

PORTFOLIO BUDGET STATEMENTS 2025-26
BUDGET RELATED PAPER NO. 1.4A

DEFENCE PORTFOLIO

Budget Initiatives and Explanations of Appropriations
Specified by Outcomes and Programs by Entity

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THE HON RICHARD MARLES
DEPUTY PRIME MINISTER
MINISTER FOR DEFENCE

PARLIAMENT HOUSE
CANBERRA 2600

President of the Senate
Australian Senate
Parliament House
CANBERRA ACT 2600

Speaker
House of Representatives
Parliament House
CANBERRA ACT 2600

Dear President

Dear Speaker

I hereby submit the Portfolio Budget Statements in support of the 2025-26 Budget for the Defence Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the outcomes for the Portfolio.

I present these statements to provide accountability to the Parliament and, through it, the public.

Yours sincerely

A handwritten signature in blue ink that reads 'Richard Marles'.

Richard Marles

Abbreviations and Conventions

The following notations may be used:

NEC/nec	not elsewhere classified
-	nil
..	not zero, but rounded to zero
na	not applicable (unless otherwise specified)
nfp	not for publication
\$m	\$ million
\$b	\$ billion

Figures in tables and in the text may be rounded. Figures in text are generally rounded to one decimal place, whereas figures in tables are generally rounded to the nearest thousand. Discrepancies in tables between totals and sums of components are due to rounding.

Enquiries

Should you have any enquiries regarding this publication please contact Assistant Secretary Budgeting and Reporting, Defence Finance Group, Department of Defence on (02) 5108 6064.

Links to Portfolio Budget Statements (including Portfolio Additional Estimates Statements and Portfolio Supplementary Additional Statements) can be located on the Australian Government Budget website at: www.budget.gov.au.

User Guide To The Portfolio Budget Statements

User Guide

The purpose of the *2025-26 Portfolio Budget Statements* (PB Statements) is to inform Senators and Members of Parliament of the proposed allocation of resources to government outcomes by entities within the portfolio. Entities receive resources from the annual appropriations acts, special appropriations (including standing appropriations and special accounts), and revenue from other sources.

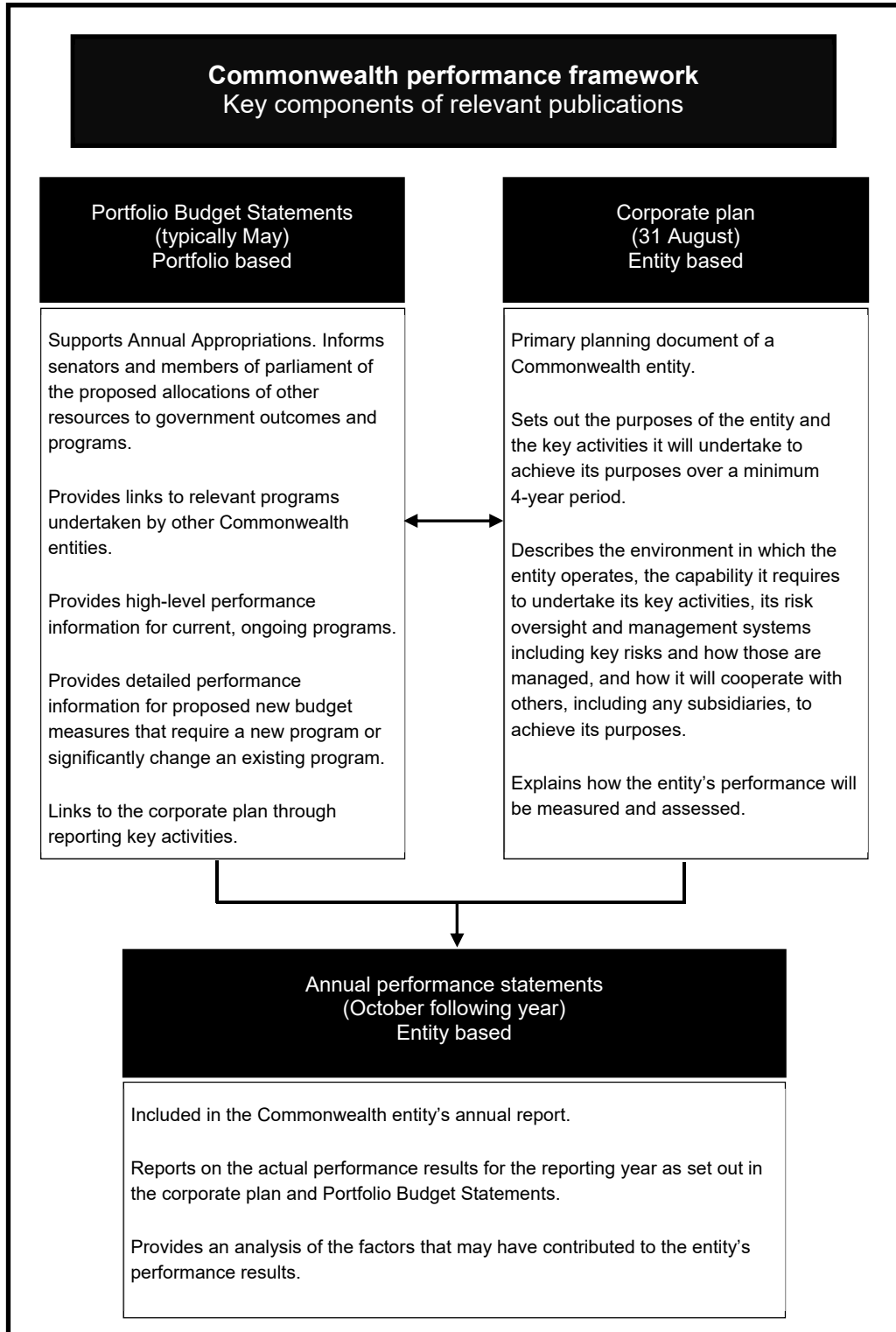
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2025-26 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2025-26 for the parliamentary departments) and related Supply Bills where they exist applicable to the 2025-26 Budget. In this sense, the PB Statements are Budget related papers and are declared by the Appropriation Acts to be 'relevant documents' to the interpretation of the Acts according to section 15AB of the *Acts Interpretation Act 1901*.

The PB Statements provide information, explanation and justification to enable Parliament to understand the purpose of each outcome proposed in the Bills.

As required under section 12 of the *Charter of Budget Honesty Act 1998*, only entities within the general government sector are included as part of the Commonwealth general government sector fiscal estimates and produce PB Statements where they receive funding (either directly or via portfolio departments) through the annual appropriation acts.

The Commonwealth Performance Framework

The following diagram outlines the key components of the Commonwealth performance framework. The diagram identifies the content of each of the publications and the relationship between them. Links to the publications for each entity within the portfolio can be found in the introduction to Section 2: Outcomes and Planned Performance.



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Portfolio Overview

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Defence Portfolio Overview

Ministers and their Portfolio Responsibilities

The Defence Portfolio (the Portfolio) has three Ministers:

- the Hon Richard Marles MP, Deputy Prime Minister and Minister for Defence;
- the Hon Pat Conroy MP, Minister for Defence Industry and Capability Delivery and Minister for International Development and the Pacific; and
- the Hon Matt Keogh MP, Minister for Veterans' Affairs and Minister for Defence Personnel.

In addition to these Ministers, the following Minister was sworn in as a Minister involved in the administration of the Department of Defence:

- the Hon Tony Burke MP, Minister for Home Affairs, Minister for Immigration and Multicultural Affairs, Minister for Cyber Security and Minister for the Arts.

In addition to the above Ministers, on 29 July 2024, the Prime Minister made the following non-Ministerial appointments:

- Mr Luke Gosling OAM MP, Special Envoy for Defence, Veterans' Affairs and Northern Australia; and
- Dr Andrew Charlton MP, Special Envoy for Cyber Security and Digital Resilience.

The Defence Portfolio

The Portfolio consists of component organisations that together are responsible for the defence of Australia and its national interests. The most significant bodies are the:

- Department of Defence, headed by the Secretary of the Department of Defence; and
- Australian Defence Force (ADF), commanded by the Chief of the Defence Force.

Defence is established as a Department of State under the Administrative Arrangements Order. The Department of Defence operates under the *Public Service Act 1999* and is a non-corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*. The ADF is constituted through the *Defence Act 1903*. In practice, these bodies work together closely and are broadly regarded as one organisation known simply as 'Defence'.

Defence's primary roles are to protect and advance Australia's strategic interests through the promotion of security and stability, provide military capabilities to defend Australia and its national interests, and support the Australian community and civilian authorities as directed by the Government.

The Portfolio includes the Australian Signals Directorate (ASD), the Australian Submarine Agency (ASA) and Defence Housing Australia (DHA). The Portfolio also contains some smaller entities, including a number of statutory offices, trusts and companies created under the *Public Governance, Performance and Accountability Act 2013*, *Defence Force Discipline Act 1982* and *Defence Act 1903*, which are independent but reside administratively within the Portfolio.

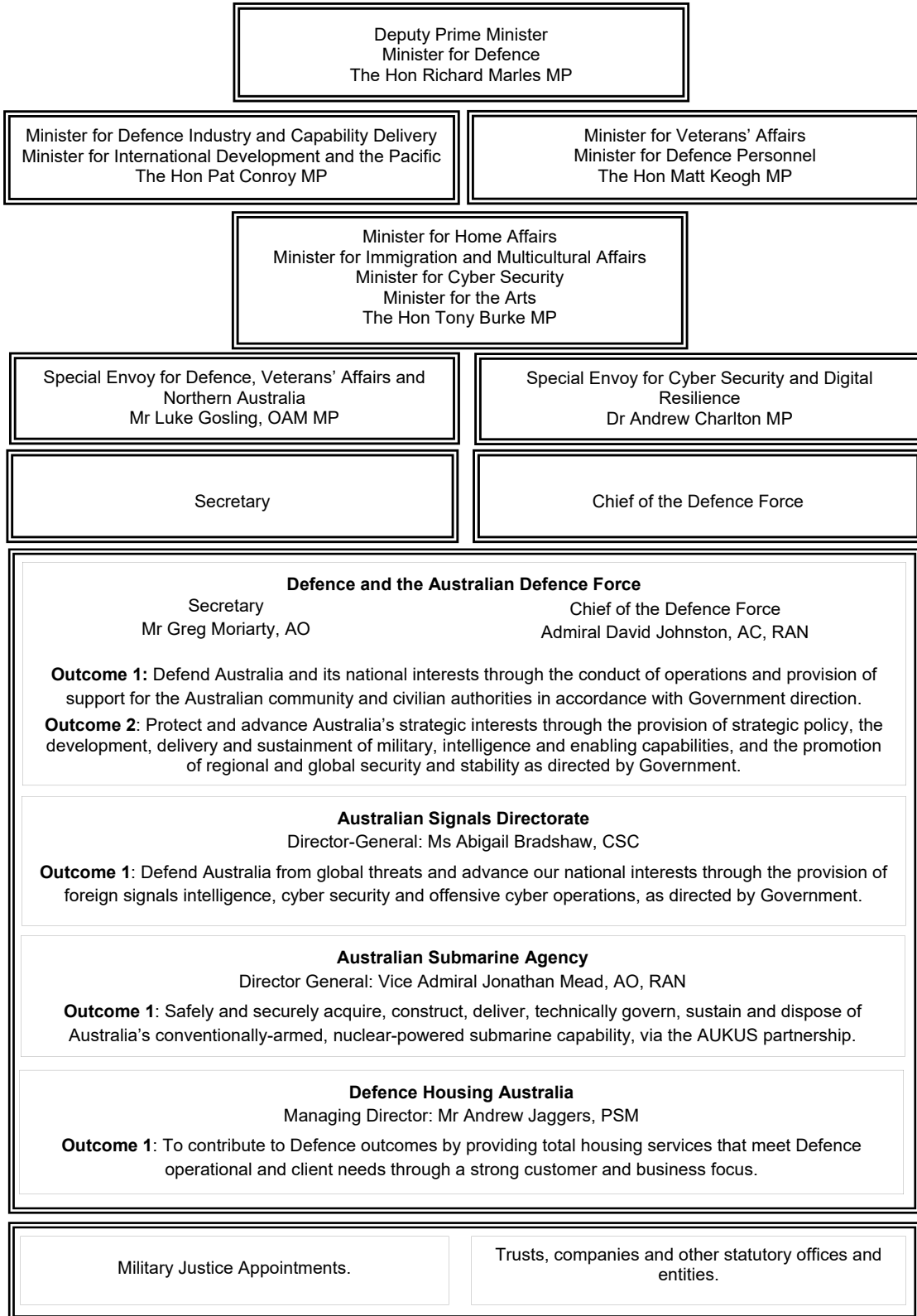
The Department of Veterans' Affairs (DVA) and associated bodies, as designated in the Administrative Arrangements Order, also form part of the Portfolio. DVA is administered separately to Defence, and information related to the Department can be found in its Portfolio Budget and Portfolio Additional Estimate Statements.

The Defence Executive Support Program 2.2, includes amounts that will be transferred to the Australian Naval Nuclear Powered Submarine Regulator (ANNPSR) when the agency is created in 2025-26. The final allocation of funding for the ANNPSR will be finalised ahead of its establishment.

For information on resourcing across the Portfolio, please refer to Part 1: Agency Financial Resourcing in *Budget Paper No. 4: Agency Resourcing*.

Portfolio Structure and Outcomes

Figure 1: Defence Portfolio Structure and Outcomes



The Defence Portfolio Structure and Outcomes is effective at the time of this publication's release.

Defence Portfolio Bodies

AAF Company

Chair: Brigadier Eamon Lenaghan, CSC

The AAF Company is a Commonwealth company under the *Public Governance, Performance and Accountability Act 2013*. It was incorporated in 1987 under the *Corporations ACT 2001*. The AAF Company undertakes the management and trusteeship of the Army's two trust funds known as the 'Army Amenities Fund' and the 'Messess Trust Fund'. The AAF Company promotes and supports the objectives of the two funds which provides amenities for members of the Australian Army.

Army and Air Force Canteen Service

Chair: Mr Glenn Kirk, GAICD

The Army and Air Force Canteen Service (AAFCANS), a Commonwealth authority established under the *Army and Air Force Canteen Service Regulations 1959* supplies goods, facilities and services to, or for the entertainment and recreation of, members of the Army and the Air Force including persons employed in, or in connection with, Army or Air Force installations and dependants of those members or persons, visitors to such installations and members of the Army or Air Force Cadets.

Australian Military Forces Relief Trust Fund

Chair: Major General Craig Dobson, AM, CSC

The Australian Military Forces Relief Trust Fund (AMFRTF) is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*. It was a Commonwealth authority established under the *Services Trust Funds Act 1947*. The AMFRTF provides benefits to members of the ADF who have served in, or in association with the Australian Army and to the dependants of such members.

Australian Strategic Policy Institute Limited

Chair: Ms Gai Brodtmann

The Australian Strategic Policy Institute Limited is a Commonwealth company that provides policy-relevant research and analysis to inform Government decisions and public understanding of strategic and defence issues.

Royal Australian Air Force Veterans' Residences Trust

Chair: Air Commodore David E. Tindal, AM (Retd)

The Royal Australian Air Force Veterans' Residences Trust, a Commonwealth authority established by the *Royal Australian Air Force Veterans' Residences Act 1953*, provides residences in which eligible former members, including dependants, of the Royal Australian Air Force, Royal Australian Air Force Nursing Service and Women's Auxiliary Australian Air Force who are in necessitous circumstances and, if the Trust so approves, the dependants of such eligible persons, may be accommodated or supported.

Royal Australian Air Force Welfare Recreational Company

Chair: Air Commodore Martin Smith

The Royal Australian Air Force Welfare Recreational Company is a Commonwealth company that provides access to discounted recreational accommodation and manages and promotes the Royal Australian Air Force Central Welfare Trust Fund owned recreational facilities for the Royal Australian Air Force members, their families and other eligible persons. It also provides financial support to, and assists in the provision of, recreational facilities and services to the Royal Australian Air Force members.

Royal Australian Air Force Welfare Trust Fund

Chair: Principal Air Chaplain James Cox

The Royal Australian Air Force Welfare Trust Fund, a Commonwealth authority established under the *Services Trust Funds Act 1947*, provides benefits for members of the Defence Force who have served in, or in association with, the Royal Australian Air Force and to the dependants of such members.

Royal Australian Navy Central Canteens Board

Chair: Captain Steve Bowater, OAM, RAN

The Royal Australian Navy Central Canteens Board (RANCCB), a corporate Commonwealth entity established under the *Navy (Canteens) Regulations 1954*, administers the Royal Australian Navy Central Canteens Fund. The principal activities of the RANCCB are to provide welfare and lifestyle related benefits and services to Navy members and their families.

Royal Australian Navy Relief Trust Fund

Chair: Commodore Shane Glassock, CSC, RAN

The Royal Australian Navy Relief Trust Fund, a Commonwealth authority established under the *Services Trust Funds Act 1947*, provides benefits for members of the Defence Force who have served in, or in association with, the Navy and to the dependants of such members.

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Defence

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Defence

Section 1: Defence Overview and Resources

1.1 Strategic Direction Statement

The *2024 National Defence Strategy* sets out the Government's strategic framework to guide the significant and urgent changes required to transform Defence's capability, force posture, force structure, acquisition, workforce and international engagement.

The *2024 National Defence Strategy* also details the concept of *National Defence* – a coordinated, whole-of-government and whole-of-nation approach that harnesses all arms of national power to defend Australia and advance our interests.

To guide Defence's contribution to *National Defence*, the Government has adopted the Strategy of Denial as the cornerstone of Defence planning. This approach aims to deter a potential adversary from taking actions that would be inimical to Australia's interests and regional stability. The Strategy of Denial involves working with the United States and key partners to ensure no country attempts to achieve its regional objectives through military action. By signalling a credible ability to hold potential adversary forces at risk, this strategy also seeks to deter attempts to coerce Australia through force.

The *2024 Integrated Investment Program* sets out the specific capabilities the Government will invest in to give effect to the *2024 National Defence Strategy*. Together, the *2024 National Defence Strategy* and the *2024 Integrated Investment Program* are designed to ensure the Australian Defence Force (ADF) has the capacity to achieve its five tasks:

- defend Australia and our immediate region;
- deter through denial any adversary's attempt to project power against Australia through our northern approaches;
- protect Australia's economic connection to our region and the world;
- contribute with our partners to the collective security of the Indo-Pacific region; and
- contribute with our partners to the maintenance of the global rules-based order.

The *2024 National Defence Strategy* and the *2024 Integrated Investment Program* advance the implementation of the Government's six immediate priorities announced in response to the *Defence Strategic Review*:

- acquisition of conventionally armed, nuclear-powered submarines through the Australia, the United Kingdom and United States (AUKUS) partnership to improve our deterrence capabilities;
- developing the ADF's ability to precisely strike targets at longer range and manufacture munitions in Australia;
- improving the ADF's ability to operate from Australia's northern bases;
- initiatives to improve the growth and retention of a highly-skilled defence workforce;
- lifting our capacity to rapidly translate disruptive new technologies into ADF capability, in close partnership with Australian industry; and
- deepening our diplomatic and defence partnerships with key partners in the Indo-Pacific.

The 2024 *National Defence Strategy* and the 2024 *Integrated Investment Program* detail the Government's plan to transform the ADF from a balanced force capable of responding to a range of contingencies, to an integrated, focused force designed to address Australia's most significant strategic risks. The Government has reset defence capability priorities to deliver this fundamental change. This reset has involved a complete rebuild of the Integrated Investment Program to ensure it is a coherent, logical and affordable plan for defence capability.

In rebuilding the Integrated Investment Program, the Government has made decisions to prioritise and fund the acquisition of key capabilities to bolster Australia's deterrence capabilities. The Government also made tough, but necessary, decisions to cancel, divest, delay or re-scope projects or activities that are not critical to delivering the force our strategic circumstances require. This reprioritisation has enabled the Government to accelerate new, and more potent immediate and longer-term priority projects and capabilities.

The Government has committed to a biennial National Defence Strategy cycle to ensure Defence policy, strategy, capability and planning keep pace with the rapidly evolving strategic environment, respond to Australia's national security priorities and provide clarity of process and approach to defence industry. The next National Defence Strategy will be delivered in 2026 as part of the 2026-27 Commonwealth Budget process.

Defence remains committed to implementing the Government's response to the Final Report released by the Royal Commission into Defence and Veteran Suicide. Resources are being allocated and prioritised to ensure the design and implementation of initiatives meet the intent of the recommendations. Governance structures have also been established to enable Defence's senior leadership to have oversight of the broad program of activities and appropriate engagement with the Commonwealth Taskforce led out of the Department of the Prime Minister and Cabinet and the new legislated Defence and Veterans' Service Commission to be established by September 2025.

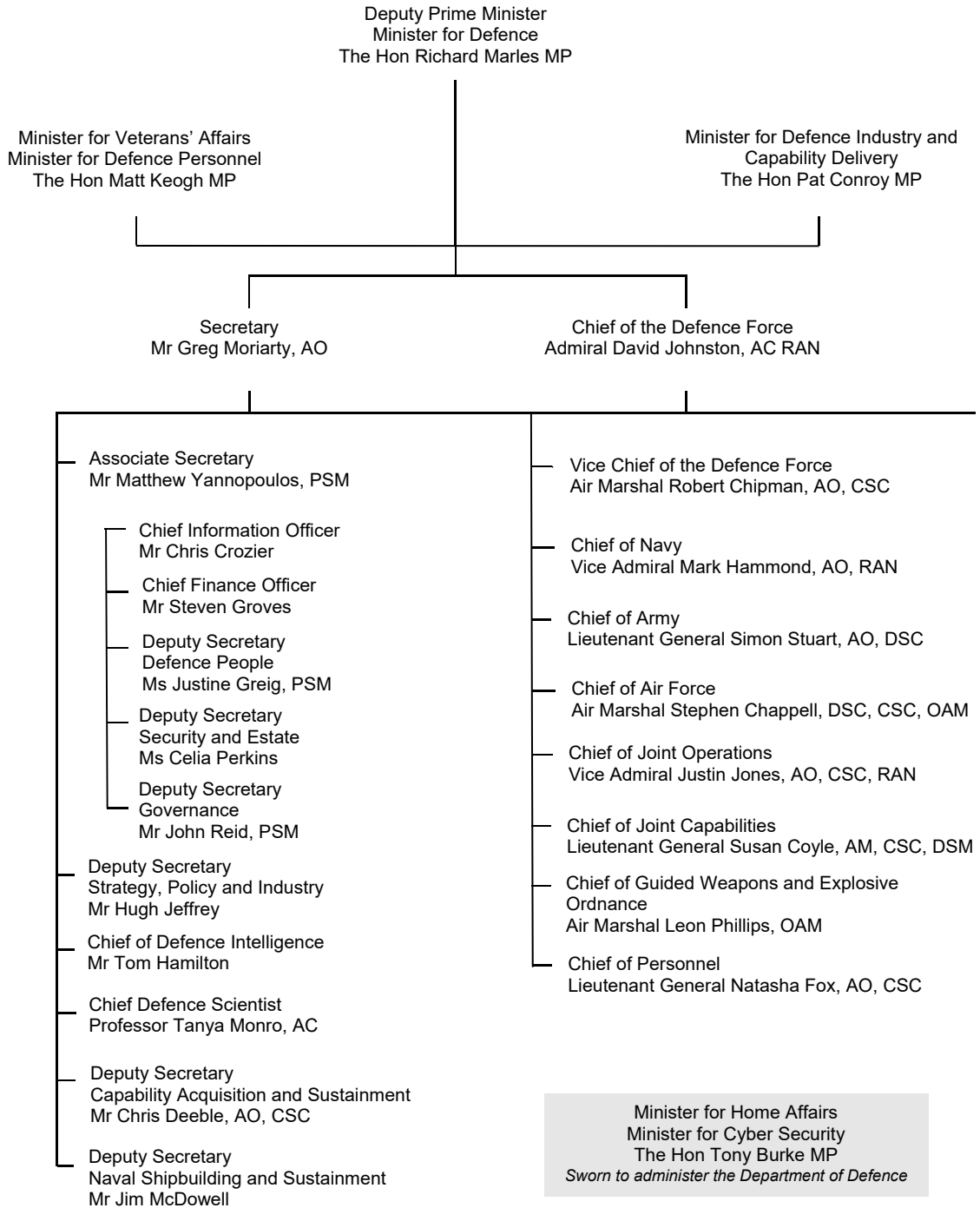
The Australian Submarine Agency (ASA) was established on 1 July 2023 to oversee and manage Australia's nuclear-powered submarine program, including acquisition, delivery, construction, technical governance, sustainment, and disposal of nuclear-powered submarines. The ASA will also enable the necessary policy, legal, non-proliferation, workforce, security and safety arrangements. The ASA is a non-corporate Commonwealth entity that operates within the Defence portfolio and has its own chapter in the *Portfolio Budget Statements 2025-26* (PBS 2025-26). The Royal Australian Navy will continue to be responsible for submarine operations.

Acquisition of a conventionally-armed, nuclear-powered submarine capability will give Australia a more capable and potent submarine force to enhance Australia's ability to deter threats to its security and contribute to the security and stability of the Indo-Pacific region. Through the AUKUS partnership, the nuclear-powered submarine pathway (Pillar I) will also bolster interoperability among AUKUS partners, build the combined capabilities of AUKUS partners and create a stronger, more resilient trilateral industrial base for submarine production and maintenance.

AUKUS partners continue to accelerate the development and delivery of a range of advanced capabilities to enhance collective security and deterrence in the Indo-Pacific and beyond. The alignment of our national defence strategies, anchored in our shared values and strategic interests as longstanding security partners, is facilitating unprecedented collaboration. In addition to working on dedicated AUKUS capabilities, AUKUS Pillar II is breaking down barriers and driving reform through the creation of a fit-for-purpose enabling environment that will help rapidly deliver advanced capabilities into the hands of the warfighter.

Defence Organisational Chart

Figure 2: Defence Organisational Chart



This Defence Organisational Chart is effective at the time of this publication's release.

Senior Executive Changes

There have been no changes since the last Portfolio Statements.

Organisational Structure

There have been no changes since the last Portfolio Statements.

1.2 Defence Resource Statement

The Defence Resource Statement details the resourcing for Defence at Budget Estimates. Table 1 outlines the total resourcing available from all sources for the 2025-26 Budget year, including variations through Special Appropriations and Special Accounts. For more detailed information, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Table 1: Total Defence Resourcing [a]

Serial No.	2024-25		2025-26	2025-26	Variation	Variation	2026-27	2027-28	2028-29
	Estimated	Actual	Previous Estimate	Budget Estimate			Forward Estimate	Forward Estimate	Forward Estimate
	\$'000		\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000
	Defence Resourcing								
1	38,967,010	Appropriation for departmental outcomes	40,202,425	40,709,350	506,925	1.3	41,166,155	44,770,752	48,840,860
2	2,734,831	Departmental capital budget	3,079,566	3,128,980	49,414	1.6	3,052,313	3,317,985	3,386,211
3	11,112,977	Equity injection appropriation	11,917,882	12,274,359	356,477	3.0	14,633,679	17,645,715	19,268,016
4	700,000	Funding movement for 2024-25 Working Capital [b]	-	-	-	-	-	-700,000	-
5	-	Prior year appropriation	-	-	-	-	-	-	-
6	53,514,818	Current year's appropriation (1 + 2 + 3 + 4 + 5) [b]	55,199,873	56,112,689	912,816	1.7	58,852,147	65,034,452	71,495,087
7	-	Draw down of appropriations carried forward	-	-	-	-	-	-	-
8	-	Other appropriation receivable movements	-	-	-	-	-	-	-
9	-	Return to the Official Public Account [c]	-	-	-	-	-	-	-
10	-	Funding from / to the OPA (7 + 8 + 9)	-	-	-	-	-	-	-
11	53,514,818	Funding from Government (6 + 10)	55,199,873	56,112,689	912,816	1.7	58,852,147	65,034,452	71,495,087
12	95,905	Capital receipts [d]	37,608	37,608	-	-	4,811	5,070	5,399
13	1,053,323	Own source revenue (s74 receipts) [e][f]	950,623	1,270,948	320,325	33.7	996,710	971,390	932,270
14	-	Prior year receipts	-	-	-	-	-	-	-
15	1,149,228	Funding from other sources (12 + 13 + 14)	988,231	1,308,556	320,325	32.4	1,001,521	976,460	937,669
16	54,664,046	Total Departmental funding excl. Defence Trusts and Joint Accounts (11 + 15)	56,188,104	57,421,245	1,233,141	2.2	59,853,668	66,010,912	72,432,756
	Defence Trusts and Joint Accounts								
17	103,212	Revenue [g]	109,820	114,222	4,402	4.0	199,918	389,899	263,043
18	-108,942	Expenditure (Operating and Capital)	-109,806	-114,171	-4,365	4.0	-201,139	-389,591	-263,322
19	-5,730	Total Defence Trusts and Joint Accounts (17 + 18)	14	51	37	264.3	-1,221	308	-279
20	54,658,316	Total Departmental funding (16 + 19)	56,188,118	57,421,296	1,233,178	2.2	59,852,447	66,011,220	72,432,477
	Administered [h]								
21	4,544,108	Administered special appropriations	4,935,116	4,935,116	-	-	5,310,197	5,724,367	6,137,483
22	1,433,092	Own source revenue [b]	1,367,249	1,367,249	-	-	1,302,826	1,241,307	1,191,642
23	-1,433,092	Returns to the Official Public Account [b]	-1,367,249	-1,367,249	-	-	-1,302,826	-1,241,307	-1,191,642
24	4,544,108	Total Administered funding (21 + 22 + 23)	4,935,116	4,935,116	-	-	5,310,197	5,724,367	6,137,483
25	59,202,424	Total Defence resourcing (20 + 24)	61,123,234	62,356,412	1,233,178	2.0	65,162,644	71,735,587	78,569,960
	Appropriation carried forward								
26	1,535,495	Appropriation receivable including previous year's outputs	932,179	1,467,283	535,104	57.4	1,565,059	1,232,918	1,366,158
27	300,157	Cash in bank - Departmental	285,327	321,680	36,353	12.7	320,458	320,766	320,488
28	-	Cash in bank - Administered	-	-	-	-	-	-	-
29	1,835,652	Total appropriation carried forward (26 + 27 + 28)	1,217,506	1,788,963	571,457	46.9	1,885,517	1,553,684	1,686,646

Notes

- This table is prepared on an accrual basis, except for serials 7 to 10, 12, 14, 21 to 24, 27 and 28.
- The funding movement from 2027-28 to 2024-25 of \$700 million is to partly address Defence's ongoing working capital requirements. This adjustment provides an increase to cash reserves to meet Defence industry commitments as and when they fall due for payment. While the increase in working capital in 2024-25 is by way of the movement of appropriation from 2027-28, the movement will be represented as an equity injection and not as increased Defence funding. This is because the injection will be used to address existing expenditure commitments already incurred/recognised. In 2027-28, the reduction of appropriation will not impact planned capital expenditure levels as Government has agreed Defence will operate with a Net Capital Deficit in that financial year.
- The appropriations for 2024-25 as disclosed in Serials 1 to 4 include amounts in 2024-25 that are yet to receive royal assent. Further, since the appropriations disclosed are reported on an accrual basis, they do not include supplementation or handback relating to prior years mainly on account of No Win/No Loss (NWNL) arrangements.
- Represents net transfers to and from the Official Public Account.
- All figures are net of GST.
- The variation in 2025-26 Own Source Revenue compared to the Previous Estimate, predominantly relates to revenue from foreign government activities.
- Includes estimated resourcing required to meet payments for the Defence Superannuation Benefits. Table 50 shows estimates of total expenses for the Defence Superannuation Schemes.
- Own Source Revenue received in cash is returned to the Official Public Account.

1.3 Budget Measures

Budget Measures relating to Defence are detailed in Budget Paper No. 2 and are summarised below.

2025-26 Budget Measures and Other Budget Adjustments

Table 2: Defence 2025-26 Budget Measures and Other Budget Adjustments

	2024-25 Estimated Actual \$m	2025-26 Budget Estimate \$m	2026-27 Forward Estimate \$m	2027-28 Forward Estimate \$m	2028-29 Forward Estimate \$m	Total \$m
Budget Measures						
Payment Measures						
Continued Defence Support to Ukraine ^[a]	2.1	-	-	-	-	-
Investing in Naval Shipbuilding and Sustainment in Australia - further investment ^[b]	2.15	-	-	-	-	-
Attorney-General's Portfolio - Additional resourcing	2.3	-	-41.9	-	-	-41.9
Nuclear-Powered Submarine Program - continuation of whole-of-government support	2.16	-	-49.3	-	-	-49.3
Savings from External Labour - Extension	Various	-	-	-	-196.8	-196.8
Total Departmental Budget Measures		-	-91.2	-	-	-196.8
Other Departmental Budget Adjustments						
Operation KUDU	1.2	-	44.9	-	-	44.9
Operation RESOLUTE	1.3	-	130.1	-	-	130.1
Operation ACCORDION	1.2	-	91.8	-	-	91.8
Foreign Exchange ^[c]	Various	332.1	701.1	677.1	734.0	876.6
Other Budget Adjustments ^[d]	Various	700.0	48.6	500.0	-200.0	-1,000.0
Total Other Departmental Budget Adjustments		1,032.1	1,016.5	1,177.1	534.0	-123.4
Total Defence Funding		1,032.1	925.3	1,177.1	534.0	-320.3

Notes

- a. This measure provides \$17.0 million over the period 2024-25 to 2025-26, which is being met from within the existing resourcing of the Department of Defence.
- b. This measure provides \$24.2 million over the period 2024-25 to 2025-26, which is being met from within the existing resourcing of the Department of Defence.
- c. This adjustment includes funding made available from prior year appropriations.
- d. This adjustment includes funding made available from prior year appropriations for working capital (refer Table 1 Serial 4), and a re-profiling of Departmental funding to continue accelerating capability acquisition in line with the Integrated Investment Program.

Operations Summary

Table 3: Net Additional Cost of Current Major Operations to 2028-29 [a] [b] [c]

	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate	Total
	\$m	\$m	\$m	\$m	\$m	\$m
Operation ACCORDION	98.9	91.8	-	-	-	190.7
Operation RESOLUTE	126.3	130.1	-	-	-	256.4
Operation KUDU	38.3	44.9	-	-	-	83.2
Operation BEECH	18.3	-	-	-	-	18.3
Total Net Additional Costs	281.8	266.8	-	-	-	548.6
Sources of Funding for Major Operations						
Government Supplementation	281.8	266.8	-	-	-	548.6
Total Cost	281.8	266.8	-	-	-	548.6

Notes

- This table reflects ongoing and new Major Operations funded under No Win/No Loss arrangements.
- The Net Additional Cost of Major Operations include the budget adjustments shown under Table 2.
- Certain Operations are not for publication (nfp) due to national security reasons.

1.4 Key Cost Category Estimates

Table 4a: Defence, ASD and ASA Funding from Government ^[a]

Serial No.		2024-25	2025-26	2026-27	2027-28	2028-29	Total
		Estimated	Budget	Forward	Forward	Forward	
		Actual	Estimate	Estimate	Estimate	Estimate	
		\$m	\$m	\$m	\$m	\$m	\$m
1	Defence ^[b]	53,514.8	56,112.7	58,852.1	65,034.5	71,495.1	305,009.2
2	Australian Signals Directorate	2,740.4	2,478.4	2,466.5	2,217.0	2,253.6	12,155.9
3	Australian Submarine Agency	353.0	397.6	529.0	379.5	394.4	2,053.5
4	Consolidated Defence, ASD and ASA Funding	56,608.2	58,988.7	61,847.6	67,631.0	74,143.1	319,218.6

Notes

- a. Provides a consolidated summary of Defence Portfolio funding, excluding Defence Housing Australia and Department of Veterans' Affairs.
- b. These amounts refer to appropriations only. Refer Table 1 Serial 6 for total appropriation.

Table 4b: Defence Planned Expenditure by Key Cost Category ^{[a] [b] [c]}

Serial No.		2024-25	2025-26	2026-27	2027-28	2028-29	Total
		Estimated	Budget	Forward	Forward	Forward	
		Actual	Estimate	Estimate	Estimate	Estimate	
		\$m	\$m	\$m	\$m	\$m	\$m
1	Workforce	16,205.6	17,170.9	17,931.5	18,841.4	19,589.1	89,738.5
2	Operations	332.6	317.9	1.3	1.3	1.3	654.4
3	Capability Acquisition Program	17,702.7	18,800.5	19,927.7	24,248.2	27,775.1	108,454.1
4	Capability Sustainment Program	17,230.5	18,758.8	19,525.1	21,058.0	22,449.5	99,021.9
5	Operating	2,492.6	2,373.1	2,468.1	2,562.1	2,617.7	12,513.6
6	Total Defence Planned Expenditure	53,964.0	57,421.2	59,853.7	66,710.9	72,432.8	310,382.6

Notes

- a. These categories are funded by appropriations and own source revenue.
- b. Does not include expenses in relation to Defence Trusts and Joint Accounts, as these expenses are incurred on behalf of such trusts and joint accounts and are offset by revenues. Refer Table 1 Serials 17-19 and Table 38.
- c. Does not include the impact of changes to Defence Working Capital on account of movement of funds as shown under Table 1 Serial 4. While the increase in working capital in 2024-25 is by way of the movement of appropriation from 2027-28, the movement will be represented as an equity injection and not as increased Defence funding. This is because the injection will be used to address existing expenditure commitments already incurred/recognised, such as pre-payments. In 2027-28, the reduction of appropriation will not impact planned capital expenditure levels as Government has agreed Defence will operate with a Net Capital Deficit in that financial year.

Table 5: Capability Acquisition Program ^[a]

Serial No.		2024-25	2025-26	2026-27	2027-28	2028-29	Total
		Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate	
		\$m	\$m	\$m	\$m	\$m	
1	Military Equipment Acquisition Program	13,911.0	14,320.1	15,670.0	19,157.5	23,511.8	86,570.3
2	Enterprise Estate and Infrastructure Program	2,922.7	3,531.8	3,286.1	4,037.3	3,271.2	17,049.2
3	ICT Acquisition Program	414.5	407.2	567.1	685.1	619.0	2,692.9
4	Minors Program	454.5	541.4	404.5	368.3	373.1	2,141.8
5	Total Capability Acquisition Program ^[b]	17,702.7	18,800.5	19,927.7	24,248.2	27,775.1	108,454.1

Notes

- a. These categories are funded by appropriations and own source revenue.
b. The Capability Acquisition Program includes unapproved and approved projects.

Table 6: Capability Sustainment Program ^[a]

Serial No.		2024-25	2025-26	2026-27	2027-28	2028-29	Total
		Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate	
		\$m	\$m	\$m	\$m	\$m	
1	Navy Sustainment	3,689.4	4,041.1	3,861.2	3,970.4	3,984.3	19,546.4
2	Army Sustainment	2,681.8	2,947.5	3,178.5	3,411.7	3,702.9	15,922.5
3	Air Force Sustainment	3,844.7	4,182.3	4,504.0	4,866.7	5,150.0	22,547.8
4	Defence Digital Sustainment ^[b]	1,978.2	2,053.5	2,112.2	2,223.1	2,510.0	10,877.0
5	Joint Capabilities Sustainment	804.0	1,017.7	1,251.4	1,494.8	1,583.3	6,151.2
6	Strategy, Policy and Industry Sustainment	93.2	148.7	113.8	160.4	225.8	741.9
7	Defence Intelligence Sustainment	183.4	280.7	320.2	553.4	558.4	1,896.1
8	Security and Estate Sustainment ^[c]	3,650.5	3,751.5	3,825.3	3,915.2	3,855.2	18,997.8
9	Nuclear-Powered Submarines Sustainment	6.2	6.2	6.4	164.8	261.8	445.4
10	Guided Weapons & Explosive Ordnance Sustainment	147.8	164.8	199.9	144.3	475.2	1,132.1
11	Other Minor Sustainment	151.1	164.7	152.2	153.2	142.5	763.7
12	Total Capability Sustainment Program ^[d]	17,230.5	18,758.8	19,525.1	21,058.0	22,449.5	99,021.9

Notes

- a. These categories are funded by appropriations and own source revenue.
b. Defence Digital Sustainment includes all ICT sustainment for the Department.
c. Security and Estate Sustainment includes all estate maintenance, garrison support and associated costs for the Department.
d. Total sustainment includes both approved (current) sustainment and unapproved sustainment (relating to unapproved projects).

Table 7: Retained Capital Receipts

Serial No.		2025-26	2026-27	2027-28	2028-29
		Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
		\$m	\$m	\$m	\$m
1	Proceeds from sale of property	37.6	4.8	5.1	5.4
2	Proceeds from sale of specialist military equipment	-	-	-	-
3	Proceeds from sale of infrastructure, plant and equipment	-	-	-	-
4	Retained Capital Receipts (1 + 2 + 3)	37.6	4.8	5.1	5.4

1.5 People

Workforce Overview

The *2024 Defence Workforce Plan* (the Workforce Plan), released in November 2024, outlined how Defence will achieve the Australian Defence Force (ADF), Australian Public Service (APS) and external workforce required to deliver Australia's National Defence Strategy.

Through the initiatives included in the Workforce Plan, the permanent ADF will grow to around 69,000 by the early 2030s, with a focus on strengthening the junior and middle ranks. Defence will continue to invest in the skilling and development of the Defence APS while reducing reliance on the contracted workforce. Defence recognises there will continue to be a need for contracted support in specialist areas.

The Workforce Plan includes eight strategic tasks with clearly defined actions and outcomes to address the requirements of the total Defence workforce. These eight strategic tasks address ADF recruitment and retention, APS skilling and development, as well as actions that will improve Defence's organisational culture, the wellbeing of our people and the support to ADF members and their families.

The Workforce Plan will work hand-in-hand with other broader efforts to improve the lifetime wellbeing of Defence members, veterans and their families, which includes the Government Response to the Final Report of the Royal Commission into Defence and Veteran Suicide. Defence will implement the agreed recommendations from the Government Response it has responsibility to lead, as guided by the new Commonwealth Taskforce led out of the Department of the Prime Minister and Cabinet. Defence will also engage, as required, with the Interim Head of the new Defence and Veterans' Service Commission, as they work across government towards the commencement of the legislated oversight body on 30 September 2025.

Workforce Summary

The planned growth path for the full-time equivalent (FTE) Defence workforce will be 79,236 in 2025-26, comprising 59,373 permanent ADF (75 per cent) and 19,863 APS employees (25 per cent). The service breakdown of the permanent ADF is:

- 15,392 Navy personnel;
- 27,773 Army personnel; and
- 16,208 Air Force personnel.

The workforce growth path across the forward estimates (Table 8) reflects the budgeted workforce requirement outlined in the *2024 Defence Workforce Plan*.

Modest growth is expected in the permanent ADF in 2025-26, with inflows exceeding outflows at the whole of ADF level. At the service level, Navy and Air Force are expected to continue to grow. Army's inflow must increase further in 2025-26 to enable net growth.

Achieving net growth across all Services is a priority. Defence will continue to transform ADF recruitment and retention by:

- widening eligibility criteria to enable more people to join the ADF, including expanding the recruitment of eligible permanent residents living in Australia;
- expanding the recruiting system to translate this wider pool of eligible applicants into an increase in the number of ADF recruits;

- improving processes to enable faster recruiting so that skills gaps can be identified and addressed more quickly; and
- encouraging current personnel, who have built the skills and expertise the ADF needs, to stay and serve longer through retention initiatives, including through expansion of the ADF Continuation Bonus.

The ADF Reserves are an important part of the total ADF workforce. The forecast contribution from Service Categories (SERCAT) 3, 4 and 5 in 2025-26 is 1,135,450 days of service performed by an estimated 21,690 members of the Reserve Forces. In 2025-26, Defence will implement the *Strategic Review of the ADF Reserves*, which includes increasing the Operational Reserve force (SERCAT 4) by an additional 1,000 personnel by 2030. Information about the ADF Total Workforce System and the structure of service categories is available on the department's website here: <https://www.defence.gov.au/PayandConditions/ADF/ADF-TWS.asp>.

The APS workforce growth is expected to moderate during 2025-26 following a period of growth. Defence will continue to focus on skilling, developing and professionalising the APS workforce to deliver the priorities outlined in the 2024 *National Defence Strategy* and Integrated Investment Program. Delivering a skilled workforce in support of National Naval Shipbuilding, Defence Guided Weapons and Explosive Ordnance, and AUKUS Pillars One and Two remains a priority.

Defence People

Achieving the Defence mission requires an integrated workforce. To enable this, Defence will focus on the recruitment, retention, culture and wellbeing of its people and support to ADF families as outlined in the Defence Workforce Plan. Defence will continue to develop, implement and finalise initiatives that improve organisational culture and strengthen the wellbeing of the workforce. This includes progressing work under the *Defence Culture Blueprint Program*, improving and communicating the Employee Value Proposition to the Defence workforce.

Ongoing efforts under the *Defence Work Health and Safety Strategy 2023-2028* will enable a positive work, health and safety culture across the organisation. Defence's investment in a life-span approach and support for mental health, wellbeing and suicide prevention will be underpinned by the *Defence and Veteran Mental Health and Wellbeing Strategy 2024-2029*.

To further support Defence personnel and their families, Defence will deliver the *Defence Strategy for Preventing and Responding to Family and Domestic Violence 2023-2028* including a mandatory family and domestic violence awareness program. Defence will continue to support transitioning members through the implementation of the 2023 *Veteran Transition Strategy*.

The APS workforce will continue to be strengthened through an APS skills uplift, training and professionalisation. This will enable ongoing re-balancing of the APS workforce to address critical areas such as engineering, intelligence, cyber, ICT, project and program management and contract management. This skilling and re-balance will be achieved through the implementation of a Defence APS Academy, organisational capability reviews, job family reform and ongoing implementation of the Strategic Commissioning Framework.

The Defence Workforce Plan will be reviewed biennially, through the National Defence Strategy review cycle. This will ensure Defence's strategic workforce planning aligns with the integrated workforce requirements needed to deliver the Defence mission.

Table 8: Planned Workforce Forecast for the 2025-26 Budget and Forward Estimates - Average Full-time equivalent^{[a] [b]}

	2024-25 Estimated Actual (Workforce Achievement)	2025-26 Budget Estimate (Workforce Requirement)	2026-27 Forward Estimate (Workforce Requirement)	2027-28 Forward Estimate (Workforce Requirement)	2028-29 Forward Estimate (Workforce Requirement)
ADF Permanent Force					
Navy	15,282	15,392	16,053	16,709	17,092
Army	27,736	27,773	28,588	29,905	30,704
Air Force	15,832	16,208	16,408	16,658	16,908
1 Total Permanent Force	58,850	59,373	61,049	63,272	64,704
Civilian Employees					
APS	19,237	19,863	20,261	20,274	20,275
2 Total Civilian Employees	19,237	19,863	20,261	20,274	20,275
Total Workforce Strength (1 + 2)	78,087	79,236	81,310	83,546	84,979

Notes

- a. All numbers for the full-time workforce elements represent average full-time equivalents.
- b. Forward Estimates reflect the budgeted workforce requirements for ADF and approved Government budgeted allocations for APS.

Table 9: Planned Workforce Allocation for the 2025-26 Budget and Forward Estimates - Reserve (Service Categories 3, 4 and 5)^{[a] [b]}

	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
Service Category 3 and 5					
Navy	118,000 (2,000)	120,500 (2,050)	123,000 (2,100)	125,500 (2,150)	128,000 (2,200)
Army	740,000 (15,500)	740,000 (15,500)	740,000 (15,500)	740,000 (15,500)	740,000 (15,500)
Air Force	268,000 (4,000)	274,000 (4,100)	280,000 (4,200)	286,000 (4,300)	292,000 (4,400)
1 Sub-total Service Category 3 and 5	1,126,000 (21,500)	1,134,500 (21,650)	1,143,000 (21,800)	1,151,500 (21,950)	1,160,000 (22,100)
Service Category 4^[c]					
Air Force	950 (40)	950 (40)	950 (40)	950 (40)	950 (40)
2 Sub-total Service Category 4	950 (40)	950 (40)	950 (40)	950 (40)	950 (40)
Total Reserves (1 + 2)	1,126,950 (21,540)	1,135,450 (21,690)	1,143,950 (21,840)	1,152,450 (21,990)	1,160,950 (22,140)

Notes

- a. This table does not include Reservists undertaking continuous full-time service (Service Option C), as these are captured in Table 8, nor Reservists not currently rendering service (including SERCAT 2).
- b. As the number of days or hours worked by Reserve members can vary greatly, figures in Table 9 show the total number of days service rendered, with a headcount of members rendering paid service in brackets.
- c. SERCAT 4 is available to all three Services. It is currently only used by Air Force on an ongoing basis, however Navy are currently undertaking a trial of SERCAT 4. The increased use of SERCAT 4 is a key recommendation of the Strategic Review of the ADF Reserves.

Table 10: Breakdown of Average Personnel Numbers by Service and Rank

	2024-25 Estimated Actual	2025-26 Budget Estimate^[a]
Navy		
One Star and above ^[b]	83	83
Senior Officers ^[c]	867	873
Officers	3,550	3,576
Other Ranks	10,781	10,860
Total Navy	15,282	15,392
Army		
One Star and above ^[b]	97	97
Senior Officers ^[c]	1,077	1,078
Officers	5,369	5,376
Other Ranks	21,193	21,221
Total Army	27,736	27,773
Air Force		
One Star and above ^[b]	73	73
Senior Officers ^[c]	876	897
Officers	4,831	4,946
Other Ranks	10,052	10,292
Total Air Force	15,832	16,208
APS		
Senior Executives ^[d]	206	204
Senior Officers ^[c]	7,476	7,719
Other APS Staff	11,555	11,940
Total APS	19,237	19,863
Total Workforce	78,087	79,236

Notes

- a. The forecast distribution by rank and service is based on a forecast workforce supply and the current workforce distribution. This is subject to review as the workforce is reset and grows to fill ADF requirements.
- b. The figures for One Star and above include Chief of the Defence Force, Service Chiefs and Group Heads.
- c. Senior Officers are of Lieutenant Colonel or Colonel rank equivalent and APS Executive Levels 1 and 2.
- d. The figures for Senior Executives include the Secretary, SES Band Three, Two and One employees, Chiefs of Divisions and Medical Officers.

Section 2: Defence Outcomes and Planned Performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measures described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

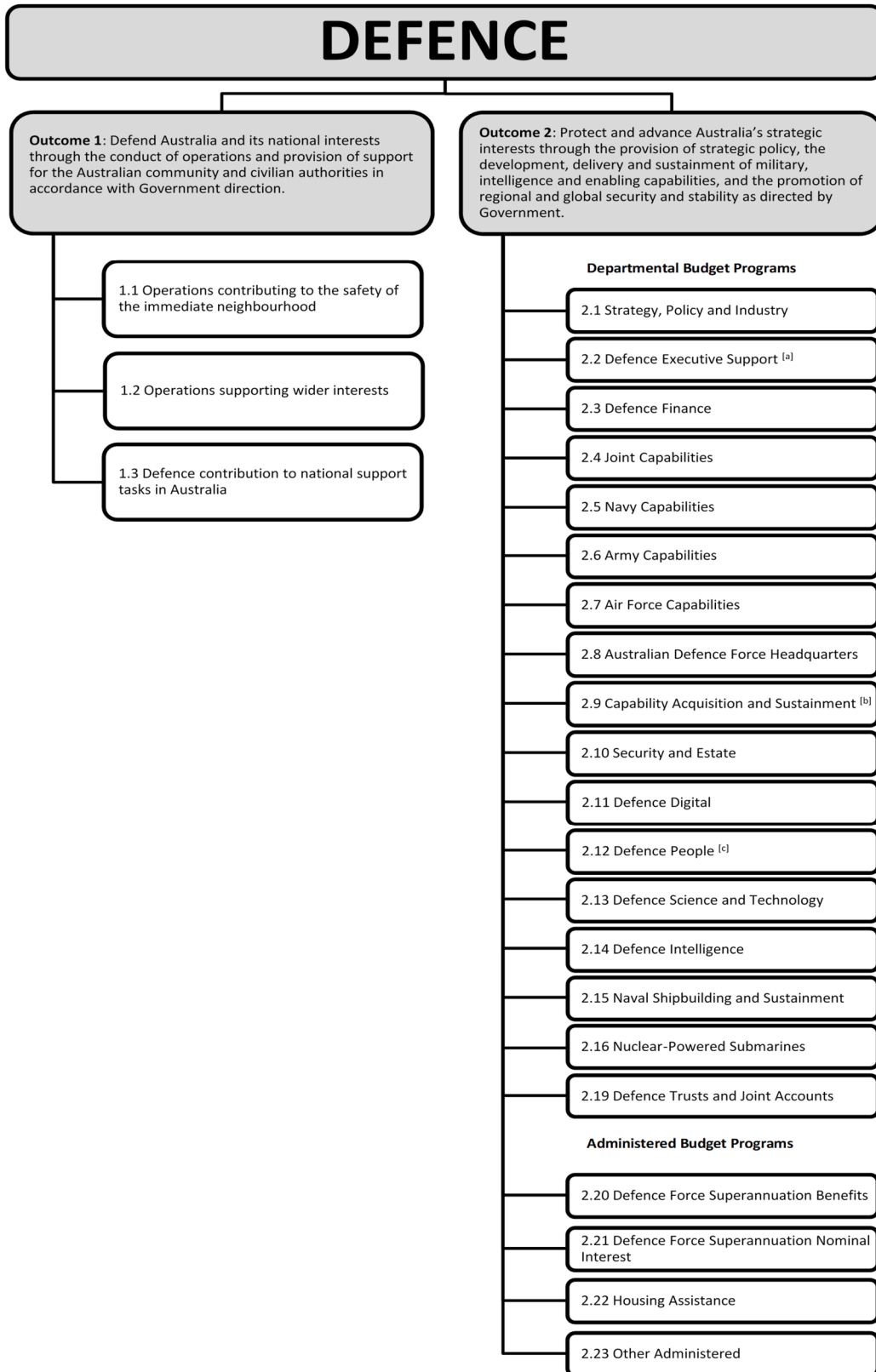
The most recent corporate plan for Defence can be found at:

<http://www.defence.gov.au/about/strategic-planning/defence-corporate-plan/>.

The most recent annual performance statement can be found at:

<https://www.defence.gov.au/about/information-disclosures/annual-reports>.

Figure 3: Structure of Defence's Outcomes



Notes

- a. Includes the Governance Group.
- b. Includes the Guided Weapons and Explosive Ordnance Group.
- c. Includes the Chief of Personnel.

Table 11: Changes to the Program Structures Since the Last Portfolio Budget Statements

Program No.	Program title	Description of change
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Nil changes

2.1 Budget Expenses and Performance for Outcome 1

Outcome 1: Defend Australia and its national interests through the conduct of operations and provision of support for the Australian community and civilian authorities in accordance with Government direction.

Outcome 1 Strategy

Defence plans for, develops and maintains the capability to deter and defeat armed attacks on Australia or on Australian interests. This includes planning for, conducting, controlling and evaluating Defence contributions to Government-directed operations.

Defence also supports the Commonwealth and State/Territory governments with emergency and non-emergency tasks, as well as supporting regional disaster assistance and events of national significance as directed by the Government.

Current Operations and Support

- ACCORDION – Provide support to Operations STEADFAST, MANITOU and other ADF activities from within the Middle East region.
- ARGOS – Contribute to the international effort to enforce United Nations Security Council resolutions on North Korea.
- ASLAN – Contribute to the United Nations Mission in South Sudan.
- AUGURY – GLOBAL - ADF support to the whole-of-government Counter Terrorism objectives.
- BANNISTER – Deployment of planning teams to support Australian overseas missions or other activities as required.
- BEECH – Defence’s support to the Australian Government response to the Hamas-Israel conflict.
- DYURRA – ADF space operations and their integration into wider ADF and allied space domain operations.
- FORTITUDE – Contribution to the United Nations Disengagement Observer Force (UNDOF).
- GATEWAY – Conduct northern Indian Ocean and South China Sea maritime surveillance patrols.
- HYDRANTH - ADF contribution to support United States and United Kingdom (UK) defensive actions targeting the capabilities used in Houthi rebel attacks in the Red Sea.
- INDO-PACIFIC ENDEAVOUR – Strengthening Australia’s engagement and partnerships with regional security forces.
- KUDU – ADF commitment to the training of Armed Forces of Ukraine recruits in the UK.
- LINESMEN – Supports the United Nations Command Military Armistice Commission (UNCMAC) in its efforts to reduce tensions on the Korean Peninsula.

- MANITOU – Contribute to maritime security in the Middle East Region including the Arabian Gulf, Gulf of Aden, the Red Sea and Indian Ocean.
- MAZURKA – Contribute to the Multinational Force and Observers in Sinai.
- PALADIN – Contribute to the United Nations Truce Supervision Organisation in the Middle East.
- RENDER SAFE – ADF-led mission to safely dispose of Second World War Explosive Remnants of War from Pacific island nations.
- RESOLUTE – Contribute to the whole-of-government maritime surveillance and response in the maritime approaches to Australia.
- SOLANIA – Contribute to maritime surveillance within the Pacific Region.
- SOUTHERN DISCOVERY - Provide ADF support to the Australian Antarctic Division.
- STEADFAST – Contribute to the NATO Mission in Iraq supporting continued capacity building of the Iraqi Security Forces.
- Defence Assistance to the Civil Community – Assist Commonwealth and State/Territory governments with emergency and non-emergency tasks as required. On a case by case basis, support events of national significance as requested by relevant authorities.

Ceased Operations

- No operations have ceased since the release of the *2024-25 Defence Portfolio Additional Estimates Statements*.

Linked Programs

Australian Communications and Media Authority
Program 1.1 - Communications regulation, planning and licensing.
Contribution to Outcome 1 by linked program
Defence provides support to fulfil Australia's international obligations to manage interference through High Frequency Direction Finding as part of Project Nullarbor improvements to the Defence High Frequency Communications System.
Department of Home Affairs
Program 3.4 - Border Enforcement.
Contribution to Outcome 1 by linked program
Defence supports the Department of Home Affairs (Home Affairs) through tasks that include planning and conduct of operations to provide security of Australia's maritime borders from unauthorised maritime arrivals, illegal exploitation of natural resources, and other maritime threats to Australian sovereignty, including counter-terrorism responses. Defence contributes to Maritime Border Command tasking through Operation RESOLUTE, providing maritime surveillance and response assets that are tasked routinely in accordance with the Government's priorities. Defence is also supporting the acquisition and sustainment of additional Cape Class Vessels by the Department of Home Affairs to be operated by the Australian Border Force. Defence also supports Commonwealth and state/territory governments with emergency and non-emergency tasks through the provision of capabilities and/or expertise. Defence further provides support to Home Affairs by regulating the export and supply of military and dual-use goods and technology. Home Affairs enforces regulations at the border. This includes export controls assessment of goods stopped at the border and engagement on export compliance activities.

Outcome 1 Resources

Table 12: Total Budgeted Resources Available for Outcome 1

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Program 1.1 - Operations Contributing to the Safety of the Immediate Neighbourhood					
Revenues from other sources	-	-	-	-	-
Expenditure funded by appropriations	42,985	49,783	40	41	42
Program 1.2 - Operations Supporting Wider Interests					
Revenues from other sources	1,908	-	-	-	-
Expenditure funded by appropriations	161,439	137,937	1,218	1,222	1,225
Program 1.3 - Defence Contribution to National Support Tasks in Australia					
Revenues from other sources	-	-	-	-	-
Expenditure funded by appropriations	126,265	130,162	22	22	22
Total resourcing					
Total Departmental revenue from other sources	1,908	-	-	-	-
Total operating expense (incl. repayment of lease liabilities) funded by appropriation	261,749	317,882	1,280	1,285	1,289
Total capital expenditure funded by appropriation	-	-	-	-	-
Total capital expenditure funded by Equity injection:					
- Bill 1 DCB	68,940	-	-	-	-
- Bill 2 Equity	-	-	-	-	-
Total resources for Outcome 1	332,597	317,882	1,280	1,285	1,289

Contributions to Outcome 1

Program 1.1: Operations Contributing to the Safety of the Immediate Neighbourhood**Program 1.1 Objective**

To ensure that the Government, through the Australian Defence Force, has an active and effective role in promoting stability, integrity and cohesion in our immediate neighbourhood.

Australia shares the immediate neighbourhood with Indonesia, New Zealand, Papua New Guinea, Timor-Leste, Southeast Asian countries and the island countries of the Pacific.

Key Activity

This program will be achieved through the following activity:

1. Conduct operations and deployments to defend Australia and its national interests.

Defence conducts operations and deployments both within Australia and overseas, in accordance with direction from the Government. When required, Defence responds with military force to defend Australia and its national interests. Defence also works in close collaboration with our international partners and federal, state and territory governments to support our response to crises and disasters at home and abroad.

Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year. <i>Expected to be achieved.</i>
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year. <i>Expected to be achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 1.1 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measure 1.2 has been amended for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 13: Cost Summary for Program 1.1 Operations Contributing to the Safety of the Immediate Neighbourhood

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	-	-	-	-	-
Suppliers	16,009	49,783	40	41	42
Other expenses	-	-	-	-	-
	16,009	49,783	40	41	42
Expenses not requiring appropriation					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
Total operating expenses	16,009	49,783	40	41	42
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	-	-	-	-	-
Purchases of inventory	26,976	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
Total capital expenditure	26,976	-	-	-	-
Program 1.1 - Operations Contributing to the Safety of the Immediate Neighbourhood Total funded expenditure ^[a]	42,985	49,783	40	41	42

Note

a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Program 1.2: Operations Supporting Wider Interests

Program 1.2 Objective		
Operations supporting wider interests are designed to contribute to United Nations' and international efforts to uphold global security.		
Key Activity	<p>This program will be achieved through the following activity:</p> <p>1. Conduct operations and deployments to defend Australia and its national interests.</p> <p>Defence conducts operations and deployments both within Australia and overseas, in accordance with direction from the Government. When required, Defence responds with military force to defend Australia and its national interests. Defence also works in close collaboration with our international partners and federal, state and territory governments to support our response to crises and disasters at home and abroad.</p>	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year. <i>Expected to be achieved.</i>
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year. <i>Expected to be achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 1.2 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measure 1.2 has been amended for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 14: Cost Summary for Program 1.2 Operations Supporting Wider Interests

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	2,202	797	-	-	-
Suppliers	150,457	137,140	1,218	1,222	1,225
Other expenses	-	-	-	-	-
	152,659	137,937	1,218	1,222	1,225
Expenses not requiring appropriation					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
Total operating expenses	152,659	137,937	1,218	1,222	1,225
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	-	-	-	-	-
Purchases of inventory	10,687	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
Total capital expenditure	10,687	-	-	-	-
Program 1.2 - Operations Supporting Wider Interests Total funded expenditure ^[a]	163,347	137,937	1,218	1,222	1,225

Note

- a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Program 1.3 Defence Contribution to National Support Tasks in Australia

Program 1.3 Objective		
<p>To undertake tasks that include: planning and conduct of operations to provide security of the Australian coastline from unauthorised maritime arrivals, smuggling, quarantine evasion and other intrusions to Australian sovereignty; counter-terrorism responses; search and rescue; humanitarian assistance and disaster relief. Defence contributes to the Department of Home Affairs civil surveillance program and Maritime Border Command tasking, providing maritime surveillance assets that are tasked routinely in accordance with the Government's direction.</p> <p>Defence, through the Defence Assistance to the Civil Community program, supports the Commonwealth and state/territory governments with emergency and non-emergency tasks, as well as supporting events of national significance as requested by relevant authorities and the general public.</p>		
Key Activity	<p>This program will be achieved through the following activity:</p> <p>1. Conduct operations and deployments to defend Australia and its national interests.</p> <p>Defence conducts operations and deployments both within Australia and overseas, in accordance with direction from the Government. When required, Defence responds with military force to defend Australia and its national interests. Defence also works in close collaboration with our international partners and federal, state and territory governments to support our response to crises and disasters at home and abroad.</p>	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year. <i>Expected to be achieved.</i>
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year. <i>Expected to be achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 1.3 resulting from 2025-26 Budget Measures: Nil.		

Notes

- Performance Measure 1.2 has been amended for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 15: Cost Summary for Program 1.3 Defence Contribution to National Support Tasks in Australia

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	8,037	11,261	-	-	-
Suppliers	86,952	118,901	22	22	22
Other expenses	-	-	-	-	-
	94,989	130,162	22	22	22
Expenses not requiring appropriation					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
Total operating expenses	94,989	130,162	22	22	22
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	-	-	-	-	-
Purchases of inventory	31,276	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
Total capital expenditure	31,276	-	-	-	-
Program 1.3 - Defence Contribution to National Support Tasks in Australia Total funded expenditure ^[a]	126,265	130,162	22	22	22

Note

a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

2.2 Budget Expenses and Performance for Outcome 2

Outcome 2: Protect and advance Australia's strategic interests through the provision of strategic policy, the development, delivery and sustainment of military, intelligence and enabling capabilities, and the promotion of regional and global security and stability as directed by Government.

Outcome 2 Strategy

Defence ensures that its policy, strategy, capability and planning keeps pace with the rapidly changing strategic environment through the biennial National Defence Strategy cycle. The Defence Strategy Framework, endorsed by the Secretary of Defence and the Chief of the Defence Force, outlines the intelligence-informed, strategy-led and accountable process by which strategy cascades throughout the organisation.

The biennial National Defence Strategy is Defence's highest-level classified planning document. It informs the context, preparation and alignment of subsidiary planning documents across policy, enterprise planning, force employment, force generation and force design. The National Defence Strategy implements Cabinet decisions and updated Government direction, identifies priorities, and provides guidance on the tasks that need to be undertaken to achieve the Strategy of Denial.

The *2024 National Defence Strategy* re-weighted the three prevailing strategic defence objectives: to shape Australia's strategic environment, deter actions against Australia's interests, and respond with credible military force, when required. While these objectives had previously been weighted equally in Australia's strategic settings, deterrence is now Australia's primary Strategic Defence Objective.

The Government has adopted the Strategy of Denial as the cornerstone of Defence planning. This approach aims to deter a potential adversary from taking actions that would be inimical to Australia's interests and regional stability. The Strategy of Denial involves working with the United States and key partners to ensure no country attempts to achieve its regional objectives through military action. By signalling a credible ability to hold potential adversary forces at risk, this strategy also seeks to deter attempts to coerce Australia through force.

The *2024 National Defence Strategy* and the *2024 Integrated Investment Program* are designed to ensure the ADF has the capacity to:

1. defend Australia and our immediate region;
2. deter through denial any potential adversary's attempt to project power against Australia through our northern approaches;
3. protect Australia's economic connection to our region and the world;
4. contribute with our partners to the collective security of the Indo-Pacific; and
5. contribute with our partners to the maintenance of the global rules-based order.

The Government has committed to a biennial National Defence Strategy cycle to ensure Defence policy, strategy, capability and planning keep pace with the rapidly evolving strategic environment, respond to Australia's national security priorities and provide clarity of process and approach to defence industry. The next National Defence Strategy will be delivered in 2026.

International engagement remains a critical function of Defence. Defence works with the United States and key partners to build a stable, secure and prosperous region that is free from coercion. Defence conducts operations and exercises in the region – including with the United States and key partners – to underpin the international rules-based order, maintain regional security and stability, and deter potential adversaries. The Defence Cooperation Program is a key part of our Defence engagement, enhancing shared understanding and capability with our partners in the Pacific, Southeast Asia and Northeast Indian Ocean. We are building on decades of defence cooperation and interoperability, working together to meet regional security priorities, and investing to play our part in keeping and building peace in our region.

Australia's support for the principles of sovereignty, territorial integrity and international law is not constrained by geography. Australia has committed over \$1.3 billion in military assistance to support Ukraine's self-defence. In addition to materiel and financial support, the Australian Defence Force continues to make an important contribution to multinational efforts in support of Ukraine under Operation Kudu. The Australian Defence Force is also providing personnel to support maritime security in the Middle East, including by supporting coalition efforts to protect international shipping transiting the Red Sea.

A continued focus in 2025 includes the ongoing implementation of the *Defence Trade Control Amendment Act 2014* which established a trilateral export control licence-free environment with the United States and the United Kingdom. This legislation came into effect on 1 September 2024, with the commencement of its three new offences coming into effect on 1 March 2025. Defence will also seek to strengthen industrial engagement with other priority partners in the region to bolster collective capability and resilience. Regulating the export of military and dual-use goods and technologies (consistent with Australia's national interest) is vital for maintaining the ADF's security and capability edge, preventing regional and international instability, ensuring Australia upholds international obligations, through participation in a series of multilateral non-proliferation and export control regimes, and preventing the illicit trade of conventional weapons or proliferation of weapons of mass destruction.

Defence is strengthening our cooperation with key partners in the Indo-Pacific, including Japan, India, the Republic of Korea, and France. Defence is enhancing operational cooperation with Japan through the 2022 Joint Declaration on Security Cooperation and the Australia-Japan Reciprocal Access Agreement, both reflections of our strategic alignment. Defence is developing an enduring and reciprocal framework to support increasingly sophisticated defence activities with the Republic of Korea. With India, Defence is enhancing maritime domain awareness cooperation and exercising with increased complexity and regularity. Defence is also deepening operational cooperation with France in the Indo-Pacific.

A strong partnership with defence industry is critical to delivering defence capabilities. A capable, resilient, competitive and innovative sovereign defence industrial base enables Defence's mission and Australia's national security outcomes. The Government's 2024 *Defence Industry Development Strategy* establishes the framework and principles for the direction of defence industry policy. The Strategy includes initiatives to develop the sovereign defence industrial base required to meet our national security needs. The next Defence Industry Development Strategy will be delivered in 2026 to align with the biennial National Defence Strategy cycle.

Intelligence delivers decision advantage to the Government, Defence leaders and operational commanders. It is a critical enabler for the integration and interoperability of our next-generation platforms, ensuring a capability edge through superior battlespace awareness. Defence Intelligence agencies continue to work closely with, and as, members of the National Intelligence Community so that current and future national security challenges are met and Australia's interests are maintained and protected.

Linked Programs

Attorney-General’s Department
Program 1.8 – Nuclear-Powered Submarines.
Contribution to Outcome 2 by linked programs
The Attorney-General’s Department provides policy and legal advice to the government on the legal risks of the Nuclear-Powered Submarine Program, and international and domestic regulatory frameworks.

Australian Federal Police
Program 1.1 – Federal Policing.
Program 3.1 – Specialist Protective Services.
Program 3.2 – International Police Assistance and External Territories.
Contribution to Outcome 2 by linked programs
The Australian Federal Police (AFP) engages with the Department of Defence under a framework for cooperation between the participants to strengthen and consolidate sharing of information in national security, international and border-related activities (directly and through the National Intelligence Community). This cooperation promotes security and stability within Australia’s External and Internal Territories, including Christmas Island, Cocos (Keeling) Islands, Norfolk Island and the Jervis Bay Territory.
The AFP delivers protective security services for Defence at Defence Sites. The AFP National Operations State Service Centre works closely with Defence for matters of crisis management and response, assisting domestic and international coordination and management to protect national interests. The placement of AFP advisors at the Australian Civil-Military Centre (ACMC) supports a high-priority Australian Government initiative to enhance the effectiveness of national and regional civil-military-police interaction in conflict and disaster management and promotes regional and global security.

Australian Maritime Safety Authority
Program 1.1 – Seafarer and ship safety, safety of navigation and environmental protection.
Contribution to Outcome 2 by linked program
Australian Maritime Safety Authority provides advice and direction on the provision of official nautical charts and publications, to best support Program 1.1.

Australian Nuclear Science and Technology Organisation
Program 2 – Nuclear-Powered Submarines.
Contribution to Outcome 2 by linked program
The Australian Nuclear Science and Technology Organisation (ANSTO) contributes to Outcome 2 through the provision of expertise and advice in the support of the Nuclear-Powered Submarine Program, with a focus on baselining and augmenting Australia's nuclear stewardship capabilities and credentials.

Australian Radiation Protection and Nuclear Safety Agency
Program 1.2 – Nuclear-Powered Submarines.
Contribution to Outcome 2 by linked program
Support delivery of nuclear-powered submarines capabilities through radiation protection and nuclear safety research, policy, advice, codes, standards, services and regulation.

Australian Secret Intelligence Service
Program 1.1 – Security Intelligence.
Contribution to Outcome 2 by linked program
Consistent with the functions for the Australian Secret Intelligence Service (ASIS) detailed in the Intelligence Services Act 2001, ASIS provides assistance to the Australian Defence Force (ADF) in support of military operations; cooperates with the ADF on intelligence matters; and cooperates with and assists the Australian Signals Directorate and the Australian Geospatial-Intelligence Organisation in the performance of their functions.

Australian Security Intelligence Organisation
Program 1.1 – Security Intelligence.
Contribution to Outcome 2 by linked program
Consistent with the <i>Australian Security Intelligence Organisation Act 1979</i> , Australian Security Intelligence Organisation (ASIO) provides advice to Defence on matters relevant to security. ASIO exercises its foreign collection powers under warrant at the request of the Minister for Defence or the Minister for Foreign Affairs.

Australian Signals Directorate
Program 1.1 – Foreign Signals Intelligence, Cyber Security, Offensive Cyber Operations.
Contribution to Outcome 2 by linked program
Consistent with the functions for the Australian Signals Directorate (ASD) detailed in the <i>Intelligence Services Act 2001</i> , ASD provides foreign signals intelligence, cyber security advice, and offensive cyber operations, and utilises corporate shared services, in order to meet the operational needs of the ADF and the requirements of the Department of Defence.

Commonwealth Superannuation Corporation
Program 1.1 – Superannuation Scheme Governance.
Contribution to Outcome 2 by linked programs
The Departments of Finance and Defence provide funding through third party access arrangements to Commonwealth Superannuation Corporation for the purpose of providing payments of retirement and death and invalidity benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the ADF.

Defence Housing Australia
Program 1.1 – The provision of Defence housing and housing related services.
Contribution to Outcome 2 by linked programs
Under a Services Agreement and in accordance with the <i>Defence Housing Australia Act 1987</i> , Defence Housing Australia is to achieve the efficient provision of contemporary housing solutions for ADF Members and their families on behalf of Defence.

Department of Climate Change, Energy, the Environment and Water
Program 1.2 – Support reliable, secure and affordable energy.
Program 2.3 – Accelerate the transition to a circular economy, while safely managing pollutants and hazardous substances.
Contribution to Outcome 2 by linked programs
Defence actively participates in forums relating to renewable energy and energy security and applies principles consistent with Australia’s Paris Agreement commitments when considering energy options.
Defence provides a range of logistics support services and advice to the Australian Antarctic program, including air and sealift capability to supplement existing arrangements in the delivery of cargo and contributing to aeromedical emergency responses in the region.
Defence actively participates in forums and initiatives led by the Department of Climate Change, Energy, the Environment and Water to ensure alignment with national approaches for the effective and efficient management of environmental factors.

Department of Education
Program 2.1 – Commonwealth Grant Scheme.
Program 2.8 – Nuclear-Powered Submarine Program.
Contribution to Outcome 2 by linked program
The linked programs contribute to Outcome 2 and support Australia’s broader sovereign capabilities through strategic engagement across government, building education pipelines and supporting the nuclear workforce.

Department of Employment and Workplace Relations
Departmental Program 2.3 – DEWR – Nuclear-Powered Submarine.
Contribution to Outcome 2 by linked program
The linked programs contribute to Outcome 2 and support Australia’s broader sovereign capabilities through strategic engagement across government and supporting the nuclear workforce.

Department of Finance
Program 2.10 - Nuclear-Powered Submarine Program Advice.
Contribution to Outcome 2 by linked program
Contributes to Outcome 2 through the provision of budget and commercial advice for the delivery of nuclear-powered submarine capabilities.

Department of Foreign Affairs and Trade
Program 1.1 – Foreign Affairs and Trade Operations. Program 1.8 – Nuclear-Powered Submarine Program.
Contribution to Outcome 2 by linked programs
Under a Memorandum of Understanding, the placement of Department of Foreign Affairs and Trade advisors at the ACMC supports a high-priority Australian Government initiative to enhance the effectiveness of national and regional civil-military-police interaction in conflict and disaster management and promotes regional and global security. The Department of Foreign Affairs and Trade including the Australian Safeguards and Non-proliferation Office provides the legal, policy and diplomatic capability necessary to support Australia’s acquisition of conventionally-armed, nuclear-powered submarines.

Department of Home Affairs
Program 1.2 – National Security and Resilience.
Contribution to Outcome 2 by linked programs
Under a Memorandum of Understanding, the placement of National Emergency Management Australia secondees at the ACMC supports a high-priority Australian Government initiative to enhance the effectiveness of national and regional civil-military-police interaction for national security and disaster management to promote regional and global security and stability. Under the Service Level Charter, Australian Government Security Vetting Agency (AGSVA) works collaboratively with government agencies to provide the delivery of security vetting functions on behalf of the Commonwealth in line with Government requirements (excluding authorised vetting agencies).

<p>Department of Industry, Science and Resources</p>
<p>Program 1.1 – Growing innovative and competitive businesses, industries and regions. Program 1.2 – Investing in science and technology. Program 1.4 – Nuclear-Powered Submarines.</p>
<p>Contribution to Outcome 2 by linked programs</p>
<p>The Department of Industry, Science and Resources (DISR) works closely with Defence on enterprise-level programs to ensure alignment with whole-of-government industry policy and to support the development of innovative and competitive businesses.</p> <p>This includes supporting the development of defence industry policy and support programs, and facilitating links between Defence activities and industry initiatives including the National Reconstruction Fund, Buy Australian Plan, designing and implementing grants programs, and Australian industry participation.</p> <p>DISR engages with the Office of Defence Industry Support to identify and support Australian businesses seeking to increase their capability and capacity to participate in supply chains for defence projects.</p> <p>DISR collaborates with Defence to ensure a complementary approach between civil space policy, industry development, regulation of space activities and Defence’s space responsibilities and interests.</p> <p>DISR, through the Australian Radioactive Waste Agency and the Australian Nuclear Science and Technology Organisation, is supporting Defence’s acquisition of conventionally-armed, nuclear-powered submarines.</p> <p>DISR engages with the department regarding Defence Export Controls align regulatory activity associated with dual-use and critical technologies to harness the benefits while protecting Australia’s research capability, innovation and comparative advantage.</p> <p>DISR works with Defence on initiatives aimed to address critical workforce shortages in STEM by attracting and retaining Australians from diverse backgrounds in STEM education and careers.</p>

<p>Department of Infrastructure, Transport, Regional Development, Communications and the Arts</p>
<p>Program 1.1 – The Australian Transport Safety Bureau. Program 1.1 – The Civil Aviation Safety Authority.</p>
<p>Contribution to Outcome 2 by linked programs</p>
<p>The Memorandum of Understanding (MOU) between Defence and the Australian Transport Safety Bureau (ATSB) contributes to the outcome through the sharing of expertise, training opportunities, experience and equipment in transport safety investigations and supports the adoption of a systematic approach to aviation safety. The ATSB support to Defence Aviation Safety investigations contributes to capability through the prevention of recurrence and the mutual adoption of a systemic approach to aviation safety enhances capability through the prevention of accidents and serious incidents.</p>

Department of Infrastructure, Transport, Regional Development, Communications and the Arts, continued
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The MOU between Defence and the Civil Aviation Safety Authority contributes to the outcome through a harmonisation of military and civil aviation regulation and management. This harmonisation reaches into areas such as shared use airfields, the provision of air traffic services through Airservices Australia to Defence and the use of civil registered aircraft and unmanned aerial systems by the military. Agreement between civil and military regulators leads to cooperation and reduced duplication in Air Traffic Management, aviation landing and approach procedures, aviation rescue and fire-fighting services, and airport infrastructure.

Department of Social Services

Program 2.1 – Families and Communities.

Contribution to Outcome 2 by linked programs

Defence works with the Department of Social Services on the implementation and management of the National Redress Scheme processes that will be required to ensure that all claims are processed as efficiently as possible.
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Department of the Treasury

Program 1.1 – Department of the Treasury.

Program 1.4 – Commonwealth-State Financial Relations.

Contribution to Outcome 2 by linked program
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The Treasury, on behalf of the Government, provides financial support to the states and territories to support the delivery of specified outputs or projects, facilitate reforms or reward jurisdictions that deliver on nationally significant reforms. Defence participates as a consult partner in Australia's Foreign Investment Framework, undertaking risk assessments in relation to foreign investment applications, where those applications have national security implications or affect Defence interests.
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<p>Department of Veterans' Affairs</p> <p>Program 1.1 – Veterans' Income Support and Allowances.</p> <p>Program 1.2 – Veterans' Disability Support.</p> <p>Program 1.6 – Military Rehabilitation and Compensation Acts Payment – Income Support and Compensation.</p> <p>Administered Program 2.22 – Housing Assistance.</p>
<p>Contribution to Outcome 2 by linked programs</p> <p>The Department of Veterans' Affairs (DVA) and Defence are committed to delivering the best possible outcomes to current and former members of the ADF and their eligible family members.</p> <p>Under a Memorandum of Understanding (MOU), Defence and DVA work cooperatively to deliver care and support to current and former members of the permanent and reserve forces and their families.</p> <p>Close and ongoing cooperation occurs between DVA and Defence under this MOU. Ongoing DVA engagement with members starting as early as practical in their careers and continuing through their service and during and after their transition from permanent or continuous full time service, results in better outcomes for members and their families. Such cooperation and engagement is particularly important where a member suffers a serious injury or illness or where the member is identified for medical separation from the ADF.</p> <p>Defence and DVA work collaboratively on areas of research, mental health, rehabilitation and medical aspects of transition. Defence is also engaged with DVA for the future contracting of health care arrangements.</p> <p>This is supported through Schedule 6 of the <i>Agreement between Defence and Veterans' Affairs for the Provision of Mental Health Support Services by the Open Arms to ADF Personnel</i> (Agreement for Services).</p> <p>Under a MOU, and in accordance with the <i>Defence Home Ownership Assistance Scheme Act 2008</i>, DVA administer the Defence Home Ownership Assistance Scheme (DHOAS). The scheme was established to support the Government's ADF recruitment and retention initiatives by incentivising ADF members to remain in the ADF beyond critical career points.</p> <p>Under Schedule 20 of the MOU, Defence and DVA collaboratively utilise system to system exchanges and/or direct access, to provide access to, or enable disclosure of, certain Personal Information held digitally in specified departmental information systems. These information exchanges support the assessment and determination of claims, and the delivery of appropriate care and support to current and former members of the ADF and their families.</p>

<p>Geoscience Australia</p> <p>Program 1.1 – Geoscientific and Spatial Information Services.</p>
<p>Contributing to Outcome 2 by linked program</p> <p>Australian Hydrographic Office and Geoscience Australia are collaborating to deliver the AusSeabed initiative.</p>

Office of the Commonwealth Ombudsman - Defence Force Ombudsman
Program 1.1 – Office of the Commonwealth Ombudsman.
Contribution to Outcome 2 by linked programs
The Office of the Commonwealth Ombudsman ensures administrative action by Australian Government entities is fair and accountable by handling complaints, conducting investigations, performing audits and inspections, encouraging good administration, and discharging other specialist oversight tasks. The Commonwealth Ombudsman is also the Defence Force Ombudsman, who offers an independent complaint-handling mechanism for serving and former Defence members and is able to accept complaints where it is alleged that a Defence member has perpetrated an act of sexual abuse, serious physical abuse, or serious bullying or harassment.

Office of National Intelligence
Outcome 1 – Advancement of Australia's national interests through increased Government awareness of international developments affecting Australia and integration, coordination and evaluation of Australia's national intelligence capabilities.
Contribution to Outcome 2 by linked program
The Office of National Intelligence leads efforts to integrate and coordinate the activities of the national intelligence agencies to meet the operational requirements of the ADF and the Department of Defence, as well as other priorities as set by Government.

The Australian Trade and Investment Commission (Austrade)
Program 1.1 – Support Australian exporters to expand internationally, attract productive international investment, and grow the visitor economy.
Contribution to Outcome 2 by linked programs
Implementation of the Government's Defence Export Strategy is led by Defence. This is providing a whole-of-government coordinated approach to supporting Australian defence industry. Cooperation with Austrade is focused on growing exports to underpin sustainability and growth aligned with national security priorities. Defence Export Controls issues authorisations for goods and technology subject to permit requirements.

Outcome 2 Resources

Table 16: Total Budgeted Resources Available for Outcome 2

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Program 2.1 Strategy, Policy and Industry					
Revenues from other sources	567	579	602	629	653
Expenditure funded by appropriations	752,966	781,311	679,890	781,612	1,073,187
Program 2.2 Defence Executive Support					
Revenues from other sources	3,017	3,403	3,524	3,068	1,403
Expenditure funded by appropriations	680,855	649,470	698,647	774,351	686,809
Program 2.3 Defence Finance					
Revenues from other sources	32,586	7,833	8,047	7,175	4,215
Expenditure funded by appropriations	166,186	177,397	182,523	181,230	186,931
Program 2.4 Joint Capabilities					
Revenues from other sources	15,081	15,429	15,840	16,210	16,638
Expenditure funded by appropriations	2,563,218	2,507,508	3,120,546	4,249,926	3,870,123
Program 2.5 Navy Capabilities					
Revenues from other sources	59,015	22,844	23,440	24,053	24,681
Expenditure funded by appropriations	11,250,694	11,862,635	12,951,672	12,958,657	14,326,250
Program 2.6 Army Capabilities					
Revenues from other sources	48,942	47,486	41,293	44,974	44,649
Expenditure funded by appropriations	11,832,802	13,034,364	13,868,590	14,534,244	14,730,387
Program 2.7 Air Force Capabilities					
Revenues from other sources	41,900	42,978	44,082	45,216	46,381
Expenditure funded by appropriations	9,668,878	9,958,345	10,951,252	11,188,779	12,577,111
Program 2.8 Australian Defence Force Headquarters					
Revenues from other sources	191,955	329,746	175,777	121,831	112,318
Expenditure funded by appropriations	228,537	213,977	200,094	210,422	281,777
Program 2.9 Capability Acquisition and Sustainment					
Revenues from other sources	2,397	2,000	2,000	2,000	2,000
Expenditure funded by appropriations	1,228,362	1,539,643	1,720,270	1,797,281	2,838,123
Program 2.10 Security and Estate					
Revenues from other sources	569,147	708,444	585,025	615,208	610,755
Expenditure funded by appropriations	6,364,471	6,128,523	6,672,014	6,896,548	6,966,928
Program 2.11 Defence Digital					
Revenues from other sources	57,189	65,791	72,240	66,712	46,826
Expenditure funded by appropriations	1,583,338	1,664,235	1,933,256	2,164,077	2,355,709
Program 2.12 Defence People					
Revenues from other sources	13,973	15,181	15,373	14,618	11,817
Expenditure funded by appropriations	1,911,837	2,058,635	2,163,260	2,280,834	2,411,325
Program 2.13 Defence Science and Technology					
Revenues from other sources	14,675	4,643	4,759	4,872	4,989
Expenditure funded by appropriations	670,516	736,851	790,349	954,960	1,116,126
Program 2.14 Defence Intelligence					
Revenues from other sources	972	4,592	4,707	4,825	4,945
Expenditure funded by appropriations	907,124	1,066,964	1,338,855	1,565,993	1,562,510
Program 2.15 Naval Shipbuilding and Sustainment					
Revenues from other sources	-	-	-	-	-
Expenditure funded by appropriations	317,414	341,250	266,703	247,090	249,127
Program 2.16 Nuclear-Powered Submarines					
Revenues from other sources	-	-	-	-	-
Expenditure funded by appropriations	2,452,830	3,111,304	1,317,758	4,952,230	6,266,775

Table 16: Total Budgeted Resources Available for Outcome 2 (continued)

	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Program 2.19 Defence Trusts and Joint Accounts					
Revenues from other sources	103,212	114,222	199,918	389,899	263,043
Total Expenditure	108,942	114,171	201,139	389,591	263,322
Program 2.20 Defence Force Superannuation Benefits Program and Program 2.21 Defence Force Superannuation Nominal Interest					
Defence Force Retirement Benefits Act, 1948 Part 1, s.15D and VIC, s.82ZJ (1)	27,800	25,568	23,707	22,017	20,466
Defence Force Retirements and Death Benefits Act, 1973 Part XII, s.125 (3)	1,859,273	1,847,396	1,883,901	1,923,075	1,934,267
Military Superannuation and Benefits Act, 1991 Part V, s.17 ^[a]	2,230,760	2,551,277	2,807,438	3,070,905	3,338,278
Australian Defence Force Cover Act 2015	190,000	255,776	319,356	409,775	520,878
Expenses not requiring appropriation	5,365,607	5,386,429	5,616,401	5,875,013	6,185,814
Total Administered expenses ^[b]	9,673,440	10,066,445	10,650,803	11,300,785	11,999,703
Administered revenues from other sources ^[c]	-1,100,849	-1,043,042	-986,327	-931,434	-878,919
Total Program 2.20 and 2.21	8,572,591	9,023,403	9,664,477	10,369,351	11,120,784
Program 2.22 Housing Assistance					
Defence Home Ownership Assistance Scheme Act 2008 Part VI, s.84	236,275	255,100	275,795	298,595	323,594
Expenses not requiring appropriation	-	-	-	-	-
Total Administered expenses	236,275	255,100	275,795	298,595	323,594
Administered revenues from other sources	-23,978	-26,573	-29,426	-32,570	-36,019
Total Program 2.22	212,297	228,527	246,369	266,025	287,575
Program 2.23 Other Administered					
Expenses not requiring appropriation	-	-	-	-	-
Total Administered expenses	-	-	-	-	-
Administered revenues from other sources	-41,908	-43,047	-44,232	-46,973	-58,869
Total Program 2.23	-41,908	-43,047	-44,232	-46,973	-58,869
Total resourcing					
Total operating expense (incl. repayment of lease liabilities) funded by appropriation	38,801,162	40,429,075	41,169,691	44,774,537	48,844,974
Net capital surplus / (deficit) ^[d]	-	-	-	-700,000	-
Capital Prepayment	-	-	-	-	-
Total Gifted assets included in budget estimates	-	-	-	-	-
Total Administered ^[e]	4,544,108	4,935,116	5,310,197	5,724,367	6,137,483
Total Departmental revenue from other sources	1,051,416	1,270,948	996,710	971,390	932,270
Total Administered revenue from other sources ^[f]	1,166,735	1,112,662	1,059,985	1,010,977	973,807
Administered returns to the Official Public Account ^[g]	-1,433,092	-1,367,249	-1,302,826	-1,241,307	-1,191,642
Prior year appropriation	-	-	-	-	-
Total capital expenditure funded by Equity injection:					
- Bill 1 DCB	2,665,892	3,128,980	3,052,313	3,317,985	3,386,211
- Bill 2 Equity	11,112,977	12,274,359	14,633,679	17,645,715	19,268,016
Total resources for Outcome 2	57,909,197	61,783,893	64,919,747	71,503,665	78,351,118
Net revenue/ (expenditure) in relation to Defence Trusts and Joint Accounts	-5,730	51	-1,221	308	-279
Total resources for Outcome 2 including Defence Trusts and Joint Accounts	57,903,467	61,783,944	64,918,526	71,503,973	78,350,840

Notes

- Includes estimated resourcing used to meet payments for Defence Force Superannuation Nominal Interest under *Military Superannuation and Benefits Act, 1991 Part V, s.17*.
- Figures for 2024-25 have been calculated using the applicable AASB 119 interest rate. Forward years are estimated based on the discount rate determined by the superannuation scheme actuaries in preparing the latest Long Term Cost Reports, being Consumer Price Index (CPI) plus 2.5 per cent.
- The decrease in Military superannuation contributions from 2024-25 is attributable to the closure of Military Superannuation and Benefits Scheme (MSBS) to new ADF personnel, resulting in a gradual decline in the number of contributing members in MSBS.
- The funding movement from 2027-28 to 2024-25 of \$700 million is to partly address Defence's ongoing working capital requirements. This adjustment provides short term relief to increase cash reserves to meet Defence industry commitments as and when they fall due for payment. Refer Table 1 Serial 4. While the increase in working capital in 2024-25 is by way of the movement of appropriation from 2027-28, the movement will be represented as an equity injection and not as increased Defence funding. This is because the injection will be used to address existing expenditure commitments already incurred / recognised. In 2027-28, the reduction of appropriation will not impact planned capital expenditure levels as Government has agreed Defence will operate with a Net Capital Deficit in that financial year.
- Includes estimated resourcing required to meet payments for the Defence Superannuation Benefits. Table 50 shows estimates of total expenses for the Defence Superannuation Schemes.
- Total Administered revenue from other sources comprises of Military superannuation contributions, competitive neutrality revenue received from Defence Housing Australia and licence fees received under the Defence Home Ownership Assistance Scheme.
- Administered returns to the Official Public Account (OPA) are in relation to Administered revenue from activities performed by Defence on behalf of the Australian Government including administered receipts passed through from Superannuation programs to the OPA.

Contributions to Outcome 2

Program 2.1: Strategy, Policy and Industry		
Program 2.1 Objective		
To deliver high-quality policy advice to Government, the Secretary and Chief of the Defence Force, to protect and advance Australia's strategic interests.		
Key Activities ^[a]	<p>This program will be achieved through the following activities:</p> <p>2. Defence is a strategy-led organisation. It supports operationalising and implementing the Government-directed biennial National Defence Strategy.</p> <p>5. Defence's international engagement – operational presence; support to regional security capability; people-to-people engagement; and bilateral and multilateral diplomatic engagement – support a strategy of denial in our primary area of military interest.</p> <p>8. Defence supports improved regulatory performance, capability and culture – through regulatory stewardship in line with the Government's commitment to Australian Public Service reform.</p>	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[b]	2.1: The National Defence Strategy is operationalised and monitored through alignment with enterprise planning.	Proportion of enterprise planning activities that are aligned to the <i>2024 National Defence Strategy</i> . <i>Expected to be substantially achieved.</i>
	5.1: The ADF has a near persistent presence in Australia's immediate region.	Defence maintains its regional forward force presence through ADF operations, activities and investments. <i>Expected to be achieved.</i>
	5.2: Defence enhances Australia's relationships with the Government's priority Indo-Pacific and global partners.	Defence effectively implements action items from annual 2+2 (Foreign Affairs and Defence) ministerial meetings. <i>Expected to be achieved.</i>
	8.1: Defence improves regulatory performance and capability through the finalisation of export permit applications within benchmark timeframes and reduction of export permits to the United States and United Kingdom facilitated via the AUKUS Licence-Free environment.	Defence will finalise the approved export permit applications within benchmark timeframes, and will process fewer permits each year in total to the United States and United Kingdom since the introduction of the AUKUS Licence-Free Environment (from 1 September 2024). <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[c]	2.1: The National Defence Strategy is operationalised and monitored through alignment with enterprise planning.	Proportion of enterprise planning activities that are aligned to the <i>2024 National Defence Strategy</i> .
	5.1: The ADF has a near persistent presence in Australia's immediate region.	Defence maintains its regional forward force presence through ADF operations, activities and investments.
	5.2: Defence enhances Australia's relationships with the Government's priority Indo-Pacific and global partners.	Defence effectively implements action items from annual 2+2 (Foreign Affairs and Defence) ministerial meetings.

Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^(a)	8.1 Defence improves regulatory performance and capability through the finalisation of export permit applications within benchmark timeframes and reduction of export permits to the United States and United Kingdom facilitated via the AUKUS Licence-Free environment.	Defence will finalise the approved export permit applications within benchmark timeframes, and will process fewer permits each year in total to the United States and United Kingdom since the introduction of the AUKUS Licence-Free Environment (from 1 September 2024).
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.1 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Key Activity 2 and 5 have been amended and Key Activity 8 is new for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. Performance Measures 2.1, 5.1 and 5.2 have been amended, and Performance Measures 2.2, 5.3, 5.4, 8.1 and 8.2 are new for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- c. In accordance with Defence’s Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 17: Cost Summary for Program 2.1 Strategy, Policy and Industry

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	120,158	124,933	129,206	133,329	137,509
Suppliers	593,880	615,237	523,417	578,849	719,178
Other expenses	20,520	8,287	8,143	7,984	7,820
	734,558	748,457	660,766	720,162	864,508
Expenses not requiring appropriation					
Depreciation and amortisation	7,823	8,401	8,617	9,116	9,640
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets ^(a)	-373	-394	-416	-438	-462
	7,450	8,007	8,202	8,678	9,178
Total operating expenses	742,007	756,464	668,968	728,839	873,685
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	11,561	25,906	12,105	54,501	201,620
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	7,414	7,526	7,620	7,579	7,712
Total capital expenditure	18,975	33,432	19,726	62,079	209,332
Program 2.1 Strategy, Policy and Industry Total funded expenditure ^(b)	753,533	781,890	680,492	782,241	1,073,840

Notes

- a. Negative amounts denote a Net reversal of previous asset write-downs (Net write-on position). Total Defence is in a Net write-down and impairment of assets position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates. This program is in a Net write-on position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates.
- b. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Program 2.2: Defence Executive Support (including Governance Group)		
Program 2.2 Objective To integrate parts of Defence to deliver more effective and efficient outcomes, particularly in the areas of service delivery. The Associate Secretary operates the One Defence business model on behalf of the Secretary and Chief of the Defence Force.		
Key Activities	This program will be achieved through the following activities: 4. Invest in Defence People. Defence has an integrated workforce comprised of Australian Defence Force members, Australian Public Service employees and contractors. We are committed to investing in the growth and retention of a highly skilled workforce to meet Australia's defence and national security requirements. 6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates. <i>Expected to be partially achieved.</i>
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment. <i>Expected to be partially achieved.</i>
	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months. <i>Expected to be substantially achieved.</i>

Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; Defence's suicide prevention training is practical, tailored, informed by lived experience and delivered in person; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans by 30 June 2025. <i>Expected to be partially achieved.</i>
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the 2024 National Defence Strategy.	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates.
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment.
	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months.

Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^(b)	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; Defence's suicide prevention training is practical, tailored, informed by lived experience and delivered in person; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans in place by 30 June 2025.
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.2 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measures 4.1 and 4.2 have been amended, and Performance Measures 4.3 and 4.4 are new for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 18: Cost Summary for Program 2.2 Defence Executive Support ^[a]

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	156,250	157,957	160,883	165,711	170,685
Suppliers	346,645	393,686	354,587	379,175	347,016
Other expenses	1,993	2,811	2,881	2,752	3,027
	504,888	554,454	518,352	547,639	520,728
Expenses not requiring appropriation					
Depreciation and amortisation	46,734	35,311	57,535	59,747	62,044
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	14,611	17,632	21,278	25,678	30,989
	61,345	52,943	78,813	85,426	93,033
Total operating expenses	566,233	607,397	597,164	633,064	613,762
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	178,967	98,401	183,802	229,763	167,465
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	17	18	18	17	18
Total capital expenditure	178,984	98,419	183,820	229,781	167,483
Program 2.2 Defence Executive Support Total funded expenditure ^{[b] [c]}	683,872	652,873	702,171	777,419	688,212

Notes

- a. The Defence Executive Support Program includes amounts that will be transferred to the Australian Naval Nuclear Powered Submarine Regulator (ANNPSR) when the agency is created in 2025-26. The final allocation of funding for the ANNPSR will be finalised ahead of its establishment.
- b. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.
- c. The change in estimates includes movement of functions and their associated budgets within Defence.

Program 2.3: Defence Finance		
Program 2.3 Objective		
To produce quality financial products to deliver Defence and Government-directed outcomes.		
Key Activities	<p>This program will be achieved through the following activities:</p> <p>6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.</p> <p>7. Develop the sovereign defence industrial base required for our national security. The Government's significant investment in Defence over the coming decade will advance Australia's prosperity through expenditure on defence capabilities, support to new and existing defence industries and the creation of jobs.</p>	
Year	Performance measures	Expected Performance Results
Current Year 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
	7.1: Defence strengthens the sovereign defence industrial base across critical industrial capabilities.	80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions. <i>Expected to be achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.
	7.1: Defence strengthens the sovereign defence industrial base across critical industrial capabilities.	80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.3 resulting from 2025-26 Budget Measures: Nil.		

Note

- a. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 19: Cost Summary for Program 2.3 Defence Finance ^[a]

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees ^[b]	107,738	111,395	115,215	112,712	116,090
Suppliers	87,233	69,957	71,399	71,641	70,922
Other expenses	3,801	3,878	3,956	4,052	4,134
	198,772	185,230	190,570	188,405	191,146
Expenses not requiring appropriation					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
Total operating expenses	198,772	185,230	190,570	188,405	191,146
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	-	-	-	-	-
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
Total capital expenditure	-	-	-	-	-
Program 2.3 Defence Finance Total funded expenditure ^[c]	198,772	185,230	190,570	188,405	191,146

Notes

- a. The Defence Finance Program includes budget adjustments applied at the whole of Defence level, and not otherwise applied to other programs.
- b. Employee Budget for whole of Defence FTE is held in this Program from time to time for future prioritisation.
- c. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Program 2.4: Joint Capabilities		
Program 2.4 Objective		
To provide space, cyber and logistics capabilities; that contribute to the Australian Defence Force's capacity to defend Australia, contribute to regional security, support Australia's global interests, shape the strategic environment and protect national interests.		
Key Activities	<p>This program will be achieved through the following activities:</p> <p>1. Conduct operations and deployments to defend Australia and its national interests. Defence conducts operations and deployments both within Australia and overseas, in accordance with direction from the Government. When required, Defence responds with military force to defend Australia and its national interests. Defence also works in close collaboration with our international partners and federal, state and territory governments to support our response to crises and disasters at home and abroad.</p> <p>6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.</p>	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year. <i>Expected to be achieved.</i>
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year. <i>Expected to be achieved.</i>
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year ^[b] 2025-26	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year.
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.

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Year	Performance measures	Planned Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.4 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measure 1.2 has been amended for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 20: Cost Summary for Program 2.4 Joint Capabilities

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	190,246	199,532	206,151	212,520	219,089
Suppliers	1,613,981	1,470,321	1,874,589	2,213,484	2,539,749
Other expenses	21	21	21	21	22
	1,804,248	1,669,874	2,080,761	2,426,026	2,758,859
Expenses not requiring appropriation					
Depreciation and amortisation	126,322	123,127	134,664	139,842	145,216
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	446,068	475,227	506,317	539,469	574,823
	572,390	598,354	640,981	679,311	720,039
Total operating expenses	2,376,637	2,268,227	2,721,742	3,105,336	3,478,898
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	773,994	853,006	1,055,567	1,840,053	1,127,842
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	57	58	57	57	60
Total capital expenditure	774,051	853,064	1,055,625	1,840,110	1,127,901
Program 2.4 Joint Capabilities Total funded expenditure ^{[a] [b]}	2,578,299	2,522,937	3,136,386	4,266,136	3,886,761

Notes

- Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.
- The change in estimates includes movement of functions and their associated budgets within Defence.

Program 2.5: Navy Capabilities		
<p>Program 2.5 Objective To provide maritime capabilities that contribute to the Australian Defence Force's capacity to defend Australia, contribute to regional security, support Australia's global interests, shape the strategic environment and protect national interests.</p>		
<p>Key Activities</p>	<p>This program will be achieved through the following activities:</p> <p>1. Conduct operations and deployments to defend Australia and its national interests. Defence conducts operations and deployments both within Australia and overseas, in accordance with direction from the Government. When required, Defence responds with military force to defend Australia and its national interests. Defence also works in close collaboration with our international partners and federal, state and territory governments to support our response to crises and disasters at home and abroad.</p> <p>6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.</p>	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year. <i>Expected to be achieved.</i>
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year. <i>Expected to be achieved.</i>
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year.
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.5 resulting from 2025-26 Budget Measures: Nil.		

Notes

- Performance Measure 1.2 has been amended for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 21: Cost Summary for Program 2.5 Navy Capabilities

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	2,822,380	2,963,404	3,095,378	3,221,838	3,333,654
Suppliers	4,271,207	4,428,681	4,571,127	4,467,422	4,854,720
Other expenses	6,614	6,276	5,841	5,448	5,024
	7,100,201	7,398,360	7,672,346	7,694,708	8,193,398
Expenses not requiring appropriation					
Depreciation and amortisation	1,877,199	1,849,348	1,962,529	2,031,973	2,104,126
Inventory consumption	366,693	367,939	345,363	386,796	405,652
Net write-down and net impairment of assets	26,171	27,776	29,480	31,289	33,209
	2,270,063	2,245,063	2,337,372	2,450,057	2,542,986
Total operating expenses	9,370,263	9,643,424	10,009,719	10,144,766	10,736,384
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	3,588,044	3,887,549	4,781,599	4,668,477	5,661,332
Purchases of inventory	593,457	571,399	492,830	587,325	465,131
Principal repayments of lease liabilities	28,007	28,170	28,337	32,199	31,069
Total capital expenditure	4,209,508	4,487,118	5,302,766	5,288,002	6,157,533
Program 2.5 Navy Capabilities Total funded expenditure ^[a] _[b]	11,309,709	11,885,479	12,975,112	12,982,710	14,350,931

Notes

- Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.
- The change in estimates includes movement of functions and their associated budgets within Defence.

Table 22: Navy Deliverables (Unit Availability Days) ^[a]

Deliverables		2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
16	Major Combatants ^[b]	2,420	3,126	2,875	3,258	3,366
13	Minor Combatants ^[c]	3,434	3,892	3,470	3,212	2,820
5	Amphibious and Afloat Support ^[d]	709	1,113	1,039	1,089	1,168
11	Maritime Teams ^[e]	3,941	3,267	3,213	3,292	3,285
2	Hydrographic Force ^[f]	591	664	628	496	365

Notes

- a. A Unit Availability Day (UAD) is a day when a unit is materially ready and its personnel state and level of competence enables the unit to safely perform tasks in the unit’s normal operating environment, immediately.
- b. Major Combatants comprises seven *Anzac* class frigates, three *Hobart* class destroyers and six *Collins* class submarines. Reduction in UAD’s is due to variation of maintenance activities across *Anzac* class frigates and planned maintenance periods across *Collins* class submarines.
- c. Minor Combatants comprises three *Armidale* class patrol boats, eight *Cape* class patrol boats, two *Huon* class coastal minehunters and when commissioned into service the *Arafura* Offshore Patrol Vessels. Decreased UAD’s due to the HMA Ships’ *Broome* and *Gascoyne* decommissioning and the forecast decommissioning of HMA Ships *Bathurst* and *Albany* in December 2025. UAD data for OPV’s cannot be forecast into forward estimates until commissioned, however, there is an increase in UAD’s in 2025-26 due to the first vessel being accepted by Navy.
- d. Amphibious and Afloat Support comprises two *Supply* class replenishment ships, two *Canberra* class amphibious ships and HMAS *Choules*. There is nil significant change forecasted.
- e. Maritime Teams comprises two Clearance Diving teams, four Deployable Geospatial Support, two Deployable Meteorological teams and one Senior Deployable Meteorologist. UAD data for Maritime Teams has increased due to the addition of both a Deployable Multibeam Team and Deployable Shallow Water Team.
- f. Hydrographic Force comprises one *Leeuwin* class hydrographic ship and the Naval Air Station Weather and Oceanographic Centre. Nil change.

Table 23: Navy Deliverables (Flying Hours) ^[a]

Deliverables		2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
23	MH-60R	6,250	6,250	6,750	7,200	7,200

Note

- a. Workforce pressures in relation to flight crews have reduced flying hours for forecast UAD, affecting capacity to generate 7,200 hours per annum. However, there is no foreseen effect to operational tasking.

Program 2.6: Army Capabilities

Program 2.6 Objective

To prepare land forces, including special operations forces, which contribute to the Australian Defence Force's capacity to defend Australia, contribute to regional security, support Australia's global interests, shape the strategic environment, and protect national interests.

Key Activities	<p>This program will be achieved through the following activities:</p> <p>1. Conduct operations and deployments to defend Australia and its national interests. Defence conducts operations and deployments both within Australia and overseas, in accordance with direction from the Government. When required, Defence responds with military force to defend Australia and its national interests. Defence also works in close collaboration with our international partners and federal, state and territory governments to support our response to crises and disasters at home and abroad.</p> <p>6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.</p>	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year. <i>Expected to be achieved.</i>
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year. <i>Expected to be achieved.</i>
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year.
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.6 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measure 1.2 has been amended for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 24: Cost Summary for Program 2.6 Army Capabilities

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	4,871,417	5,166,879	5,388,074	5,611,661	5,777,194
Suppliers	2,895,022	3,085,319	3,402,304	3,322,493	3,917,473
Other expenses	4,356	4,427	4,499	4,572	4,647
	7,770,795	8,256,625	8,794,877	8,938,727	9,699,315
Expenses not requiring appropriation					
Depreciation and amortisation	1,935,873	1,858,642	2,013,424	2,085,694	2,160,808
Inventory consumption	553,736	624,890	724,976	770,163	820,770
Net write-down and net impairment of assets	222,560	236,293	250,874	266,355	282,794
	2,712,170	2,719,825	2,989,274	3,122,213	3,264,372
Total operating expenses	10,482,965	10,976,450	11,784,152	12,060,939	12,963,686
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	3,184,919	3,847,099	4,075,939	4,535,672	4,101,222
Purchases of inventory	917,097	969,054	1,029,864	1,095,565	965,090
Principal repayments of lease liabilities	8,932	9,072	9,203	9,254	9,410
	4,110,949	4,825,225	5,115,006	5,640,491	5,075,721
Program 2.6 Army Capabilities Total funded expenditure ^{(a) (b)}	11,881,744	13,081,850	13,909,883	14,579,218	14,775,036

Notes

- a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.
- b. The change in estimates includes movement of functions and their associated budgets within Defence.

Table 25: Army Deliverables (Rate of Effort – Flying Hours)

Deliverables		2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
14	CH-47F Chinook	2,500	3,000	3,000	3,000	3,000
22	ARH Tiger ^[a]	2,595	1,315	450	450	-
29	AH-64E Apache ^[b]	-	700	2,200	3,700	5,400
40	UH-60M Black Hawk ^[c]	2,900	3,600	4,000	4,900	6,900
2	RQ-7B Shadow 200 – Tactical Uncrewed Aerial System (TUAS) ^[d]	1,584	-	-	-	-
6	RQ-21 Integrator – TUAS ^[e]	1,250	2,750	2,000	2,000	2,000
3	AW139 ^[f]	1,500	-	-	-	-
5	H135	1,500	3,000	3,000	3,000	3,000

Notes

- a. Reducing ARH Tiger Rate of Effort (ROE) reflects transition of the capability to the replacement Boeing AH-64E Apache.
- b. AH-64E Apache Forward Estimates reflect the fleet's planned introduction into service in accordance with Plan TALON as it replaces ARH Tiger. Aircraft deliveries will progressively increase to a fleet of 29. Updated ROE figures from 2025-26 onwards reflect revised capability milestones as agreed by Government.
- c. UH-60M Black Hawk Forward Estimates reflect the fleet's planned introduction into service as it replaces MRH90 Taipan. Aircraft deliveries commenced in Quarter 2, 2023 and will progressively increase to a fleet of 40.
- d. Shadow 200 withdrawn from service in December 2024.
- e. RQ-21 Integrator TUAS Forward Estimates reflect the fleet's planned introduction into service as it replaces Shadow 200 TUAS. The higher ROE in 2025-26 estimate is due to anticipated support to operations. System deliveries have commenced and will progressively increase to a fleet of 6 systems.
- f. The AW139 fleet will be withdrawn from service at the end of Quarter 2, 2025.

Program 2.7: Air Force Capabilities

Program 2.7 Objective		
To provide air power capabilities that contribute to the Australian Defence Force’s capacity to defend Australia, contribute to regional security, support Australia’s global interests, shape the strategic environment and protect national interests.		
Key Activities	This program will be achieved through the following activities: 1. Conduct operations and deployments to defend Australia and its national interests. Defence conducts operations and deployments both within Australia and overseas, in accordance with direction from the Government. When required, Defence responds with military force to defend Australia and its national interests. Defence also works in close collaboration with our international partners and federal, state and territory governments to support our response to crises and disasters at home and abroad. 6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence’s strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year. <i>Expected to be achieved.</i>
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year. <i>Expected to be achieved.</i>
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence’s strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year.
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.7 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measure 1.2 has been amended for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 26: Cost Summary for Program 2.7 Air Force Capabilities

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	2,796,245	2,951,848	3,079,039	3,206,267	3,309,922
Suppliers	4,444,114	4,576,287	4,711,982	4,772,355	5,553,360
Other expenses	1,998	2,006	2,053	2,085	2,102
	7,242,358	7,530,141	7,793,074	7,980,707	8,865,384
Expenses not requiring appropriation					
Depreciation and amortisation	1,897,179	1,865,906	1,987,775	2,059,145	2,133,342
Inventory consumption	345,210	384,592	428,490	473,689	546,935
Net write-down and net impairment of assets	55,047	60,286	66,084	72,510	79,645
	2,297,436	2,310,784	2,482,348	2,605,344	2,759,923
Total operating expenses	9,539,794	9,840,925	10,275,423	10,586,050	11,625,306
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	1,899,026	1,858,289	2,576,706	2,536,575	3,110,534
Purchases of inventory	556,384	599,698	612,243	703,759	634,376
Principal repayments of lease liabilities	13,010	13,195	13,311	12,954	13,198
Total capital expenditure	2,468,420	2,471,182	3,202,259	3,253,288	3,758,108
Program 2.7 Air Force Capabilities Total funded expenditure ^{(a) (b)}	9,710,778	10,001,323	10,995,334	11,233,995	12,623,492

Notes

- a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.
- b. The change in estimates includes movement of functions and their associated budgets within Defence.

Table 27: Air Force Deliverables (Flying Hours)

Deliverables ^[a]		2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
49	PC-21	24,700	26,820	26,820	26,820	26,820
11	KA350 King Air	3,800	3,800	3,800	3,800	3,800
12	C-130J Hercules	5,150	7,350	7,350	7,350	7,350
8	C-17A Globemaster III	5,000	6,200	6,200	6,200	6,200
10	C-27J Spartan	4,800	5,500	5,500	5,500	5,500
7	KC-30A MRTT	4,700	4,700	4,700	4,700	4,700
2	737 BBJ	1,600	1,600	1,600	1,600	1,600
3	Falcon-7X	1,750	2,400	2,400	2,400	2,400
12	P-8A Poseidon ^[b]	5,800	6,200	6,600	7,000	7,000
6	E-7A Wedgetail	3,200	3,600	3,600	3,600	3,600
24	F/A-18F Super Hornet	3,520	4,500	4,500	4,500	4,500
33	Hawk 127	5,350	6,500	6,500	6,500	6,500
12	E/A-18G Growler	2,400	2,800	2,800	2,800	2,800
72	F-35A Lightning II ^[c]	10,000	11,500	12,000	12,000	12,000
-	MC-55A Peregrine ^[d]	-	400	1,650	2,400	3,000
-	MQ-4C Triton ^[e]	300	1,500	2,000	2,600	2,600

Notes

- a. Fleet sizes represent totals in service at 1 January 2025.
- b. P-8A Poseidon Forward Estimates reflect projected workforce growth.
- c. F-35A Lightning II forward estimates reflects projected workforce growth.
- d. MC-55A Peregrine forward estimates variation due to maturing understanding of the platform's employment.
- e. First MQ-4C Triton arrived in Australia in June 2024.

Program 2.8: Australian Defence Force Headquarters

Program 2.8 Objective		
To design, integrate and prepare military capability that meets the current and future requirements of Government, and conduct joint, combined and interagency operations as directed by Government.		
Key Activities	<p>This program will be achieved through the following activities:</p> <p>1. Conduct operations and deployments to defend Australia and its national interests. Defence conducts operations and deployments both within Australia and overseas, in accordance with direction from the Government. When required, Defence responds with military force to defend Australia and its national interests. Defence also works in close collaboration with our international partners and federal, state and territory governments to support our response to crises and disasters at home and abroad.</p> <p>6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.</p>	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year. <i>Expected to be achieved.</i>
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year. <i>Expected to be achieved.</i>
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year.
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.8 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measure 1.2 has been amended for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 28: Cost Summary for Program 2.8 Australian Defence Force Headquarters

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	46,573	45,266	46,749	48,166	49,626
Suppliers	368,788	498,351	329,015	265,861	278,554
Other expenses	5,111	88	90	91	94
	420,473	543,705	375,854	314,118	328,274
Expenses not requiring appropriation					
Depreciation and amortisation	12,863	13,807	13,457	13,971	14,505
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	205	218	232	247	263
	13,068	14,025	13,689	14,217	14,768
Total operating expenses	433,541	557,729	389,543	328,336	343,041
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	-	-	-	18,124	65,811
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	19	18	17	10	10
Total capital expenditure	19	18	17	18,134	65,821
Program 2.8 Australian Defence Force Headquarters Total funded expenditure ^(a) ^(b)	420,492	543,723	375,871	332,253	394,095

Notes

- a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.
- b. The change in estimates includes movement of functions and their associated budgets within Defence.

Program 2.9: Capability Acquisition and Sustainment (including Guided Weapon and Explosive Ordnance Group)

Program 2.9 Objective		
To acquire and sustain Defence equipment, including supplies and services, in the quantities and to the service levels required by Defence and approved by Government.		
Key Activities	<p>This program will be achieved through the following activities:</p> <p>6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.</p> <p>7. Develop the sovereign defence industrial base required for our national security. The Government's significant investment in Defence over the coming decade will advance Australia's prosperity through expenditure on defence capabilities, support to new and existing defence industries and the creation of jobs.</p>	
Year	Performance measures	Expected Performance Results
Current Year 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
	7.1: Defence strengthens the sovereign defence industrial base across critical industrial capabilities.	80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions. <i>Expected to be achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.
	7.1: Defence strengthens the sovereign defence industrial base across critical industrial capabilities.	80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions.

Year	Performance measures	Planned Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.9 resulting from 2025-26 Budget Measures: Nil.		

Note

- a. In accordance with Defence’s Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 29: Cost Summary for Program 2.9 Capability Acquisition and Sustainment (including Guided Weapons and Explosive Ordnance Group)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	465,546	484,272	499,996	514,379	528,795
Suppliers	515,967	491,498	559,461	526,003	1,015,099
Other expenses	24,284	24,470	26,200	26,200	26,200
	1,005,797	1,000,240	1,085,657	1,066,582	1,570,094
Expenses not requiring appropriation					
Depreciation and amortisation	777	1,049	697	723	749
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets ^[a]	-2,672	-2,811	-2,958	-3,111	-3,273
	-1,895	-1,762	-2,261	-2,389	-2,525
Total operating expenses	1,003,902	998,478	1,083,396	1,064,193	1,567,569
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	224,961	541,403	636,613	732,699	1,270,029
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
Total capital expenditure	224,961	541,403	636,613	732,699	1,270,029
Program 2.9 Capability Acquisition and Sustainment Total funded expenditure^[b]	1,230,759	1,541,643	1,722,270	1,799,281	2,840,123

Notes

- a. Negative amounts denote a Net reversal of previous asset write-downs (Net write-on position). Total Defence is in a Net write-down and impairment of assets position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates. This program is in a Net write-on position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates.
- b. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Program 2.10: Security and Estate**Program 2.10 Objective**

To deliver integrated security, estate and infrastructure services to enable Defence Force Operations and to contribute to Defence outcomes.

Key Activity

This program will be achieved through the following activity:

6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.

Year	Performance measures	Expected Performance Results
Current Year 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.10 resulting from 2025-26 Budget Measures: Nil.		

Note

- a. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 30: Cost Summary for Program 2.10 Security and Estate

	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses funded by appropriation and own source revenue					
Employees	1,467,795	1,555,619	1,637,496	1,722,597	1,819,010
Suppliers	3,543,225	3,533,077	3,988,610	4,414,733	4,738,745
Other expenses	111,961	110,263	108,312	106,263	103,729
	5,122,981	5,198,959	5,734,419	6,243,593	6,661,484
Expenses not requiring appropriation					
Depreciation and amortisation	1,626,823	1,688,284	1,751,593	1,809,522	1,869,605
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	6,214	6,578	6,955	7,346	7,749
	1,633,037	1,694,862	1,758,549	1,816,868	1,877,354
Total operating expenses	6,756,018	6,893,821	7,492,967	8,060,461	8,538,838
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	1,496,317	1,317,221	1,194,851	935,996	575,360
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	314,320	320,787	327,769	332,167	340,838
	1,810,637	1,638,008	1,522,621	1,268,162	916,198
Program 2.10 Security and Estate Total funded expenditure ^{[a] [b]}	6,933,618	6,836,967	7,257,039	7,511,756	7,577,683

Notes

- a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.
- b. The change in estimates includes movement of functions and their associated budgets within Defence.

Program 2.11: Defence Digital		
Program 2.11 Objective		
A modern, secure, sustainable and scalable information environment to enable Australian Defence Force Operations and support Defence business.		
Key Activity	This program will be achieved through the following activity: 6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.	
Year	Performance measures	Expected Performance Results
Current Year 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.11 resulting from 2025-26 Budget Measures: Nil.		

Note

- a. In accordance with Defence’s Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 31: Cost Summary for Program 2.11 Defence Digital

	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses funded by appropriation and own source revenue					
Employees	97,031	101,378	104,681	107,858	111,133
Suppliers	1,493,425	1,598,667	1,653,433	1,876,979	2,025,638
Other expenses	26	27	27	27	28
	1,590,483	1,700,072	1,758,141	1,984,864	2,136,799
Expenses not requiring appropriation					
Depreciation and amortisation	189,422	213,336	193,695	201,259	209,129
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets ^(a)	-5,930	-6,255	-6,597	-6,959	-7,340
	183,492	207,081	187,097	194,300	201,789
Total operating expenses	1,773,975	1,907,153	1,945,238	2,179,165	2,338,588
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	32,000	11,871	229,242	227,825	247,591
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	18,045	18,083	18,114	18,100	18,145
Total capital expenditure	50,044	29,954	247,355	245,925	265,736
Program 2.11 Defence Digital Total funded expenditure ^{(b) (c)}	1,640,527	1,730,026	2,005,496	2,230,789	2,402,535

Notes

- Negative amounts denote a Net reversal of previous asset write-downs (Net write-on position). Total Defence is in a Net write-down and impairment of assets position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates. This program is in a Net write-on position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates.
- Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.
- The change in estimates includes movement of functions and their associated budgets within Defence.

Program 2.12: Defence People (including Chief of Personnel)

Program 2.12 Objective
 To deliver a program that enables the required people capability to operate and support Defence equipment and systems, and to manage the business of Defence.

Key Activities	The program will be achieved through the following activities: 1. Conduct operations and deployments to defend Australia and its national interests. Defence conducts operations and deployments both within Australia and overseas, in accordance with direction from the Government. When required, Defence responds with military force to defend Australia and its national interests. Defence also works in close collaboration with our international partners and federal, state and territory governments to support our response to crises and disasters at home and abroad. 4. Invest in Defence People. Defence has an integrated workforce comprised of Australian Defence Force members, Australian Public Service employees and contractors. We are committed to investing in the growth and retention of a highly skilled workforce to meet Australia’s defence and national security requirements.
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Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence’s strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year. <i>Expected to be achieved.</i>
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year. <i>Expected to be achieved.</i>
	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates. <i>Expected to be partially achieved.</i>
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment. <i>Expected to be partially achieved.</i>

Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months. <i>Expected to be substantially achieved.</i>
	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans by 30 June 2025. <i>Expected to be partially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	1.1: Defence maintains ready forces, plans and conducts operations, activities and investments as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts operations as directed. This will change year on year.
	1.2: Defence commits ADF and/or APS assistance to domestic crisis and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year on year.
	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates.
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment.

Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months.
	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans place by 30 June 2025.
Year	Performance measures	Planned Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.12 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measures 1.2, 4.1 and 4.2 have been amended, and Performance Measures 4.3 and 4.4 are new for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 32: Cost Summary for Program 2.12 Defence People (including Chief of Personnel) [a]

	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses funded by appropriation and own source revenue					
Employees	1,067,674	1,215,147	1,280,749	1,348,706	1,423,954
Suppliers	816,904	818,296	857,732	906,021	957,310
Other expenses	4,243	5,106	5,131	5,155	5,180
	1,888,821	2,038,549	2,143,612	2,259,882	2,386,444
Expenses not requiring appropriation					
Depreciation and amortisation	30,425	29,390	32,476	33,431	34,410
Inventory consumption	11,680	12,309	13,204	14,453	16,523
Net write-down and net impairment of assets [b]	-846	-898	-953	-1,011	-1,073
	41,258	40,801	44,727	46,873	49,860
Total operating expenses	1,930,080	2,079,349	2,188,339	2,306,755	2,436,304
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	7,800	6,857	6,759	6,921	7,178
Purchases of inventory	19,635	18,711	18,444	18,886	19,586
Principal repayments of lease liabilities	9,554	9,699	9,818	9,763	9,934
Total capital expenditure	36,989	35,267	35,021	35,570	36,697
Program 2.12 Defence People Total funded expenditure [c] [d]	1,925,810	2,073,816	2,178,633	2,295,452	2,423,142

Notes

- The Defence People Group includes the funded expenditure for the Military Personnel Group and the People Strategy Group.
- Negative amounts denote a Net reversal of previous asset write-downs (Net write-on position). Total Defence is in a Net write-down and impairment of assets position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates. This program is in a Net write-on position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates.
- Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.
- The change in estimates includes movement of functions and their associated budgets within Defence.

Program 2.13: Defence Science and Technology

Program 2.13 Objective

To develop innovative technologies that can be delivered by industry and transitioned into Defence capability, and to shape innovation, science and technology within Defence and across the nation.

Key Activities	<p>This program is achieved through the following activities:</p> <p>6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.</p> <p>Innovation, science and technology plans make a significant contribution to Integrated Investment Program projects by reducing risk and allowing the insertion of emerging technologies.</p> <p>7. Develop the sovereign defence industrial base required for our national security. The Government’s significant investment in Defence over the coming decade will advance Australia’s prosperity through expenditure on defence capabilities, support to new and existing defence industries and the creation of jobs.</p>
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Year	Performance measures	Expected Performance Results
Current Year 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
	7.1: Defence strengthens the sovereign defence industrial base across the critical industrial capabilities.	80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions. <i>Expected to be achieved.</i>

Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government, within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	7.1: Defence strengthens the sovereign defence industrial base across critical industrial capabilities.	80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.13 resulting from 2025-26 Budget Measures: Nil.		

Note

- a. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 33: Cost Summary for Program 2.13 Defence Science and Technology

	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses funded by appropriation and own source revenue					
Employees ^[a]	369,986	383,602	396,194	408,107	420,384
Suppliers ^[a]	313,946	356,620	397,629	532,948	589,736
Other expenses	1,120	1,131	1,143	1,155	1,166
	685,052	741,353	794,965	942,210	1,011,286
Expenses not requiring appropriation					
Depreciation and amortisation	58,926	79,405	52,758	54,781	56,882
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets ^[b]	-4,500	-4,739	-4,990	-5,254	-5,532
	54,426	74,666	47,768	49,526	51,350
Total operating expenses	739,478	816,019	842,733	991,736	1,062,636
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	-	-	-	17,481	109,685
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	139	141	143	142	144
Total capital expenditure	139	141	143	17,623	109,829
Program 2.13 Defence Science and Technology Total funded expenditure ^[c]	685,191	741,494	795,108	959,832	1,121,115

Notes

- a. Contains funding relating to the Advanced Strategic Capabilities Accelerator (ASCA) which was established as a separately branded division within Defence in PBS 2023-24. All funding relating to ASCA will be transferred to Program 2.8 Australian Defence Force Headquarters in March 2025.
- b. Negative amounts denotes a Net reversal of previous asset write-downs (Net write-on position). Total Defence is in a Net write-down and impairment of assets position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates. This program is in a Net write-on position in 2024-25 Estimated Actual, 2025-26 Budget Estimate and the Forward Estimates.
- c. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Program 2.14: Defence Intelligence

Program 2.14 Objective		
Deliver high-quality and timely intelligence services that achieve Government intelligence priorities.		
Key Activities	This program is achieved through the following activities: 3. Enable intelligence-informed decision-making. Classified intelligence assessments and products support Defence and the Government to make informed decisions on matters that may affect Australia’s national interests, including Defence’s strategic policy and overseas operations. 6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.	
Year	Performance measures	Expected Performance Results
Current Year 2024-25	3.1: Defence key stakeholder satisfaction of the alignment and impact of Defence Intelligence Enterprise (DIE) intelligence assessments and products.	Percentage of DIE intelligence assessments and products aligned to the Defence Intelligence Prioritisation Framework and percentage of satisfaction key stakeholders report in the impact of intelligence assessments and products to their decision-making. <i>Baseline to be established.</i>
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	3.1: Defence key stakeholder satisfaction of the alignment and impact of Defence Intelligence Enterprise (DIE) intelligence assessments and products.	Percentage of DIE intelligence assessments and products aligned to the Defence Intelligence Prioritisation Framework and percentage of satisfaction key stakeholders report in the impact of intelligence assessments and products to their decision-making.
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.14 resulting from 2025-26 Budget Measures: Nil.		

Note

a. In accordance with Defence’s Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 34: Cost Summary for Program 2.14 Defence Intelligence

	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses funded by appropriation and own source revenue					
Employees	154,279	160,025	165,323	170,345	175,532
Suppliers	652,145	590,933	722,321	858,579	1,020,115
Other expenses	1,835	806	9	9	9
	808,259	751,764	887,653	1,028,933	1,195,656
Expenses not requiring appropriation					
Depreciation and amortisation	46,016	63,599	43,136	44,786	46,505
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	48,860	56,500	65,584	76,402	89,306
	94,876	120,099	108,720	121,188	135,811
Total operating expenses	903,135	871,863	996,372	1,150,122	1,331,467
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	99,714	319,668	455,783	541,760	371,672
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	123	124	126	125	127
	99,837	319,792	455,909	541,885	371,798
Program 2.14 Defence Intelligence Total funded expenditure ^(a)	908,096	1,071,556	1,343,562	1,570,818	1,567,455

Note

- a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Table 35: Defence Intelligence Deliverables (Hydrographic Products and Services)

Deliverables	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
Maritime Safety Updates ^(a)	100%	100%	100%	100%	100%
Charting Projects ^(b)	15	15	15	15	15
Nautical Publications ^(c)	31	31	31	31	31
Survey Projects ^(d)	10	10	10	12	12
Australian Hydrographic Office Availability ^(e)	247	248	249	249	247

Notes

- a. Maritime Safety Updates (MSU) are urgent safety-critical revisions to nautical charts and publications or other hydrographic products and services. All Priority 1 MSU will be applied to product and released within the agreed 20 day timeframe, with a Portfolio Budget Statements Target of 100 per cent achievement.
- b. Charting Project includes all charting activities involved in compiling and publishing all paper and electronic charts or other charting services, for a particular geographic area. When all affected products are updated through different charting activities a Charting Project is considered complete.
- c. The Nautical Publications produced are 25 fortnightly Notices to Mariners, and six annual publications Variation to the forward estimates is plus one, as the Mariner's Handbook for Australian Waters (AHP20) will be produced annually. Survey Project is a major hydrographic survey contract executed to support the Australian Hydrographic Office (AHO) national survey function under The *Navigation Act 2012*. The HydroScheme Industry Partnership Program (HIPP) enables the AHO to undertake focused hydrographic survey data collection using commercial arrangements.
- d. The Survey Project rate of effort is aligned with the financial year HIPP budget guidance and available personnel to manage the planning and oversight of scheduled survey projects. Forward estimate survey numbers have reduced due to increasing the size of the areas surveyed. Area coverage should therefore increase year on year with reduced administrative overheads. HIPP Phase 2 commenced 01 July 2024 and is funded to financial year 2033-34.
- e. Australian Hydrographic Office (AHO) Availability is those periods the AHO, as a Defence capability, is materially ready and its personnel state and level of competence enables the AHO to provide hydrographic products and services immediately in accordance with the *Navigation Act 2012*. The AHO is open 0700-1830 Monday to Friday, closed for Public Holidays and the Christmas stand down period availability outside these hours is upon request.

Program 2.15: Naval Shipbuilding and Sustainment

<p>Program 2.15 Objective</p> <p>To deliver maritime capability through the acquisition and sustainment of naval vessels for Navy and Army, while supporting the development of continuous naval shipbuilding key enablers in Australia, including the development of a secure, sovereign industrial base, infrastructure, and an appropriately skilled and experienced workforce.</p>		
<p>Key Activities</p>	<p>This program is achieved through the following activities:</p> <p>6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial.</p> <p>7. Develop the sovereign defence industrial base required for our national security. The Government’s significant investment in Defence over the coming decade will advance Australia’s prosperity through expenditure on defence capabilities, support to new and existing defence industries and the creation of jobs.</p>	
Year	Performance measures	Expected Performance Results
<p>Current Year 2024-25</p>	<p>6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i>.</p>	<p>80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.</p> <p><i>Expected to be substantially achieved.</i></p>
	<p>7.1: Defence strengthens the sovereign defence industrial base across critical industrial capabilities.</p>	<p>80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions.</p> <p><i>Expected to be achieved.</i></p>
Year	Performance measures	Planned Performance Results
<p>Budget Year 2025-26 ^[a]</p>	<p>6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i>.</p>	<p>80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.</p>

Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	7.1: Defence strengthens the sovereign defence industrial base across critical industrial capabilities.	80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.15 resulting from 2025-26 Budget Measures: Nil.		

Note

- a. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 36: Cost Summary for Program 2.15 Naval Shipbuilding and Sustainment

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	172,843	187,082	185,117	190,692	196,436
Suppliers	144,543	154,139	81,026	55,560	51,770
Other expenses	3	4	4	4	4
	317,390	341,225	266,146	246,256	248,210
Expenses not requiring appropriation					
Depreciation and amortisation	160	207	146	152	157
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	160	207	146	152	157
Total operating expenses	317,550	341,432	266,292	246,408	248,367
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	-	-	531	808	891
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	24	25	25	26	26
Total capital expenditure	24	25	557	834	917
Program 2.15 Naval Shipbuilding and Sustainment Total funded expenditure ^[a]	317,414	341,250	266,703	247,090	249,127

Note

- a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Program 2.16: Nuclear-Powered Submarines

Program 2.16 Objective		
Protect and advance Australia's national interests through the acquisition, delivery, construction, technical governance, sustainment and disposal of Australia's nuclear-powered submarine capability, via the AUKUS partnership, as directed by Government.		
Key Activities	This program is achieved through the following activities: 6. Deliver future capability. Defence will accelerate the development of important capabilities over the next decade to build an integrated, focused force across the maritime, land, air, space and cyber domains. This will ensure the Australian Defence Force has the capacity to defend Australia and its national interests in our evolving strategic circumstances and deter adversaries through a strategy of denial. 7. Develop the sovereign defence industrial base required for our national security. The Government's significant investment in Defence over the coming decade will advance Australia's prosperity through expenditure on defence capabilities, support to new and existing defence industries and the creation of jobs.	
Year	Performance measures	Expected Performance Results
Current Year 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule. <i>Expected to be substantially achieved.</i>
	7.1: Defence strengthens the sovereign defence industrial base across critical industrial capabilities.	80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions. <i>Expected to be achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure it is equipped to respond to future security challenges as directed by the <i>2024 National Defence Strategy</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the scope approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[a]	7.1: Defence strengthens the sovereign defence industrial base across critical industrial capabilities.	80 per cent or more of the Defence Industry Development Grant Program budgeted allocation is awarded; supports Australian defence industry in international markets; provides a direct economic contribution to the Australian economy; drives investment in innovation, science and technology to deliver defence priorities; meets or exceeds Indigenous procurement targets; and supports the development of the domestic manufacture of guided weapons, explosive ordnance and munitions.
Year	Performance measures	Planned Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.16 resulting from 2025-26 Budget Measures: Nil.		

Note

- a. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 37: Cost Summary for Program 2.16 Nuclear-Powered Submarines

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	-	-	-	-	-
Suppliers	2,257,842	2,634,098	994,645	2,740,723	2,714,962
Other expenses	-	-	-	-	-
	2,257,842	2,634,098	994,645	2,740,723	2,714,962
Expenses not requiring appropriation					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
Total operating expenses	2,257,842	2,634,098	994,645	2,740,723	2,714,962
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets	194,988	477,206	323,114	2,211,507	3,551,813
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
Total capital expenditure	194,988	477,206	323,114	2,211,507	3,551,813
Program 2.16 Nuclear-Powered Submarines Total funded expenditure ^[a]	2,452,830	3,111,304	1,317,758	4,952,230	6,266,775

Note

- a. Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Program 2.19: Defence Trusts and Joint Accounts

Table 38: Cost Summary for Program 2.19 Defence Trusts and Joint Accounts

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses funded by appropriation and own source revenue					
Employees	-	-	-	-	-
Suppliers	-	-	-	-	-
Other expenses	70,563	54,061	55,233	7,219	7,641
	70,563	54,061	55,233	7,219	7,641
Expenses not requiring appropriation					
Depreciation and amortisation ^(a)	34,013	34,013	34,013	34,013	34,013
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	34,013	34,013	34,013	34,013	34,013
Total operating expenses	104,576	88,074	89,246	41,232	41,654
Capital expenditure funded by appropriation and own source revenue					
Purchases of non-financial assets ^(b)	38,379	60,110	145,907	382,372	255,680
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
Total capital expenditure	38,379	60,110	145,907	382,372	255,680
Program 2.19 Defence Trusts and Joint Accounts ^(c)	108,942	114,171	201,139	389,591	263,322

Notes

- a. Relates to assets forming part of the Australian-Singapore Military Training Initiative (ASMTI).
- b. The increase from 2025-26 Budget Estimate to the Forward Estimates reflects changes to the timing of the construction activity relating to ASMTI.
- c. Total Program funded expenditure includes operating expenses and capital expenditure funded by own source revenue. This excludes expenses not requiring appropriation.

Administered Program 2.20: Defence Force Superannuation Benefits		
Administered Program 2.20 Objective		
To administer and report member and employer contributions paid during the year to the Defence Force Retirement and Death Benefits (DFRDB) scheme, the Military Superannuation and Benefits Scheme (MSBS) and ADF Super. It accounts for the liability for these schemes plus the Defence Forces Retirement Benefits (DFRB) scheme and the statutory death and invalidity scheme, ADF Cover. This program includes payment of the MSBS Retention Benefit.		
Key Activity	This program will be achieved through the following activity: 4. Invest in Defence People. Defence has an integrated workforce comprised of Australian Defence Force members, Australian Public Service employees and contractors. We are committed to investing in the growth and retention of a highly skilled workforce to meet Australia's defence and national security requirements.	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates. <i>Expected to be partially achieved.</i>
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment. <i>Expected to be partially achieved.</i>
	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months. <i>Expected to be substantially achieved.</i>

Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	<p>At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; Defence's suicide prevention training is practical, tailored, informed by lived experience and delivered in person; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans by 30 June 2025.</p> <p><i>Expected to be partially achieved.</i></p>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates.
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment.
	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months.

Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^(b)	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans place by 30 June 2025.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.20 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measures 4.1 and 4.2 have been amended, and Performance Measures 4.3 and 4.4 are new for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Administered Program 2.21: Defence Force Superannuation Nominal Interest

<p>Administered Program 2.21 Objective</p> <p>To administer nominal interest for the three defined benefit military superannuation schemes: the Defence Forces Retirement Benefits (DFRB) scheme, the Defence Force Retirement and Death Benefits (DFRDB) scheme and the Military Superannuation and Benefits Scheme (MSBS), as well as the statutory death and invalidity scheme, ADF Cover.</p>		
<p>Key Activity</p>	<p>This program will be achieved through the following activity:</p> <p>4. Invest in Defence People. Defence has an integrated workforce comprised of Australian Defence Force members, Australian Public Service employees and contractors. We are committed to investing in the growth and retention of a highly skilled workforce to meet Australia’s defence and national security requirements.</p>	
<p>Year</p>	<p>Performance measures</p>	<p>Expected Performance Results</p>
<p>Current Year 2024-25 ^[a]</p>	<p>4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.</p>	<p>Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates.</p> <p><i>Expected to be partially achieved.</i></p>
	<p>4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.</p>	<p>The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment.</p> <p><i>Expected to be partially achieved.</i></p>
	<p>4.3: The Defence Values and Behaviours enable our people to deliver Australia’s National Defence.</p>	<p>The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months.</p> <p><i>Expected to be substantially achieved.</i></p>

Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	<p>At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; Defence's suicide prevention training is practical, tailored, informed by lived experience and delivered in person; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans by 30 June 2025.</p> <p><i>Expected to be partially achieved.</i></p>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates.
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment.
	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months.

Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^(b)	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans by 30 June 2025.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.21 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measures 4.1 and 4.2 have been amended, and Performance Measures 4.3 and 4.4 are new for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence’s Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 39: Cost Summary for Program 2.20 Defence Force Superannuation Benefits and Cost Summary for Administered Program 2.21 Defence Force Superannuation Nominal Interest

	2024-25 Estimated Actual	2025-26 Budget Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate	2028-29 Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses					
Military retention benefits	8,742	8,727	1,668	912	519
Military superannuation benefits ^(a)					
- benefits	3,145,662	3,243,167	3,554,185	3,913,002	4,307,086
- interest	6,519,036	6,814,551	7,094,951	7,386,872	7,692,098
Total expenses	9,673,440	10,066,445	10,650,803	11,300,785	11,999,703
Income					
Revenues ^(b)					
Military superannuation contributions ^(c)	-1,100,849	-1,043,043	-986,327	-931,434	-878,919
Total income	-1,100,849	-1,043,043	-986,327	-931,434	-878,919
Program 2.20 Defence Force Superannuation Benefits and					
Program 2.21 Defence Force Superannuation Nominal Interest	8,572,591	9,023,402	9,664,477	10,369,351	11,120,784

Notes

- a. Figures for 2024-25 have been calculated using the applicable AASB 119 interest rate. Forward years are estimated based on the discount rate determined by the superannuation scheme actuaries in preparing the latest Long Term Cost Reports, being CPI plus 2.5 per cent.
- b. Negative amounts denote revenue.
- c. The decrease in Military superannuation contributions from 2024-25 is attributable to the closure of Military Superannuation and Benefits Scheme (MSBS) to new ADF personnel, resulting in a gradual decline in the number of contributing members in MSBS.

Administered Program 2.22: Housing Assistance		
Administered Program 2.22 Objective		
The Defence Home Ownership Assistance Scheme (DHOAS) was established in order to support the Government's retention and recruitment initiatives and influence ADF members' decision to stay beyond critical career points. The scheme came into effect on 1 July 2008.		
Key Activity	This program will be achieved through the following activity: 4. Invest in Defence People. Defence has an integrated workforce comprised of Australian Defence Force members, Australian Public Service employees and contractors. We are committed to investing in the growth and retention of a highly skilled workforce to meet Australia's defence and national security requirements.	
Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates. <i>Expected to be partially achieved.</i>
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment. <i>Expected to be partially achieved.</i>
	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months. <i>Expected to be substantially achieved.</i>

Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans by 30 June 2025. <i>Expected to be partially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates.
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment.
	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months.
	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans by 30 June 2025.

Year	Performance measures	Expected Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.22 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measures 4.1 and 4.2 have been amended, and Performance Measures 4.3 and 4.4 are new for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence's Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 40: Cost Summary for Administered Program 2.22 Housing Assistance

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses					
Housing subsidies	236,275	255,100	275,795	298,595	323,594
Total expenses	236,275	255,100	275,795	298,595	323,594
Income					
Revenues ^(a)					
Dividends	-	-	-	-	-
License fees ^(b)	-23,978	-26,573	-29,426	-32,570	-36,019
Other	-	-	-	-	-
Total income	-23,978	-26,573	-29,426	-32,570	-36,019
Program 2.22 Housing Assistance	212,297	228,527	246,369	266,025	287,575

Notes

- a. Negative amounts denote revenue.
- b. Licence fees are charged to home loan providers under the Defence Home Ownership Assistance Scheme. The home loan providers are required to remit a portion of home loan revenue to the Australian Government.

Administered Program 2.23: Other Administered

<p>Administered Program 2.23 Objective</p> <p>This program comprises three elements:</p> <ol style="list-style-type: none"> 1. Interest earned on overdue accounts and on official bank accounts held to facilitate operational requirements. 2. Interest on Government loans to fund the building of new accommodation, dividends and tax equivalent payments received from the DHA. 3. Revenue received from science and technology royalties where the royalties offset Departmental cost of an activity, to the extent there was no appropriation for the activity. 		
<p>Key Activity</p>	<p>This program will be achieved through the following activity:</p> <p>4. Invest in Defence People. Defence has an integrated workforce comprised of Australian Defence Force members, Australian Public Service employees and contractors. We are committed to investing in the growth and retention of a highly skilled workforce to meet Australia’s defence and national security requirements.</p>	
<p>Year</p>	<p>Performance measures</p>	<p>Expected Performance Results</p>
<p>Current Year 2024-25 ^[a]</p>	<p>4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.</p>	<p>Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates.</p> <p><i>Expected to be partially achieved.</i></p>
	<p>4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.</p>	<p>The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment.</p> <p><i>Expected to be partially achieved.</i></p>
	<p>4.3: The Defence Values and Behaviours enable our people to deliver Australia’s National Defence.</p>	<p>The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months.</p> <p><i>Expected to be substantially achieved.</i></p>

Year	Performance measures	Expected Performance Results
Current Year 2024-25 ^[a]	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans by 30 June 2025. <i>Expected to be partially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2025-26 ^[b]	4.1: Defence recruits and retains an ADF and APS workforce to support the Defence mission.	Defence achieves the ADF and APS Budgeted Workforce Requirement as set out in the 2024 Defence Workforce Plan, and the net flow of the ADF and APS workforce over a 12 month period is trending positive and is positioning Defence to achieve the Budgeted Workforce Requirement over the forward estimates.
	4.2: Defence grows the necessary skills and capabilities to enable the Defence mission.	The Defence workforce has the technical skills required to deliver the National Defence Strategy as measured through the Defence Strategic Workforce Segments, and the net flow of the ADF and APS workforce over a 12 month period against the Budgeted Workforce Requirement by Strategic Workforce Segment.
	4.3: The Defence Values and Behaviours enable our people to deliver Australia's National Defence.	The proportion of ADF and Defence APS personnel that believe appropriate action will be taken if they report an incident of unacceptable behaviour has increased in the last 12 months, the proportion of ADF and Defence APS personnel who have experienced any unacceptable behaviour in the workplace has decreased in the last 12 months, and proportion of ADF and Defence APS personnel who are of the view that Defence Values are being used in their work area has increased in the last 12 months.
	4.4: Defence supports ADF members and their families by providing access to support services and programs having regard to lifetime wellbeing.	At least 75 per cent of eligible permanent ADF members and their families are registered with the ADF Family Health Program; 100 per cent of support services and programs are provided to permanent ADF and their families in accordance with identified service delivery timeframes; and 100 per cent of Defence-led, Government-agreed recommendations from the Royal Commission into Defence and Veteran Suicide Final Report which are on the Forward Work Plan for the Program Board in 2024-25, have approved Reform Management Plans by 30 June 2025.

Year	Performance measures	Planned Performance Results
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 2.23 resulting from 2025-26 Budget Measures: Nil.		

Notes

- a. Performance Measures 4.1 and 4.2 have been amended, and Performance Measures 4.3 and 4.4 are new for 2024-25, as published in the updated 2024-28 Defence Corporate Plan in March 2025.
- b. In accordance with Defence’s Enterprise Performance Framework, Defence is undertaking materiality assessments that may result in updates to the 2025-26 performance information in the 2025-29 Defence Corporate Plan, if required.

Table 41: Cost Summary for Administered Program 2.23 Other Administered

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Expenses					
Supplier expenses	-	-	-	-	-
Total expenses	-	-	-	-	-
Income					
Revenues ^(a)					
Other ^(b)	-41,908	-43,047	-44,232	-46,973	-58,869
Total income	-41,908	-43,047	-44,232	-46,973	-58,869
Program 2.23 Other Administered	-41,908	-43,047	-44,232	-46,973	-58,869

Notes

- a. Negative amounts denote revenue.
- b. Other revenue predominantly includes competitive neutrality revenue from Defence Housing Australia.

Section 3: Defence Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2025-26 Budget year, including the impact of Budget Measures and resourcing on financial statements.

3.1 Grants

The Department of Defence provides grants to support the achievement of Defence's strategic priorities to defend Australia and its national interests; and to protect and advance Australian strategic interests. The provision of funding by Defence is subject to meeting the Australian Government Policy Objectives associated with Defence and its outcomes.

Commonwealth grant opportunities and their guidelines, including the Department of Defence grant opportunities, are published on the Government grants portal GrantConnect (www.grants.gov.au). Further information on Defence grant programs is available on the Department's grants webpage ([Home: Grants: Department of Defence](#)).

3.2 Resource Summary

Table 42: Defence Resource Statement — Budget Estimates for 2025-26 as at March Budget 2025 ^[a]

	Estimated Actual available appropriation 2024-25 \$'000	Estimate of prior year amounts available in 2025-26 \$'000	Proposed Budget 2025-26 \$'000	Total Estimate 2025-26 \$'000
Departmental				
Annual appropriations - ordinary annual services	38,967,010	-	40,709,350	40,709,350
Prior year appropriations available	425,972	1,535,495	-68,212	1,467,283
Equity injection	11,112,977	-	12,274,359	12,274,359
Departmental Capital Budget	2,734,831	-	3,128,980	3,128,980
Funding movement for 2024-25 Working Capital ^[b]	700,000	-	-	-
Total departmental annual appropriations ^[c]	53,940,790	1,535,495	56,044,477	57,579,972
Total departmental resourcing ^[d]	53,940,790	1,535,495	56,044,477	57,579,972
Administered				
Annual appropriations - ordinary annual services	4,544,108	-	4,935,116	4,935,116
Prior year appropriations available	-	-	-	-
Equity injection	-	-	-	-
Total administered annual appropriations	4,544,108	-	4,935,116	4,935,116
Total administered resourcing	4,544,108	-	4,935,116	4,935,116

Notes

- a. This table is prepared on the same basis as Table 1.
- b. The funding movement from 2027-28 to 2024-25 of \$700 million is to partly address Defence's ongoing working capital requirements. This adjustment provides short term relief to increase cash reserves to meet Defence industry commitments as and when they fall due for payment. Refer Table 1 Serial 4. While the increase in working capital in 2024-25 is by way of the movement of appropriation from 2027-28, the movement will be represented as an equity injection and not as increased Defence funding. This is because the injection will be used to address existing expenditure commitments already incurred / recognised. In 2027-28, the reduction of appropriation will not impact planned capital expenditure levels as Government has agreed Defence will operate with a Net Capital Deficit in that financial year.
- c. The appropriations for 2024-25 include amounts which are yet to receive royal assent.
- d. Does not include Defence Trusts and Joints Accounts, as expenses are incurred on behalf of such trusts and joint accounts and are offset by revenues. Refer Table 1, serials 17-19, and Table 38.

Table 43: Third Party Payments to and from other Agencies ^[a]

	2024-25	2025-26
	Estimated	Budget
	Actual	Estimate
	\$'000	\$'000
Receipts from Defence Housing Australia for competitive neutrality revenue (Administered)	41,908	43,047
Payments made to Defence Housing Australia for the provision of services (Departmental)	806,270	910,352
Payments made to CEA Technologies Pty Ltd for the provision of services (Departmental)	306,630	715,685
Receipts from Australian Signals Directorate for the provision of services (Departmental)	102,840	105,439
Receipts from Australian Submarine Agency for the provision of services (Departmental)	33,910	36,725
Payments made to Department of Foreign Affairs and Trade for the provision of services (Departmental)	24,165	24,260
Payments made to the Commonwealth Superannuation Corporation (CSC) for the provision of services (Departmental)	39,743	44,533
Payments made to the Department of Finance for the provision of services (Departmental)	49,652	56,107
Payments made to Comcare for workers compensation premiums (Departmental)	22,928	24,452
Payments made to Bureau of Meteorology for the provision of services (Departmental)	24,339	24,469
Payments made to the Australian Federal Police for the provision of services (Departmental)	69,296	72,038

Note

- a. Third party payments to and from other Agencies include:
- Inter-agency transactions in excess of \$20 million per annum;
 - Inter-agency transactions that were in excess of \$20 million in the previous year's annual statements; and
 - Inter-agency transactions relating to Budget Measures as disclosed in Defence Budget Measures.

3.3 Budgeted Financial Statements

3.3.1 Departmental and Administered Budgeted Financial Statements

Table 44: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
EXPENSES					
Employee benefits	14,916,402	15,820,396	16,490,250	17,174,887	17,789,015
Supplier expenses	25,889,606	27,010,722	26,606,592	29,629,214	33,185,516
Grants ^[a]	49,842	44,907	44,999	45,108	45,205
Depreciation and amortisation	7,890,554	7,863,825	8,286,515	8,578,153	8,881,130
Finance costs	126,072	124,156	121,894	119,578	116,747
Write-down of assets and impairment of assets	1,730,682	1,852,543	1,984,224	2,126,732	2,281,215
Net losses from sale of assets	-	-	-	-	-
Expenses in relation to Defence Trusts and Joint Accounts	70,563	54,061	55,233	7,219	7,641
Other	11,972	538	1,417	1,134	1,235
Total expenses	50,685,693	52,771,148	53,591,123	57,682,025	62,307,704
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sales of goods and rendering of services	593,054	731,912	578,219	534,716	531,661
Revenue in relation to Defence Trusts and Joint Accounts	103,212	114,222	199,918	389,899	263,043
Other revenue	460,269	539,036	418,491	436,674	400,609
Total own-source revenue	1,156,534	1,385,170	1,196,628	1,361,289	1,195,313
Gains					
Foreign exchange	-	-	-	-	-
Reversals of previous asset write-downs	925,267	987,130	1,053,334	1,124,210	1,200,119
Net gains from sale of assets	-	-	-	-	-
Other gains	-	-	-	-	-
Total gains	925,267	987,130	1,053,334	1,124,210	1,200,119
Total own-source income	2,081,801	2,372,300	2,249,962	2,485,498	2,395,432
Net cost of (contribution by) services	48,603,892	50,398,847	51,341,161	55,196,527	59,912,272
Revenue from Government	38,967,010	40,709,350	41,166,155	44,770,752	48,840,860
Surplus (Deficit) attributable to the Australian Government	-9,636,883	-9,689,497	-10,175,006	-10,425,774	-11,071,412
OTHER COMPREHENSIVE INCOME					
Items not subject to subsequent reclassification to net cost of services					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-9,636,883	-9,689,497	-10,175,006	-10,425,774	-11,071,412

Table 44: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June) (Continued)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Note: Impact of Net Cash Appropriation Arrangements					
Surplus/ (Deficit) attributable to the Australian Government prior to Net Cash Appropriation Adjustments	-63,256	22,554	139,874	377,610	250,003
Less: Items previously included in revenue appropriation:					
Depreciation and amortisation	7,890,554	7,863,825	8,286,515	8,578,153	8,881,130
Inventory consumption	1,277,319	1,389,731	1,512,034	1,645,101	1,789,879
Net write-down and net impairment of assets	805,415	865,413	930,890	1,002,522	1,081,096
Add: Repayment of lease liabilities funded through revenue appropriations	399,661	406,918	414,558	422,393	430,690
Surplus (Deficit) attributable to the Australian Government as per above	-9,636,883	-9,689,497	-10,175,006	-10,425,774	-11,071,412

Note

a. Grants does not include the gifting of assets to foreign governments.

Table 45: Budgeted Departmental Balance Sheet (as at 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	300,157	321,680	320,458	320,766	320,488
Trade and other receivables	271,222	271,222	271,222	271,222	271,222
Tax assets	396,818	396,818	396,818	396,818	396,818
Appropriation receivable	1,535,495	1,467,283	1,565,059	1,232,918	1,366,158
Other receivables	840,505	840,358	840,196	840,044	841,452
Total financial assets	3,344,196	3,297,361	3,393,753	3,061,768	3,196,137
Non-financial assets					
Land and buildings	26,776,360	27,148,892	27,740,846	28,647,834	29,111,776
Infrastructure, plant and equipment	11,376,819	12,125,821	12,719,019	13,442,016	13,577,836
Specialist military equipment	91,674,291	95,184,253	100,512,074	108,160,634	118,206,497
Intangibles	3,841,133	4,149,610	4,342,711	4,656,445	4,611,842
Heritage and cultural	385,993	369,519	351,536	332,861	313,469
Inventories	10,326,239	11,225,024	12,158,105	13,231,794	14,342,075
Prepayments	3,814,375	4,112,381	4,331,094	5,200,085	6,112,224
Total non-financial assets	148,195,209	154,315,500	162,155,384	173,671,671	186,275,720
Assets held for sale	68,417	68,417	68,417	68,417	68,417
Total assets	151,607,821	157,681,278	165,617,554	176,801,855	189,540,274
LIABILITIES					
Payables					
Suppliers	4,886,749	5,184,755	5,403,467	6,972,459	7,884,598
Other	1,618,969	1,381,735	1,287,659	782,334	720,906
Total payables	6,505,718	6,566,490	6,691,126	7,754,794	8,605,504
Interest bearing liabilities					
Leases	3,268,483	3,376,832	3,485,633	3,595,158	3,705,372
Total interest bearing liabilities	3,268,483	3,376,832	3,485,633	3,595,158	3,705,372
Provisions					
Employee provisions	3,552,559	3,743,051	3,934,902	4,108,086	4,302,763
Restoration, decontamination and decommissioning	1,056,201	1,056,201	1,056,201	1,056,201	1,056,201
Other	266,891	266,892	266,892	266,892	266,892
Total provisions	4,875,651	5,066,143	5,257,995	5,431,180	5,625,856
Total liabilities	14,649,852	15,009,465	15,434,754	16,781,132	17,936,732
NET ASSETS	136,957,970	142,671,813	150,182,800	160,020,724	171,603,542
EQUITY					
Contributed equity	107,987,851	123,391,191	141,077,185	161,340,883	183,995,113
Retained surplus (accumulated deficit)	-8,435,459	-18,124,955	-28,299,961	-38,725,735	-49,797,148
Reserves	37,405,577	37,405,577	37,405,577	37,405,577	37,405,577
Total equity	136,957,970	142,671,813	150,182,800	160,020,724	171,603,542

Table 46: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations (current year)	38,633,764	40,457,316	40,900,620	44,988,049	48,595,762
Appropriations (prior year)	-	-	-	-	-
Goods and services	1,690,378	737,733	750,978	793,041	806,276
Net GST received	3,072,597	3,125,378	3,239,995	3,695,396	4,173,407
Interest	-	-	-	-	-
Receipts in relation to Defence Trusts and Joint Accounts	89,251	123,192	199,919	389,898	263,043
Other cash received	232,918	533,213	245,735	178,348	125,994
Cash transfer from the Official Public Account (receivables)	-	-	-	-	-
Total cash received	43,718,907	44,976,832	45,337,247	50,044,732	53,964,482
Cash used					
Employees	14,610,282	15,555,862	16,224,715	17,392,184	17,543,908
Suppliers	25,312,287	25,620,991	25,094,559	27,284,112	31,395,637
Net GST paid	3,072,597	3,125,378	3,239,995	3,695,396	4,173,407
Grants	49,842	44,907	44,999	45,108	45,205
Payments in relation to Defence Trusts and Joint Accounts	108,942	114,171	201,139	389,591	263,322
Other cash used	993,392	124,691	123,314	120,710	117,991
Cash transfer to the Official Public Account (receivables)	-	-	-	-	-
Total cash used	44,147,343	44,585,999	44,928,722	48,927,101	53,539,469
Net cash from (used by) operating activities	-428,436	390,833	408,525	1,117,631	425,013
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of non-financial assets	95,905	37,608	4,811	5,070	5,399
Other cash received	-	-	-	-	-
Total cash received	95,905	37,608	4,811	5,070	5,399
Cash used					
Purchase of non-financial assets	11,692,295	13,244,477	15,532,612	18,558,165	20,570,044
Purchase of inventory	2,155,513	2,158,862	2,153,380	2,405,535	2,084,183
Selling costs on sale of assets	-	-	-	-	-
Finance costs	-	-	-	-	-
Total cash used	13,847,808	15,403,339	17,685,992	20,963,700	22,654,227
Net cash from (used by) investing activities	-13,751,903	-15,365,731	-17,681,181	-20,958,630	-22,648,828

**Table 46: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)
(Continued)**

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	11,112,977	12,274,359	14,633,679	17,645,715	19,268,016
Appropriations - departmental capital budget	2,734,831	3,128,980	3,052,313	3,317,985	3,386,211
Appropriations - Funding movement for 2024-25 Working Capital	700,000	-	-	-700,000	-
Prior year appropriation	-	-	-	-	-
Total cash received	14,547,808	15,403,339	17,685,992	20,263,700	22,654,227
Cash used					
Principal repayments of lease liabilities	399,661	406,918	414,558	422,393	430,690
Cash to the Official Public Account	-	-	-	-	-
Total cash used	399,661	406,918	414,558	422,393	430,690
Net cash from (used by) financing activities	14,148,147	14,996,421	17,271,434	19,841,307	22,223,537
Net increase (decrease) in cash and cash equivalents held					
	-32,192	21,523	-1,222	308	-278
Cash and cash equivalents at the beginning of the reporting period	332,349	300,157	321,680	320,458	320,766
Transfer of cash from administered programs	-	-	-	-	-
Effect of exchange rate movements on cash and cash equivalents at beginning of the reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	300,157	321,680	320,458	320,766	320,488

Table 47: Departmental Statement of Changes in Equity — Summary of Movement (Budget year 2025-26)

	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
Opening balance as at 1 July 2025				
Balance carried forward from previous period	-8,435,459	37,405,577	107,987,851	136,957,970
Adjustment for changes in accounting policies	-	-	-	-
Adjusted opening balance	-8,435,459	37,405,577	107,987,851	136,957,970
Comprehensive income				
Comprehensive income recognised directly in equity:				
Gain/loss on revaluation of property	-	-	-	-
Subtotal comprehensive income	-	-	-	-
Surplus (Deficit) for the period	-9,689,497	-	-	-9,689,497
Total comprehensive income recognised directly in equity	-9,689,497	-	-	-9,689,497
Transactions with owners				
<i>Distribution to owners</i>				
Returns on capital:				
Restructuring	-	-	-	-
Other	-	-	-	-
<i>Contributions by owners</i>				
Appropriation (equity injection)	-	-	12,274,359	12,274,359
Departmental Capital Budget	-	-	3,128,980	3,128,980
Other	-	-	-	-
Sub-total transaction with owners	-	-	15,403,339	15,403,339
Transfers between equity components	-	-	-	-
Estimated closing balance as at 30 June 2026	-18,124,956	37,405,577	123,391,191	142,671,812

Table 48: Departmental Capital Budget Statement (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
CAPITAL APPROPRIATIONS					
Departmental Capital					
Departmental Capital Budget	2,734,831	3,128,980	3,052,313	3,317,985	3,386,211
Bill 2 Equity	11,112,977	12,274,359	14,633,679	17,645,715	19,268,016
Funding movement for 2024-25 Working Capital ^(a)	700,000	-	-	-700,000	-
Total capital appropriations	14,547,808	15,403,339	17,685,992	20,263,700	22,654,227
Represented by:					
Purchase of non-financial assets	11,692,295	13,244,477	15,532,612	18,558,165	20,570,044
Purchase of inventory	2,155,513	2,158,862	2,153,380	2,405,535	2,084,183
Annual finance lease costs	-	-	-	-	-
Other items (including capital prepayments)	-	-	-	-	-
Total Items	13,847,808	15,403,339	17,685,992	20,963,700	22,654,227
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	13,847,808	15,403,339	17,685,992	20,963,700	22,654,227
Funded by prior year appropriation	-	-	-	-	-
Funded by finance lease costs	-	-	-	-	-
Net capital surplus / (deficit) ^{(a) (b)}	-	-	-	-700,000	-
Total	13,847,808	15,403,339	17,685,992	20,263,700	22,654,227
Reconciliation of cash used to acquire assets to asset movement table					
Total purchases	13,886,187	15,463,449	17,831,899	21,346,072	22,909,907
less additions by finance lease	-	-	-	-	-
less additions by creditors/borrowings	-	-	-	-	-
plus borrowing/finance costs	-	-	-	-	-
plus prepayments	-	-	-	-	-
less gifted assets	38,379	60,110	145,907	382,372	255,680
less s75/restructuring	-	-	-	-	-
Total cash used to acquire assets	13,847,808	15,403,339	17,685,992	20,963,700	22,654,227

Notes

- a. The funding movement from 2027-28 to 2024-25 of \$700 million is to partly address Defence's ongoing working capital requirements. This adjustment provides short term relief to increase cash reserves to meet Defence industry commitments as and when they fall due for payment. Refer Table 1 Serial 4. While the increase in working capital in 2024-25 is by way of the movement of appropriation from 2027-28, the movement will be represented as an equity injection and not as increased Defence funding. This is because the injection will be used to address existing expenditure commitments already incurred / recognised. In 2027-28, the reduction of appropriation will not impact planned capital expenditure levels as Government has agreed Defence will operate with a Net Capital Deficit in that financial year.
- b. Includes the following sources of funding:
- annual appropriations;
 - donations and contributions;
 - gifts;
 - internally developed assets;
 - s74 relevant agency receipts; and
 - proceeds from the sale of assets.

Table 49: Statement of Departmental Asset Movements (Budget year 2025-26)

	Land \$'000	Buildings \$'000	Specialist Military Equipment \$'000	Infrastructure, Plant and Equipment \$'000	Intangibles \$'000	Heritage and Cultural Assets \$'000	Assets Held for Sale \$'000	Total \$'000
As at 1 July 2025								
Gross book value	7,020,440	18,923,880	97,834,330	12,554,500	5,927,646	416,580	68,417	142,745,793
Gross book value - ROU	53,923	3,511,151	304,500	738,067	-	-	-	4,607,642
Accumulated depreciation/amortisation and impairment	-	1,359,130	6,346,286	1,534,187	2,086,514	30,587	-	11,356,704
Accumulated depreciation/amortisation and impairment - ROU	-	1,373,903	118,254	381,562	-	-	-	1,873,719
Opening net book balance	7,074,363	19,701,997	91,674,291	11,376,819	3,841,133	385,993	68,417	134,123,012
CAPITAL ASSET ADDITIONS								
Estimated expenditure on new or replacement assets								
By purchase - appropriation equity	57,410	1,298,965	9,923,449	1,445,027	519,626	-	-	13,244,477
By purchase - appropriation equity - ROU	-	456,066	18,378	40,820	-	-	-	515,265
By purchase - donated funds	-	29,517	-	30,593	-	-	-	60,110
By purchase - donated funds - ROU	-	-	-	-	-	-	-	-
By finance lease	-	-	-	-	-	-	-	-
By finance lease - ROU	-	-	-	-	-	-	-	-
Total additions	57,410	1,328,482	9,923,449	1,475,620	519,626	-	-	13,304,587
Total additions - ROU	-	456,066	18,378	40,820	-	-	-	515,265
Other movements								
Reclassifications ^(a)	-	-269,034	-43,522	407,709	4,980	-	-	100,134
Reclassifications - ROU	-	-	-	-	-	-	-	-
Depreciation and amortisation	-	726,855	5,555,364	1,001,317	149,194	16,474	-	7,449,204
Depreciation and amortisation - ROU	-	305,755	39,418	69,447	-	-	-	414,621
Disposal of entities or operations (including restructuring)	-	-	-	-	-	-	-	-
Disposal of entities or operations (including restructuring) - ROU	-	-	-	-	-	-	-	-
Other disposals ^(b)	-	167,782	793,561	104,384	66,936	-	-	1,132,663
Other disposals - ROU	-	-	-	-	-	-	-	-
Total other movements	-	-1,163,671	-6,392,447	-697,992	-211,149	-16,474	-	-8,481,733
Total other movements - ROU	-	-305,755	-39,418	-69,447	-	-	-	-414,621
As at 30 June 2026								
Gross book value	7,077,850	19,815,545	106,920,696	14,333,446	6,385,317	416,580	68,417	155,017,850
Gross book value - ROU	53,923	3,967,217	322,879	778,888	-	-	-	5,122,907
Accumulated depreciation/amortisation and impairment	-	2,085,985	11,901,650	2,535,504	2,235,707	47,061	-	18,805,907
Accumulated depreciation/amortisation and impairment - ROU	-	1,679,659	157,672	451,009	-	-	-	2,288,340
Closing net book value	7,131,773	20,017,119	95,184,253	12,125,821	4,149,610	369,519	68,417	139,046,512

Notes

- a. Reclassifications includes assets first found.
b. Other disposals includes write-offs.

Table 50: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Dividends	-	-	-	-	-
Military superannuation contributions	1,100,849	1,043,042	986,327	931,434	878,919
Fees	23,978	26,573	29,426	32,570	36,019
Other	41,908	43,047	44,232	46,973	58,869
Total non-taxation	1,166,735	1,112,662	1,059,985	1,010,977	973,807
Total revenues administered on behalf of Government	1,166,735	1,112,662	1,059,985	1,010,977	973,807
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Subsidies	236,275	255,100	275,795	298,595	323,594
Military retention benefits	8,743	8,727	1,668	912	519
Military superannuation benefits	9,664,698	10,057,719	10,649,135	11,299,874	11,999,184
Other	-	-	-	-	-
Total expenses administered on behalf of Government	9,909,716	10,321,546	10,926,598	11,599,380	12,323,297

Table 51: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	-	-	-	-	-
Trade and other receivables	46,050	48,645	51,498	54,642	58,091
Investments accounted for using the equity method	3,942,774	4,152,780	4,364,563	4,591,374	4,765,421
Total financial assets	3,988,824	4,201,425	4,416,061	4,646,016	4,823,512
Non-financial assets					
Prepayments	12,086	3,359	1,691	779	260
Total non-financial assets	12,086	3,359	1,691	779	260
Total assets administered on behalf of Government	4,000,910	4,204,784	4,417,752	4,646,795	4,823,772
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Other	106,541	106,541	106,541	106,541	106,541
Total payables	106,541	106,541	106,541	106,541	106,541
Provisions					
Superannuation - DFRB	200,166	183,977	168,884	154,768	141,532
Superannuation - DFRDB	29,210,769	28,798,420	28,323,938	27,782,145	27,198,854
Superannuation - MSBS	101,265,584	105,569,173	109,695,750	113,638,320	117,384,941
Superannuation - ADF Cover	6,197,036	7,957,080	10,180,717	12,901,629	16,158,112
Total provisions	136,873,555	142,508,650	148,369,289	154,476,862	160,883,439
Total liabilities administered on behalf of Government	136,980,096	142,615,191	148,475,830	154,583,403	160,989,980

Table 52: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Interest	-	-	-	-	-
Military superannuation contributions	1,370,220	1,300,224	1,232,021	1,164,908	1,096,754
Fees	20,964	23,978	26,573	29,426	36,019
Other	41,908	43,047	44,232	46,973	58,869
Total cash received	1,433,092	1,367,249	1,302,826	1,241,307	1,191,642
Cash used					
Subsidies paid	236,275	255,100	275,795	298,595	323,594
Military benefits	4,307,833	4,680,016	5,034,402	5,425,772	5,813,889
Total cash used	4,544,108	4,935,116	5,310,197	5,724,367	6,137,483
Net cash from or (used by) operating activities	-3,111,016	-3,567,867	-4,007,371	-4,483,060	-4,945,841
INVESTING ACTIVITIES					
Cash received					
Dividends	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Loans	-	-	-	-	-
Total cash used	-	-	-	-	-
Net cash from (used by) investing activities	-	-	-	-	-
Net increase (decrease) in cash held	-3,111,016	-3,567,867	-4,007,371	-4,483,060	-4,945,841
Cash at the beginning of reporting period	-	-	-	-	-
Cash from the Official Public Account for appropriations	4,544,108	4,935,116	5,310,197	5,724,367	6,137,483
Cash to the Official Public Account	-1,433,092	-1,367,249	-1,302,826	-1,241,307	-1,191,642
Net increase (decrease) in Special Account	-	-	-	-	-
Effect of exchange rate movements on cash and cash equivalents	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	-	-	-	-	-

3.3.2 Notes to the Budgeted Financial Statements

The budgeted financial statements have been prepared in accordance with the Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*.

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Appendix A: Defence Cooperation Program

The Defence Cooperation Program (DCP) has made a significant contribution to Australia's international defence engagement since the 1960s. The DCP was originally formed through bilateral military to military engagements in Singapore and Malaysia in the 1960's. It now supports engagement with military and police/security forces in over 30 countries across the Indo-Pacific.

The program:

- enables cooperative development of capability;
- improves Australia's capacity to work with partners in response to common security challenges; and
- builds strong people-to-people links with partner militaries at the tactical, operational and strategic levels.

The *2024 National Defence Strategy* affirms the importance of the DCP as the primary mechanism for Australia's practical engagement in the Indo-Pacific. The DCP is a key lever of Defence to apply strategic effects throughout the region. Priority regions are our primary area of military interest, with the immediate region encompassing the Northeast Indian Ocean through maritime Southeast Asia into the Pacific. The objective is to maximise Australia's security through developing close and enduring links with partners that support their capacity to protect their sovereignty, work effectively with the Australian Defence Force, and contribute to regional resilience and security.

To achieve its objectives, the DCP suite of activities includes education courses, training, personnel exchanges, capacity building, military secondments, strategic dialogues, visits, infrastructure support, and exercises and operations.

The DCP supports the provision of education and training positions in Australia for international military personnel. Junior and senior officers from regional countries undertake short and long-term courses at Australian military and civilian educational institutions. This training builds military professionalism by equipping participants with the skills they will use throughout their military careers. International military personnel also return home having developed a better understanding of Australia and having built networks with counterparts in the Australian Defence Force. These people-to-people links are further maintained through defence alumni associations.

Australia maintains regular defence talks with regional countries in order to exchange views on regional security issues and to discuss defence cooperation priorities. The DCP also supports a program of visits by senior defence representatives to and from Australia. These visits provide an opportunity for Australia and regional partners to improve their mutual understanding of each other's strategic perspectives and military capability.

Defence seeks to develop the institutional and governance frameworks of regional defence organisations as well as the capabilities of their security forces. The DCP achieves these objectives through Australian Defence Force mobile training teams, support for logistics and infrastructure development, and the posting of Defence personnel as advisers to regional defence and security organisations. It is in Australia's interest to support professional and capable regional militaries that we can operate with in support of regional security and stability.

The Papua New Guinea (PNG) DCP, our largest with any country, supports the PNG Defence Force and Defence to be a more capable, sustainable and professional regional security partner, and supports current and future leaders to build a strong and resilient Defence Force. The PNG DCP will continue to facilitate the conduct of bilateral exercises, mobile training teams, logistics support, capability development, governance, training support and information sharing.

In the Pacific, a key element of the DCP, and the centrepiece of Australia's defence engagement, is the Pacific Maritime Security Program (PMSP). The PMSP is the successor to the original Pacific Patrol Boat Program, through which Australia will provide 24 Guardian-class Patrol Boats (with in-country advisory personnel, maintenance support, crew training and technical assistance). Australia has delivered 22 boats to 11 Pacific Island nations to date.

Under the PMSP, Australia is replacing the existing fleet of Pacific Patrol Boats with new larger and more capable vessels. Austal Ships Pty Ltd is constructing the Guardian-class Patrol Boats for gifting between 2018 and 2026. The PMSP expands the scope of the Pacific Patrol Boat Program by including a region-wide integrated aerial surveillance capability and support for enhancing regional coordination. The Program engages Pacific navies and police maritime wings and is designed to enhance the sovereign capability of partner Pacific Island nations to independently police their maritime zones.

The Australian Defence Force conducts exercises with other militaries in order to build our shared capacity to work together in response to regional security contingencies. These include humanitarian assistance and disaster relief, peacekeeping, counter-terrorism, maritime security, and military governance and professionalism. These exercises are conducted in the air, land and maritime domains and take place both in Australia and across the region. Exercising together promotes interoperability and builds familiarity between our armed forces and those of our regional military partners.

Table 53: Defence Cooperation Program Budget 2025-26 ^[a]

The DCP is a flexible funding mechanism to respond to partners' needs. The PMSP and Indo-Pacific Infrastructure Program fall under the DCP architecture, bringing investment and holistic strategic effect across domains to support and complement bilateral defence programs.

Defence is committed to being flexible and responsive to the needs of our international partners. The global strategic environment is dynamic and can result in shifting demands requiring the re-allocation of funds between nations or at a regional level. In our near region in particular, the threat posed by climate change and other non-traditional security threats are shifting the priorities of our partner security forces to focus on shared regional resilience and disaster preparedness. In order to remain flexible and responsive to emerging and long-term needs of our partners, the DCP budget allocation occurs at the regional level.

The total DCP budget estimate in 2025-26 is \$401.3 million, up from \$327.7 million in 2024-25, reflecting the importance of the Program in supporting Defence and Australia's strategic interests.

	2024-25 Revised Estimate \$'000	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000
Pacific Region	262,317	262,374	335,191
Southeast Asia	36,553	30,463	36,887
Other regional activities	28,008	20,538	28,668
Defence International Training Centre	778	1,327	537
Total	327,656	314,701	401,282

Note

a. DCP funding does not include support provided through the Capability Acquisition Program.

Appendix B: Top 30 Military Equipment Acquisition Program Approved Projects

The Top 30 Military Equipment Acquisition Program Approved Projects table includes other elements of acquisition that contribute to an overall capability (excluding workforce).

The Military Equipment Acquisition line in the table corresponds to the historical presentation for this table, which would principally include the project elements relating to the acquisition of major systems, such as aircraft, ships or vehicles. Where projects involve other elements that are not part of the major capability system, these have been included within the Other Project Inputs to Capability line. This could include facilities, information communications technology, and research and development.

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) ^[a] ^[b] ^[c]

Domain/Project Name	Project Number/ Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Air Domain						
Air Launched Multi Domain Strike	AIR 6004	Military Equipment Acquisition	2,538	1,044	308	The project is delivered through a programmatic approach and is approved to acquire land and maritime strike weapons, associated ancillaries and sufficient air-to-surface ordnance to conduct air launched strike. These capabilities will be used by Air Force aircraft including the F/A-18F Super Hornet, P-8A Poseidon and, in the future, the F-35A Lightning II. Equipment will be acquired through the United States Government Foreign Military Sales program or via direct commercial sales, including supply of general purpose bombs through Australian Munitions.
		Other Project Inputs to Capability	5	5	0	During 2025-26, the project will deliver an initial tranche of Long Range Anti-Ship Missiles, an initial quantity of Joint Air-to-Surface Standoff Missiles – Extended Range, and final quantities of Small Diameter Bombs II.

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) [a] [b] [c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Air Domain (Continued)						
MQ-4C Triton	AIR 7001	Military Equipment Acquisition	2,444	1,477	232	This project is approved to acquire the MQ-4C Triton Remotely Piloted Aircraft System for maritime patrol and other intelligence, surveillance and reconnaissance roles. The aircraft and systems are being procured through a cooperative program with the United States Navy. The approved scope includes the first three aircraft, associated operations and training systems and facilities, and integration into Defence networks. During 2025-26, the project will deliver the second and third Triton aircraft, remaining ground segments, and complete required facility works to establish permanent operations out of RAAF Base Tindal. The project will also continue progression towards Initial Operating Capability, inclusive of integration to Australian networks and associated test and evaluation activities.
		Other Project Inputs to Capability	674	418	72	
F-35A Lightning II Acquisition	AIR 6000 Phase 2A/B	Military Equipment Acquisition	16,708	12,730	238	This project is approved to acquire 72 F-35A Lightning II (Joint Strike Fighter) aircraft and supporting elements. The prime contractor, Lockheed Martin, is contracted to the United States Government to develop and produce F-35A aircraft. Australia is procuring the aircraft through a cooperative partnership. During 2025-26, the project will deliver the next tranche of spares, continue to upgrade the U.S. based software laboratories, and finalise the sovereign Maintenance Repair Overhaul and Upgrade capability.
		Other Project Inputs to Capability	1,726	1,541	-	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) ^[a] ^[b] ^[c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Air Domain (Continued)						
EA-18G – Growler	AIR 5349	Military Equipment Acquisition	6,829	3,998	260	<p>This project is approved to acquire a number of upgrades to the airborne electronic attack capability, centred on the EA-18G Growler aircraft. The upgrades include the Next Generation Jammer being developed and procured through a cooperative program with the United States Navy. Other elements will be procured through a range of avenues and include anti-radiation missiles, airborne decoys, aircraft system upgrades, establishment of enhanced sovereign maintenance capabilities for the aircraft ALQ-99 Tactical Jammer System and electronic warfare training range enhancements.</p> <p>During 2025-26, the project will commence the introduction into service of the first ALQ-249v1 Next Generation Jammer – Mid Band shipsets for the Australian Growler fleet. The project will also commence the operation of its ALQ-99 Tactical Jammer System's enhanced sovereign maintenance capability. Additionally, aircraft will be upgraded as part of the Growler weapon systems enhancement.</p>
		Other Project Inputs to Capability	800	536	148	
P-8A Poseidon	AIR 7000	Military Equipment Acquisition	7,529	5,399	261	<p>This project is approved to acquire P-8A aircraft, associated support systems as well as undertake capability upgrades for the fleet. The equipment is being procured through a cooperative program with the United States Navy.</p> <p>During 2025-26, the project will commence upgrade of the P-8A Fleet. The first two aircraft will be modified in the USA, while the remainder will be modified in Australia by Boeing Defence Australia in the Deep Maintenance and Modification Facility currently under construction at RAAF Base Edinburgh, South Australia.</p>
		Other Project Inputs to Capability	986	853	42	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) [a] [b] [c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Air Domain (Continued)						
Integrated Air and Missile Defence Command and Control	AIR 6500	Military Equipment Acquisition	1,097	612	263	The project is delivering new air defence radars and a Joint Air Battle Management System that will coordinate and synchronise Defence's air and missile defence capabilities.
		Other Project Inputs to Capability	115	28	10	During 2025-26, the project will finalise delivery of new air defence radars and deliver a Minimum Viable Capability Joint Air Battle Management System to address obsolescence in the current in-service Air Battle Management System.
Medium Air Mobility Aircraft	AIR 7404	Military Equipment Acquisition	10,460	163	182	This project is approved to acquire 20 C-130J-30 Hercules aircraft, aircraft sub-systems, training devices, supplies and support services. The project will deliver these products through a combination of Foreign Military Sales and Direct Commercial Sales. Lockheed Martin Corporation is contracted by the United States Government to develop and manufacture the C-130J-30 aircraft.
		Other Project Inputs to Capability	60	20	11	During 2025-26 the project will commence aircraft production activities, and the establishment of contracts to acquire aircraft simulators.
Joint Strike Fighter Follow-on Development	AIR 6000 Phase 6	Military Equipment Acquisition	2,183	132	139	This project is approved to deliver through-life capability upgrades for the Australian F-35A fleet to ensure Australia's F-35A remains lethal, survivable, and interoperable with ADF and allied capability. The project will utilise the established F-35 cooperative program with the US and other allied partners.
		Other Project Inputs to Capability	-	-	-	During 2025-26 the project will commence aircraft upgrade activities to incorporate TR3 capabilities across the F-35A fleet.

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) [a] [b] [c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Enterprise and Enabling						
Sovereign Weapons Manufacturing	JP 2087	Military Equipment Acquisition	2,368	137	402	<p>This Project uses a programmatic approach to strengthen Australia's industrial base of Guided Weapons and Explosive Ordnance to improve supply chain resilience and uplift Australia's industrial capabilities. The project scope balances a mix of weapons and ordnance, including domestic production and maintenance of Naval Strike Missile and Joint Strike Missiles, Guided Multiple Launch Rocket System missiles, and forging of large calibre munitions.</p> <p>During 2025-26, the project will focus on: manufacture of select guided weapons, commencing with assembly of imported sections and components; manufacture of expanded types and quantities of non-guided munitions; uplift of industry for the development of technologies through research and development; and co-assembly and co-production activities with trusted partners.</p>
		Other Project Inputs to Capability	-	-	-	
Guided Weapons and Explosive Ordnance Enterprise	JP 2092	Military Equipment Acquisition	809	294	193	<p>This Project uses a programmatic approach to increase inventory of priority weapons and invest in Guided Weapons and Explosive Ordnance enabling capability elements such as storage and distribution, test and evaluation, disposal and demilitarisation, research and development, and education and training, to improve ADF preparedness.</p> <p>During 2025-26, the Project will progress development and acquisition activities to increase warstock inventory levels, including accelerated delivery of missiles, as well as the progressive delivery of Guided Weapons and Explosive Ordnance enabling capability elements.</p>
		Other Project Inputs to Capability	441	119	149	
Theatre Logistics	JP 8218	Military Equipment Acquisition	8	0	2	<p>This project will incrementally deliver the theatre logistics capabilities required to sustain the ADF in protracted combat operations. This includes facilities, infrastructure, deployable assets, equipment, supplies, ICT hardware and software, and data and services.</p> <p>During 2025-26, the project will continue to deliver increased storage, distribution, and maintenance capacity at existing logistics sites. The project will also progress detailed planning and design work for new logistics facilities, deployable logistics equipment, and logistics ICT.</p>
		Other Project Inputs to Capability	413	74	221	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) [a] [b] [c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Information and Cyber						
Communications Security Modernisation	JP 9141	Military Equipment Acquisition	1,329	796	168	This project will remediate and modernise selected ADF radios. This will ensure ongoing availability of secure communications in support of Defence operations, and interoperability with key partner communications and intelligence networks. During 2025-26, the project will continue to upgrade secure communications on ADF platforms and facilities with the focus on the delivery of training and software updates to provide upgraded waveforms.
		Other Project Inputs to Capability	94	35	9	
Land Domain						
Boxer Combat Reconnaissance Vehicles	LAND 400 Phase 2	Military Equipment Acquisition	5,780	3,177	513	This project will deliver 211 Boxer 8x8 Combat Reconnaissance Vehicles for Reconnaissance, Joint Fires and Surveillance, Multi-Purpose, Command, Repair and Recovery roles. An additional 12 Mission Modules will be acquired, providing Army with the ability to rapidly re-role from one variant to another. The vehicles will replace the Australian Defence Force's current combat reconnaissance vehicle capability, the Australian Light Armoured Vehicle. The primary role of the vehicles will be to perform ground-based reconnaissance and counter-reconnaissance activities. During 2025-26, the project will continue delivery and acceptance activities for the Block II Reconnaissance (turreted) variant, with related introduction into service activities ongoing. The project will continue to progress the design review program and testing activities for the Block II non-turreted Joint Fires and Surveillance, Command, Repair, and Recovery variants.
		Other Project Inputs to Capability	128	72	10	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) ^[a] ^[b] ^[c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Land Domain (Continued)						
UH-60M Black Hawk Utility Helicopter	LAND 4507	Military Equipment Acquisition	3,572	1,013	705	This project will acquire 40 UH-60M Black Hawks with associated role and mission equipment, training devices, spares and support via the United States Government Foreign Military Sales (FMS) program. The UH-60M Black Hawk is a proven, mature and low-risk combat capability able to rapidly deploy in a wide variety of air mobility and battlefield support roles.
		Other Project Inputs to Capability	379	39	16	During 2025-26, further UH-60M Black Hawks will be delivered, along with the second Black Hawk Aircrew Trainer simulator. A second Black Hawk operating node will also be established in Oakey, QLD. Retrofit activities will commence under FMS arrangements and will see the initial fleet of UH-60M upgraded to a common capability baseline.
Redback Infantry Fighting Vehicle	LAND 400 Phase 3	Military Equipment Acquisition	6,924	973	773	This project will deliver 129 Redback Infantry Fighting Vehicles to replace the M113 Armoured Personnel Carrier fleet. The vehicles will be delivered across two variants, the Infantry Fighting Role and the Command and Control/Joint Fires Role. The Infantry Fighting Vehicle will provide high levels of protection, mobility and lethality and is capable of carrying six dismounted soldiers in addition to a crew of three.
		Other Project Inputs to Capability	390	38	21	During 2025-26, the project will perform verification and testing activities, prior to commencement of local hull production.

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) [a] [b] [c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Land Domain (Continued)						
Armoured Combat	LAND 907	Military Equipment Acquisition	2,388	1,301	611	This project will deliver 75 M1A2 Abrams Main Battle Tanks to replace the in-service M1A1 variant, 52 Combat Engineering Vehicles and associated training and simulation systems. The upgraded Main Battle Tanks and Combat Engineering Vehicles will be acquired through the United States Government Foreign Military Sales program.
		Other Project Inputs to Capability	68	34	10	During 2025-26, the project will continue delivery and acceptance of M1A2 Abrams Main Battle Tanks and Combat Engineering Vehicles. Introduction into service activities will continue, together with the establishment and implementation of contracts with Australian industry for the support of the capabilities.
AH-64E Apache Attack Helicopter	LAND 4503	Military Equipment Acquisition	4,685	921	989	This project will acquire 29 AH-64E Apache as a proven and mature helicopter to replace the current Tiger helicopter capability.
		Other Project Inputs to Capability	584	53	116	During 2025-26, the project aims to take delivery of the first Apache aircraft with essential role and mission equipment, as well as the first flight simulator. The project will continue to procure spares and support equipment, train personnel and provide essential support services required for introduction into service of the capability.

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) [a] [b] [c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Land Domain (Continued)						
AS9 Huntsmen Self-Propelled Howitzers	LAND 8116	Military Equipment Acquisition	1,323	873	214	This project will deliver 30 Self-Propelled Howitzers and 15 Armoured Ammunition Resupply Vehicles. During 2025-26, the project will continue with vehicle production in Australia and testing and integration activities.
		Other Project Inputs to Capability	42	20	17	
First Long Range Fires Regiment	LAND 8113 Phase 1	Military Equipment Acquisition	2,388	197	419	This project will deliver Army's first long range fires regiment, providing High Mobility Artillery Rocket Systems (HIMARS) armed with Precision Strike Missile and Guided Multiple Launch Rocket System munitions. The capability will enhance land and maritime strike and strengthen Army's ability to prevent an adversary's forces from entering an operational area. During 2025-26, the project will deliver additional HIMARS launchers and associated munitions, and continue with introduction into service activities.
		Other Project Inputs to Capability	481	107	60	
Army Water Transport	LAND 8710 Phase 1	Military Equipment Acquisition	2,306	108	233	LAND 8710 Phase 1 will acquire 18 Landing Craft Medium (LCM) and 15 Amphibious Vehicle Logistics (AVL), allowing Army to replace the legacy landing craft (Landing Craft Mechanized, Mark 8) and the legacy over-the-shore capability (Lighter Amphibious Re-supply Cargo 5(V) ton) respectively providing a significant increase in capability. The Amphibious Vehicle Logistics will provide over-the-shore mobility and sustainment of the Integrated Force in littoral environments inaccessible to landing craft or vehicles. It will be able to project cargo loads of around five tonnes, playing an essential role in providing access over beaches and through waterways that may be obstructed by obstacles or debris.
		Other Project Inputs to Capability	291	21	42	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) [a] [b] [c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Land Domain (Continued)						
Special Operations Capability Enhancements	LAND 1508	Military Equipment Acquisition	339	222	37	The Special Operations Capability Enhancement project will continue to rapidly evolve leading edge capability in response to the changing operational environment, emerging threats and advancing technology.
		Other Project Inputs to Capability	565	146	169	During 2025-26, the project is focusing on the final Materiel Releases under Tranche 1, and delivery of the first Tranche 2 capabilities.
Uncrewed Aerial Vehicles	DEF 129	Military Equipment Acquisition	586	373	130	The 2024 IIP amalgamated existing ADF Tactical and Small Uncrewed Aerial Systems (UAS) projects into a single project.
		Other Project Inputs to Capability	77	26	32	This project will deliver the ADF's newest Tactical UAS, the Insitu Integrator and the ADF's newest Small UAS, the Sypaq Systems CorvoX and Quantum Systems Vector 2-in-1.
Short Range Ground Based Air Defence	LAND 19	Military Equipment Acquisition	1,246	1,050	109	This project will deliver Army's new Short Range Ground Based Air Defence system. This is an enhanced version of the Raytheon/Kongsberg National Advanced Surface to Air Missile System, which incorporates guided missiles and missile launchers, command and control shelters, electro-optical sensors and radars mounted on current Army vehicles. This project includes acquiring Australian-developed radars from CEA Technologies.
		Other Project Inputs to Capability	286	229	41	During 2025-26, the project will continue final introduction into service tasks, certification activities and trials.

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) [a] [b] [c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Maritime Domain						
Nuclear-Powered Submarines	DEF 1	Military Equipment Acquisition	13,674	2,596	2,684	Through the AUKUS partnership, this project will acquire, operate and sustain a sovereign, conventionally-armed fleet of nuclear-powered submarines. This will deliver Australia a more capable and potent submarine force to enhance Australia's ability to deter threats to its security and contribute to the security and stability of the Indo-Pacific. This project includes delivery of the associated infrastructure and support systems necessary to safely and securely sustain, operate, build and dispose of nuclear-powered submarines.
		Other Project Inputs to Capability	1,774	309	642	Work over this period includes upgrades to infrastructure at HMAS <i>Stirling</i> , mobilisation of our Sovereign Submarine Partners for Build (ASC SSN AUKUS Pty Ltd and BAE Systems Australia Submarine) and Sustainment (ASC Pty Ltd), workforce development activities and Australian industry uplift initiatives. The project includes a fair and proportionate contribution to our AUKUS partners' submarine industrial bases to provide the additional capacity needed to deliver Australia's conventionally-armed nuclear-powered submarines.

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) [a] [b] [c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Maritime Domain (Continued)						
Hunter Class Frigate	SEA 5000	Military Equipment Acquisition	26,055	5,004	1,902	<p>The Hunter Class frigate will deliver to the Royal Australian Navy six new anti-submarine warfare frigates and an associated support system. The Hunter Class frigates will be optimised for anti-submarine warfare to maintain the Royal Australian Navy's Tier 1 Surface Combatant capability.</p> <p>The current approved scopes cover the Design and Productionisation phase and Construction phase for the first three ships. The Design and Productionisation phase of the project is progressing as planned and will continue until 2027-28. This phase also includes finalising long lead-time item contracts.</p> <p>The project transitioned to the Construction phase on 1 July 2024 following Government approval of the first three frigates.</p>
		Other Project Inputs to Capability	1,200	708	30	
Maritime Guided Weapons and Munitions	SEA 1300	Military Equipment Acquisition	16,750	2,356	769	<p>This Project uses a programmatic approach to deliver Navy guided weapons and munitions capabilities. The project executes through three teams: air and missile defence, maritime strike and undersea weapons. Procurement is through a range of mechanisms including the United States Government Foreign Military Sales program, direct commercial sales and various cooperative arrangements.</p> <p>During 2025-26, the project will continue to develop, upgrade and acquire long-range strike missiles, extended range surface-to-air missiles, advanced lightweight torpedoes, and heavyweight torpedoes.</p>
		Other Project Inputs to Capability	86	15	12	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) ^[a] ^[b] ^[c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Maritime Domain (Continued)						
Arafura Class	SEA 1180	Military Equipment Acquisition	3,707	1,943	325	<p>This project will acquire six Arafura class Offshore Patrol Vessel (OPV) to support maritime border patrol and response.</p> <p>Build commenced on OPV 1 at Osborne, South Australia in November 2018. Construction of OPV 2 commenced in June 2019 at Osborne. Subsequent OPVs will all be built at Henderson, Western Australia. OPV 1 was accepted by Defence on 30 January 2025.</p>
		Other Project Inputs to Capability	984	644	161	
Aegis Baseline	SEA 4000 Phase 6	Military Equipment Acquisition	4,409	1,066	786	<p>This project will increase the ADF air and missile defence capability. The project will upgrade the three Hobart class destroyers' Aegis combat system to Aegis Baseline 9, and replace the Australian Tactical Interface with a Saab Australia developed Australian Interface.</p> <p>In 2025-26 the delivery of the Support System will include Australian interface training simulator design and long lead time item procurement to support the production phase of Ship 1.</p>
		Other Project Inputs to Capability	145	17	10	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) ^[a] ^[b] ^[c]

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 30 Military Equipment Acquisition Project Descriptions
Maritime Domain (Continued)						
MH 60R Seahawk Helicopter	SEA 9100	Military Equipment Acquisition	4,810	3,327	391	<p>This project amalgamates AIR 9000 Phase 8, SEA 5510 Phase 1 and SEA 9100 Phase 1. 24 Lockheed Martin-Sikorsky built MH-60R Seahawk Romeo multi-mission helicopters and associated mission and support systems have been delivered via a Foreign Military Sales (FMS) agreement with the United States Navy. In March 2022, Government approved a further FMS acquisition of additional MH-60R helicopters to improve embarked logistics helicopter support to the fleet, while rationalising Navy helicopters to a single operational type. This increases Navy's MH-60R Seahawk Romeo fleet to 36 aircraft.</p> <p>During 2025-26, the project will continue to progress the acquisition of additional MH-60R helicopters to improve embarked logistics helicopter support to the fleet, while rationalising Navy helicopters to a single operational type.</p>
		Other Project Inputs to Capability	378	227	60	
Collins Life Of Type Extension	SEA 1450	Military Equipment Acquisition	1,410	346	264	<p>This project is one of the three elements of the Collins Class Submarine (CCSM) Life of Type Extension (CSMP LOTE) Program. This project will address the most significant risks to enduring availability and reliability of CCSM out to the Amended Planned Withdrawal Date.</p> <p>During 2025-26, the project will continue to progress core design elements through to production readiness.</p>
		Other Project Inputs to Capability	15	1	2	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2025-26 Forecast Expenditure (Gross Plan)(Continued)^{[a][b][c]}

	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m
Total Top 30 Projects (Gross Plan) – Total	169,840	59,962	16,612
Total Top 30 Projects (Gross Plan) - Other Project Inputs to Capability	13,185	6,335	2,111
Total Top 30 Projects (Gross Plan) - Military Equipment Acquisition	156,654	53,626	14,501
Other Approved Project Gross Plans - Military Equipment Acquisition	52,938	33,616	3,942
Total Approved Projects (Gross Plan) - Military Equipment Acquisition	209,592	87,242	18,443
Over-programming - Military Equipment Acquisition			-4,469
Net Approved Program - Military Equipment Acquisition			13,974

Notes

- Approved Project Expenditure, Estimated Cumulative Expenditure to 30 June 2025 and Budget Estimate 2025-26 are on an accrual basis, and funded by appropriation.
- Budget estimates shown as 0 are amounts greater than \$0 but less than \$500,000.
- Includes projects that may also be referenced in Appendix D – Table 56: Approved Major and Medium Enterprise Estate and Infrastructure Projects by State and Federal Electorate.

Appendix C: Top 30 Capability Sustainment Products

The Top 30 Capability Sustainment products are grouped in the revised domain structure introduced through Defence's Capability Program Architecture.

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2025-26

Domain/Product Name	Product Serial	Budget Estimate 2025-26 \$m ^[a]	Top 30 Capability Sustainment Product Descriptions
Air Domain			
F/A18F Super Hornet & Growler Weapon System	CAF21	600	<p>The Air Combat and Airborne Electronic Attack capability comprises a fleet of 24 F/A-18F Super Hornet and 12 EA-18G Growler aircraft, with associated support elements operating from RAAF Base Amberley.</p> <p>During 2025-26, the Super Hornet and Growler fleet are undergoing capability upgrades. The Spiral Upgrade Program focuses on the introduction into service of the ALQ-249 Next Generation Jammer system for the EA-18G, and the integration of a range of new weapons and mission systems for the F/A-18F. This integration work will enhance the lethality and survivability of the platform, maintain configuration alignment with the United States Navy, and meet the objectives of the <i>2024 National Defence Strategy</i>.</p>
F-35 Joint Strike Fighter	CAF30	716	<p>The F-35A Lightning II capability comprises 72 aircraft (and associated support elements) operating from RAAF Base Williamtown, NSW and RAAF Base Tindal, NT. Sustainment is primarily delivered through the cooperative program, F-35 Global Support Solution, and is supplemented by sovereign commercial arrangements. The F-35A Lightning II capability provides Australia with a fifth-generation Air Combat capability.</p> <p>During 2025-26, the first Australian F-35A Lightning II aircraft are scheduled to begin a Follow-on Modernisation program. Another key focus will be the continued maturation of the sustainment system.</p>
Airborne Early Warning and Control System	CAF20	302	<p>The Airborne Early Warning and Control capability comprises six E-7A Wedgetail aircraft and associated support elements operated from RAAF Base Williamtown, NSW. Sustainment is conducted under a performance-based arrangement for maintenance, logistics, engineering, training and program management to support the capability.</p> <p>During 2025-26, the focus will be on the treatment of obsolescence issues existing within the E-7A mission system and support systems, and improving the preparedness posture of the E-7A capability.</p>
P-8A Poseidon Maritime Patrol and Response	CAF35	309	<p>The Maritime Patrol and Response capability currently comprises 12 P-8A Poseidon aircraft and support elements operated from RAAF Base Edinburgh, SA. Support elements include three Mobile Tactical Operation Centres including deployable flyaway kits, and various Training Support Systems including two Operational Flight Trainers and Weapons Tactics Trainers. The capability is supported via a cooperative program with the United States Navy and a Through Life Support contract for sustainment within Australia.</p> <p>During 2025-26, the focus will be preparing for the arrival of the final two P-8A aircraft, follow-on additional sustainment and improving the preparedness posture of the P-8A capability.</p>

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2025-26 (Continued)

Domain/Product Name	Product Serial	Budget Estimate 2025-26 \$m ^[a]	Top 30 Capability Sustainment Product Descriptions
Air Domain (Continued)			
C-17 Heavy Air Lift Weapons System	CAF19	191	<p>The Heavy Airlift capability comprises eight C-17A Globemaster III aircraft, a flight simulator, and associated support elements operated from RAAF Base Amberley, QLD. The majority of sustainment support for aircraft and training systems is provided via United States Air Force Foreign Military Sales global support arrangements for the worldwide C-17A Globemaster fleet. These global sustainment arrangements are supplemented by a contract for support services within Australia.</p> <p>During 2025-26, there continues to be a number of minor upgrades to the fleet to address obsolescence and maintain configuration alignment with the United States Air Force.</p>
KC-30A Weapon System Multi-Role Tanker Transport	CAF22	209	<p>The Multi-Role Tanker Transport capability comprises seven KC-30A aircraft, a flight simulator and associated support elements, operated from RAAF Base Amberley, QLD. All seven aircraft are capable of air-to-air refuelling from pod and boom systems and airlift logistics support. Support is provided through a performance-based arrangement for maintenance, logistics, engineering, training and program management.</p> <p>During 2025-26, the focus remains on supporting military operations, sustainment performance, progressing mid-life upgrade and obsolescence activities, and expansion of aircraft types certified as capable of air-to-air refuelling from the KC-30A Multi-Role Tanker Transport to improve the preparedness posture of the capability.</p>
Pilot Training System	CAF37	147	<p>The Pilot Training System comprises 49 Pilatus PC-21 aircraft, seven flight training devices, six cockpit procedural trainers, mission pre-briefing and debriefing systems, personal learning devices, learning environments and courseware. The system is supported via a comprehensive through life support contract. This capability provides an integrated fixed wing pilot training system for ab-initio pilots and qualified flying instructors for Navy, Army and Air Force. Aircraft currently operate from RAAF Bases at East Sale VIC, Pearce WA, Edinburgh SA and Williamtown NSW.</p> <p>During 2025-26, the focus is on sustainable delivery of the Pilot Training System.</p>
Lead-In Fighter Hawk 127 Weapon System	CAF03	144	<p>The Lead-In Fighter Training System comprises 33 Hawk 127 Lead-In Fighter aircraft and related support systems operated from RAAF Base Williamtown, NSW and RAAF Base Pearce, WA.</p> <p>During 2025-26, the focus remains on generating required rates of availability to support Air Force requirements, while supporting and governing the embodiment of new engines into the fleet, as procured and certified by the Lead-In Fighter Capability Assurance project AIR 5438 Phase 2.</p>

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2025-26 (Continued)

Domain/Product Name	Product Serial	Budget Estimate 2025-26 \$m ^[a]	Top 30 Capability Sustainment Product Descriptions
Air Domain (Continued)			
C130J-30 Weapon System	CAF06	147	<p>The Medium Airlift capability consists of 12 C-130J Hercules aircraft, a flight simulator, and associated support elements operated from RAAF Base Richmond, NSW. The capability is supported by two performance-based contracts for deeper level maintenance, logistics and engineering support for the aircraft, and for support for the propulsion system.</p> <p>During 2025-26, the focus will be on continued delivery of the deeper maintenance schedule, completion of the Block Upgrade Program, and contract evolution to ensure fit-for-purpose commercial agreements through to planned withdrawal date. Fleet draw-down and disposal strategies will be developed to mesh with planned delivery of new C-130J aircraft.</p>
MC-55A Long Range ISREW Aircraft	CAF40	128	<p>The MC-55A Peregrine Airborne Intelligence Surveillance, Reconnaissance and Electronic Warfare Capability will sustain a fleet of MC 55A Peregrine aircraft and related support systems.</p> <p>During 2025-26, the focus is on the maturation of initial sustainment arrangements.</p>
C27J Spartan Battlefield Airlifters	CAF34	134	<p>The C-27J provide Air Force with a Battlefield airlift capability based at RAAF Amberley, and tasked within the Australian domestic and regional area.</p> <p>During 2025-26 the focus remains improving sustainment support of the capability, while addressing the deeper maintenance schedule, and providing the necessary platform agility and resilience.</p>
Wide Area Surveillance	CAF13	120	<p>The Wide Area Surveillance capability is delivered through the High Frequency Radar system known as the Jindalee Operational Radar Network (JORN). JORN comprises three Over-The-Horizon-Radars located in proximity to Longreach QLD, Laverton WA and Alice Springs NT. The radars are maintained and supported by BAE Systems Australia.</p> <p>During 2025-26, the focus remains on sustainment of new enhancements and upgrades to the JORN capability system. The sustainment obsolescence program will contribute to enhanced supportability of current assets.</p>
Explosive Ordnance Manufacturing Facilities	GWEO01	144	<p>Explosive Ordnance Manufacturing Facilities provides for the safe, compliant, and sustainable operation of the Government Owned, Contractor Operated munitions and explosives factories at Benalla (VIC) and Mulwala (NSW). These facilities provide the Australian Defence Force with a supply of specified domestically manufactured munitions and a surge capability to be able to generate and maintain munitions stock surety.</p> <p>During 2025-26, sustainment activities will continue to be delivered that provide safe and sustainable domestic manufacturing capability and increased surety of supply.</p>

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2025-26 (Continued)

Domain/Product Name	Product Serial	Budget Estimate 2025-26 \$m ^[a]	Top 30 Capability Sustainment Product Descriptions
Defence Enterprise Programs			
Defence Logistics	CJC034	133	The Logistics Product operates warehouses across the Logistic network to support the national support base including the provision of freight services (domestically and International), along with the provision of Clothing and retail stores services. In 2025-26 the focus will be on the transition into service the amalgamation of existing warehousing and distribution contract and the provision of retail stores into one encompassing contract whilst continuing to support the ADF and partners.
Land Domain			
Explosive Ordnance - Army Munitions Branch	CA59	327	Sustainment of Army Munitions and Guided Weapons supports Army's explosive ordnance inventory which consists of small arms ammunition, pyrotechnics, mortar and artillery ammunition, special purpose ammunition, demolitions stores, vehicle ammunition, direct fire and Army guided weapons. This also includes sustainment of inventory used by Navy and Air Force where Army is the lead service. During 2025-26, the focus will be on the improvement of the land explosive ordnance inventory, finalising through life management plans, and transitioning new capabilities procured by major projects, such as Future Artillery Ammunition to in-service support. This will also include consideration of domestic manufacturing opportunities and in-country maintenance, repair, overhaul and upgrades.
Armed Reconnaissance Helicopter Weapons System	CA12	146	This product manages the sustainment of the Armed Reconnaissance Helicopter System (ARH). During 2025-26, the ARH capability will continue to support the capability prior to its planned withdrawal from service.
Protected Mobility Fleet – Bushranger	CA04	162	This product provides in-service support for the Bushmaster Medium Protected Mobility Vehicles and Hawkei Light Protected Mobility Vehicles. Support is provided by Regional Joint Logistics Units and the vehicle manufacturer Thales Australia. Contractor deliverables include engineering support, spare parts and heavy grade repair of the vehicles. During 2025-26, Defence will continue to sustain the Bushmaster and Hawkei fleets, as well as conduct risk reduction activities for both fleets to prepare for the LAND 4111 Protected Mobility Vehicle Technology Modernisation Program.

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2025-26 (Continued)

Domain/Product Name	Product Serial	Budget Estimate 2025-26 \$m ^[a]	Top 30 Capability Sustainment Product Descriptions
Land Domain (Continued)			
Boxer	CA82	138	<p>This product provides in-service support to the Boxer Block I Combat Reconnaissance Vehicles and the introduction of the Boxer Block II vehicles. Delivery of all 25 initial Block I vehicles is complete. Delivery of the remaining Block II vehicles has commenced. Rheinmetall Defence Australia is using suppliers across Australia to assist in the design, build, assembly, test and support of the Boxer vehicles and training systems at the Military Vehicle Centre of Excellence facility, in Redbank, Queensland.</p> <p>During 2025-26, Defence will continue to sustain the Boxer Block I fleet, as well as work with Rheinmetall Defence Australia to ensure support requirements for the Block II fleet are optimised to meet Army's requirements.</p>
Battlespace Communication Systems	CA31	174	<p>The Battlespace Communication Systems product supports the sustainment of a range of deployable voice and data communications systems for battlespace command and control.</p> <p>During 2025-26, Defence will continue with capability enhancements to the Integrated Battlespace Telecommunications Network; the ongoing development and delivery of a Mobile Retransmission System; the ongoing management of Tactical Communication Network equipment; the reduction and disposal of obsolete radio systems; the continued rationalisation and improvement of Land Force headset fleets; and support for design, acquisition and sustainment of related systems.</p>
Black Hawk Weapons System	CA11	120	<p>This product provides for the sustainment of the UH-60M Black Hawk platform as a proven, mature and low-risk combat capability able to rapidly deploy in a wide variety of air mobility and battlefield support roles. In-service support is led by the Utility Helicopter Systems Program Office and provided through an Integrated Support Contract with Lockheed Martin Australia and United States Government Foreign Military Sales cases.</p> <p>During 2025-26, sustainment arrangements to support the UH-60M operational fleet will be expanded in line with LAND 4507 materiel deliveries and introduction into service activities. The second UH-60M node at Swartz Barracks, Oakey QLD is planned to commence operations with the Army Aviation Training Centre.</p>

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2025-26 (Continued)

Domain/Product Name	Product Serial	Budget Estimate 2025-26 \$m ^[a]	Top 30 Capability Sustainment Product Descriptions
Maritime Domain			
Collins Class Submarine	CN10	1,004	<p>This product manages the sustainment of Collins Class submarine materiel capability, assuring availability targets are met; that submarines are materially prepared (in conjunction with selected capability upgrades) to undertake scheduled operational activities; and to assure availability of the present submarine escape and rescue capability. This work is conducted under enterprise arrangements with industry and through key contracts with ASC, Raytheon Australia, Thales Australia, BAE Systems, PMB Defence, James Fisher Defence, and other providers.</p> <p>Collins class sustainment was declared a Product of Concern in December 2024. During 2025-26, the program will continue to progress activities to remediate performance towards meeting Navy's agreed Collins Class submarine performance targets, as continual improvement and efficiency initiatives are implemented. Ongoing Collins Class submarine life-of-type extension work (through SEA 1450) will continue to inform sustainment plans for the Collins Class fleet.</p>
Anzac Class Frigate	CN02	339	<p>This product supports seven Anzac Class frigates and associated support systems through the provision of materiel support, maintenance and engineering services.</p> <p>During 2025-26, the focus will be on completing the scheduled and corrective maintenance activities across the seven remaining Anzac Class to ensure Navy's availability and seaworthiness requirements are met; re-building and implementing the class usage and upkeep cycle to align with the delivery of the General Purpose Frigates; and completing the final Anzac Midlife Capability Assurance Program (AMCAP).</p>
Hobart Class Destroyer	CN40	284	<p>This product supports three Hobart Class destroyers and associated support systems through the provision of materiel support, maintenance and engineering services.</p> <p>During 2025-26, the focus will be on completing the scheduled and corrective maintenance activities across the Hobart Class to ensure Navy's availability and seaworthiness requirements are met; and preparing the first DDG to enter the Destroyer Capability Enhancement Program, inclusive of the Aegis Upgrade Program (SEA 4000 Phase 6), taking place at the Osborne Naval Shipyard in Adelaide.</p>
MH-60R Seahawk Romeo Helicopter	CN35	240	<p>The MH-60R Seahawk 'Romeo' capability is operated from HMAS <i>Albatross</i> in Nowra NSW, supporting embarked flights in Navy ships. In-service support is led through four United States Government Foreign Military Sales cases.</p> <p>During 2025-26, Defence will continue to expand current sustainment arrangements to support the additional helicopters delivered under the Improved Embarked Logistics Support Helicopter project (SEA 9100).</p>
Canberra Class Amphibious Ship	CN34	188	<p>This product supports two Canberra Class Landing Helicopter Docks (LHD) and 12 LHD landing craft and associated support systems, through the provision of materiel support, maintenance and engineering services.</p> <p>During 2025-26, the focus will be on completing the scheduled and corrective maintenance activities across the Canberra Class to ensure Navy's availability and seaworthiness requirements are met; achieving a steady state for the in-service support arrangements; and supporting implementation activities for the Canberra Class capability assurance program (SEA 2048 Phase 6).</p>

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2025-26 (Continued)

Domain/Product Name	Product Serial	Budget Estimate 2025-26 \$m ^[a]	Top 30 Capability Sustainment Product Descriptions
Maritime Domain (Continued)			
Anzac Class Frigate Capability Assurance Program	CN65	154	This product supports the Transition Capability Assurance Program (TransCAP), an upgrade project to extend the life of type of the Anzac Class frigates and is funded from SEA 5014 Phase 1. Following the Government decision in February 2024 that TransCAP would not proceed, the focus in 2025-26 will be on closure and finalisation of the TransCAP design and procurement activities already underway, and close out of any matters arising from cancellation.
Navy Explosive Ordnance	CN54	139	Navy Explosive Ordnance supports Navy's guided weapons and munitions including countermeasures, navigational outfits and naval gunnery. Asset management is executed through three teams: air and missile defence, maritime strike and undersea weapons. During 2025-26, activities to maximise readiness of in-service inventories will continue, including new and upgraded capabilities delivered through projects SEA 1300 and SEA 2000. This will also include improving in-country capacity to maintain, repair, overhaul and upgrade weapons to support larger inventories.
Armidale Class Patrol Boat	CN09	149	This product comprises support arrangement to maintain the capability of the Armidale Class Patrol Boats and Cape Class Patrol Boats through the provision of materiel support of the ships and associated equipment and systems. During 2025-26, the focus will be on continued delivery of operational capability for the patrol force, continued support including asset management, engineering and logistics support for the Cape class patrol boats (including leased Cape class patrol boats), and the support system remediation for the Cape class patrol boats.
Large Hull Vessels	CN58	149	This product supports seven commercial auxiliary vessels including MV Sycamore, MV Bessant, MV Stoker, MV Mercator, ADV Ocean Protector, ADV Reliant and ADV Guidance through the provision of materiel support, maintenance and engineering services. During 2025-26, the focus will be on completing the scheduled and corrective maintenance activities across the commercial auxiliary fleet to ensure Navy's availability and seaworthiness requirements are met.
Aegis Combat System	CN60	131	This product covers the sustainment of Aegis Combat Systems in Surface Combatants and their related shore based test and training infrastructure both in Australia and the United States. During 2025-26, the focus will be the delivery of software and hardware updates for Aegis Combat System, the development of future updates and preparations for sustainment of major updates delivered through SEA 4000 Phase 6.

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2025-26 (Continued)

	Budget Estimate 2025-26 \$m ^[a]
Total Top 30 Capability Sustainment Products	7,268
Other Sustainment Product Estimates	4,854
Total Capability Sustainment Product Funds Available	12,121

Note

a. Budget Estimate 2025-26 is on an accrual basis, and funded by appropriation.

Appendix D: Enterprise Estate and Infrastructure

The Enterprise Estate and Infrastructure Program component of the Integrated Investment Program comprises approved and yet to be approved major and medium capital facilities and infrastructure projects. These projects are providing new and refurbished facilities and infrastructure works to sustain the existing Defence Estate, support current and future capability requirements, support Government initiatives, and ensure compliance with legislative obligations. Upgrades and development of Australia's northern network of bases, ports and barracks are being prioritised to support implementation of the 2024 *National Defence Strategy* and the 2024 *Integrated Investment Program*.

Major capital facilities and infrastructure projects are defined as having expenditure of \$75 million and over (excluding GST) and are subject to Government and parliamentary approval. Medium capital facilities and infrastructure projects have expenditure between \$5 million and \$75 million (excluding GST), and are subject to Government approval and notification to the Parliamentary Standing Committee on Public Works. Details of approved major and medium Enterprise Estate and Infrastructure Program projects are provided in this Appendix.

Approved Major and Medium Enterprise Estate and Infrastructure Program Projects

The table below, and the following descriptions, provide details on the progress and expenditure of approved major and medium Enterprise Estate and Infrastructure Program projects for 2025-26.

Where projects contribute to broader capability acquisitions, as part of the Top 30 Military Equipment Acquisition Program Approved Projects, the value of these projects is included within the 'Other Project Inputs to Capability' lines in Table 54.

Table 56: Approved Major and Medium Enterprise Estate and Infrastructure Program Projects by State and Federal Electorate

Project	State and Federal Electorate	Total Estimated Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	2025-26 Budget Estimate \$m
RAAF Base Tindal Redevelopment Stage 6 and United States Force Posture Initiative (USFPI) Airfield Works and Associated Infrastructure				
RAAF Tindal	NT - Lingiari	1,582.0	1,039.9	231.6
DEF 01 Submarine Rotational Force - West Infrastructure Project Priority Works				
HMAS <i>Stirling</i>	WA - Brand	1,557.0	197.1	642.3
Enhanced Land Force (ELF) Stage 2				
Lone Pine Barracks	NSW - Hunter		115.8	-
Puckapunyal Training Area	VIC - Nicholls		11.7	-
Simpson Barracks	VIC - Jagajaga		20.2	-
RAAF Amberley	QLD - Blair		9.6	-
Lavarack Barracks	QLD - Herbert		62.0	-
Townsville Training Area	QLD - Kennedy		3.9	-
Greenbank Training Area	QLD - Wright		120.7	-
Gallipoli Barracks	QLD - Ryan		828.9	-
Wide Bay Training Area	QLD - Wide Bay		78.3	-
Kokoda Barracks	QLD - Wright		71.8	-
Cultana Training Area	SA - Grey		70.0	10.8
RAAF Edinburgh	SA - Spence		34.7	-
Majura Field Training Area	ACT - Canberra		13.4	-
Royal Military College Canberra	ACT - Canberra		9.0	-
Mount Stuart	QLD - Kennedy		4.1	-
Total		1,476.0	1,454.1	10.8

Navy Capability Infrastructure			
Sub-program: Offshore Patrol Vessel (OPV)			
Facilities (SEA 1180 Phase 1)			
HMAS <i>Coonawarra</i>	NT - Solomon	135.5	0.5
RAAF Darwin	NT - Solomon	78.4	32.0
HMAS <i>Cairns</i>	QLD - Leichhardt	115.5	125.4
HMAS <i>Stirling</i>	WA - Brand	213.3	0.3
Henderson Maritime Precinct	WA - Fremantle	54.7	0.0
Total		918.5	597.4
Navy Capability Infrastructure			
Sub-program: Hunter Class Frigate			
Program Facilities (SEA 5000 Phase 1)			
HMAS <i>Watson</i>	NSW - Wentworth	0.0	0.0
Garden Island Defence Precinct	NSW - Sydney	0.0	0.0
St Kilda	SA - Spence	100.1	8.8
Osborne Naval Shipyard	SA - Hindmarsh	137.2	8.6
HMAS <i>Stirling</i>	WA - Brand	268.7	0.4
Henderson Maritime Precinct	WA - Fremantle	104.7	0.0
Total		915.5	610.7
Maritime Patrol Aircraft Replacement			
(AIR 7000 Phase 2B)			
RAAF Edinburgh	SA - Spence	526.4	17.5
RAAF Darwin	NT - Solomon	159.4	0.0
RAAF Townsville	QLD - Herbert	9.3	16.0
RAAF Pearce	WA - Pearce	109.5	0.0
HMAS <i>Stirling</i>	WA - Brand	4.6	0.0
Total		896.9	809.1
USFPI Northern Territory Training			
Areas and Ranges Upgrades			
Bradshaw Field Training Area	NT - Lingiari	294.8	65.9
Kangaroo Flats Training Area	NT - Lingiari	97.1	1.5
Mount Bunday Training Area	NT - Lingiari	60.7	31.9
Robertson Barracks Close Training Area	NT - Lingiari	108.3	0.7
Total		747.0	560.8
Facilities to Support Highly Available ICT Project			
South Australia	SA	674.7	37.7
RAAF Base Learmonth			
Redevelopment Enabling KC-30 Operations			
RAAF Learmonth	WA - Durack	662.2	187.9
Larrakeyah Defence Precinct Redevelopment Program			
Larrakeyah Defence Precinct	NT - Solomon	601.7	521.9
RAAF Base Wagga Redevelopment			
RAAF Wagga	NSW - Riverina	590.0	10.4
Cocos (Keeling) Islands Airfield Upgrade			
Cocos (Keeling) Islands	NT - Lingiari	567.6	79.0

Army Aviation Program of Works				
RAAF Townsville	QLD - Herbert		18.9	110.1
Townsville Field Training Area	QLD - Kennedy		0.0	-
Total		518.3	18.9	110.1
Facilities to Support DEF 2150 Joint Intelligence and Targeting Training Facility				
RAAF Edinburgh	SA - Spence		1.6	48.6
Canberra	ACT - Bean		8.0	88.3
Total		433.6	9.6	136.9
HMAS Watson Redevelopment				
HMAS Watson	NSW - Wentworth	430.5	305.1	55.7
Airfield Capital Works P0010 (Amberley, Pearce, Richmond and Albatross)				
HMAS Albatross	NSW - Gilmore		78.7	30.6
RAAF Richmond	NSW - Macquarie		57.9	23.4
RAAF Amberley	QLD - Blair		92.8	-
RAAF Pearce	WA - Pearce		107.4	9.5
Total		427.9	336.9	63.6
Facilities to Support AIR 7000 Phase 1B Remotely Piloted Aircraft System				
RAAF Tindal	NT - Lingiari		272.1	51.9
Edinburgh Defence Precinct	SA - Spence		40.4	0.1
Total		427.1	312.5	52.0
Albury-Wodonga Military Area Redevelopment				
Albury-Wodonga Military Area	VIC - Indi	395.7	14.3	32.5
Robertson Barracks Base Improvements Project				
Robertson Barracks	NT - Lingiari	389.1	70.1	170.2
Explosive Ordnance Facilities Northern NSW Redevelopment				
Defence Establishment Orchard Hills	NSW - Lindsay	359.3	6.0	30.0
Airfield Capital Works P0009 (RAAF Darwin and Mount Bunday)				
RAAF Darwin	NT - Solomon		287.7	21.3
Mount Bunday	NT - Lingiari		5.1	8.2
Total		351.7	292.8	29.5
Edinburgh Defence Precinct Mid-Term Refresh				
RAAF Edinburgh	SA - Spence	311.9	17.9	115.7
Guided Weapons Explosive Ordnance Storage				
RAAF Amberley	QLD - Blair		13.5	9.0
HMAS Stirling	WA - Brand		15.2	3.3
Defence Establishment Orchard Hills	NSW - Lindsay		30.2	79.4
Total		302.0	58.8	91.7

Defence Fuel Transformation				
Program - Tranche 2 Facilities				
Project				
HMAS <i>Creswell</i>	ACT - Fenner	0.1	1.4	
Garden Island Defence Precinct	NSW - Sydney	1.2	14.5	
HMAS <i>Albatross</i>	NSW - Gilmore	0.2	2.9	
HMAS <i>Waterhen</i>	NSW - North Sydney	0.2	1.4	
Holsworthy Barracks	NSW - Hughes	0.2	1.4	
RAAF Williamtown	NSW - Paterson	0.3	2.9	
RAAF Darwin	NT - Solomon	0.2	2.9	
RAAF Tindal	NT - Lingiari	0.4	2.9	
Borneo Barracks	QLD - Groom	0.2	1.4	
Longreach	QLD - Maranoa	0.2	2.9	
Lavarack Barracks	QLD - Herbert	0.2	2.9	
RAAF Amberley	QLD - Blair	0.7	5.8	
RAAF Townsville	QLD - Herbert	0.7	4.3	
Port Wakefield	SA - Grey	0.3	1.4	
RAAF Edinburgh	SA - Spence	0.1	1.4	
Puckapunyal Military Area	VIC - Nicholls	0.8	7.2	
Army Testing Ground Monegeetta	VIC - McEwen	0.2	2.9	
RAAF Learmonth	WA - Durack	8.8	78.1	
Geraldton	WA - Durack	0.1	1.4	
Laverton	WA - O'Connor	0.1	1.4	
HMAS <i>Stirling</i>	WA - Brand	0.2	2.9	
Bindoon Training Area	WA - Pearce	0.5	0.0	
Total		286.9	16.1	144.7
Garden Island Critical Infrastructure				
Recovery Program Stage 2				
Garden Island Defence Precinct	NSW - Sydney	286.5	283.6	0.0
AIR 555 Phase 1 Airborne				
Intelligence Surveillance				
Reconnaissance Electronic Warfare				
Capability Facilities				
Territory of Cocos (Keeling) Islands	NT - Lingiari	23.0	2.6	
RAAF Darwin	NT - Solomon	1.1	0.0	
RAAF Townsville	QLD - Herbert	13.8	0.1	
RAAF Edinburgh	SA - Spence	231.3	0.9	
Total		284.8	269.3	3.6
Facilities to Support JP 9101				
Enhanced Defence Communications				
Lyndoch	NSW - Riverina	16.3	4.7	
Morundah	NSW - Farrer	16.4	4.7	
Humpty Doo	NT - Lingiari	8.6	2.4	
Mount Bunday	NT - Lingiari	22.0	31.2	
Shoal Bay	NT - Lingiari	0.0	0.0	
Bohle River	QLD - Herbert	18.5	3.4	
Speed Creek	QLD - Kennedy	18.3	3.4	
Exmouth	WA - Durack	8.8	3.3	
Rough Range	WA - Durack	8.8	3.3	
HMAS <i>Harman</i>	ACT - Bean	0.0	0.0	
Russell Offices	ACT - Canberra	0.0	0.0	
RAAF Darwin	NT - Solomon	0.0	0.0	
Total		280.3	117.7	56.5
Facilities to Support LAND 19				
Phase 7B Short Range Ground Based				
Air Defence				
RAAF Edinburgh	SA - Spence	266.1	214.8	40.5

Joint Health Command Garrison Facilities Upgrades				
Simpson Barracks	VIC - Jagajaga	19.9	-	
Puckapunyal Training Area	VIC - Nicholls	19.0	-	
Albury-Wodonga Military Area	VIC - Indi	17.3	-	
Royal Military College Canberra	ACT - Canberra	49.5	-	
Russell Offices	ACT - Canberra	0.0	-	
Holsworthy Barracks	NSW - Hughes	8.0	-	
Robertson Barracks	NT - Lingiari	5.1	-	
Larrakeyah Barracks	NT - Solomon	14.9	-	
Army Aviation Centre Oakey	QLD - Groom	18.6	-	
Gallipoli Barracks	QLD - Ryan	11.1	-	
Campbell Barracks	WA - Curtin	17.2	-	
RAAF Townsville	QLD - Herbert	15.4	-	
RAAF Pearce	WA - Pearce	5.7	-	
RAAF Darwin	NT - Solomon	37.7	0.0	
Total		251.8	239.4	0.0
Armoured Fighting Vehicles Facilities Program Stage 1				
Lavarack Barracks	QLD - Herbert	32.7	-	
Edinburgh Defence Precinct	SA - Spence	76.4	-	
Puckapunyal Military Area	VIC - Nicholls	112.0	0.5	
Total		248.5	221.1	0.5
Airfield Capital Works P0013 (Curtin and Learmonth)				
RAAF Curtin	WA - Durack	0.0	-	
RAAF Learmonth	WA - Durack	9.5	66.2	
Total		237.2	9.5	66.2
Facilities to Support AIR 5349 Phase 6 Advanced Growler				
RAAF Amberley	QLD - Blair	2.0	39.9	
Delamere Air Weapons Range	NT - Lingiari	3.0	100.4	
Total		228.2	5.0	140.3
Facilities to Support LAND 1508 Phase 1 Special Operations Capability Enhancements				
Holsworthy Barracks	NSW - Hughes	8.1	51.6	
Campbell Barracks	WA - Curtin	9.9	53.0	
Total		225.6	18.0	104.6
Land 121 Phase 5B Facilities Project				
Lavarack Barracks	QLD - Herbert	7.0	-	
Robertson Barracks	NT - Lingiari	0.0	-	
Gallipoli Barracks	QLD - Ryan	107.9	6.6	
Derwent Barracks	TAS - Clark	17.2	-	
Puckapunyal Military Area	VIC - Nicholls	9.0	-	
Campbell Barracks	WA - Curtin	35.5	-	
Porton Barracks	QLD - Kennedy	0.1	-	
Total		183.3	176.6	6.6
Airfield Capital Works P0008 (RAAF Williamtown)				
RAAF Williamtown	NSW - Paterson	181.3	178.1	0.8
Fishermans Bend Redevelopment				
Fishermans Bend	VIC - Macnamara	160.9	42.2	55.6
RAAF Base Darwin Mid-Term Refresh				
RAAF Darwin	NT - Solomon	159.9	12.0	92.4

Facilities to Support SEA 9100 Phase 1 Improved Embarked Logistics Support Helicopter Tranche 1				
HMAS <i>Albatross</i>	NSW - Gilmore		1.7	56
HMAS <i>Stirling</i>	WA - Brand		1.7	1.5
Total		146.0	3.4	57.5
DEF 101 Data Centre Upgrade				
HMAS <i>Harman</i>	ACT - Bean	131.5	124.5	0.0
Airfield Capital Works P0012 (RAAF Townsville)				
RAAF Townsville	QLD - Herbert	127.6	5.2	59.9
HMAS <i>Harman</i> Redevelopment				
HMAS <i>Harman</i>	ACT - Bean	116.4	43.5	53.1
Armoured Fighting Vehicles Facilities Program Stage 2				
Gallipoli Barracks	QLD - Ryan		5.0	7.9
Lavarack Barracks	QLD - Herbert		3.5	7.4
Gaza Ridge Barracks	VIC - Indi		1.6	47.2
Puckapunyal Military Area	VIC - Nicholls		2.1	4.5
Total		104.4	12.2	67.0
Airfield Capital Works P0006 (Curtin, Tindal and Townsville)				
RAAF Townsville	QLD - Herbert		1.0	12.0
RAAF Curtin	WA - Durack		15.2	-
RAAF Tindal	NT - Lingiari		47.5	-
Total		95.3	63.8	12.0
Cultana Training Area Redevelopment Phase 2				
Cultana Training Area	SA - Grey	79.8	9.3	20.9
Facilities to Support JP 9111 Phase 1 Warfighting Networks and Applications Tranche 1 Early Works				
Gallipoli Barracks	QLD - Ryan		0.1	28.4
Lavarack Barracks	QLD - Herbert		0.0	6.0
General John Baker Complex	NSW - Eden Monaro		0.0	0.8
RAAF Williamtown	NSW - Paterson		0.0	5.7
RAAF Edinburgh	SA - Spence		0.0	1.1
Total		73.8	0.2	42.0
North Queensland Mid-Term Refresh Program: RAAF Townsville Mid-Term Refresh Project				
RAAF Townsville	QLD - Herbert	72.8	59.6	5.3
Facilities to Support JP 8218 Theatre Logistics				
North Bandiana	VIC - Indi	67.3	1.0	57.0
AIR 2025 Phase 6 Jindalee Operational Radar Networks (JORN) Facilities Project				
Alice Springs	NT - Lingiari		56.5	0.0
Murray Bridge Training Area	SA - Barker		1.4	0.0
RAAF Learmonth	WA - Durack		0.0	0.0
Geraldton	WA - Durack		3.2	0.0
Total		61.9	61.1	0.0
LAND 4502 Phase 1 Additional CH-47F Chinook Facilities				
RAAF Townsville	QLD - Herbert	57.9	55.4	0.3

Anglesea Paterson Project				
Anglesea Barracks	TAS - Clark		21.6	0.1
North Launceston	TAS - Bass		2.0	0.8
Youngtown Depot	TAS - Bass		2.9	7.8
Total			57.4	26.5
Facilities to Support SEA 2273 Fleet				
Information Environment				
Modernisation Project				
HMAS <i>Kuttabul</i>	NSW - Sydney		5.6	-
HMAS <i>Cerberus</i>	VIC - Flinders		0.5	-
HMAS <i>Stirling</i>	WA - Brand		27.5	2.2
HMAS <i>Coonawarra</i>	NT - Solomon		2.3	1.0
HMAS <i>Cairns</i>	QLD - Leichardt		0.3	0.5
Total			56.2	36.2
Guided Weapons Explosive Ordnance Program Accelerated Storage				
Defence Establishment Myambat	NSW - Hunter		52.2	8.0
Facilities to Support LAND 129				
Phase 3 Tactical Unmanned Aerial Vehicles				
Gallipoli Barracks	QLD - Ryan		51.7	15.6
Guided Weapons Explosive Ordnance Program Accelerated Storage				
Defence Establishment Jennings	NSW - Lismore		44.1	21.0
RAAF Base Amberley Sewage Treatment Plant				
RAAF Amberley	QLD - Blair		41.7	25.7
General John Baker Complex Capability Assurance Project Tranche One				
General John Baker Complex	NSW - Eden Monaro		37.3	25.2
Facilities to Support LAND 8116				
Phase 1 Protected Mobile Fires				
Lavarack Barracks	QLD - Herbert		14.9	17.0
Puckapunyal Military Area	VIC - Nicholls		0.4	0.0
Total			36.5	15.3
Relocation of Units from Elizabeth North Training Depot				
Edinburgh Defence Precinct	SA - Spence		35.4	12.3
Facilities to Support LAND 3025				
Phase 2 Deployable Special Operations Engineer Regiment				
Holsworthy Barracks	NSW - Hughes		33.4	30.3
Facilities to Support LAND 8180				
Phase 1 Aviation and Field Fire Truck				
RAAF Amberley	QLD - Blair		0.9	22.7
RAAF Tindal	NT - Lingiari		0.0	0.8
RAAF Richmond	NSW - Macquarie		0.0	0.6
RAAF Williamtown	NSW - Paterson		0.1	0.4
Total			32.4	1.0
HMAS <i>Creswell</i> Mid-Term Refresh				
HMAS <i>Creswell</i>	ACT - Fenner		30.7	25.1

LAND 2110 Phase 1B - Chemical, Biological, Radiological and Nuclear Defence Facilities			
HMAS <i>Stirling</i>	WA - Brand	0.8	0.0
Bindoon Training Area	WA - Pearce	0.5	0.0
Robertson Barracks	NT - Lingiari	0.6	0.0
RAAF Edinburgh	SA - Spence	0.4	0.0
Lavarack Barracks	QLD - Herbert	0.5	0.0
Gallipoli Barracks	QLD - Ryan	4.0	0.4
RAAF Amberley	QLD - Blair	2.5	1.0
Holsworthy Barracks	NSW - Hughes	1.1	0.0
Kapooka Military Area	NSW - Riverina	5.4	0.0
RAAF Wagga	NSW - Riverina	0.9	0.0
HMAS <i>Creswell</i>	ACT - Fenner	2.5	0.5
Majura Range	ACT - Canberra	1.4	0.0
HMAS <i>Cerberus</i>	VIC - Flinders	0.8	0.0
Dutson Air Weapons Range	VIC - Gippsland	1.1	0.0
Total		25.7	22.6
North Queensland Mid-Term Refresh Program: Townsville Field Training Area Mid-Term Refresh Project			
Townsville Field Training Area	QLD - Kennedy	22.8	18.1
Facilities for A Company 41st Royal New South Wales Regiment Tweed Heads Region			
Tweed Heads	NSW - Richmond	17.4	14.7
North Queensland Mid-Term Refresh Program: HMAS <i>Cairns</i> Mid-Term Refresh Project			
HMAS <i>Cairns</i>	QLD - Leichardt	15.6	12.8
Facilities to Support JP 8190 Phase 1 Deployable Bulk Fuel Distribution			
Lavarack Barracks	QLD - Herbert	6.9	0.1
RAAF Amberley	QLD - Blair	4.9	0.0
Cowley Beach Training Area	QLD - Kennedy	1.5	0.0
Greenbank Training Area	QLD - Wright	0.2	0.0
Townsville Field Training Area	QLD - Kennedy	0.7	0.0
Total		15.0	14.2
RAAF Base Pearce Additional Flight Training Device			
RAAF Pearce	WA - Durack	11.5	11.5
Facilities to Support LAND 159 Phase 1 Lethality Systems			
Greenbank Training Area	QLD - Wright	8.2	3.5
Facilities to Support P-8A Poseidon Capability Assurance Program			
RAAF Base Edinburgh	SA - Spence	4.9	0.4
Projects in or about to enter Defects Liability Period ^[a]			12.4
Total ^[b]		20,582.3	10,131.2
			3,936.2

Notes

- This amount represents the expenditure estimates for completed projects during their first year in-use.
- The sum of the individual project totals, where a project has multiple sites within the table, and the table's total figures may differ due to rounding. Budget estimates shown as 0.0 are amounts greater than \$0 but less than \$50,000.

Explanation of Projects

Australian Capital Territory

DEF 101 Data Centre Upgrade

This project provided infrastructure to support communications capability at HMAS *Harman* ACT through the expansion and fit-out of existing facilities. The works are complete and the project is now in the Defects Liability Period.

HMAS *Harman* Redevelopment

This project is delivering facilities and infrastructure at HMAS *Harman* ACT, including upgrading, replacing and providing new engineering services, command facility, entry precinct, office accommodation, and living-in accommodation. This project is scheduled for completion in mid-2026.

HMAS *Creswell* Mid-Term Refresh

This project is refurbishing existing facilities and infrastructure at HMAS *Creswell* Jervis Bay ACT, including engineering services, car parking, and entry precinct. This project is scheduled for completion in mid-2025.

New South Wales

RAAF Base Wagga Redevelopment

This project is addressing condition, capacity and compliance issues at RAAF Base Wagga NSW, including upgrading engineering services, constructing new infrastructure, and demolishing aged facilities. This project is scheduled for completion in mid-2031.

HMAS *Watson* Redevelopment

This project is addressing condition, capacity and compliance issues with facilities and infrastructure at HMAS *Watson*, Sydney, NSW. This includes engineering services and training facilities. This project is scheduled for completion in early-2027.

Explosive Ordnance Facilities Northern New South Wales Redevelopment

This project will provide new, and remediate existing, facilities and infrastructure to support training, storage, maintenance and distribution activities at Defence Establishment Orchard Hills NSW. This project is scheduled to commence construction in mid-2025 for completion in early-2029.

Garden Island Critical Infrastructure Recovery Program Stage 2

This project is providing upgraded wharves and engineering services to address condition, capacity and compliance issues at the Garden Island Defence Precinct, Sydney NSW. This project is scheduled for completion in mid-2026.

Airfield Capital Works P0008 (RAAF Base Williamtown)

This project maintained aircraft pavements, aeronautical ground lighting and airfield drainage, and delivered associated airfield upgrade works at RAAF Base Williamtown NSW. This project has completed construction and is now in the Defects Liability Period.

Guided Weapons Explosive Ordnance Enterprise Program Accelerated Storage Myambat

This project is providing storage at Defence Establishment Myambat NSW. This project is scheduled for completion in mid-2026.

Guided Weapons Explosive Ordnance Enterprise Program Accelerated Storage Jennings

This project is providing storage at Defence Establishment Jennings NSW. This project is scheduled for completion in early-2026.

General John Baker Complex Capability Assurance Project Tranche One

This project is providing car parking and upgrade works at the General John Baker Complex NSW. This project is scheduled for completion in late-2025.

Facilities to Support LAND 3025 Phase 2 Deployable Special Operations Engineer Regiment

This project is delivering facilities and infrastructure to support deployable special operations engineer capability at Holsworthy Barracks NSW, including new storage, training, laboratory and office facilities. This project is scheduled for completion in mid-2025.

Facilities for A Company 41st Royal New South Wales Regiment Tweed Heads Region

This project is providing administration, common user, training, storage, and hardstand facilities at Tweed Heads NSW. This project is scheduled for completion in mid-2025.

Northern Territory

RAAF Base Tindal Redevelopment Stage 6 and United States Force Posture Initiative (USFPI) Airfield Works and Associated Infrastructure

This program is delivering a range of new and refurbished facilities and infrastructure, including airfield improvements and engineering services upgrades, at RAAF Base Tindal NT. This program of works is scheduled for completion in late-2026.

USFPI Northern Territory Training Areas and Ranges Upgrades

This project is providing upgraded range facilities and associated infrastructure at the Bradshaw Field, Kangaroo Flats, Mount Bundey and Robertson Barracks Close training areas in the NT. This includes range control, training camp accommodation, small arms ranges, roads, and supporting facilities and infrastructure. This project is scheduled for completion in mid-2026.

Larrakeyah Defence Precinct Redevelopment Program

This program is upgrading critical base infrastructure at the Larrakeyah Defence Precinct NT. This includes upgrading engineering services and providing a new wharf. This program is scheduled for completion in late-2026.

Cocos (Keeling) Islands Airfield Upgrade

This project is upgrading the airfield and constructing supporting infrastructure at Cocos (Keeling) Islands. This project is scheduled for completion in late-2027.

Robertson Barracks Base Improvements Project

This project is upgrading engineering services, such as potable water and power, providing additional living-in accommodation, and upgrading engineering services at Robertson Barracks NT. This project is scheduled for completion in early-2027.

Airfield Capital Works P0009 (RAAF Darwin and Mount Bunday)

This project is maintaining aircraft pavements and aeronautical ground lighting at RAAF Base Darwin NT and Mount Bunday NT. This project is scheduled for completion in mid-2026.

RAAF Base Darwin Mid-Term Refresh

This project is upgrading the entry and engineering services, such as water and sewer networks, at RAAF Base Darwin NT. This project is scheduled for completion in early-2027.

Queensland**Army Aviation Program of Works**

This program of works is providing facilities and infrastructure to support new helicopter capability at RAAF Base Townsville and Townsville Field Training Area QLD. This program is scheduled for completion in late-2028.

Airfield Capital Works P0012 (RAAF Townsville)

This project is maintaining aircraft pavements and aeronautical ground lighting at RAAF Base Townsville QLD. This project is scheduled for completion in late-2026.

RAAF Townsville Mid-Term Refresh Project

This project upgraded engineering services including potable water and power, refurbishing working accommodation, and providing additional transit living-in accommodation at RAAF Base Townsville QLD. This project has completed construction and is now in the Defects Liability Period.

Townsville Field Training Area Mid-Term Refresh Project

This project upgraded engineering services including power, sewerage, stormwater and information and communications technology, and constructing a new entry point at the Townsville Field Training Area QLD. This project has completed construction and is now in the Defects Liability Period.

HMAS Cairns Mid-Term Refresh Project

This project upgraded engineering services including firefighting systems, potable water, sewerage and stormwater, and delivering minor building refurbishment works at HMAS Cairns QLD. This project has completed construction and is now in the Defects Liability Period.

LAND 4502 Phase 1 Additional CH-47F Chinook Facilities

This project provided new facilities to support CH-47F Chinook Medium Lift Helicopters at RAAF Base Townsville QLD. This project has completed construction and is now in the Defects Liability Period.

Facilities to Support LAND 129 Phase 3 Tactical Unmanned Aerial Vehicles

This project is providing facilities and infrastructure to support Tactical Unmanned Aerial Vehicle capability at Gallipoli Barracks QLD. It includes working accommodation, training, storage, and hardstand facilities. This project is scheduled for completion in early-2026.

RAAF Base Amberley Sewage Treatment Plant

This project is providing a new sewage treatment plant and associated infrastructure and facilities, including administration and storage, at RAAF Base Amberley QLD. This project is scheduled for completion in early-2026.

Facilities to Support JP 8190 Phase 1 Deployable Bulk Fuel Distribution

This project is providing new and refurbished training, maintenance and storage facilities to support training at RAAF Base Amberley, Lavarack Barracks, Cowley Beach Training Area, Greenbank Training Area, and Townsville Field Training Area in QLD. This project is scheduled for completion in mid-2025.

Facilities to Support LAND 159 Phase 1 Lethality Systems

This project is providing upgraded training facilities and associated infrastructure at the Greenbank Training Area QLD. This project is scheduled for completion in late-2025.

South Australia

Facilities to Support Highly Available ICT Project

This project is providing a new facility. This project is scheduled for completion in late-2027.

Edinburgh Defence Precinct Mid-Term Refresh

This project is upgrading base infrastructure at the Edinburgh Defence Precinct SA including engineering services such as power and water. This project is scheduled for completion in early-2028.

Facilities to Support LAND 19 Phase 7B Short Range Ground Based Air Defence

This project is providing new working accommodation, operational support, storage, training, and living-in accommodation facilities at RAAF Base Edinburgh SA. This project is scheduled for completion in mid-2025.

Cultana Training Area Redevelopment Phase 2

This project is providing new facilities and infrastructure to expand the training area into a training range at the Cultana Training Area SA. This project is scheduled for completion in early-2026.

Relocation of Units from Elizabeth North Training Depot

This project is providing new facilities to allow the relocation of reserve and cadet units at Elizabeth North Training Depot to the Edinburgh Defence Precinct SA. This project is scheduled for completion in early-2026.

Facilities to Support P-8A Poseidon Capability Assurance Program

This project is providing minor fit-out works to support the installation of equipment. This project is scheduled for completion in early-2026.

Tasmania**Anglesea Paterson Project**

This project is upgrading engineering services and refurbishing buildings at Anglesea Barracks and Youngtown Depot TAS, and constructing new facilities in North Launceston TAS. This project is scheduled for completion in mid-2027.

Victoria**Albury-Wodonga Military Area Redevelopment**

This project is addressing condition, capacity and compliance issues at the Albury-Wodonga Military Area VIC, including upgrading engineering services, constructing new facilities and infrastructure, and demolishing aged facilities. This project is scheduled for completion in late-2029.

Fishermans Bend Redevelopment

This project is addressing condition, capacity and compliance issues at Fishermans Bend VIC, including upgrading engineering services, refurbishing existing facilities and providing new working accommodation. This project is scheduled for completion in early-2027.

Facilities to Support JP 8218 Theatre Logistics

This project is providing infrastructure at North Bandiana VIC, including vehicle shelters, civil works and engineering services. This project is scheduled for completion in mid-2026.

Western Australia**DEF 01 Submarine Rotational Force - West Infrastructure Project Priority Works**

This project is delivering infrastructure enhancements and upgrades at HMAS *Stirling* WA to support the safe and secure operation of conventionally-armed, nuclear-powered submarines, and the establishment of the Submarine Rotational Force - West. This project is scheduled for completion in 2027.

RAAF Base Learmonth Redevelopment Enabling KC-30A Operations

This project is upgrading the airfield including the runway, taxiway and parking aprons at RAAF Base Learmonth WA. This project is scheduled for completion in mid-2027.

Airfield Capital Works P0013 (Curtin and Learmonth)

This project is maintaining aircraft pavements and aeronautical ground lighting at RAAF Base Curtin WA and RAAF Base Learmonth WA. This project is scheduled for completion in mid-2027.

RAAF Base Pearce Additional Flight Training Device

This project delivered a new facility to support training in a simulated environment at RAAF Base Pearce WA. This project has completed construction and is now in the Defects Liability Period.

Various Locations

Enhanced Land Force (ELF) Stage 2

This project provided purpose-built facilities and supporting infrastructure to support ELF capabilities across various bases. This included the construction of new and refurbished accommodation, common use, and training facilities, and upgraded site infrastructure. The works are complete with the exception of access-related scope at the Cultana Training Area SA, which is scheduled for completion in late-2025.

Navy Capability Infrastructure Sub-program

This program of works is providing new and upgraded facilities and infrastructure across various bases to support new frigate and offshore patrol vessels including:

Offshore Patrol Vessel (OPV) Facilities (SEA 1180 Phase 1)

This project is providing berthing, training, maintenance, logistics, and support facilities to support the introduction into service of the Arafura Class OPVs at HMAS *Coonawarra* and RAAF Base Darwin in the NT, HMAS *Cairns* in QLD, and HMAS *Stirling* and *Henderson* Maritime Precinct in WA. This project is scheduled for completion in early-2029.

Hunter Class Frigate Facilities (SEA 5000 Phase 1)

This project is providing upgraded facilities and infrastructure to support the introduction of the new *Hunter Class* frigates at HMAS *Watson* and the Garden Island Defence Precinct in NSW, St Kilda and Osborne Naval Shipyards in SA, and HMAS *Stirling* and *Henderson* Maritime Precinct in WA. This project is scheduled for completion in late-2027.

Maritime Patrol Aircraft Replacement (AIR 7000 Phase 2B)

This project is providing new and upgraded facilities and infrastructure to support the introduction of P-8A aircraft at RAAF Base Edinburgh SA, RAAF Base Darwin NT, RAAF Base Townsville QLD, RAAF Base Pearce WA, and HMAS *Stirling* WA. The works are progressively scheduled for completion at each base up to mid-2027.

Facilities to Support JP 2150 Phase 1 Joint Intelligence and Targeting Training Facility

This project is providing a training and permanent facility at Canberra ACT and RAAF Base Edinburgh SA. This project is scheduled for completion in late-2028.

Airfield Maintenance Works P0010 (Amberley, Pearce, Richmond and Albatross)

This project is maintaining aircraft pavements, aeronautical ground lighting, and drainage at HMAS *Albatross* NSW and RAAF Base Richmond NSW, RAAF Base Amberley QLD and RAAF Base Pearce WA. The works are scheduled for completion in mid-2026.

Facilities to Support AIR 7000 Phase 1B Remotely Piloted Aircraft System

This project is providing facilities and infrastructure to support the introduction into service of a new aircraft system at RAAF Base Tindal NT and the Edinburgh Defence Precinct SA. This includes a control centre, training facilities, squadron headquarters, hangars, airfield pavements and engineering services. The works are scheduled for completion in early-2026.

Guided Weapons Explosive Ordnance Storage

This project is providing storage facilities and infrastructure at RAAF Base Amberley QLD, HMAS *Stirling* WA, and Defence Establishment Orchard Hills NSW. This project is scheduled for completion in early-2027.

AIR 555 Phase 1 Airborne Intelligence Surveillance Reconnaissance Electronic Warfare Capability Facilities

This project provided facilities and infrastructure to support the introduction into service of MC-55A Peregrine Airborne Intelligence Surveillance Reconnaissance Electronic Warfare capability at Cocos (Keeling) Islands NT, RAAF Base Darwin NT, RAAF Base Townsville QLD and RAAF Base Edinburgh SA. This project has completed construction and is now in the Defects Liability Period.

Defence Fuel Transformation Program - Tranche 2 Facilities Project

This project will remediate, replace, upgrade and dispose existing fuel installations across various bases. The works are scheduled to commence in late-2025 for completion in early-2027.

Facilities to Support JP 9101 Phase 1 Enhanced Communications

This project is providing facilities and infrastructure to support the implementation of enhanced communications systems across various bases. This project is scheduled for completion in late-2027.

Joint Health Command Garrison Facilities Upgrades

This project provided health facilities across various bases. This project has completed construction and the project is now in the Defects Liability Period.

Armoured Fighting Vehicles Facilities Program Stage 1

This project provided facilities and infrastructure to support armoured fighting vehicles at Lavarack Barracks QLD, Edinburgh Defence Precinct SA and the Puckapunyal Military Area VIC. This project has completed construction and the project is now in the Defects Liability Period.

Facilities to Support AIR 5349 Phase 6 Advanced Growler

This project is providing storage, maintenance and working accommodation at RAAF Base Amberley QLD and Delamere Air Weapons Range NT. This project is scheduled for completion in late-2026.

Facilities to Support LAND 1508 Phase 1 Special Operations Capability Enhancements

This project will deliver facilities and infrastructure for to support workforce growth at Holsworthy Barracks NSW and Campbell Barracks WA. This project is scheduled for completion in early-2027.

LAND 121 Phase 5B Facilities Project

This project provided facilities and infrastructure to support and sustain vehicles across various bases. This project has completed construction and is now in the Defects Liability Period.

Facilities to Support SEA 9100 Phase 1 Improved Embarked Logistics Support Helicopter

This project will provide new and refurbished facilities to support new helicopter capability at HMAS *Albatross* NSW and HMAS *Stirling* WA. This project is scheduled to commence construction in mid-2025 for completion in early-2027.

Armoured Fighting Vehicle Facilities Program Stage 2

This project is providing facilities and infrastructure at Gallipoli Barracks QLD, Lavarack Barracks QLD, Gaza Ridge Barracks VIC and Puckapunyal Military Area VIC to support vehicles. This project is scheduled for completion in late-2026.

Airfield Capital Works P0006 (Curtin, Tindal and Townsville)

This project is maintaining aircraft pavements and airfield lighting at RAAF Base Curtin WA, RAAF Base Tindal NT, and RAAF Base Townsville QLD. The works at Curtin and Tindal are complete while the works at Townsville have been reprogrammed to align with similar works being delivered under a related project to minimise disruptions to airfield operations. These works are scheduled for completion in late-2026.

Facilities to Support JP 9111 Phase 1 Warfighting Networks and Applications Tranche 1 Early Works

This project will deliver facilities to support networks and applications at Gallipoli Barracks QLD, Lavarack Barracks QLD, General John Baker Complex NSW, RAAF Base Williamtown NSW and RAAF Base Edinburgh SA. This project is scheduled to commence construction in late-2025 for completion in early-2027.

AIR 2025 Phase 6 Jindalee Operational Radar Networks (JORN) Facilities Project

This project is providing new facilities and infrastructure to support the mid-life upgrade of JORN capability at sites near Alice Springs NT, Murray Bridge Training Area SA, RAAF Base Learmonth WA and Geraldton WA. This project is scheduled for completion in late-2026.

Facilities to Support SEA 2273 Fleet Information Environment Modernisation Project

This project is providing an upgraded information system to support naval operations at HMAS *Kuttabul* NSW, HMAS *Cerberus* VIC, HMAS *Stirling* WA, HMAS *Coonawarra* NT and HMAS *Cairns* QLD. This project is scheduled for completion in late-2025.

Facilities to Support LAND 8116 Phase 1 Protected Mobile Fires

This project is providing new storage, workshop, and shelter facilities, and upgrading road and infrastructure services at Lavarack Barracks QLD and the Puckapunyal Military Area VIC. This project is scheduled for completion in late-2026.

Facilities to Support LAND 8180 Phase 1 Aviation and Field Fire Truck

This project will deliver training, testing, maintenance, and storage facilities to support the aviation and field fire truck capability at RAAF Base Amberley QLD, RAAF Base Tindal NT, RAAF Base Richmond NSW and RAAF Base Williamtown NSW. This project is scheduled to commence construction in late-2025 for completion in late-2026.

LAND 2110 Phase 1B Chemical, Biological, Radiological and Nuclear Defence Facilities

This project is providing new and refurbished facilities, including training and storage facilities, at various bases around Australia. This project is scheduled for completion in early-2026.

Appendix E: Status of Projects Foreshadowed for Parliamentary Standing Committee on Public Works Consideration in 2025-26

Projects Foreshadowed for Consideration and Approval

During 2025-26, Defence expects to present a number of Enterprise Estate and Infrastructure Program (EPIP) capital facilities and infrastructure project proposals to the Parliamentary Standing Committee on Public Works (PWC). The following tables detail the proposed major capital facilities and infrastructure projects expected to be referred to the PWC, and medium capital facilities and infrastructure projects expected to be notified to the PWC.

Table 57: Major Capital Facilities Projects Foreshadowed for PWC Consideration and Approval in 2025-26

Project Description	State/Electorate	Actual/Indicative PWC Referral Date ^[a]	Actual/Indicative PWC Hearing Date ^{[a] [b]}	Parliamentary Approval Date ^[a]
Blamey Barracks Redevelopment	NSW - Riverina	Late-2025	Late-2025	Late-2025
Facilities to Support Theatre Logistics (Work Package 2.4)	Various locations	Late-2025	Early-2026	Early-2026
Facilities to Support <i>Hobart</i> -Class Destroyer Aegis System Upgrade	Various locations	Early-2026	Early-2026	Early-2026
Facilities to Support Theatre Logistics (Work Packages 2.1 and 2.6)	Various locations	Mid-2026	Mid-2026	Mid-2026

Notes

- a. Actual dates are shown in full. Forecast dates are shown as "Early", "Mid", "Late".
 b. Hearing dates are subject to the PWC's consideration and agreement.

Table 58: Medium Capital Facilities Projects Foreshadowed for PWC Consideration and Approval in 2025-26

Project Description	State/Electorate	Actual/Indicative PWC Notification Date ^[a]	Indicative PWC Approval Date ^[a]
Facilities to Support Counter Explosive Hazards	Various locations	Mid-2025	Mid-2025
Facilities to Support ACT Office Accommodation Russell Offices	ACT - Canberra	Mid-2025	Mid-2025

Note
 a. Actual dates are shown in full. Forecast dates are shown as “Early”, “Mid”, “Late”.

Explanation of Projects

Australian Capital Territory

Facilities to Support ACT Office Accommodation Russell Offices

This project proposes to deliver secure working accommodation at Russell Offices ACT.

New South Wales

Blamey Barracks Redevelopment

This project proposes to address capacity, condition and compliance issues with facilities and infrastructure at Blamey Barracks NSW.

Northern Territory

Not applicable.

Queensland

Not applicable.

South Australia

Not applicable.

Tasmania

Not applicable.

Victoria

Not applicable.

Western Australia

Not applicable.

Various Locations

Facilities to Support Theatre Logistics (Work Packages 2.1 and 2.6)

This project proposes to deliver new and upgraded facilities and infrastructure to support logistics storage, maintenance, and personnel across a range of bases.

Facilities to Support Theatre Logistics (Work Package 2.4)

This project proposes to deliver logistics enabling facilities and infrastructure at multiple sites supporting storage and warehousing, maintenance and personnel across a range of bases.

Facilities to Support *Hobart*-Class Destroyer Aegis System Upgrade

This project proposes to provide facilities and infrastructure to support the integration of new systems across a range of bases.

Facilities to Support Counter Explosive Hazards

This project proposes to deliver facilities and infrastructure to support capabilities that protect personnel and material from explosive hazards across a range of bases.

Appendix F: Top 5 Information and Communication Technology Approved Projects

The Information and Communication Technology (ICT) Program component of the Integrated Investment Program comprises approved and yet to be approved ICT projects. These projects support and sustain current and future capability requirements through the delivery of ICT to enable Command, Control, Communications, Computing, Intelligence, Surveillance, and Reconnaissance (C4ISR) and Defence's corporate functions.

Table 59: Top 5 ICT Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) ^[a]

Project Name	Project Number/Phase	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 5 ICT Project Descriptions
Enterprise Resource Planning (ERP)	ICT 2283	1,642	887	174	The Project will modernise, integrate and transform Defence's processes to manage its HR, finance, procurement, logistics, engineering and maintenance and estate functions. During 2025-26 and the Forward Estimates, key activities include process design, build and testing, data conversion and migration, and business preparations and transformation activities required to deliver Enterprise Resource Planning across Defence.
Intelligence Surveillance and Reconnaissance Integration	JP 2096	188	130	26	The Project is delivering a Mission System known as 'Wagardi', which will provide a capability for intelligence analysts and planners to rapidly search and discover Intelligence, Surveillance and Reconnaissance (ISR) data, enabling the timely provision of intelligence support to Australian Defence Force (ADF) commanders and war fighters. In June 2022, Tranche 1 of the JP2096 project delivered the Wagardi Mission System on the Defence fixed environment. The major achievement scheduled for 2025-2026 is the delivery of the next iteration of the Wagardi Mission System to users operating in a deployed environment. The project will also make available more mission critical ISR data required by the Wagardi user community.
Health Knowledge Management	JP 2060 Phase 4	380	315	24	The Project will replace the ADF's legacy electronic health record product (DeHS) with a modern, patient-centric health solution. The new Health Knowledge Management (HKM) System will replace Defence's Electronic Health System in Garrison and on board, and will offer a new e-Health System for the deployed environments. The new HKM System will record, store, aggregate and allow analysis via One Defence Data Capability of de-identified health data and information for the ADF population, unifying multidisciplinary primary and occupational care with emergency and hospital care, to enable better clinical decision-making. HKM will provide a longitudinal health record that will span the individual's entire career and provide the ability to integrate into other government systems and programs, including the Department of Veteran's Affairs, ComSuper and My Health Record. During 2025-26, Defence will continue transformation of the ADF's Deployable Health Capability. This will include delivery of clinical and operational medical training for ADF personnel, and the delivery of a new patient centric e-Health system for Garrison and deployed environments.

Table 59: Top 5 ICT Approved Projects by 2025-26 Forecast Expenditure (Gross Plan) (Continued) ^[a]

Project Name	Project Number/ Phase	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2025 \$m	Budget Estimate 2025-26 \$m	Top 5 ICT Project Descriptions
Fleet Information Environment Modernisation	SEA 2273	563	423	20	The project will deliver a suite of integrated ICT systems, applications and infrastructure that supports both deployed operations and day-to-day administrative activities, where ships and submarine crews are located. The systems, collectively, will provide Command and Control (C2) between headquarters and other Navy platforms, Communication and information sharing with other Navy platforms, Australian Defence Force (ADF) deployed forces, Coalition partners, and Other Government Organisation (OGO) assets. Situational awareness, intelligence and surveillance information to enable timely decision-making.
Integrated Intelligence Surveillance Reconnaissance and Processing Exploitation Dissemination Enterprise	DEF 2150	212	103	40	This Project will deliver the Joint Intelligence and Targeting Training Facility in Canberra, to allow for an increase in training requirement for the workforce associated with the introduction of numerous long-range strike weapon systems as part of the Integrated Force. It will also deliver the Distributed Ground Station – Australia (DGS-AUS) facility in Adelaide to provide the Processing, Exploitation and Dissemination (PED) of data and information collected by a range of airborne Intelligence, Surveillance and Reconnaissance (ISR) platforms. In the future the Project is scoped to deliver an enhanced DGS-AUS analytic capability, an optimised ability to task and manage ISR collection operations for the Integrated Force, and an ability to rapidly develop and integrate emerging artificial intelligence and machine learning technologies. During 2025-26 the Project will continue delivery and sustainment of the foundation components of the DGS-AUS capability.
Total Top 5 ICT Projects (Gross Plan)		2,984	1,859	285	

Note

a. Approved Project Expenditure, Estimated Cumulative Expenditure to 30 June 2025 and Budget Estimate 2025-26 are on an accrual basis and funded by appropriation.

Appendix G: Australian Government Indigenous Expenditure

Table 60: Australian Government Indigenous Expenditure

		2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000
	Program		
Defence Indigenous Strategy	2.12	5,197	6,807
Army Aboriginal Community Assistance Program ^[a]	2.6	19,793	5,470
Total Australian Government Indigenous Expenditure		24,990	12,277

Note

a. The 2025-26 Budget Estimate is subject to change based on planning and prioritisation of activity for 2025-26 in coordination with the National Indigenous Australian's Agency. The 2025-26 Budget estimate is currently lower compared to 2024-25 Estimated Actual due to the delivery of AACAP 2023 Gapuwiyak (NT) during 2024-25 and earlier activity in support of AACAP 2025 Torres Strait (Qld) also occurring during 2024-25.

Defence's commitment to reconciliation and implementing the *National Agreement on Closing the Gap* will continue by focusing on the attraction, recruitment, and retention of First Nations peoples, and empowering the First Nations business sector to enhance Defence capability.

Defence Indigenous Participation

Defence has First Nations representation targets of 5 per cent for the Defence Australian Public Service (APS) workforce by 2030, and 5 per cent for the Australian Defence Force (ADF) by 2025. As at 1 January 2025, the ADF participation rate was 3.9 per cent and the Defence APS participation rate was 1.8 per cent. Over 2025-26, Defence will increase the opportunities of the First Nations workforce through targeted recruitment and retention programs and initiatives.

Defence Indigenous Procurement Policy (IPP)

Defence continues to exceed Government targets under the Indigenous Procurement Policy (IPP) and is the Commonwealth's largest procurer of First Nations goods and services. As at 1 January 2025, over \$10.7 billion of Commonwealth Government contracts have been awarded to First Nations businesses since the introduction of the IPP in 2015. Of this, Defence has awarded over \$5.5 billion in contract value to First Nations businesses. Defence places a strong emphasis on engagement with the First Nations business sector, creating opportunities and promoting greater inclusion of First Nations businesses on Defence panel arrangements. Defence will deliver First Nations procurement reform in 2025-26 in order to strengthen First Nations business participation across Defence.

Defence Indigenous Programs

The ADF operates a number of First Nations employment pathway programs, including specialist ADF First Nations Recruitment Teams, the Navy and Army Indigenous Development Programs and Air Force Indigenous Recruitment Pathways Programs. The ADF also implements the Indigenous Pre-Recruit Program, a Tri-Service program, delivered across Australia.

Defence will continue to partner with the National Indigenous Australians Agency (NIAA) to support programs identified in the *Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020-24*. The Indigenous Graduate Pathway Program (managed by Defence since 2021) and the Indigenous Apprenticeship Program (IAP) aim to increase First Nations graduates and apprentices across Government agencies. Defence will also implement the Indigenous Development Employment Program (IDEP), to provide First Nations personnel with development opportunities in areas of communication, leadership, teamwork, personal development and critical thinking.

Defence Indigenous Community Assistance Programs

Defence contributes to a number of Indigenous community assistance programs, supporting Federal, State/Territory Government and Councils to build partnerships with local First Nation Groups. The Army Aboriginal Community Assistance Program (AACAP) is a Commonwealth Government initiative between Defence (Army) and the National Indigenous Australians Agency. It aims to improve infrastructure, health, living and economic conditions within remote Indigenous communities. These aims support the *National Agreement on Closing the Gap* which brings Aboriginal and Torres Strait Islander peoples, governments and key stakeholders together, to address the inequality experienced by Aboriginal and Torres Strait Islander peoples. AACAP projects leverage the ability of Army to deliver a range of services in remote areas, providing infrastructure works, employability skills training, health promotion and community support in a holistic and highly effective manner. Army also benefits from the opportunities afforded by the conduct of AACAP projects to exercise various operational capabilities in a unique cultural and physical environment. AACAP projects are scheduled to be delivered in Amata, SA and the Torres Strait, QLD in 2025, and Western Australia in 2026.

The Kummundoo Program is a partnership between Air Force and the National Aboriginal Community Controlled Health Organisation (NACCHO), as the national peak body for First Nations health. Through this ongoing initiative, Air Force will continue to contribute to the enhancement of primary health care outcomes in First Nations communities.

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AUSTRALIAN SIGNALS DIRECTORATE

Agency Resources and Planned Performance

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AUSTRALIAN SIGNALS DIRECTORATE

Section 1: ASD Overview and Resources

1.1 Strategic Direction Statement

The Australian Signals Directorate (ASD) defends Australia from global threats and advances the national interest by providing foreign signals intelligence, cyber security, and offensive cyber operations, as directed by Government.

ASD is a statutory agency within the Defence portfolio, reporting directly to the Minister for Defence. It operates under the *Public Governance, Performance and Accountability Act 2013* and the *Intelligence Services Act 2001*. All of ASD's activities are subject to oversight from the Inspector-General of Intelligence and Security. The Parliamentary Joint Committee on Intelligence and Security provides further oversight of ASD's administration, expenditure and enabling legislation. It also considers other matters within its scope that are referred by the Australian Senate, House of Representatives, or a Minister of the Australian Government.

The *Intelligence Services Act 2001* specifies that the organisation's functions are to:

- Collect foreign signals intelligence;
- Communicate foreign signals intelligence;
- Prevent and disrupt offshore cyber-enabled crime;
- Provide cyber security advice and assistance to Australian governments, businesses and individuals;
- Support military operations;
- Protect the specialised tools ASD uses to fulfil its functions; and
- Cooperate with, and assist, the national security community's performance of its functions.

The organisation's strategic objectives include:

- ASD **delivers strategic advantage** for Australia by providing foreign signals intelligence that protects and advances Australia's national interest. Foreign intelligence collection activities are guided by strategic priorities set by the Government.
- ASD is the Australian Government's **leading cyber security agency**, and aims to foster national cyber security resilience. ASD's Australian Cyber Security Centre monitors cyber threats targeting Australian interests and provides advice and information, including through an international network of Computer Emergency Response Teams (CERTs), to help protect Australians. When serious cyber incidents occur, ASD leads the Australian Government response to help mitigate the threat and strengthen defences.

- ASD has a long history of **supporting Australian military operations**, with the organisation's heritage dating back to the Second World War. Today, ASD supports Australian Defence Force (ADF) operations around the globe, including by providing intelligence and offensive cyber capabilities to enable the warfighter and protect ADF personnel and assets. ASD also draws on its deep technical expertise to help the ADF stay ahead of technology advancements in the region, including the introduction of 5th generation weapons and cyber-warfare capabilities.
- ASD capabilities play an important role in **countering cyber-enabled threats**. The organisation protects Australia and Australians by preventing and disrupting offshore cyber-enabled crime, including the activities of organised criminal groups using malware to target Australians, and terrorists who use the internet to plan and incite attacks against Australian interests.
- Finally, ASD **provides trusted advice and expertise** to Government, business and the community. ASD draws on its deep technical understanding of communications technology to help the Australian Government, and the public understand the nature of the cyber threat environment, how they might be vulnerable and what they can do to protect themselves.

To achieve its purpose, ASD needs to keep pace with the latest technology trends and invest in cutting-edge capabilities to gain asymmetric advantage. ASD's activities are enabled by innovative techniques, including specialist tools to probe large volumes of data to detect threats. ASD's mastery of technology also underpins the formulation of sound advice to protect Australia from sophisticated threats.

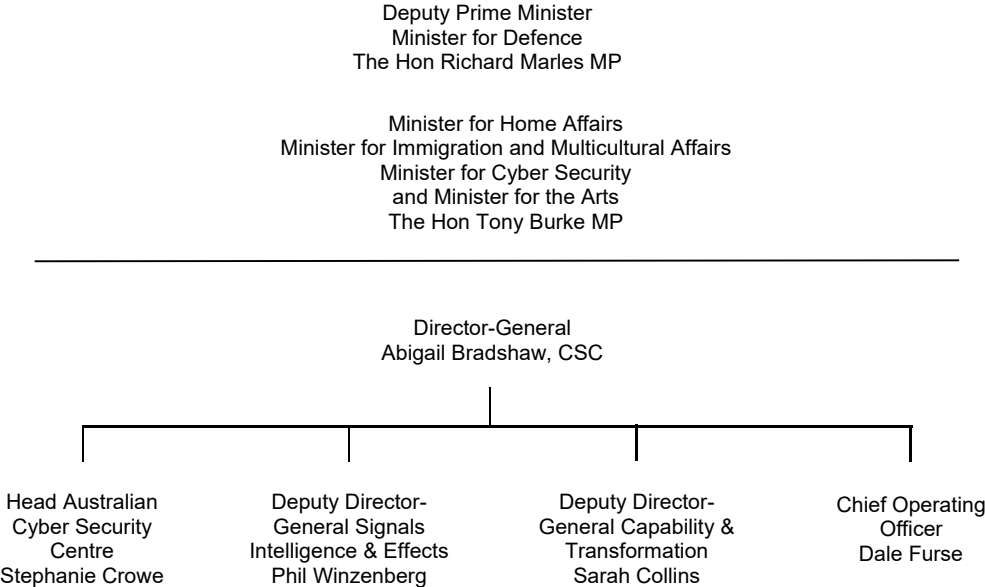
Partnerships are critical to the organisation's success. ASD works closely with the Australian national security community, overseas intelligence and cyber security partners, academia and industry. This level of collaboration is essential to comprehensively understand the threat environment and to stay at the leading edge of technology.

ASD's success is founded in the ingenuity of its workforce. The organisation seeks to recruit and develop a curious and imaginative workforce which is not deterred by difficult challenges. Recruiting the requisite specialist technological expertise has become increasingly challenging, given the high demand for staff with these skillsets.

The combination of a uniquely skilled workforce, empowered by innovative technology, enabled by responsible financial management, and leveraging partner capabilities, positions the organisation to deliver trusted intelligence, cyber security expertise and offensive cyber operations for Australia's national interest.

The Government has prioritised REDSPICE funding in the Integrated Investment Program to enhance Australia's cyber capabilities, intelligence, surveillance and reconnaissance and deliver resilient communications and computer network defence and disrupt operations.

Figure 1: ASD Organisational Structure



This ASD Organisational Chart is effective at the time of this publication release.

Senior Executive Changes

No changes have taken place since the last Portfolio Statements.

Organisational Structure

No changes have taken place since the last Portfolio Statements.

1.2 ASD Resource Statement

Table 1: ASD Resource Statement – Budget Estimates for 2025-26 as at March Budget

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Departmental					
Annual appropriations - ordinary annual services					
Departmental appropriation	1,683,109	1,748,497	1,940,176	1,960,987	2,005,830
s74 External Revenue	2,994	3,064	3,141	3,221	3,301
Departmental Capital Budget	30,000	30,000	30,000	30,000	30,000
Annual appropriations - other services - non-operating					
Equity injection	1,027,283	699,859	496,293	225,974	217,730
Total departmental resourcing	2,743,386	2,481,420	2,469,610	2,220,182	2,256,861
Total resourcing for ASD	2,743,386	2,481,420	2,469,610	2,220,182	2,256,861

1.3 Budget Measures

2024-25 Budget Measures and Other Budget Adjustments

Table 2: ASD 2025-26 Budget Measures

	2025-26 Budget Estimate \$m	2026-27 Forward Estimate \$m	2027-28 Forward Estimate \$m	2028-29 Forward Estimate \$m	Total Forward Estimates \$m
Other Budget Adjustments					
Foreign Exchange	11.6	10.2	9.2	8.2	39.2
Total Other Departmental Budget Adjustments	11.6	10.2	9.2	8.2	39.2
Variation to ASD Departmental Funding	11.6	10.2	9.2	8.2	39.2

Section 2: ASD Outcomes and Planned Performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measures described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports - to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan and annual performance statement for ASD can be found at: <https://www.asd.gov.au/publications>.

2.1 Budgeted Expenses and Performance for Outcome 1

Outcome 1: Defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.

Linked Programs

Australian Federal Police
Program 1.1: Federal Policing.
Contribution to Outcome 1 by linked program
Consistent with the functions detailed in the <i>Intelligence Services Act 2001</i> , the Australian Signals Directorate relies on cooperation with the Australian Federal Police.
Department of Defence
Program 1.1: Operations Contributing to the Safety of the Immediate Neighbourhood. Program 1.2: Operations Supporting Wider Interests.
Contribution to Outcome 1 by linked programs
Consistent with the functions detailed in the <i>Intelligence Services Act 2001</i> , the Australian Signals Directorate provides foreign signals intelligence, cyber security advice, and offensive cyber operations to meet the operational needs of the Australian Defence Force and the requirements of the Department of Defence.
Office of National Intelligence
Outcome 1: Advancement of Australia's national interests through increased government awareness of international developments affecting Australia and integration, coordination and evaluation of Australia's national intelligence capabilities.
Contribution to Outcome 1 by linked program
The Office of National Intelligence leads efforts to integrate and coordinate the activities of the national intelligence agencies to meet the operational requirements of the Australian Defence Force and the Department of Defence, as well as other priorities as set by Government.

Budgeted Expenses for Outcome 1

Table 3: Budgeted Expenses for Outcome 1

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Program 1.1 - Foreign Signals Intelligence, Cyber Security and Offensive Cyber Operations					
Expenses funded by appropriation and own source revenue ^[a]					
Employees	640,951	725,294	781,069	824,584	817,804
Suppliers	987,995	970,559	1,109,971	1,086,041	1,166,712
Other expenses	6,578	5,860	5,188	4,499	3,962
	1,635,524	1,701,713	1,896,228	1,915,124	1,988,478
Expenses not requiring appropriation ^[b]					
Resources received free of charge	155	159	160	162	161
Depreciation and amortisation	532,090	603,311	662,886	653,010	773,539
	532,245	603,470	663,046	653,172	773,700
Total Operating Expenses	2,167,769	2,305,183	2,559,274	2,568,296	2,762,178
Capital expenditure funded by appropriation					
Purchases of non-financial assets	1,059,666	729,859	526,293	255,974	247,730
Principal repayments of lease liabilities	50,533	49,848	47,089	49,084	20,653
	1,110,199	779,707	573,382	305,058	268,383
Total funded expenditure for Program 1.1 ^[c]	2,745,723	2,481,420	2,469,610	2,220,182	2,256,861

	2024-25	2025-26
Average Staffing Level (number)	nfp	nfp

Notes

- a. Section 74 external revenues contribution to expenditure.
- b. Expenses not requiring appropriation include depreciation, write down and impairment of assets, other resources received free of charge, and auditor fees.
- c. Total Program funded expenditure includes operating expenses and capital expenditure funded by Appropriation and own source revenue. This excludes expenses not requiring appropriation.

Table 4: Performance Measures for Outcome 1

Table 4 details the performance objectives and measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2025-26 Budget Measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – Defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.		
Program 1.1- Foreign Signals Intelligence, Cyber Security and Offensive Cyber Operations		
To defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government.		
Key Activities	<ul style="list-style-type: none"> • Provide foreign signals intelligence. • Provide cyber security services. • Conduct offensive cyber operations. 	
Year	Performance Objectives	Expected Performance Results
Current Year 2024-25	ASD's foreign signals intelligence meets Government expectations to deliver strategic advantage and enables National Intelligence Community operations.	Government expectations to deliver strategic advantage are met. <i>Expected to be met.</i>
		National Intelligence Community operational requirements are met. <i>Expected to be met.</i>
	ASD's foreign signals intelligence products and technical expertise provide effective support for military operations and activities.	ASD's foreign signals intelligence support the ADF's military operations and activities, technological advantage and capability development. <i>Expected to be met.</i>
	ASD provides high-quality, impactful cyber security services to Government, critical infrastructure and services, business, families and individuals.	ASD's cyber security advice and assistance supports stakeholders to improve or maintain their cyber security posture. <i>Expected to be met.</i>
		Systems to support assistance and technical advice are available for use by ASD and relevant stakeholders. <i>Expected to be met.</i>
		ASD's Top Secret network assessment and authorisation activities and key management services support stakeholders' requirements. <i>Expected to be met.</i>
	ASD delivers partnerships, programs and technical capability that strengthen national cyber security or resilience.	Cyber security information and expertise exchanges with partners help prevent, detect or remediate cyber threats to Australia. <i>Expected to be met.</i>
		ASD supports emerging cyber security research that may help prevent, detect or remediate cyber threats to Australia. <i>Expected to be met.</i>

Year	Performance Objectives	Expected Performance Results
Current Year 2024-25	ASD's offensive cyber operations provide effective and timely support for military operations and activities, and meet whole-of-government requirements for countering offshore cyber threats.	Offensive cyber capabilities provide effective and timely support for ADF military operations and activities. <i>Expected to be met.</i>
		Offensive cyber operations that counter offshore cyber threats meet whole-of-government requirements. <i>Expected to be met.</i>
Year	Performance Objectives	Expected Performance Results
Budget Year 2025-26	ASD's foreign signals intelligence meets Government's expectations to deliver strategic advantage and enables National Intelligence Community operations.	Government expectations to deliver strategic advantage are met.
		National Intelligence Community operational requirements are met.
	ASD's foreign signals intelligence products and technical expertise provide effective support for military operations and activities.	ASD's foreign signals intelligence support the ADF's military operations and activities, technological advantage and capability development.
	ASD provides high-quality, impactful cyber security services to government, critical infrastructure and services, business, families and individuals.	ASD's cyber security advice and assistance supports stakeholders to improve or maintain their cyber security posture.
		Systems to support assistance and technical advice are available for use by ASD and relevant stakeholders.
		ASD's Top Secret network assessment and authorisation activities and key management services support stakeholders' requirements.
	ASD delivers partnerships, programs and technical capability that strengthen national cyber security or resilience.	Cyber security information and expertise exchanges with partners help prevent, detect or remediate cyber threats to Australia.
		ASD supports emerging cyber security research that may help prevent, detect or remediate cyber threats to Australia.
	ASD's offensive cyber operations provide effective and timely support for military operations and activities, and meet whole-of-government requirements for countering offshore cyber threats.	Offensive cyber capabilities provide effective and timely support for ADF military operations and activities.
		Offensive cyber operations that counter offshore cyber threats meet whole-of-government requirements.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.
Material changes to Program 1.1 resulting from 2025-26 Budget Measures: Nil.		

Section 3: ASD Explanatory Tables and Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2025-26 budget year, including the impact of Budget Measures and resourcing on financial statements.

3.1 Explanatory Tables

Table 5: Third Party Payments to and from Other Agencies ^[a]

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000
Payments made to Department of Defence for provision of services (Departmental)	102,840	105,439

Note

- a. Third party payments to and from other Agencies include:
- Inter-agency transactions in excess of \$20 million per annum;
 - Inter-agency transactions that were in excess of \$20 million in the previous year's annual statements; and
 - Inter-agency transactions relating to Budget Measures as disclosed in Defence Budget Measures.

3.2 Budgeted Financial Statements

3.2.1 Budgeted Financial Statements

Table 6: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
EXPENSES					
Employee benefits	640,951	725,294	781,069	824,584	817,804
Supplier expenses	988,150	970,718	1,110,131	1,086,203	1,166,873
Depreciation and amortisation	532,090	603,311	662,886	653,010	773,539
Write-down of assets and impairment of assets	-	-	-	-	-
Foreign exchange losses	-	-	-	-	-
Other	6,578	5,860	5,188	4,499	3,962
Total expenses	2,167,769	2,305,183	2,559,274	2,568,296	2,762,178
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sales of goods and rendering of services	2,994	3,064	3,141	3,221	3,301
Resources received free of charge	155	159	160	162	161
Total own-source revenue	3,149	3,223	3,301	3,383	3,462
Gains					
Other gains	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	3,149	3,223	3,301	3,383	3,462
Net cost of (contribution by) services	-2,164,620	-2,301,960	-2,555,973	-2,564,913	-2,758,716
Revenue from Government	1,683,109	1,748,497	1,940,176	1,960,987	2,005,830
Surplus (Deficit) attributable to the Australian Government	-481,511	-553,463	-615,797	-603,926	-752,886
OTHER COMPREHENSIVE INCOME					
Items not subject to subsequent reclassification to net cost of services					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income attributable to the Australian Government	-481,511	-553,463	-615,797	-603,926	-752,886

Note: Impact of net cash appropriation arrangements

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Surplus/(Deficit) attributable to the Australian Government prior to Net Cash Appropriation Adjustments	46	-	-	-	-
less: Depreciation/amortisation expenses previously funded through revenue appropriations	532,090	603,311	662,886	653,010	773,539
add: Principal repayments on leased assets	50,533	49,848	47,089	49,084	20,653
Total comprehensive income/(loss) - as per the statement of comprehensive income	-481,511	-553,463	-615,797	-603,926	-752,886

Table 7: Budgeted Departmental Balance Sheet (as at 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	47,718	47,718	47,718	47,718	47,718
Trade and other receivables	231,781	231,781	231,781	231,781	231,781
Total financial assets	279,499	279,499	279,499	279,499	279,499
Non-financial assets					
Buildings and Infrastructure	890,212	834,226	781,395	750,911	717,979
Plant and equipment	1,161,357	1,338,913	1,224,734	865,123	398,813
Intangibles	321,094	326,072	356,489	349,548	322,981
Other non-financial assets	166,150	166,150	166,150	166,150	166,150
Heritage assets	338	338	338	338	338
Total non-financial assets	2,539,151	2,665,699	2,529,106	2,132,070	1,606,261
Total assets	2,818,650	2,945,198	2,808,605	2,411,569	1,885,760
LIABILITIES					
Payables					
Suppliers	329,335	329,335	329,335	329,335	329,335
Other	18,272	18,272	18,272	18,272	18,272
Total payables	347,607	347,607	347,607	347,607	347,607
Interest bearing liabilities					
Leases	439,048	389,200	342,111	293,027	272,374
Total interest bearing liabilities	439,048	389,200	342,111	293,027	272,374
Provisions					
Employee provisions	155,315	155,315	155,315	155,315	155,315
Total provisions	155,315	155,315	155,315	155,315	155,315
Total liabilities	941,970	892,122	845,033	795,949	775,296
NET ASSETS	1,876,680	2,053,076	1,963,572	1,615,620	1,110,464
EQUITY					
Contributed equity	3,548,049	4,277,908	4,804,201	5,060,175	5,307,905
Reserves	44,791	44,791	44,791	44,791	44,791
Retained surplus (accumulated deficit)	-1,716,160	-2,269,623	-2,885,420	-3,489,346	-4,242,232
Total equity	1,876,680	2,053,076	1,963,572	1,615,620	1,110,464

Table 8: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	1,683,063	1,748,497	1,940,176	1,960,987	2,005,830
Goods and services	2,994	3,064	3,141	3,221	3,301
Net GST received	134,271	114,325	119,361	98,854	77,140
Other	-	-	-	-	-
Total cash received	1,820,328	1,865,886	2,062,678	2,063,062	2,086,271
Cash used					
Employees	640,951	725,294	781,069	824,584	817,804
Suppliers	987,995	970,559	1,109,971	1,086,041	1,166,712
Net GST paid	134,271	114,325	119,361	98,854	77,140
Grants	-	-	-	-	-
Other cash used	-	-	-	-	-
Cash transfer to the Official Public Account (receivables)	-	-	-	-	-
Interest payments on lease liabilities	6,578	5,860	5,188	4,499	3,962
Other	-	-	-	-	-
Total cash used	1,769,795	1,816,038	2,015,589	2,013,978	2,065,618
Net cash from (used by) operating activities	50,533	49,848	47,089	49,084	20,653
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of intangibles	-	-	-	-	-
Other cash received	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of assets	1,059,666	729,859	526,293	255,974	247,730
Purchase of intangibles	-	-	-	-	-
Selling costs on sale of assets	-	-	-	-	-
Finance costs	-	-	-	-	-
Total cash used	1,059,666	729,859	526,293	255,974	247,730
Net cash from (used by) investing activities	-1,059,666	-729,859	-526,293	-255,974	-247,730
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	1,059,666	729,859	526,293	255,974	247,730
Receipts from other entities on account of restructure	-	-	-	-	-
Total cash received	1,059,666	729,859	526,293	255,974	247,730
Cash used					
Principal repayments of lease liabilities	50,533	49,848	47,089	49,084	20,653
Cash to the Official Public Account	-	-	-	-	-
Total cash used	50,533	49,848	47,089	49,084	20,653
Net cash from (used by) financing activities	1,009,133	680,011	479,204	206,890	227,077
Net increase (decrease) in cash and cash equivalents held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	47,718	47,718	47,718	47,718	47,718
Effect of exchange rate movements on cash and cash equivalents at beginning of the reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	47,718	47,718	47,718	47,718	47,718

Table 9: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2025-26)

	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
Opening balance as at 1 July 2025					
Balance carried forward from previous period	-1,716,160	44,791	-1	3,548,049	1,876,679
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	-1,716,160	44,791		3,548,049	1,876,680
Comprehensive income					
Comprehensive income recognised directly in equity:	-	-	-	-	-
Gain/loss on revaluation of property	-	-	-	-	-
Subtotal comprehensive income	-	-	-	-	-
Surplus (Deficit) for the period	-553,463	-	-	-	-553,463
Total comprehensive income recognised directly in equity	-553,463	-	-	-	-553,463
Transactions with owners					
<i>Distribution to owners</i>					
Returns on capital:					
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	699,859	699,859
Departmental Capital Budget (DCB)	-	-	-	30,000	30,000
Other	-	-	-	-	-
Sub-total transaction with owners	-	-	-	729,859	729,859
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2026	-2,269,623	44,791	-	4,277,908	2,053,076
Closing balance attributable to the Australian Government					
	-2,269,623	44,791	-	4,277,908	2,053,076

Table 10: Statement of Departmental Asset Movements (Budget year 2025-26)

	Buildings and Infrastructure \$'000	Plant and equipment \$'000	Heritage & cultural \$'000	Intangibles \$'000	Total \$'000
As at 1 July 2025					
Gross book value	508,882	1,825,104	338	460,541	2,794,865
Gross book value - ROU assets	698,468	-	-	-	698,468
Accumulated depreciation/amortisation and impairment	-7,363	-663,747	-	-139,447	-810,557
Accumulated depreciation/amortisation and impairment - ROU assets	-309,775	-	-	-	-309,775
Opening net book balance	890,212	1,161,357	338	321,094	2,373,001
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - appropriation equity ^[a]	-	649,640	-	50,219	699,859
By purchase - appropriation equity - ROU assets	-	-	-	-	-
By purchase - appropriation ordinary annual services ^[b]	-	30,000	-	-	30,000
By purchase - appropriation ordinary annual services - ROU assets	-	-	-	-	-
By purchase - donated funds	-	-	-	-	-
By purchase - other	-	-	-	-	-
By purchase - other - ROU assets	-	-	-	-	-
Assets received as gifts/donations	-	-	-	-	-
From acquisition of entities or operations (including restructuring)	-	-	-	-	-
Total additions	-	679,640	-	50,219	729,859
Other movements					
Assets held for sale or in a disposal group held for sale	-	-	-	-	-
ROU assets held for sale or in a disposal group held for sale	-	-	-	-	-
Depreciation/amortisation expense	-4,922	-502,084	-	-45,241	-552,247
Depreciation/amortisation on ROU assets	-51,064	-	-	-	-51,064
Disposals ^[c]	-	-	-	-	-
From disposal of entities or operations (including restructuring)	-	-	-	-	-
From disposal of entities or operations (including restructuring) on ROU assets	-	-	-	-	-
Other- Reclassification	-	-	-	-	-
Other - ROU assets	-	-	-	-	-
Total other movements	-55,986	-502,084	-	-45,241	-603,311
As at 30 June 2026					
Gross book value	508,882	2,504,744	338	510,760	3,524,724
Gross book value - ROU assets	698,468	-	-	-	698,468
Accumulated depreciation/amortisation and impairment	-12,285	-1,165,831	-	-184,688	-1,362,804
Accumulated depreciation/amortisation and impairment - ROU assets	-360,839	-	-	-	-360,839
Closing net book balance	834,226	1,338,913	338	326,072	2,499,549

Notes

- "Appropriation equity" refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2025-26, including Collection Development Acquisition Budget.
- "Appropriation ordinary annual services" refers to funding provided through Appropriation Act (No. 1) 2025-26 for Departmental Capital Budget or other operational expenses.
- Net Proceeds may be returned to the Official Public Account.

Table 11: Departmental Capital Budget Statement (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	30,000	30,000	30,000	30,000	30,000
Equity injections - Bill 2	1,027,283	699,859	496,293	225,974	217,730
Loans - Bill 2	-	-	-	-	-
Total new capital appropriations	1,057,283	729,859	526,293	255,974	247,730
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	1,057,283	729,859	526,293	255,974	247,730
<i>Annual finance lease costs</i>	-	-	-	-	-
<i>Other Items</i>	-	-	-	-	-
Total items	1,057,283	729,859	526,293	255,974	247,730
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	1,027,283	699,859	496,293	225,974	217,730
Funded by capital appropriation -DCB	30,000	30,000	30,000	30,000	30,000
Funded by finance leases	-	-	-	-	-
Funded internally from departmental resources	2,383	-	-	-	-
Funded by special appropriations	-	-	-	-	-
TOTAL	1,059,666	729,859	526,293	255,974	247,730
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,059,666	729,859	526,293	255,974	247,730
less additions by finance lease	-	-	-	-	-
less additions by creditors/borrowings	-	-	-	-	-
plus borrowing/finance costs	-	-	-	-	-
plus annual finance lease costs	-	-	-	-	-
less gifted assets	-	-	-	-	-
less s75 transfers/restructuring	-	-	-	-	-
Total cash used to acquire assets	1,059,666	729,859	526,293	255,974	247,730

3.2.2 Notes to the Budgeted Financial Statements

The budgeted financial statements have been prepared in accordance with the Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*.

AUSTRALIAN SUBMARINE AGENCY

Agency Resources and Planned Performance

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Australian Submarine Agency

Section 1: ASA Overview and Resources

1.1 Strategic Direction Statement

Australia's region is being reshaped and the strategic environment is becoming more challenging. It is being accompanied by an unprecedented conventional and non-conventional military build-up in our region, taking place without strategic reassurance or transparency. There is increasing competition economically, militarily, strategically and diplomatically alongside a contest of values and narratives.

Following the Defence Strategic Review, the Government released the *2024 National Defence Strategy* (NDS) which details the Government's approach to address Australia's most significant strategic risks based on the concept of National Defence. The NDS is a coordinated, whole-of-government and whole-of-nation approach that harnesses all arms of Australia's national power to defend Australia and advance our interests.

To mitigate the challenging strategic environment, Australia's NDS has adopted a Strategy of Denial through deterrence. In this context, Australia is pursuing enhanced capabilities to deter threats to its national security and regional stability. The acquisition of conventionally-armed, nuclear-powered submarines through the AUKUS partnership is central to this approach.

For a maritime nation like Australia, just like the United Kingdom and the United States, maintaining a submarine capability advantage over potential adversaries is vital. The defence of Australia's interests lies in the protection of our economic connection to the world and the maintenance of the global rules-based order. By investing in these high-end capabilities, Australia will remain a highly capable security partner in the region, capable of deterring actors from taking action against our interests, contributing to a peaceful, stable and prosperous region, and protecting Australia's critical sea lines of communication. An Australian nuclear-powered submarine fleet provides a unique and game-changing boost to Australia's sovereign capability.

The Australian Submarine Agency (ASA), working closely with AUKUS partners and other Australian Government departments, is making significant progress in delivering against the plan for Australia's acquisition of conventionally-armed, nuclear-powered submarines, as outlined in the Optimal Pathway. This includes developing the workforce, infrastructure, and industry we need to safely and securely build, maintain, and operate our sovereign fleet of nuclear-powered submarines from the early 2030s.

Significant milestones achieved to date include the Submarine Tendered Maintenance Period, the entry into force of the AUKUS Agreement for Cooperation Related to Naval Nuclear Propulsion, industry initiatives such as the Defence Industry Vendor Qualification (DIVQ) Program and workforce development initiatives through the placement of Navy and industry personnel in United Kingdom and United States training schools, shipyards and facilities.

These milestones build on our major achievements since the ASA was established including selecting, entering into contract and commencing mobilisation activities with our sovereign submarine build and sustainment partners; the land exchange agreement for the Nuclear-Powered Submarine Construction Yard in Adelaide; infrastructure enabling works commencing at HMAS *Stirling*; and supply chain qualification activities, including the qualification of Australian steel.

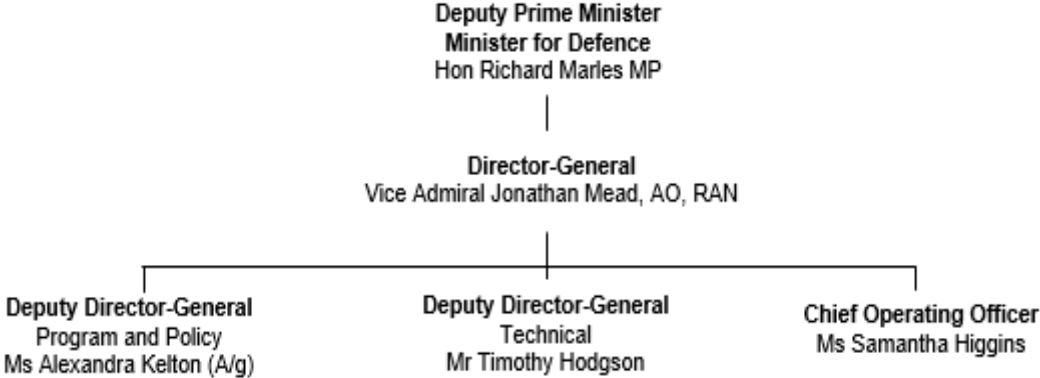
Key priorities for the ASA in 2025 include continuing mobilisation activities with our sovereign submarine build and sustainment partners, increasing opportunities for Australian businesses to supply their products and services into the AUKUS trilateral submarine industrial base, overseeing the delivery of the Nuclear-Powered Submarine Construction Yard in Adelaide by Australian Naval Infrastructure and infrastructure upgrades at HMAS *Stirling* by Defence Security and Estate Group.

Enterprise workforce development continues to be a priority for the ASA. The ASA is working closely with sovereign submarine build and sustainment partners, the education sector, as well as other key stakeholders to take a whole-of-nation approach to education and workforce development. World-class training opportunities are also being provided to Royal Australian Navy personnel at United Kingdom and United States naval nuclear schools.

Through 2025-26, the ASA will continue to build Australian capability in the lead up to Submarine Rotational Force-West through longer and more frequent port visits to Australia by United States and United Kingdom vessels. These visits will provide opportunities to demonstrate Australia's developing capability to operate, maintain and safely steward our future SSNs.

ASA Organisational Structure

Figure 1: ASA Organisational Chart



This Organisational Chart is effective at the time of this publication release. This chart has been amended since the *Portfolio Additional Estimates Statements 2024-25* to reflect key management personnel of the Australian Submarine Agency (ASA).

Organisational Structure

ASA operates within the Defence portfolio, and brings together component organisations that are collectively responsible for the defence of Australia and its national interests in order to advance Australia’s security and prosperity. The Director-General ASA reports directly to the Deputy Prime Minister in his role as Minister for Defence, on the performance of the agency.

The ASA is led by the Director-General and consists of Australian Public Servants, Australian Defence Force members, and contracted subject matter experts. The ASA is responsible for leading trilateral engagement on the nuclear-powered submarine program and works collaboratively with Australian Government departments and agencies, including Defence, to ensure the nuclear-powered submarine program is aligned with related strategies and policies. The ASA also works with states and territories, industry, and education and skilling organisations to build the capabilities needed in Australia to deliver the nuclear-powered submarine program.

Senior Executive Changes

No changes have taken place since the last Portfolio Statements.

1.2 ASA Resource Statement

Table 1: ASA Resource Statement – Budget Estimates for 2025-26 as at March Budget

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Departmental					
Annual appropriations - ordinary annual services					
Departmental appropriation	300,111	388,788	521,047	379,532	394,430
Annual appropriations - other services - non-operating					
Equity injection	52,843	8,805	7,983	-	-
Total departmental resourcing	352,954	397,593	529,030	379,532	394,430
Total resourcing for ASA	352,954	397,593	529,030	379,532	394,430

1.3 Budget Measures

2025-26 Budget Measures and Other Budget Adjustments

Table 2: ASA 2025-26 Budget Measures

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Budget Measures					
Payment Measures					
Nuclear-powered submarine program - continuation of whole-of-Government support	-	-12,332	-	-	-
Savings from External Labour - Extension	-	-	-	-	-12,140
Total Departmental Budget Measures	-	-12,332	-	-	-12,140
Other Departmental Budget Adjustments					
Other Budget Adjustments ^(a)	-	-733	-1,480	5	-392
Total Other Departmental Budget Adjustments	-	-733	-1,480	5	-392
Variation to ASA Departmental Funding	-	-13,065	-1,480	5	-12,532

Note

a. Relates to indexation adjustments based on economic parameters provided by Treasury.

Section 2: ASA Outcomes and Planned Performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

ASA's outcome is described below together with its related programs. The following provides detailed information on expenses for the outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measures described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements - included in Annual Reports - to provide a complete picture of an entity's planned and actual performance.

The most recent corporate plan and annual performance statement for ASA can be found at:

<https://www.asa.gov.au/about/planning-reporting>.

2.1 Budgeted Expenses and Performance for Outcome 1

Outcome 1: Safely and securely acquire, construct, deliver, technically govern, sustain and dispose of Australia’s conventionally-armed nuclear-powered submarine capability, via the AUKUS partnership.

Outcome 1 Strategy

Linked Programs

Australian Federal Police
Program 3.1 – Specialist Protective Services.
Contribution to Outcome 1 by linked program
The Australian Federal Police works closely with the Australian Submarine Agency to provide Protective Services at secure sites.

Australian Nuclear Science and Technology Organisation
Program 2 – Nuclear-Powered Submarines.
Contribution to Outcome 1 by linked program
The Australian Nuclear Science and Technology Organisation (ANSTO) contributes to Outcome 1 through the provision of expertise and advice in the support of the nuclear-powered submarine program, with a focus on baselining and augmenting Australia's nuclear stewardship capabilities and credentials.

Australian Radiation Protection and Nuclear Safety Agency
Program 1.2 – Nuclear-Powered Submarines.
Contribution to Outcome 1 by linked program
Support delivery of nuclear-powered submarines capabilities through radiation protection and nuclear safety research, policy, advice, codes, standards, services and regulation.

Attorney-General’s Department
Program 1.8 – Nuclear-Powered Submarines.
Contribution to Outcome 1 by linked programs
The Attorney-General’s Department provides policy and legal advice to the Government on the legal risks of the nuclear-powered submarine program, and international and domestic regulatory frameworks.

Department of Climate Change, Energy, the Environment and Water
Program 2.1 – Nuclear-Powered Submarine Program.
Contribution to Outcome 1 by linked programs
Conduct the environmental regulation and assessments required under relevant environmental legislation.

Department of Defence
Program 2.16 – Nuclear-Powered Submarines.
Contribution to Outcome 1 by linked programs
The linked program contributes to Outcome 1 through the provision of expertise, advice and support in the delivery of nuclear-powered submarines capabilities.

Department of Education
Program 2.8 – Nuclear-Powered Submarines Program.
Contribution to Outcome 1 by linked program
The linked program contributes to Outcome 1 through the provision of expertise, advice and support in the delivery of nuclear-powered submarines capabilities.

Department of Employment and Workplace Relations
Program 2.3 – DEWR – Nuclear-Powered Submarine Program.
Contribution to Outcome 1 by linked program
The linked programs contribute to Outcome 1 and support Australia’s broader sovereign capabilities through strategic engagement across Government and supporting the nuclear workforce.

Department of Finance
Program 2.10 - Nuclear-Powered Submarine Program Advice.
Contribution to Outcome 1 by linked program
Contributes to Outcome 1 through the provision of budget and commercial advice for the delivery of nuclear-powered submarine capabilities.

Department of Foreign Affairs and Trade
Program 1.8 – Nuclear-Powered Submarine Program.
Contribution to Outcome 1 by linked programs
The Department of Foreign Affairs and Trade including the Australian Safeguards and Non-proliferation Office provides the legal, policy and diplomatic capability, and regulatory oversight for nuclear safeguards and security, necessary to support Australia’s acquisition of conventionally-armed, nuclear-powered submarines, while setting the highest non-proliferation standards.

Department of Industry, Science and Resources
Program 1.3 – Supporting a strong resources sector.
Contribution to Outcome 1 by linked programs
The Department of Industry, Science and Resources (DISR), through the Australian Radioactive Waste Agency, is supporting the Agency to plan safe and secure management of radioactive waste for the Nuclear-Powered Submarine Program.

Budgeted Expenses for Outcome 1

Table 3: Budgeted Expenses for Outcome 1

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Program 1.1 - Nuclear-Powered Submarines					
Expenses funded by appropriation and own source revenue^(a)					
Employees	117,033	160,261	205,298	152,791	167,778
Suppliers	172,035	218,329	305,191	215,809	215,334
Other expenses	5,094	4,868	4,636	4,380	4,096
	294,162	383,458	515,125	372,980	387,208
Expenses not requiring appropriation^(b)					
Resources received free of charge	-	-	-	-	-
Depreciation and amortisation	11,546	10,628	10,827	10,827	10,827
Net write-down and net impairment of assets	-	-	-	-	-
	11,546	10,628	10,827	10,827	10,827
Total operating expenses	305,708	394,086	525,952	383,807	398,035
Capital expenditure funded by appropriation					
Purchases of non-financial assets	52,843	8,805	7,983	-	-
Principal repayments of lease liabilities	5,949	5,330	5,922	6,552	7,222
	58,792	14,135	13,905	6,552	7,222
Total capital expenditure	58,792	14,135	13,905	6,552	7,222
Total funded expenditure for Program 1.1^(c)	352,954	397,593	529,030	379,532	394,430

	2025-26	2026-27
Average Staffing Level (number)	883	995

Notes

- Section 74 external revenues contribution to expenditure.
- Expenses not requiring appropriation include depreciation, write-down and impairment of assets, other resources received free of charge, and auditor fees.
- Total Program funded expenditure includes operating expenses and capital expenditure funded by appropriation and own source revenue. This excludes expenses not requiring appropriation.

Table 4: Performance Measures for Outcome 1

Table 4 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2025-26 Budget measures that have created new programs or materially changed existing programs are provided.

Program 1.1: Nuclear-Powered Submarines		
Program 1.1 Objective		
Safely and securely acquire, construct, deliver, technically govern, sustain and dispose of Australia’s conventionally-armed nuclear-powered submarine capability, via the AUKUS partnership.		
Key Activities	This program is achieved through the following activities: <ol style="list-style-type: none"> 1. Deliver nuclear-powered submarines in accordance with the Optimal Pathway and within government-approved costs in collaboration with AUKUS partners. 2. Exemplify best practice nuclear stewardship to build and maintain naval nuclear propulsion technology, in compliance with Australian and international obligations. 	
Year	Performance measures	Planned performance results
Current 2024-25	<u>Performance Measure 1</u> Phase 1: Establish infrastructure and capabilities to support increased visits of US and UK SSNs to Australia and a rotational presence of US and UK SSNs in Western Australia.	<ul style="list-style-type: none"> • Manage and oversee the development of facilities, infrastructure and equipment to enable the US and UK to rotate through <i>HMAS Stirling</i>.
	<u>Performance Measure 2</u> Phase 2: Deliver three Virginia Class submarines.	<ul style="list-style-type: none"> • Manage and oversee the procurement of Virginia class specific training support systems.
	<u>Performance Measure 3</u> Phase 3: Deliver Australian-built SSN AUKUS, including infrastructure development at Osborne shipyard.	<ul style="list-style-type: none"> • Establish the arrangements necessary to mobilise the SSN-AUKUS program.
Budget Year 2025-26	<u>Performance Measure 1</u> Phase 1: Establish infrastructure and capabilities to support increased visits of US and UK SSNs to Australia and a rotational presence of US and UK SSNs in Western Australia.	<ul style="list-style-type: none"> • Manage and oversee the commencement of construction of facilities and infrastructure to enable the US and UK to rotate through <i>HMAS Stirling</i>.
	<u>Performance Measure 2</u> Phase 2: Deliver three Virginia Class submarines.	<ul style="list-style-type: none"> • Continue to manage and oversee the procurement of Virginia class specific training support systems.
	<u>Performance Measure 3</u> Phase 3: Deliver Australian-built SSN AUKUS, including infrastructure development at Osborne shipyard.	<ul style="list-style-type: none"> • Manage and oversee the mobilisation of the SSN-AUKUS program.
Forward Estimates 2026-29	As per 2025-26.	As per 2025-26.

Section 3: ASA Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements, which provide a comprehensive snapshot of ASA's finances for the 2025-26 budget year, including the impact of Budget Measures and resourcing on financial statements.

3.1 Explanatory Tables

Table 5: Third Party Payments to and from Other Agencies ^[a]

	2024-25	2025-26
	Estimated	Budget
	Actual	Estimate
	\$'000	\$'000
Payments made to Department of Defence for provision of services (Departmental)	33,910	36,725

Note

- a. Third party payments to and from other Agencies include:
- Inter-agency transactions in excess of \$20 million per annum; and
 - Inter-agency transactions relating to Budget Measures as disclosed in Defence Budget Measures.

3.2 Budgeted Financial Statements

3.2.1 Budgeted Financial Statements

Table 6: Budgeted Departmental Comprehensive Income Statement (Showing Net Cost of Services) (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
EXPENSES					
Employee benefits	117,033	160,261	205,298	152,791	167,778
Suppliers	172,035	218,329	305,191	215,809	215,334
Depreciation and amortisation	11,546	10,628	10,827	10,827	10,827
Other expenses	5,094	4,868	4,636	4,380	4,096
Total expenses	305,708	394,086	525,952	383,807	398,035
LESS					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	-	-	-	-	-
Rental income	-	-	-	-	-
Total own-source revenue	-	-	-	-	-
Gains	-	-	-	-	-
Total gains	-	-	-	-	-
Total own-source income	-	-	-	-	-
Net cost of (contribution by) services	-305,708	-394,086	-525,952	-383,807	-398,035
Revenue from Government	300,111	388,788	521,047	379,532	394,430
Surplus/(Deficit) attributable to the Australian Government	-5,597	-5,298	-4,905	-4,275	-3,605
OTHER COMPREHENSIVE INCOME					
Items not subject to subsequent reclassification to net cost of services					
Changes in asset revaluation reserves	-	-	-	-	-
Total other comprehensive income/(loss)	-	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	-5,597	-5,298	-4,905	-4,275	-3,605

Note: Impact of net cash appropriation arrangements

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Surplus/(Deficit) attributable to the Australian Government prior to Net Cash Appropriation Adjustments	-	-	-	-	-
less: depreciation/amortisation expenses previously funded through revenue appropriations ^[a]	11,546	10,628	10,827	10,827	10,827
add: principal repayments on leased assets ^[b]	5,949	5,330	5,922	6,552	7,222
Total comprehensive income/(loss) as per the statement of comprehensive income	-5,597	-5,298	-4,905	-4,275	-3,605

Notes

- From 2010-11, the Government introduced net cash appropriation arrangements where Appropriation Bill (No. 1) revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select Commonwealth entities) were replaced with a separate capital budget (the departmental capital budget or DCB) provided through Appropriation Bill (No. 1) equity appropriations. For information regarding DCBs, please refer to Table 12 Departmental Capital Budget Statement.
- Applies leases under AASB 16 Leases.

Table 7: Budgeted Departmental Balance Sheet (as at 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,934	2,934	2,934	2,934	2,934
Trade and other receivables	143,083	172,498	206,102	166,835	169,176
Total financial assets	146,017	175,432	209,036	169,769	172,110
Non-financial assets					
Land and buildings	158,660	156,789	154,246	143,720	133,194
Property, plant and equipment	6,565	6,613	6,312	6,011	5,710
Prepayments	-	-	-	-	-
Total non-financial assets	165,225	163,402	160,558	149,731	138,904
Assets held for sale	-	-	-	-	-
Total assets	311,242	338,834	369,594	319,500	311,014
LIABILITIES					
Payables					
Suppliers	43,631	57,249	77,402	54,734	57,693
Other payables	3,527	5,431	7,312	5,860	919
Total payables	47,158	62,680	84,714	60,594	58,612
Interest bearing liabilities					
Leases	121,467	116,137	110,215	103,663	96,441
Total interest bearing liabilities	121,467	116,137	110,215	103,663	96,441
Provisions					
Employee provisions	33,761	47,654	59,224	44,077	48,400
Total provisions	33,761	47,654	59,224	44,077	48,400
Total liabilities	202,386	226,471	254,153	208,334	203,453
Net assets	108,856	112,363	115,441	111,166	107,561
EQUITY					
Contributed equity	87,860	96,665	104,648	104,648	104,648
Reserves	-	-	-	-	-
Retained surplus/(accumulated deficit)	20,995	15,698	10,793	6,518	2,913
Total Equity	108,856	112,363	115,441	111,166	107,561

Table 8: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	283,611	359,373	487,443	418,799	392,089
Sale of goods and rendering of services	-	-	-	-	-
Total cash received	283,611	359,373	487,443	418,799	392,089
Cash used					
Employees	104,928	144,464	191,847	169,390	168,396
Suppliers	167,640	204,711	285,038	238,477	212,375
Interest payments on lease liability	5,094	4,868	4,636	4,380	4,096
Total cash used	277,662	354,043	481,521	412,247	384,867
Net cash from (used by) operating activities	5,949	5,330	5,922	6,552	7,222
INVESTING ACTIVITIES					
Cash used					
Purchase of non-financial assets	52,843	8,805	7,983	-	-
Total cash used	52,843	8,805	7,983	-	-
Net cash from (used by) investing activities	-52,843	-8,805	-7,983	-	-
FINANCING ACTIVITIES					
Cash received					
Contributed equity	52,843	8,805	7,983	-	-
Total cash received	52,843	8,805	7,983	-	-
Cash used					
Principal repayments on leased assets	5,949	5,330	5,922	6,552	7,222
Total cash used	5,949	5,330	5,922	6,552	7,222
Net cash from (used by) financing activities	46,894	3,475	2,061	-6,552	-7,222
Net increase/(decrease) in cash and cash equivalents held					
Cash and cash equivalents at the beginning of the reporting period	2,934	2,934	2,934	2,934	2,934
Effect of exchange rate movements on cash and cash equivalents at the beginning of the reporting period	-	-	-	-	-
Cash and cash equivalents at the end of the reporting period	2,934	2,934	2,934	2,934	2,934

Table 9: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2025-26)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2025	20,995	-	-	87,860	108,856
Comprehensive income					
Comprehensive income recognised directly in equity	-	-	-	-	-
Subtotal Comprehensive income	-	-	-	-	-
Surplus/(deficit) for the period	-5,298	-	-	-	-5,298
Total comprehensive income recognised directly in equity	-5,298	-	-	-	-5,298
Transactions with owners					
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	8,805	8,805
Subtotal transactions with owners	-	-	-	8,805	8,805
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2026	15,698	-	-	96,665	112,363
Closing balance attributable to the Australian Government	15,698	-	-	96,665	112,363

Table 10: Statement of Departmental Asset Movements (Budget year 2025-26)

	Buildings \$'000	Other property, plant and equipment \$'000	Other \$'000	Total \$'000
Opening balance as at 1 July 2025				
	180,212	6,858	-	187,070
Accumulated depreciation/amortisation and impairment	-21,552	-293	-	-21,845
Opening net book balance	158,660	6,565	-	165,225
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	8,456	349	-	8,805
Total additions	8,456	349	-	8,805
Other movements				
Depreciation/amortisation expense	-10,327	-301	-	-10,628
Total other movements	-10,327	-301	-	-10,628
Closing balance as at 30 June 2026				
Gross book value	188,668	7,207	-	195,875
Accumulated depreciation/amortisation and impairment	-31,879	-594	-	-32,473
Closing net book balance	156,789	6,613	-	163,402

Table 11: Departmental Capital Budget Statement (for the period ended 30 June)

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Bill 2	52,843	8,805	7,983	-	-
Total new capital appropriations	52,843	8,805	7,983	-	-
<i>Provided for:</i>					
Purchase of non-financial assets	52,843	8,805	7,983	-	-
Other items	-	-	-	-	-
Total items	52,843	8,805	7,983	-	-
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	52,843	8,805	7,983	-	-
Funded by finance leases	-	-	-	-	-
Funded internally from departmental resources	-	-	-	-	-
Funding by special appropriations	-	-	-	-	-
TOTAL	52,843	8,805	7,983	-	-
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	52,843	8,805	7,983	-	-
less additions by finance lease	-	-	-	-	-
less additions by creditor/borrowings	-	-	-	-	-
plus borrow ing/finance cost	-	-	-	-	-
plus annual finance lease costs	-	-	-	-	-
less gifted assets	-	-	-	-	-
less s75 transfers/restructuring	-	-	-	-	-
Total cash used to acquire assets	52,843	8,805	7,983	-	-

3.2.2 Notes to the Budgeted Financial Statements

The budgeted financial statements have been prepared in accordance with the Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)*.

DEFENCE HOUSING AUSTRALIA

Agency Resources and Planned Performance

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DEFENCE HOUSING AUSTRALIA

Section 1: DHA Overview and Resources

1.1 Strategic Direction Statement

Defence Housing Australia's (DHA) purpose is meeting the operational needs of the Australian Defence Force (ADF) and the requirements of the Department of Defence (Defence) by providing adequate and suitable housing for, and housing related services to members of the ADF and their families.

DHA delivers committed support for ADF capability through the provision and management of more than 17,000 housing solutions for ADF members and their families. DHA also provides additional housing support services to Defence through the provision of housing benefit administration, temporary accommodation management, housing project management and heritage housing management services.

DHA is a corporate Commonwealth entity and Government Business Enterprise (GBE) operating under the provisions of the *Defence Housing Australia Act 1987* (DHA Act), the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and the *Public Governance, Performance and Accountability Rule* (PGPA Rule). DHA's Shareholders are the Minister for Defence Personnel and the Minister for Finance acting on behalf of the Australian Government.

DHA Organisational Structure

The composition of DHA's Board of Directors and associated committees is detailed below. As at 4 February 2025, the DHA Board members were:

Chairman	Dr Robert Lang
Managing Director	Mr Andrew Jagers PSM
Commercial Director	Ms Gai Brodtmann
Commercial Director	Mr Robert Fisher AM
Commercial Director	Ms Andrea Galloway
Commercial Director	Vacant
Nominee Secretary of Defence	Ms Monique Hamilton
Nominee Chief of Defence Force	BRIG Leigh Wilton AM
Nominee Secretary of Finance	Mr Simon Lewis AO, PSM

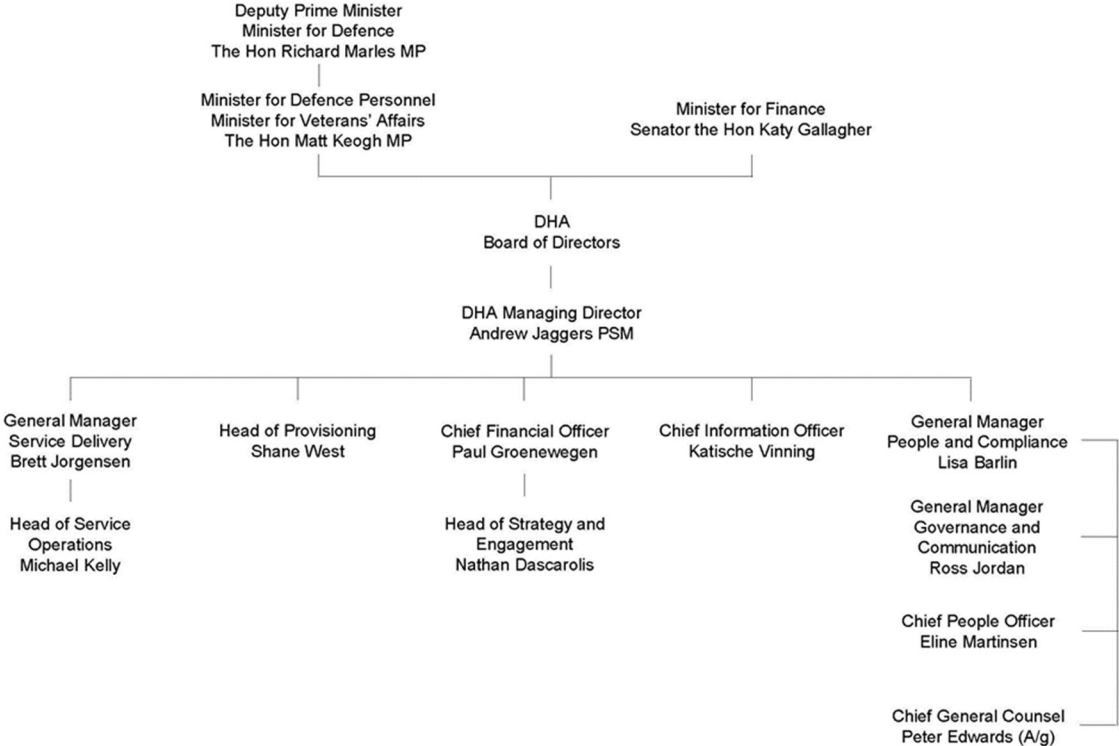
The DHA Board also has the following subcommittees: Board Audit and Risk Committee, Property and Services Committee, People and Culture Committee, and Board Nomination and Remuneration Committee.

DHA also has an Advisory Committee in accordance with the DHA Act that had the following members as at 4 February 2025:

Chairperson	BRIG Leigh Wilton AM
Appointee of the Chief of the Defence Force	RADM Matt Buckey AM, CSC, RAN (Deputy Chief of Navy)
	MAJGEN Chris Smith, DSC (Deputy Chief of Army)
	AVM Harvey Reynolds AM (Deputy Chief of Air Force)
Appointee of Defence Housing Australia	Mr Andrew Jagers PSM (Managing Director)

The chart below shows DHA’s Senior Executive.

Figure 1: DHA Organisational Structure (as at 4 February 2025)



1.2 DHA Resource Statement

Table 1: DHA Resource Statement – Budget Estimates for 2025-26 as at March Budget 2025 ^[a]

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000
Opening balance/cash reserves at 1 July	108,073	119,929
Funds from Government	-	-
Amounts received from related entities	-	-
Amounts from portfolio department	808,304	909,279
Total amounts received from related entities	808,304	909,279
Total funds from Government	808,304	909,279
Funds from other sources		
Interest	2,831	1,365
Sale of goods and services	64,834	174,431
Total funds from other sources	67,665	175,796
Total net resourcing for DHA	984,042	1,205,004

Note

- a. DHA is not directly appropriated. Appropriations are made to the Department of Defence which are then paid to DHA and are considered "Departmental" for all purposes prepared on Australian Accounting Standards basis.

1.3 Budget Measures

There are no Budget Measures relating to DHA for the 2025-26 Budget Estimates.

Section 2: DHA Outcomes and Planned Performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measures described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports – to provide a complete picture of an entity's planned and actual performance.

The most recent Statement of Corporate Intent for DHA can be found at:

<https://www.dha.gov.au/sci>.

The most recent annual performance statement can be found at: [Defence Housing Australia Annual Report 2022-23 | Transparency Portal](#).

2.1 Budgeted Expenses and Performance for Outcome 1

Outcome 1: To contribute to Defence outcomes by providing total housing services that meet Defence Operational and client needs through a strong customer and business focus.

Budgeted Expenses for Outcome 1

Table 2: Budgeted Expenses for Outcome 1

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Program 1.1 Other Departmental - DHA					
Revenue from Government					
Payment from related entities	806,270	910,352	929,908	914,874	923,837
Revenues from other independent sources	86,034	151,980	150,629	137,762	21,321
Total expenses for Program 1.1	892,304	1,062,332	1,080,537	1,052,636	945,158
	2024-25	2025-26			
Average staffing level (number)	609	643			

Table 3: Performance Measures for Outcome 1

Table 3 details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of 2025-26 Budget Measures that have created new programs or materially changed existing programs are provided.

Outcome 1 – To contribute to Defence outcomes by providing total housing services that meet Defence Operational and client needs through a strong customer and business focus.		
Program 1.1: The provision of Defence housing and housing related services.		
Program 1.1 Objective		
Aligned housing solutions delivered through a modern, customer-centric operating model.		
Build an agile and scalable housing capability.		
Commitment to environmental, social, and governance (ESG) excellence.		
Fiscal responsibility and long-term financial stability.		
Key Activities	<ul style="list-style-type: none"> Reorient our operating model and leverage technology to deliver future housing needs which align to the preferences of members and their families. Agree and formalise future housing needs with Defence to ensure certainty in housing supply. Future ready scalability in housing solutions which are responsive to changes in market conditions and investor sentiment. Ensure DHA represents strong value for money for Government and is able to support the long-term portfolio objectives for Defence and the Australian Defence Force. 	
Year	Performance measures	Expected Performance results
Current Year 2024–25	Housing solutions supplied against provisioning schedule	>99%
	ADF Members satisfied with housing solutions	>80%
	Return on equity	>2%
Year	Performance measures	Planned Performance Results
Budget Year 2025–26	Provisioning of housing solutions to the Approved Provisioning Schedule	>99%
	ADF member satisfaction with housing solutions	>80%
	ADF member customer service satisfaction	>85%
	Return on equity	>3%
Forward Estimates from 2026–29	Provisioning of housing solutions to the Approved Provisioning Schedule	>99%
	ADF member satisfaction with housing solutions	>80%
	ADF member customer service satisfaction	>85%
	Return on equity	>3%

Section 3: DHA Explanatory Tables and Budgeted Financial Statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2025-26 budget year, including the impact of Budget Measures and resourcing on financial statements.

3.1 Explanatory Tables

Not applicable to DHA.

3.2 Budgeted Financial Statements

3.2.1 Budgeted Financial Statements

Table 4: Budgeted Departmental Comprehensive Income Statement (for the period ended 30 June) ^{[a] [b]}

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
INCOME					
Revenue					
Sale of goods and rendering of services	862,219	1,060,967	1,078,778	1,050,657	942,608
Interest	2,831	1,365	1,759	1,979	2,550
Total revenue	865,050	1,062,332	1,080,537	1,052,636	945,158
Gains					
Sale of assets	983	-	-	-	-
Net reversals of previous asset write-downs and impairments	26,271	-	-	-	-
Total gains	27,254	-	-	-	-
Total income	892,304	1,062,332	1,080,537	1,052,636	945,158
EXPENSES					
Employee benefits	102,614	106,512	116,469	120,790	125,308
Suppliers	275,016	371,164	365,179	304,965	251,561
Depreciation and amortisation	409,387	403,762	419,269	434,387	448,878
Finance costs	78,276	79,758	87,005	91,849	93,891
Total expenses	865,293	961,196	987,922	951,991	919,638
Profit/(loss) before income tax	27,011	101,136	92,615	100,645	25,520
Income tax expense	2,000	22,962	21,244	23,088	10,167
Net profit/(loss)	25,011	78,174	71,371	77,557	15,353
Profit/(loss) attributable to the Australian Government	25,011	78,174	71,371	77,557	15,353
Total comprehensive income attributable to the Australian Government	25,011	78,174	71,371	77,557	15,353

Note: Impact of Net Cash Appropriation Arrangements

	2024-25 Estimated Actual \$'000	2025-26 Budget Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
Total comprehensive income/(loss) as per statement of Comprehensive Income	25,011	78,174	71,371	77,557	15,353
plus: depreciation/amortisation expenses for ROU assets	1,368,363	1,710,636	2,064,907	2,430,629	2,807,274
less: lease principal repayments	360,427	344,436	354,930	364,399	375,829
Net Cash Operating Surplus / (Deficit)	1,032,947	1,444,374	1,781,348	2,143,787	2,446,798

Notes

- Prepared on Australian Accounting Standards basis.
- Impact of Net Cash Appropriation Arrangements - Included in accordance with RMG 125 Commonwealth Entities Financial Statements Guide. As DHA is not directly appropriated, the above information is presented for reporting purposes only and includes the depreciation and principal repayments of leases under AASB 16 Leases.

Table 5: Budgeted Departmental Balance Sheet (as at 30 June) ^{[a] [c]}

	2024-25 Estimated Actual \$'000	2025-26 Budget \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	119,929	117,720	125,096	173,199	153,930
Trade and other receivables	5,578	6,883	7,841	8,655	9,049
Other financial assets	31,604	31,604	31,604	31,604	31,604
Total financial assets	157,111	156,207	164,541	213,458	194,583
Non-financial assets					
Land and buildings	5,511,509	5,743,560	6,091,985	6,399,515	6,631,738
Property, plant and equipment	16,092	16,045	17,400	16,927	16,167
Intangibles	2	2	-	-	-
Inventories	228,740	304,181	278,683	208,537	200,033
Tax assets	25,862	26,879	28,097	29,750	31,821
Other non-financial assets	10,421	10,737	11,068	11,413	11,774
Total non-financial assets	5,792,626	6,101,404	6,427,233	6,666,142	6,891,533
Total assets	5,949,737	6,257,611	6,591,774	6,879,600	7,086,116
LIABILITIES					
Payables					
Suppliers	3,624	3,107	3,107	3,107	3,107
Other payables	34,495	55,733	62,724	68,248	69,308
Total payables	38,119	58,840	65,831	71,355	72,415
Interest bearing liabilities					
Loans	380,000	460,000	460,000	460,000	460,000
Leases	1,614,400	1,606,591	1,713,638	1,762,445	1,788,613
Total interest bearing liabilities	1,994,400	2,066,591	2,173,638	2,222,445	2,248,613
Provisions					
Employee provisions	17,141	25,033	33,260	41,820	50,793
Other provisions	108,854	109,536	113,318	115,269	115,703
Total provisions	125,995	134,569	146,578	157,089	166,496
Total liabilities	2,158,514	2,260,000	2,386,047	2,450,889	2,487,524
Net assets	3,791,223	3,997,611	4,205,727	4,428,711	4,598,592
EQUITY ^[b]					
Parent entity interest					
Contributed equity	396,148	396,148	396,148	396,148	396,148
Reserves	3,259,535	3,387,749	3,524,494	3,669,921	3,824,449
Retained surplus / (accumulated deficit)	135,540	213,714	285,085	362,642	377,995
Total parent entity interest	3,791,223	3,997,611	4,205,727	4,428,711	4,598,592
Total non-controlling interest					
Total Equity	3,791,223	3,997,611	4,205,727	4,428,711	4,598,592

Notes

- Prepared on Australian Accounting Standards basis.
- Equity is the residual interest in assets after the deduction of liabilities.
- Impact of Net Cash Appropriation Arrangements - Included in accordance with RMG 125 Commonwealth Entities Financial Statements Guide. As DHA is not directly appropriated, the above information is presented for reporting purposes only and includes the depreciation and principal repayments of leases under AASB 16 Leases.

Table 6: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June) ^[a]

	2024-25 Estimated Actual \$'000	2025-26 Budget \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000	2028-29 Forward Estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Sale of goods and rendering of services	873,138	1,083,710	1,087,455	1,057,002	950,805
Interest	2,831	1,365	1,759	1,979	2,550
Other	-	-	-	-	-
Total cash received	875,969	1,085,075	1,089,214	1,058,981	953,355
Cash used					
Employees	101,275	98,620	108,242	112,230	116,335
Suppliers	292,065	404,389	295,780	188,191	184,549
Borrowing costs	13,275	22,397	24,916	24,984	24,916
Interest payments on lease liability	65,001	57,361	62,089	66,865	68,975
Other	41,410	69,836	69,338	73,349	78,638
Total cash used	513,026	652,603	560,365	465,619	473,413
Net cash from / (used by) operating activities	362,943	432,472	528,849	593,362	479,942
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	1,220	-	-	-	-
Total cash received	1,220	-	-	-	-
Cash used					
Purchase of property, plant, and equipment and intangibles	201,880	170,245	166,543	180,860	123,382
Total cash used	201,880	170,245	166,543	180,860	123,382
Net cash from / (used by) investing activities	-200,660	-170,245	-166,543	-180,860	-123,382
FINANCING ACTIVITIES					
Cash received					
Cash received from borrowing	210,000	80,000	-	-	-
Total cash received	210,000	80,000	-	-	-
Cash used					
Repayments of borrowings	-	-	-	-	-
Principal payments on lease liability	360,427	344,436	354,930	364,399	375,829
Dividends paid	-	-	-	-	-
Total cash used	360,427	344,436	354,930	364,399	375,829
Net cash from/(used by) financing activities	-150,427	-264,436	-354,930	-364,399	-375,829
Net increase/(decrease) in cash held	11,856	-2,209	7,376	48,103	-19,269
Cash and cash equivalents at the beginning of the reporting period	108,073	119,929	117,720	125,096	173,199
Cash and cash equivalents at the end of the reporting period	119,929	117,720	125,096	173,199	153,930

Note

a. Prepared on Australian Accounting Standards basis.

Table 7: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2025-26) ^[a]

	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
Opening balance as at 1 July 2025				
Balance carried forward from previous period	135,540	3,259,535	396,148	3,791,223
Adjusted opening balance	135,540	3,259,535	396,148	3,791,223
Comprehensive income				
Surplus/(deficit) for the period	78,174	-	-	78,174
Total comprehensive income	78,174	-	-	78,174
Contributions by owners				
Other	-	128,214	-	128,214
Sub-total transactions with owners	-	128,214	-	128,214
Estimated closing balance as at 30 June 2026	213,714	3,387,749	396,148	3,997,611
Closing balance attributable to the Australian Government	213,714	3,387,749	396,148	3,997,611

Note

a. Prepared on Australian Accounting Standards basis.

Table 8: Statement of Departmental Asset Movements (Budget Year 2025-26) ^[a]

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2025					
Gross book value	1,992,141	1,891,767	31,678	21,375	3,936,961
Gross book value - ROU assets	-	3,332,878	2,421	-	3,335,299
Accumulated depreciation/ amortisation and impairment	-	4,069	-16,717	-21,373	-34,021
Accumulated depreciation/amortisation and impairment - ROU assets	-	-1,709,346	-1,290	-	-1,710,636
Opening net book balance	1,992,141	3,519,368	16,092	2	5,527,603
Capital asset additions					
Estimated expenditure on new or replacement assets					
By purchase - other	42,437	113,753	1,200	-	157,390
By purchase - other - ROU assets	-	350,162	-	-	350,162
Total additions	42,437	463,915	1,200	-	507,552
Other movements					
Depreciation/amortisation expense	-	-48,650	-841	-	-49,491
Depreciation/amortisation on ROU assets	-	-353,865	-406	-	-354,271
Other	40,644	87,570	-	-	128,214
Total other movements	40,644	-314,945	-1,247	-	-275,548
As at 30 June 2026					
Gross book value	2,075,222	2,093,090	32,878	21,375	4,222,565
Gross book value - ROU assets	-	3,683,040	2,421	-	3,685,461
Accumulated depreciation/ amortisation and impairment	-	-44,581	-17,558	-21,373	-83,512
Accumulated depreciation/amortisation and impairment - ROU assets	-	-2,063,211	-1,696	-	-2,064,907
Closing net book balance	2,075,222	3,668,338	16,045	2	5,759,607

Note

a. Prepared on Australian Accounting Standards basis.

Glossary

Term	Meaning
Accumulated depreciation	The aggregate depreciation recorded for a particular depreciating asset.
Additional estimates	Where amounts appropriated at Budget time are required to change, Parliament may make adjustments to portfolios through the Additional Estimates Acts.
Administered appropriation	Revenue, expenses, assets and liabilities administered by an agency for the Commonwealth (such as taxes, benefits payments and public debt) that are not concerned with running the agency or its commercial activities.
Administered items	Expenses, revenues, assets or liabilities managed by an agency on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Agency	Assets, liabilities, revenues and expenses that are controlled by Defence or a subsidiary. Includes officials allocated to the organisation.
Amortisation	A term used interchangeably with depreciation, except that it applies to a non-current physical asset under finance lease, or a non-current intangible asset, over its limited useful life.
Annual appropriation	Two Appropriation Bills are introduced into Parliament in May and comprise the Budget for the financial year beginning 1 July. Further Bills are introduced later in the financial year as part of the Additional Estimates.
Appropriation	An authorisation by Parliament to spend money from the Consolidated Revenue Fund (the principal working fund of the Commonwealth) for a particular purpose.
Asset	An asset is a resource: <ul style="list-style-type: none"> • controlled by an entity as a result of a past event, • from which future economic benefits are expected to flow to the entity.
Assets under construction	Assets under construction by Defence for Defence, or for the use of another entity, according to a construction contract where Defence controls the asset until completion, or assets under construction or otherwise being made ready by another entity for use by Defence.
Australian Accounting Standards	Specify techniques of accounting practice and the method of presenting financial information about a reporting entity.
Average funded strength	A budgetary measure used to count the average number of Australian Defence Force members paid on a full-time equivalent basis during a financial year.
Capability	The combination of military equipment, personnel, logistics support, training, resources, etc. that provides Defence with the ability to achieve its operational aims.
Capability Manager	A Capability Manager is responsible for raising, training and sustaining capabilities as directed by the Secretary and the Chief of the Defence Force. Capability Managers include the Vice Chief of the Defence Force, Associate Secretary, Director-General Australian Signals Directorate, Director-General Australian Submarine Agency; Chief Joint Capabilities, Chief of Defence Intelligence, the Service Chiefs, Chief Information Officer, Deputy Secretary Security and Estate, and Chief Defence Scientist.

Term	Meaning
Capital budget	All proposed capital expenditure funded by appropriation for outcomes, by equity injections or loans and/or appropriations for administered capital, or by other sources.
Capital expenditure	Expenditure by an agency on capital projects, for example purchasing a building.
Coalition	Countries including Australia who provide troops, logistical support or assistance in military operations, peacekeeping or reconstruction efforts.
Combined exercise or operation	An exercise or operation activity involving one or more Services of the ADF with the forces of other countries.
Consolidated Revenue Fund	Section 81 of the Constitution stipulates that all revenue raised or money received by the Commonwealth forms the one consolidated revenue fund. The fund is not a bank account. The Official Public Account reflects most of the operations of the fund.
Corporate governance	The process by which agencies are directed and controlled. It is generally understood to encompass authority, accountability, stewardship, leadership, direction and control.
Defence information environment	Encompasses all of Defence's computing and communication capabilities at all classification levels. It supports all Defence warfighting functions, including overseas deployed elements and connection to Coalition networks, as well as day-to-day business functions.
Defence Management and Finance Plan	The Defence Management and Finance Plan provides Ministers and central agencies with clear oversight of Defence planning and financing strategies. It describes the strategies agreed through the 2016 Defence White Paper and other policy direction. As a compendium of information attached to Defence's annual Portfolio Budget Submission, it is intended to help Ministers make informed strategic and budgetary decisions on Defence, by bringing into one document the expected financial position of the portfolio taking into account existing commitments and proposed new investments. The Plan also provides the Government with the information necessary to ensure that its investment in Defence is both affordable and sustainable.
Departmental items	Assets, liabilities, revenues and expenses that are controlled by the agency in providing its outputs. Departmental items would generally include computers, plant and equipment assets used by agencies in providing goods and services and most employee expenses, supplier costs and other administrative expenses incurred.
Depreciation	Apportionment of an asset's capital value as an expense over its estimated useful life to take account of normal usage, obsolescence, or the passage of time.
Employee	Any Defence official who receives a salary or wage, along with other benefits, for the provision of services whether on a full-time, part-time, permanent, casual or temporary basis.
Employee expenses	Include, but are not limited to, benefits provided to employees in the form of salaries and wages, performance pay, senior officers' allowances, leave, and superannuation, but does not include amounts paid or owed to employees as reimbursement of out-of-pocket expenses.
Equity injection	An additional contribution over and above the cost of outputs. Equity injections form part of the Commonwealth's investment in Defence.

Term	Meaning
Expense	Total value of all of the resources consumed in producing goods and services or the loss of future economic benefits in the form of reductions in assets or increases in liabilities of an entity.
Fair value	The amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm’s length transaction. The fair value can be affected by the conditions of the sale, market conditions and the intentions of the asset holder.
Force element	A component of a unit, a unit or an association of units having common prime objectives and activities.
Force element group	A grouping of force elements with an appropriate command and control structure for a specified role or roles (e.g. the Navy Submarine Group).
Forward Estimates	The level of proposed expenditure for future years, based on relevant demographic, economic and other future forecasting assumptions. The Government requires Forward Estimates for the following three financial years to be published in each annual Federal Budget paper.
Garrison Support Services	Includes a range of base support services such as ground maintenance, hospitality, training area management, base security, transport, air support and firefighting and rescue services.
Grant	<ul style="list-style-type: none"> • An arrangement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth: • under which Commonwealth funds are to be paid to a grantee other than the Commonwealth, • which is intended to help address one or more of the Australian Government’s policy outcomes while assisting the grantee achieve its objectives.
Group	A high-level organisational grouping of functions and activities used by the Defence Executive as its primary management grouping (e.g. the Strategy, Policy & Industry Group).
Infrastructure	Items owned, leased or otherwise under the control of Defence in support of activities on land and within buildings. Infrastructure includes items such as runways, roads, car parks, parade grounds, ovals, lighting, water, sewerage and other general service related items. It does not include land upon which, or within which, it is constructed or those fixed items integral to, and under, buildings.
Integrated Investment Program	The Integrated Investment Program is a costed, detailed development plan for the Australian Defence capabilities to be delivered through implementation of the National Defence Strategy. The program is reviewed regularly to take account of changing strategic circumstances, new technologies and changed priorities, in the context of the overall Defence budget.
Interoperability	The ability of systems, units or forces to provide the services to, and accept services from, other systems, units or forces and to use the services so exchanged to enable them to operate effectively together.
Inventory	Inventory is comprised of consumable stores and supplies, fuel and explosive ordnance used in the delivery of Defence services. These are items which are consumed in normal use, lose their identity during periods of use by incorporation into, or attachment upon, another assembly, as a result of wear and tear and cannot be reconditioned because their design does not make it possible, or their specific values do not justify it.

Term	Meaning
Joint exercise or operation	An exercise or operation involving two or more Services of the ADF.
Liabilities	Sacrifices of future economic benefits that Defence is presently obliged to make to other entities as a result of past transactions or other past events.
Listed entity	An entity established by regulation under the <i>Public Governance, Performance and Accountability Act 2013</i> . The Act provides financial management authority to, and requires accountability by the Accountable Authority of an entity. This used to be called 'Prescribed agency' under the former <i>Financial Management and Accountability Act 1997</i> .
Materiel Acquisition Agreements	Materiel Acquisition Agreements cover the Capability Acquisition and Sustainment Group's, Naval Shipbuilding and Sustainment Group's and Guided Weapons and Explosive Ordnance Group's acquisition services to Defence for both major and minor capital equipment.
Materiel Sustainment Agreements	Materiel Sustainment Agreements are between the Capability Managers and the Deputy Secretary Capability Acquisition and Sustainment, Deputy Secretary Naval Shipbuilding and Sustainment or Chief Guided Weapons and Explosive Ordnance. These agreements cover the sustainment of current capability, including good and services such as repairs, maintenance, fuel and explosive ordnance.
Military response options	A set of generic tasks that describe the range of military options the Government could consider as a basis for a response to a particular situation or contingency.
Net assets	See Equity.
Net Cash Funding	Under the net cash appropriation framework, Defence receives an operating appropriation to meet budgeted expenses (including repayment of lease liabilities and excluding asset depreciation, consumption and impairment) and equity injections to fund capital and inventory additions.
Operating result	Equals revenue less expense.
Operational tempo	The rate at which the ADF is able to deliver its operations effects, for example, the rate at which forces are dispatched and the time in which they are turned around for their next task. At the local level, this might translate to the crew of an aircraft spending a very small amount of time on the ground before it is re-tasked for its next mission. At the organisational level, this translates to available fighting forces spending very little time at home before they are deployed again for their next operation.
Outcomes	The impact that Government seeks from Defence, and are achieved by the successful delivery of its outcomes, to the standards set in the Portfolio Budget Statements. For more information, see Section 2 – Planned Outcome Performance.
Permanent forces	The permanent Navy, the regular Army and the permanent Air Force.
Platforms	Refers to air, land, surface or sub-surface assets that are discrete and taskable elements within the ADF.
Portfolio Additional Estimates Statements	Similar to the portfolio budget statements and prepared at Additional Estimates time to support and update on the Government's original annual budget for Defence.

Term	Meaning
Portfolio Budget Statements	The document presented by the Minister for Defence to Parliament to inform Senators and Members of the basis for the Defence budget appropriations in support of the provisions in Appropriations Bills 1 and 2. The statements summarise the Defence budget and provide detail of outcome performance forecasts and resources in order to justify expenditure for Defence.
Price	One of the three key efficiency indicators. The amount the Government or the community pays for the delivery of agreed outputs.
<i>Public Governance, Performance and Accountability Act 2013</i>	The <i>Public Governance, Performance and Accountability Act 2013</i> replaced the <i>Financial Management and Accountability Act 1997</i> and the <i>Commonwealth Authorities and Companies Act 1997</i> . The PGPA Act seeks to improve the standard of planning and performance reporting for all Commonwealth entities so that Parliament and the Australian community can better understand how public resources are being used to meet Government policy direction.
Purchaser-provider arrangements	Arrangements under which the outputs of one entity are purchased by another entity to contribute to outcomes. Purchaser-provider arrangements can occur between Commonwealth agencies and state/territory government or private sector bodies.
Quality	One of the three key efficiency indicators. Relates to the characteristics by which customers or stakeholders judge an organisation, product or service. Assessment of quality involves use of information gathered from interested parties to identify differences between user's expectations and experiences.
Quantity	One of the three key efficiency indicators. Examples include: the size of an output; count or volume measures; how many or how much.
Readiness	The readiness of forces to be committed to operations within a specified time, dependent on the availability and proficiency of personnel, equipment, facilities and consumables.
Reserves	The Naval Reserve, the Army Reserve and the Air Force Reserve.
Revenues	Inflows or other enhancements, or savings in outflows, of future economic benefits in the form of increases in assets or reductions in liabilities of Defence, other than those relating to contributions by the Commonwealth, that result in an increase in equity during the reporting period.
Risk management	At the highest level, involves the identification and mitigation of those risks that have the potential to adversely affect the achievement of agreed outcome performance at the agreed outcome price.
Service Category 2	Reserve members who do not render service, although retain a liability to be 'called out' in specific circumstances, should this be required.
Service Category 3	Reserve members who are available for voluntary service, or are rendering service. This category applies to Reservists who provide service to undertake a specified tasking, normally for short tenures and generally within a financial year.
Service Category 4	Reserve members who are available for voluntary service at short notice. This service category replaces the High Readiness Reserve.
Service Category 5	Reservists who are providing voluntary service characterised by stability in terms of a specific pattern of service and the number of days to be served.

Term	Meaning
Service Categories 7 and 6	Permanent ADF personnel with Service Category 6 being a permanent part time service option.
Service Options	Group members who provide capabilities where differentiated service arrangements or conditions of service are required. For example, a Reservist undertaking continuous full time service under the Total Workforce Model now has their service in Service Category 3, 4 or 5 'modified' by Service Option C (rendering continuous full time service) and personnel undertaking the ADF Gap Year program would have their service classified by Service Option G.
Special account	Special Accounts are an appropriation mechanism to draw money from the Consolidated Revenue Fund for particular purposes. They are not bank accounts.
Special Appropriations (including Standing Appropriations)	An amount of money appropriated by a particular Act of Parliament for a specific purpose and number of years. For special appropriations the authority to withdraw funds from the Consolidated Revenue Fund does not generally cease at the end of the financial year. Standing appropriations are a sub-category consisting of ongoing special appropriations – the amount appropriated will depend on circumstances specified in the legislation.
Specialist military equipment	Assets of a military nature used for a specific military purpose. This includes military equipment and commercial items that have had major modifications to convert/fit them for a military purpose.
SSN	SSN is the US Navy hull classification symbol for nuclear-powered general-purpose attack submarines.
System Program Office	The office of the Program Manager. It serves as the single point of contact with industry, government agencies, and other activities participating in the acquisition process of a given system.
Theatre	The area in which military operations and activities take place.
Two-pass approval process	The process by which major capital investment proposals are developed for consideration and approval by the Government.
Unit Availability Days	A Unit Availability Day is a day when a unit is materially ready and its personnel state and level of competence enables the unit to safely perform tasks in the unit's normal operating environment, immediately.
Weighted average cost	An inventory valuation method which considers the fluctuating prices and quantities of acquired goods in computing of the cost of inventory. The weighted average method takes the prices of units at the beginning inventory and the varying prices of purchases made and are weighted by the number of units to determine the weighted average cost per unit. It may be computed as the weighted average cost of all available goods present in a given period, or as a weighted moving average cost adjusted when new goods are delivered.
Write-downs	The reduction in the value of assets.

Acronyms

A

AACAP	Army Aboriginal Community Assistance Program
AAF	Army Amenities Fund
AAFCONS	Army and Air Force Canteen Service
AC	Companion of the Order of Australia
ACC	Air Combat Capability
ACMC	Australian Civil-Military Centre
ACPB	Armidale Class Patrol Boats
ACS	Aegis Combat System
ADF	Australian Defence Force
AEWC	Airborne Early Warning and Control
ADGE	Air Defence Ground Environment
AFV	Armoured Fighting Vehicle
AGSVA	Australian Government Security Vetting Agency
AHO	Australian Hydrographic Office
AM	Member of the Order of Australia
AMFRTF	Australian Military Forces Relief Trust Fund
AMSA	Australian Maritime Safety Authority
ANNPSR	Australian Naval Nuclear Power Safety Regulator
ANSTO	Australian Nuclear Science and Technology Organisation
AO	Officer of the Order of Australia
AOR	Auxiliary Oiler Replenishment
APS	Australian Public Service
ARH	Armed Reconnaissance Helicopter
ASA	Australian Submarine Agency
ASCA	Advanced Strategic Capabilities Accelerator
ASD	Australian Signals Directorate
ASEAN	Association of Southeast Asian Nations
ASIO	Australian Security Intelligence Organisation
ASMTI	Australia-Singapore Military Training Initiative
ASPI	Australian Strategic Policy Institute
ATSB	Australian Transport Safety Bureau
AUKUS	An enhanced security partnership between Australia, the United Kingdom and the United States
AUSMIN	Australia-US Ministerial Consultations

A

AVM	Air Vice Marshal
AWD	Air Warfare Destroyer

B

BMS	Battlefield Management Systems
BRIG	Brigadier

C

C4ISR	Command, Control, Communications, Computing, Intelligence, Surveillance, and Reconnaissance
CAF	Chief of Air Force
CBRND	Chemical Biological Radiological Nuclear Defence
CCPB	Cape Class Patrol Boat
CCSM	Collins Class Submarine
CSM	Conspicuous Service Medal
CDF	Chief of the Defence Force
CER	Combat Engineer Regiment
CERT	Computer Emergency Response Teams
CIRP	Critical Infrastructure Recovery Project
CMATS	Civil Military Air Traffic System
COMSEC	Communications Security
COVID-19	Coronavirus Disease 2019
CPI	Consumer Price Index
CSC	Commonwealth Superannuation Corporation / Conspicuous Service Cross

D

DACC	Defence Assistance to the Civil Community
DCB	Defence Capital Budget
DCP	Defence Cooperation Program
DDG	Hobart Class Air Warfare Destroyers
DFRB	Defence Force Retirement Benefits
DFRDB	Defence Force Retirement and Death Benefits Scheme
DGST	Deployable Geospatial Support
DHA	Defence Housing Australia
DHOAS	Defence Home Ownership Assistance Scheme
DISR	Department of Industry, Science and Resources
DITC	Defence International Training Centre
DMFS	Defence Member and Family Support Branch

D

D-RAP	Defence Reconciliation Action Plan
DSAS	Data Sharing and Analytical Services
DSC	Distinguished Service Cross
DSM	Distinguished Service Medal
DSR	Defence Strategic Review
DSTG	Defence Science and Technology Group
DVA	Department of Veterans' Affairs

E

EDHFC	Enhanced Defence High-Frequency Communications
EEIP	Enterprise Estate and Infrastructure Program
ELF	Enhanced Land Force
ERP	Enterprise Resource Planning
EW	Electronic Warfare

F

FAICD	Fellow of the Australian Institute of Company Directors
FCA	Fellow Chartered Accountant
FFH	Fast Frigate Helicopter / Helicopter Capable Frigate - Anzac Class Frigate
FMS	Foreign Military Sales
FOC	Final Operational Capability
FTE	Full Time Equivalent

G

GA	Geoscience Australia
GBE	Government Business Enterprise
GOCO	Government Owned Contractor Operated
GST	Good and Services Tax

H

HIPP	HydroScheme Industry Partnership Program
HKM	Health Knowledge Management
HS	Hydrographic ship
HMAS	Her Majesty's Australian Ship
HR	Human Resources

I

IAEA	International Atomic Energy Agency
IAGDP	Indigenous Australian Government Development Program

I

ICT	Information and Communications Technology
IED	Improvised Explosive Device
IOC	Initial Operational Capability
IPP	Indigenous Procurement Policy
ISREW	Intelligence Surveillance Reconnaissance and Electronic Warfare

J

JORN	Jindalee Operational Radar Network
JTA	Joint Transition Authority
JP	Joint Project

L

LHD	Landing Helicopter Dock
LSD	Landing Ship Dock
LOTE	Life of Type Extension

M

MAJGEN	Major General
METOC	Mobile Meteorological and Oceanographic
MHC	Mine Hunter Coastal – Coastal Mine Hunter / Medium Heavy Capability
MMT	Mobile Meteorological Team
MOU	Memorandum of Understanding
MP	Member of Parliament
MRH	Multi-Role Helicopter
MRTT	Multi-Role Tanker Transport
MSBS	Military Superannuation and Benefits Scheme
MSU	Maritime Safety Updates
MVO	Member of the Royal Victorian Order
MWD	Members with Dependents
MWOD	Members without Dependents
MWD(U)	Members with Dependents (Unaccompanied)
MYEFO	Mid-Year Economic and Fiscal Outlook

N

NACC	New Air Combat Capability
NATO	North Atlantic Treaty Organization

O

ODIS	Office of Defence Industry Support
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O

- OPV Offshore Patrol Vessel
- OTHR Over the Horizon Radar

P

- PAES Portfolio Additional Estimates Statements
- PBS Portfolio Budget Statements
- PEAP Partner Employment Assistance Program
- PEFO Pre-election Economic and Fiscal Outlook
- PGPA Public Governance, Performance and Accountability
- PMICA Protected Mobility Integrated Capability Assurance
- PMSP Pacific Maritime Security Program
- PMV-L Protected Mobility Vehicle
- PNG Papua New Guinea
- PSM Public Service Medal
- PWC Parliamentary Standing Committee on Public Works

R

- RAAF Royal Australian Air Force
- RADM Rear Admiral
- RAN Royal Australian Navy
- RANCCB Royal Australian Navy Central Canteens Board
- RA Rent Allowance
- REDSPICE Resilience, Effects, Defence, Space, Intelligence, Cyber, and Enablers
- RMG Resource Management Guide
- ROE Rate of Effort - Flying Hours
- ROU Right of Use
- RMC Royal Military College
- RSC Recruiting Services Contract

S

- SERCAT Service Category
- SME Specialist Military Equipment / School of Military Engineering / Small Medium Enterprise
- SML Survey Motor Launch
- STEM Science, Technology, Engineering and Mathematics

T

- TAS Trusted Autonomous Systems / Tasmania

U

UAD	Unit Availability Days
UNDOF	United Nations Disengagement Observer Force
UNSCR	United Nations Security Council Resolutions
US	United States
USFPI	United States Force Posture Initiatives