helpful, but only one part of the picture. The primary driver of student debt is the cost to students of doing a degree.

In May 2025, the [Government](#) declared that the JRG hasn’t reduced the number of people doing Arts degrees, leading only to more student debt (“If the intention was to reduce the number of people doing arts degrees, then that hasn’t happened”). This claim is misguided and encourages complacency by assuming that retrospective student debt relief can resolve the JRG inequities. IRU analysis finds that, since 2020, CSP EFTSL in top-charging fields has declined by -11%, including in HASS fields by -13% and in Law and Commerce by -9%.

Figure 1. Percentage growth in CSP EFTSL by funding cluster (2020 reference)



Even greater declines in commencements in the top-charging bands have occurred within Low SES cohorts (see [IRU paper: JRG student contributions and Low SES enrolments](#)). JRG reduced the number of people doing arts degrees, but especially from price-sensitive Low SES backgrounds. Retrospective debt relief will primarily support higher-SES students who continue to choose to study courses based

on interest. There is less benefit for lower-SES students who choose courses with greater consideration of the cost.

The Accord recommended progressively moving towards a student contribution system aligned with lifetime earnings, guided by a simple principle: “The higher the future earnings potential linked to their field of study, the greater the student contribution.” In May 2025 the [Government](#) asked the interim ATEC to “look at that Job-ready Graduates program and what change can happen.” It directed the interim ATEC to prepare advice on the efficient cost of higher education across disciplines, establishing a Working Group on the Cost of Higher Education. This is a complex task, involving reviewing cost and expenditure collection models, Activity-Based Costing approaches, and benchmarking against international and domestic best practice. It is separate to the straightforward task of identifying which fields of education have higher the future earnings potential, and aligning student contribution rates in these fields. The costing exercise is important for setting base/total funding rates by field of education, but there is no need for delay or overcomplicating the reforms to the student contribution rates. The Government has access to high quality graduate earnings data through the Graduate Outcomes Survey and ATO data. There is no credible evidence that Humanities and related fields should continue to be in the top-charging band.

In November 2025, the Government released the [Universities Accord \(Australian Tertiary Education Commission\) Bill 2025](#) which established that the ATEC could provide advice and recommendations on the efficient cost of higher education across disciplines and student cohorts. But ATEC’s advice can only be provided if the Minister requests it, and only in relation to the Commonwealth contribution amounts, not the student contributions. The Government has not tasked ATEC with advising on the student contribution rates and nor has it included this in the remit of ATEC’s responsibilities (see: [Universities Accord \(Australian Tertiary Education Commission\) Bill 2025](#)).

In November 2025, the Australian Greens introduced [Higher Education Support Amendment \(Reverse Job-Ready Graduates Fee Hikes and End 50k Arts Degrees\) Bill 2025](#). It proposes to restore Law and Commerce to pre-JRG student contribution rates, and HASS to their pre-JRG mid-band rate, but without offsetting these cuts with increases in Commonwealth contributions. Effectively the Greens are proposing the cuts to student contributions outlined in Model 1 and 2 of this paper, reducing student contributions by \$1,237M via a cut to university base funding. The Greens policy is directly contradictory to the Accord recommendation for a student contribution system aligned with lifetime earnings (Rec. 16a). The Greens are advocating for a “free, fully funded” higher education system, not one where contributions are higher in high earning fields. The Greens aim to first reverse the JRG student contribution increases, and then hope to make university and TAFE are fully funded and free in the future. If it only manages to reverse the JRG student contribution increases, it will simply lead to an under-funding of these courses.

The Government’s target of lifting tertiary education attainment to 80% and the Accord’s ambition for population parity for students from under-represented backgrounds will not be possible without JRG reform to student contribution rates, and the longer we leave it, the more difficult it will be.

Our aim is to contribute constructively to an open discussion of policy options for JRG reform, consistent with the Accord recommendations and addressing Commonwealth contributions, student contributions and total base funding. Our approach builds upon the 2024 [Reforming JRG funding rates](#) and 2022 [Job-Ready Graduates: principles and options for reform](#) IRU discussion papers.

IRU proposal: three changes to unwind the JRG

1. Restore the three band student contribution system by reclassifying fields currently in the current top-charging band (\$17,000) to the second highest band (\$14,000);
(estimated additional cost of \$801M p.a.; \$417M p.a. for HASS and \$384M p.a. for Law and Commerce)
2. Restore the Humanities and related fields to their pre-JRG rates by reclassifying these from the current second highest band (\$14,000) to the mid-charging band (\$10,000);
(estimated additional cost \$436M p.a.; cumulative total cost \$1,237M p.a.)
3. Restore STEM to pre-JRG funding rates by increasing government funding in STEM by \$5,000.
(estimated additional cost of \$680M p.a.; cumulative total cost \$1,917M p.a.)

The JRG reforms were socially regressive, increasing the costs of education primarily to Low SES, female and Indigenous students, due to the course choices they make. Restoring the three band student contribution system would simplify the system and narrow the gap between what different students pay for their degrees, reducing the cost of the most expensive three year bachelor degree from \$52,000 to \$41,000. This would immediately benefit around 285,000 students, alleviate public concerns around the costs of higher education and support the Government's vision for greater higher education participation through equity.

The three changes above progressively unwind the JRG reforms, shifting the proportion of costs borne by students from 47% under the current system, to 42% under a three band system, 39% with restoration of HASS to a mid-charging student band, and 37% with the restoration of STEM funding. Around 285,000 domestic students in CSPs would benefit from lower fees and a further 185,000 students enrolled in STEM courses would benefit from better funded places under these changes. This represents around 56% of the total CSP cohort or 470,00 students.

Restoring STEM funding to pre-JRG rates is necessary to ensure the supply and quality of courses required to meet the nation's future skills needs. The JRG reforms reduced base funding (student plus government contributions) for Science and Engineering by 16%. Universities have continued to maintain investments in STEM courses while awaiting the Government's response to the Accord's recommendation, but after two years of waiting, the sustainability of these courses is increasingly challenged by the broader financial environment. Domestic Bachelor commencements increased in STEM fields by around 6% between 2020 and 2024, but Low SES commencements are down by around 11% (see IRU paper: [JRG student contributions and Low SES enrolments](#)). It is unclear why there has been a different trend for Low SES students in STEM, but it will be far costlier to re-introduce STEM courses that were forced to close due to the delays in restoring STEM funding.

We are cognisant of the challenges facing Government and the costs of reform, which we estimate at \$1,917M per annum to achieve in full. Given that the Accord does not recommend increases in student contributions in any fields, the entirety of the costs are borne by Government and no student (or university) is worse off under the above approach.

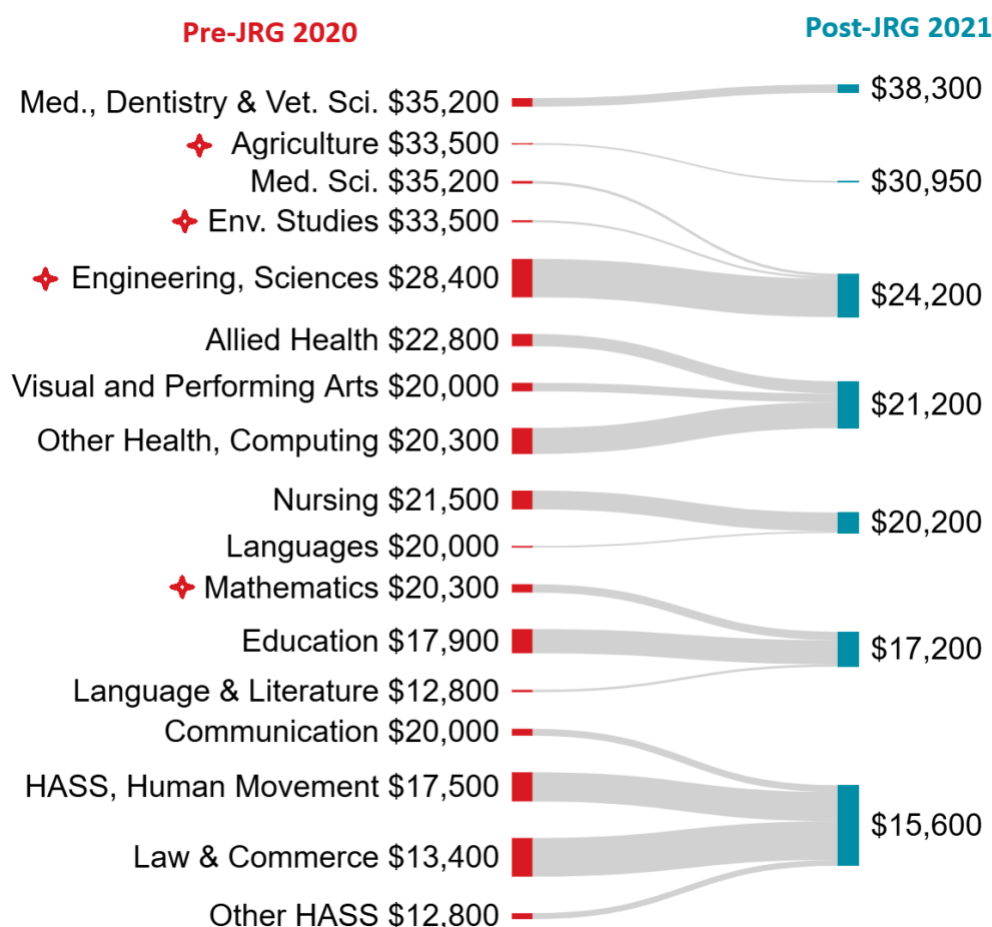
To achieve full JRG reform, this would require an increase in Government investment of 25% on top of the existing \$7,733M per annum invested in Commonwealth Supported Places. But to proceed step-by-step, starting in the first instance with option one, would only be a 10% increase to the CGS.

Methodological approach

We model the costs of reform using 2024 EFTSL in CSPs as an estimate for 2026 load by field. This assumes that student load in 2026 is identical to 2024 in aggregate and by field of education funding cluster. We multiply the 2024 load by 2026 funding rates as a baseline, which equates to \$7,733M in Government contributions ("CGS") and \$6,872M in student contributions in 2026. We estimate this to be the cost to Government and students of the current system in 2026, with a 53% Government and 47% student contribution. We then compare these JRG 2026 reference rates with the modelled rates that progressively restore pre-JRG funding by reducing student contributions and offsetting these with identical increases in Government contributions to ensure no university is worse off.

The JRG changes in 2021 reduced total university funding by around 10% up to 20% for most STEM fields. In 2020 the total funding for Science and Engineering was \$28,447, Agriculture was \$33,541, and IT and Mathematics were \$20,348. Post JRG in 2021, total funding declined in Science and Engineering to \$24,200 (a nominal decline of \$4,247), Agriculture to \$30,950 (a nominal decline of \$2,591) and Mathematics to \$17,200 (a nominal decline of \$3,148). By contrast, total funding increased in IT due to increases in Government contributions more than offsetting the decreases in student contributions (total funding \$21,200, a nominal increase of \$852).

Figure 2. Changes in base funding from 2020 to 2021 (selected fields), including cuts to STEM



We estimate the costs of restoring STEM funding by applying CPI indexation to 2020 funding rates. Had Science and Engineering, Agriculture and Mathematics retained their 2020 funding rates and increased by CPI, in 2026 they would have been funded at \$40,766 (\$7,225 more than the current 2026 rates); \$43,575 (\$6,128 more than 2026 rates) and \$24,731 (\$4,383 more than 2026 rates). For simplicity, we model a flat rate increase in Government contributions of \$5,000 per student in these fields (excluding IT) to restore STEM funding to pre-JRG levels.

The current funding system and Accord principles for JRG reform

The 2026 funding rates include four student contribution rates (\$5,000; \$10,000; \$14,000; \$17,000) and four Government contribution rates (\$1,000; \$16,000; \$19,000 and \$32,000), with student contributions ranging from 13% of total funding in Agriculture to 93% in Business, Law and most HASS fields.

The JRG changes in 2021 were criticised in the Accord Final Report as unfairly affecting students in studying Human Movement, Humanities and related fields where student contributions increased by 113% and are now in the top-charging band. The Accord recommended that the student contribution rates in these fields need to be “corrected as soon as possible”. The current funding system was also criticised as “overly complex, fragmented and difficult to comprehend. It needs to be simplified”.

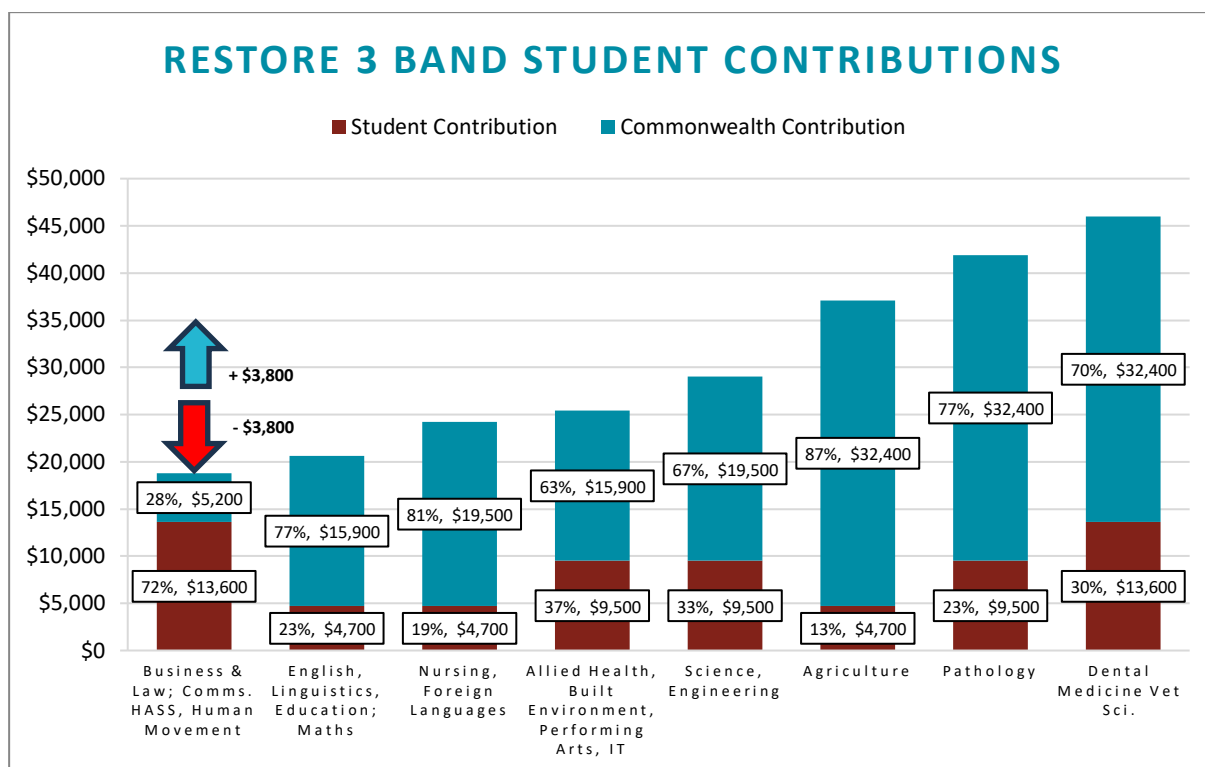
The Accord recommended student contributions be determined based on the principles of fairness, simplicity, field of study, and future earnings. A three band student contribution model is proposed. In the [IRU submission to the Accord](#), we recommended a simpler and fairer system of student and government contributions. The Accord does not explicitly recommend reducing student contributions in Law and Commerce, but it is required under a three band student contribution system. Therefore, we focus on achieving a three band student contribution system by removing the top student charging band, rather than retaining the top charging band for Law and Commerce and merging the bottom two bands.

The Accord also recommended that Government contributions should continue to be determined by field of study and based on the “estimated cost of teaching... [recognising] the public value of higher education across the system as a whole”. The Accord does not identify any fields of education that are over-funded relative to costs of teaching, only under-funded fields within STEM. Therefore, we assume that any reductions in student contributions would need to be offset by increases in Government contributions.

1. Remove the top charging student contribution band

Our first model below reduces student contributions by reclassifying fields currently in the current top-charging band (\$17,400) to the second highest band (\$13,600), reducing student contributions by \$3,800 per EFTSL and increasing Government contributions by \$3,800 per EFTSL to \$5,200. This reduces the number of student contribution bands to three at a total estimated cost of \$801M per annum. \$417M of these costs are for HASS and Human Movement (52% of total) and \$384M for Law and Commerce (48%).

The above changes would shift the proportion of costs borne by students from 47% under the current system, to 42% under a three band system. These changes would reduce the range in student contributions from \$4,700 to \$17,400 currently, to \$4,700 to \$13,600. The range in the proportion of total costs borne by students would also reduce from 13% to 93% currently, to 13% to 72%.

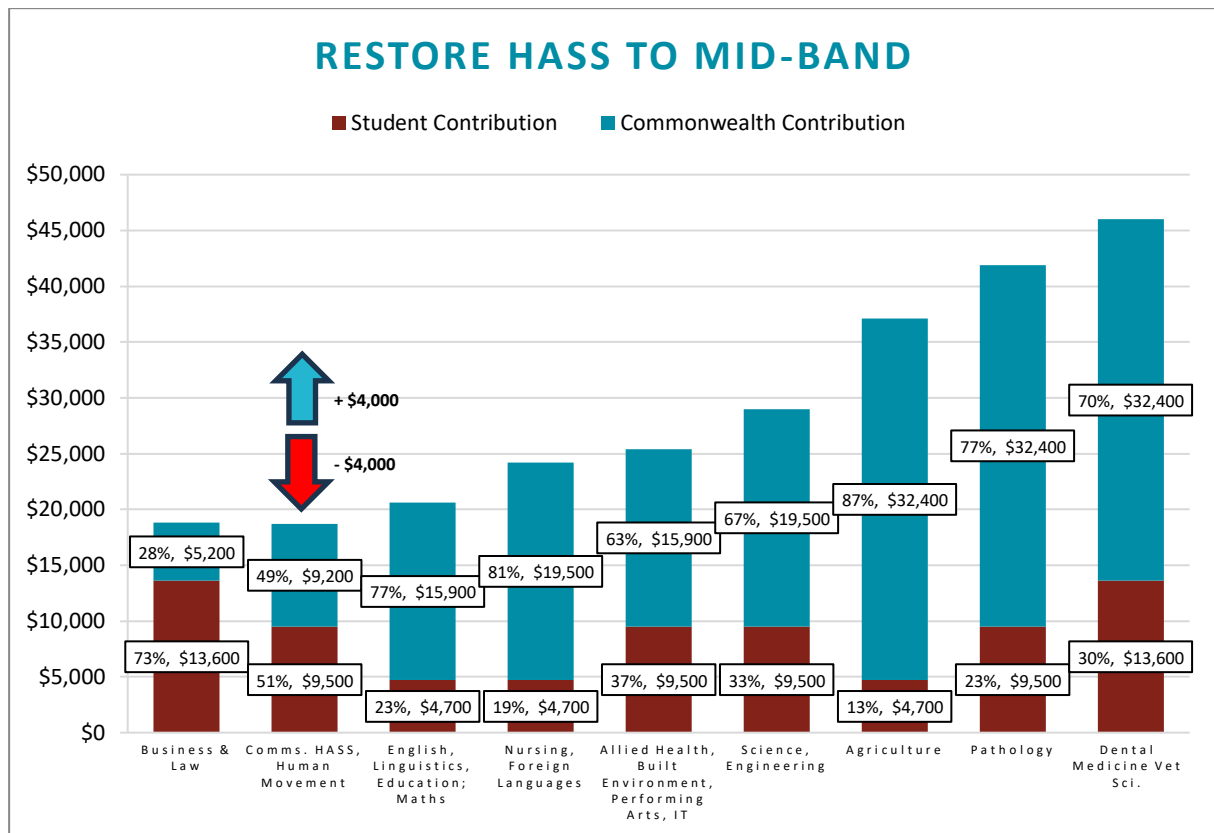


Restoring a three band student contribution system could also be achieved by retaining Law and Commerce in the top-charging band and reclassifying the current national priority fields (in the \$4,700 band) to the second lowest charging band (\$9,500). As outlined above, the cost for reclassifying HASS and Human Movement is around \$417M. Reclassifying the national priority fields to second lowest student contribution band would reduce government costs by \$704M and increase student contributions by the same amount (by doubling student contributions from \$4,700 to \$9,500). Removing both the top and bottom charging student contribution bands would be close to cost-neutral, costing Government an extra \$97M per annum, and creating a simple two band student contribution system.

2. Restore the Humanities and related fields to their pre-JRG rates

The Accord recommended “correcting” the student contribution rates in HASS and related fields for changes made under JRG. For this to be fully realised, most HASS fields would need to be restored to the mid-charging student contribution band. Reclassifying these fields from the current second highest band (\$13,600) to the mid-charging band (\$9,500) would reduce student contributions by \$4,000 per EFTSL, with an additional cost of \$436M to Government, in addition to the \$801M to remove the top-charging band (total cost \$1,237M).

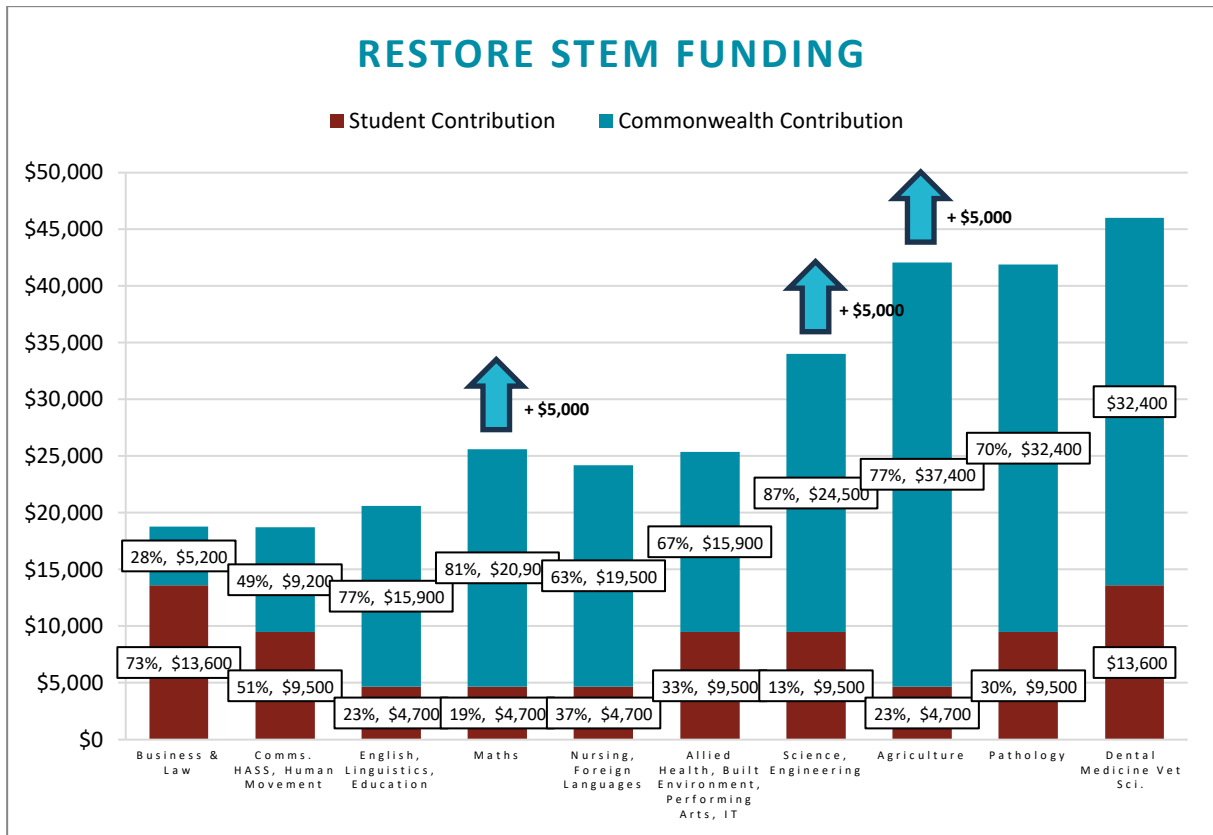
The combined changes would reduce student contributions to an average of 39% of the costs of their education. The appropriate balance between student and government contributions remains a matter of debate, but a 40% student contribution aligns with the 2011 Lomax-Smith Review recommendation for a 40:60 student to government ratio. However, the Lomax-Smith Review recommended this apply consistently across all disciplines, which is directly in conflict with the Accord’s principles for students in higher earning fields contributing a higher proportion of costs.



3. Restore STEM to pre-JRG funding rates by increasing government funding

The third immediate change recommended by the Accord involves “increasing government funding to support science, technology, engineering and mathematics courses to reduce the negative impacts of the JRG package” (p. 296). In 2021 the JRG cut base funding in Science and Engineering, Agriculture and Mathematics by \$3,000 to \$5,000. Therefore, we model a flat-rate \$5,000 increase in Government contributions in these three fields at an estimated cost of \$680M. Combined with the changes in student contributions outlined above, the cumulative total cost would be \$1,917M per annum, and student contributions would reduce to an average 37% of the total funding of their education.

Increasing Government funding in STEM would help offset the JRG changes which reduced total funding by around 10% to 20% for most STEM fields, other than IT, but it would not necessarily better align funding with costs of education delivery. The Accord proposes a new funding model that “would appropriately price the cost of teaching in different disciplines including increasing government contributions for disciplines in science, technology, engineering and mathematics (p. 8).” However, increasing Government contributions specifically in STEM inconveniently contradicts the cost of education estimates from the [Transparency in Higher Education Expenditure](#) project which was used by the JRG reforms to align total funding more closely with the cost of education, which were calculated as lower in STEM.



Appendix

The below table shows the inputs for our modelling of Student Load (EFTSL) in student contribution liable Commonwealth Supported Places (CSPs) in 2024 by 2026 cluster funding rates for student contributions (SC) and government contributions (CGS). In 2024 we estimate there were 613,100 student EFTSL in CSPs across the 10 relevant funding clusters at Universities Australia members (39 universities).¹

The base model for the JRG 2026 indicates the total CGS and SC income based on the sum of all EFTSL in 2024 multiplied by the contribution rates in 2026. The columns for Models 1, 2 and 3 adjust the SC and CGS rates in the relevant highlighted cells. For Models 1 and 2, the SC and CGS rates are modified with reductions in SC offset by increases in CGS rates. Therefore, there is no change in total income across the JRG 2026 reference, Model 1 or Model 2 (all are \$14,605M). Model 3 adjusts upwards the CGS by \$5,000 for selected STEM fields, but makes not changes to the SC rates, leading to an increase in total income to \$15,285M.

Table 2. Student Load (EFTSL) in Commonwealth Supported Places (CSPs) in 2024 by field of education funding cluster in 2026 and modelled rates

	2024 CSP's EFTSL	Base model - 2026 Published Rates					Proposal 1 (Restore 3 Band Student Contributions)					Proposal 2 (Restore HASS to mid-Band)					Proposal 3 (Restore STEM funding)				
Student Contributions		2026 CC	2026 SC	CGS Income	SC Income	Total Income	CGS Rate	SC Rate	CGS Income	SC Income	Total Income	CGS Rate	SC Rate	CGS Income	SC Income	Total Income	CGS Rate	SC Rate	CGS Income	SC Income	Total Income
Funding Cluster 1																					
Business, Law, Econs	99,976	\$1,316	\$17,399	\$132 m	\$1,739 m	\$1,871 m	\$5,157	\$13,558	\$516 m	\$1,355 m	\$1,871 m	\$5,157	\$13,558	\$516 m	\$1,355 m	\$1,871 m	\$5,157	\$13,558	\$516 m	\$1,355 m	\$1,871 m
HASS, Human Movement	108,526	\$1,316	\$17,399	\$143 m	\$1,888 m	\$2,031 m	\$5,157	\$13,558	\$560 m	\$1,471 m	\$2,031 m	\$9,178	\$9,537	\$996 m	\$1,035 m	\$2,031 m	\$9,178	\$9,537	\$996 m	\$1,035 m	\$2,031 m
Funding Cluster 2																					
Allied Health, Built Environ. Arts, IT	122,829	\$15,898	\$9,537	\$1,953 m	\$1,171 m	\$3,124 m	\$15,898	\$9,537	\$1,953 m	\$1,171 m	\$3,124 m	\$15,898	\$9,537	\$1,953 m	\$1,171 m	\$3,124 m	\$15,898	\$9,537	\$1,953 m	\$1,171 m	\$3,124 m
English, Linguistics, Education	69,785	\$15,898	\$4,738	\$1,109 m	\$331 m	\$1,440 m	\$15,898	\$4,738	\$1,109 m	\$331 m	\$1,440 m	\$15,898	\$4,738	\$1,109 m	\$331 m	\$1,440 m	\$15,898	\$4,738	\$1,109 m	\$331 m	\$1,440 m
Mathematics	21,544	\$15,898	\$4,738	\$343 m	\$102 m	\$445 m	\$15,898	\$4,738	\$343 m	\$102 m	\$445 m	\$15,898	\$4,738	\$343 m	\$102 m	\$445 m	\$20,898	\$4,738	\$450 m	\$102 m	\$552 m
Funding Cluster 3																					
Nursing, Foreign Languages	52,552	\$19,497	\$4,738	\$1,025 m	\$249 m	\$1,274 m	\$19,497	\$4,738	\$1,025 m	\$249 m	\$1,274 m	\$19,497	\$4,738	\$1,025 m	\$249 m	\$1,274 m	\$19,497	\$4,738	\$1,025 m	\$249 m	\$1,274 m
Science, Engineering	111,581	\$19,497	\$9,537	\$2,175 m	\$1,064 m	\$3,240 m	\$19,497	\$9,537	\$2,175 m	\$1,064 m	\$3,240 m	\$19,497	\$9,537	\$2,175 m	\$1,064 m	\$3,240 m	\$24,497	\$9,537	\$2,733 m	\$1,064 m	\$3,798 m
Funding Cluster 4																					
Agriculture	2,902	\$32,400	\$4,738	\$94 m	\$14 m	\$108 m	\$32,400	\$4,738	\$94 m	\$14 m	\$108 m	\$32,400	\$4,738	\$94 m	\$14 m	\$108 m	\$37,400	\$4,738	\$109 m	\$14 m	\$122 m
Dentistry, Medicine, Vet Science	22,378	\$32,400	\$13,558	\$725 m	\$303 m	\$1,028 m	\$32,400	\$13,558	\$725 m	\$303 m	\$1,028 m	\$32,400	\$13,558	\$725 m	\$303 m	\$1,028 m	\$32,400	\$13,558	\$725 m	\$303 m	\$1,028 m
Pathology	1,060	\$32,400	\$9,537	\$34 m	\$10 m	\$44 m	\$32,400	\$9,537	\$34 m	\$10 m	\$44 m	\$32,400	\$9,537	\$34 m	\$10 m	\$44 m	\$32,400	\$9,537	\$34 m	\$10 m	\$44 m
Grand Total	613,132	53%	47%	\$7,733 m	\$6,872 m	\$14,605 m	58%	42%	\$8,533 m	\$6,071 m	\$14,605 m	61%	39%	\$8,970 m	\$5,635 m	\$14,605 m	63%	37%	\$9,650 m	\$5,635 m	\$15,285 m

¹ This is very close to the "Student Contribution liable" CSP EFTSL for UA members in Table 5.4 of [2024 Section 5 - Liability status categories - Department of Education, Australian Government](#)

Limitations

- Our data only includes Universities Australia members, a very minor underestimate of EFTSL, SC, CGS and total funding (includes >99% of CSPs).
- We do not apply grandfathered rates, which apply to SC and CGS for students who commenced in 2020 and prior. This mostly overestimates SC and their 47% of total funding.
- We assume CSP EFTSL and enrolments are stable from 2024 to 2026 (including across clusters). However, Government forecasted growth in 2025 ([3 percent increase in domestic higher education commencements in 2025](#)) and estimates around 628,000 EFTSL for 2025 and 653,000 EFTSL for 2026. This means our 2026 EFTSL estimates are probably 4-5% below actual levels, underestimating both CGS and SC, and total funding.
- We assume CSP EFTSL are fully funded by CGS. Government estimates that 93% were fully funded with CGS and 7% student contribution only in 2025. In 2026, only 91% will be fully funded and 9% student contribution only. This means CGS are probably overestimated by 5-10%.
- We do not include or consider the Transitional Funding Floor Guarantee in 2026.
- Overall, our estimates are probably within an error range of ~5%.

Estimating the beneficiaries – 2026

In 2024 there were 836,000 students and 613,000 EFTSL in CSP, contribution liable places, a ratio of 1.36 students per EFTSL. We estimate the number of beneficiaries in 2026 from our modelling based on this ratio. For example, there were 209,000 CSP EFSTL enrolled in the highest charging band in 2024, including 100,000 EFSTL in Business, Law and Economics, and 109,000 in HASS and Human Movement. Multiplying this by 1.36 provides an estimate of 284,000 beneficiaries from the reductions in student contributions under Models 1 and 2 (136,000 in Business and Law; 148,000 in HASS and Human Movement) and a further 185,000 beneficiaries from better funded places in STEM. This assumes that CSP EFTSL and enrolments are stable from 2024 to 2026.

Estimating the cost of the changes – over time

The cost of reforming the JRG is primarily driven by the total EFTSL in CSPs affected by the changes. In nominal dollars, the cost of reforming the JRG increases each year due to indexation to SC and CGS rates. Our 2026 update suggests that the cost of reform has not increased in real terms since 2021 due to declines in CSP EFTSL in all affected fields. The declines in CSP EFTL have been greatest in HASS and human movement, down -13% in 2024 compared with 2020 level, the fields where restoring pre-JRG funding rates are greatest for government on a per student/EFTSL basis (see Figure 1 above).