

PORTFOLIO BUDGET STATEMENTS 2024-25  
BUDGET RELATED PAPER NO. 1.4A

**DEFENCE PORTFOLIO**

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

© Commonwealth of Australia 2024

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Assistant Secretary Budgeting and Reporting  
R1-2-B002  
Department of Defence  
PO Box 7901 Canberra BC ACT 2610

Telephone: (02) 5109 0552  
Email: [dfg.cbc@defence.gov.au](mailto:dfg.cbc@defence.gov.au)

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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 2024-25 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

**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nfp	not for publication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) 5109 0552.

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](http://www.budget.gov.au).

# **User Guide To The Portfolio Budget Statements**

## User Guide

The purpose of the *2024-25 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.

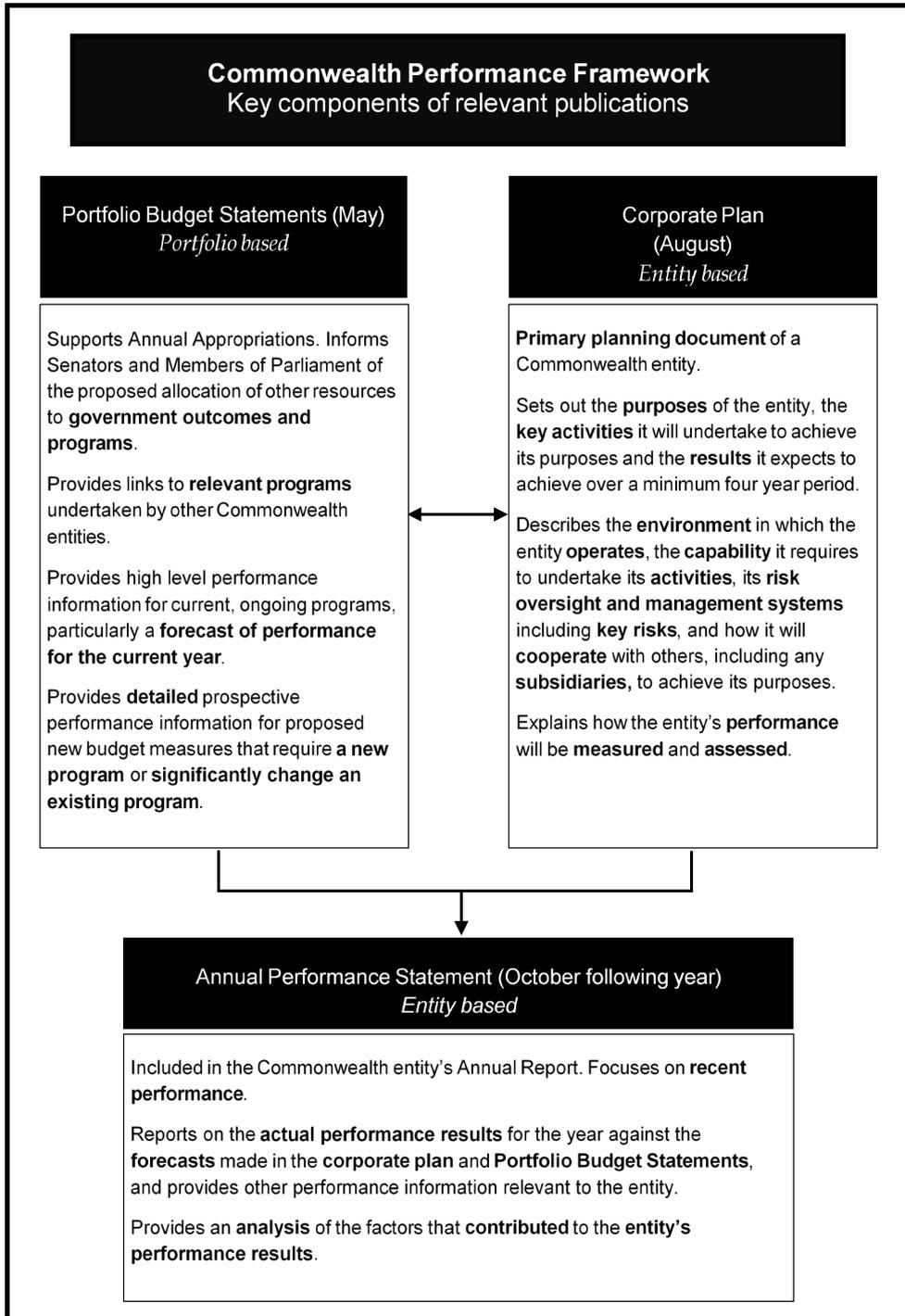
A key role of the PB Statements is to facilitate the understanding of proposed annual appropriations in Appropriation Bills (No. 1 and No. 2) 2024-25 (or Appropriation (Parliamentary Departments) Bill (No. 1) 2024-25 for the parliamentary departments). In this sense, the PB Statements are Budget related 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 has four Ministers:

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

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

- the Hon Clare O'Neil MP, Minister for Home Affairs and Minister for Cyber Security.

## The Defence Portfolio

The Defence Portfolio (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.

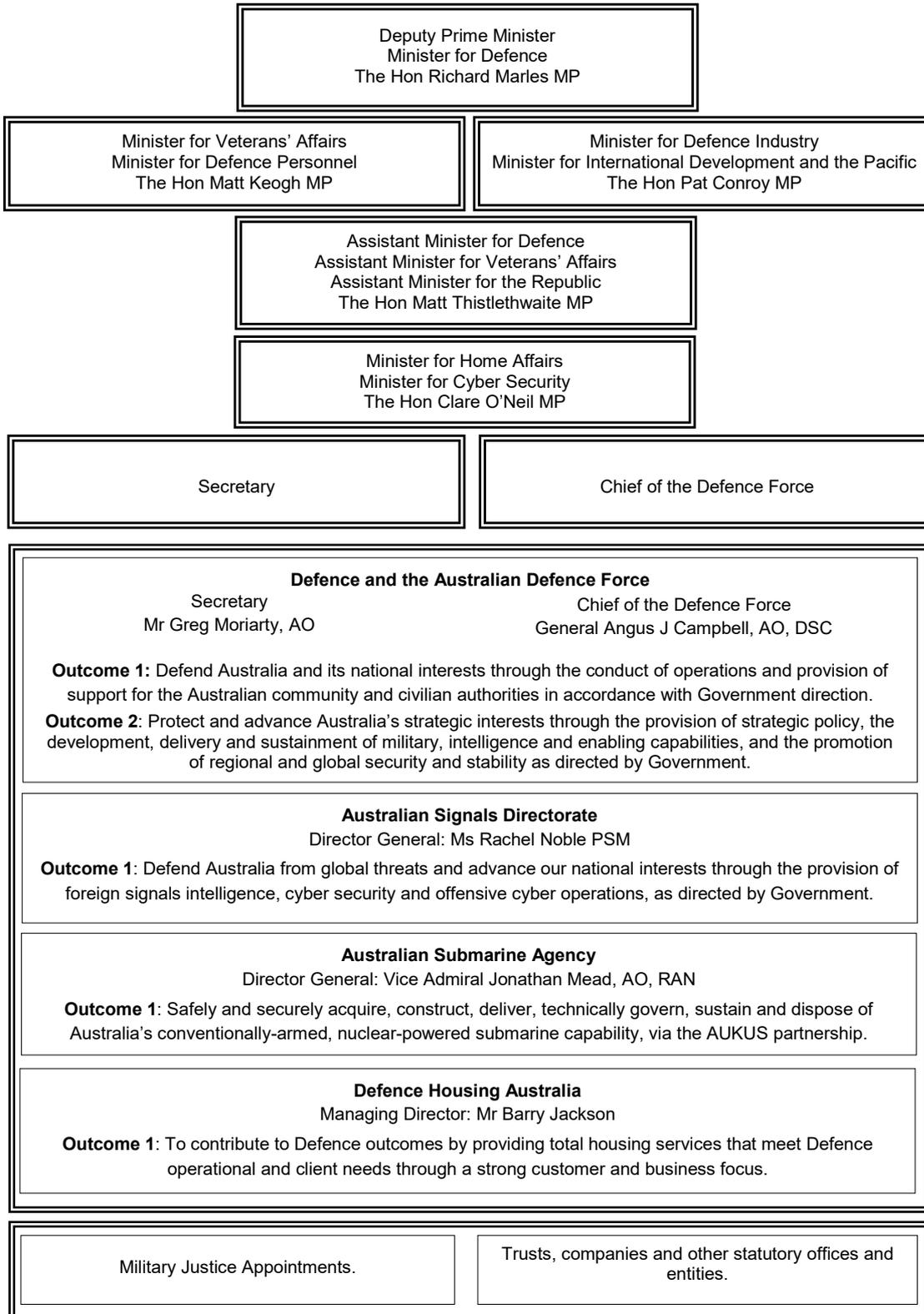
The Portfolio includes the Australian Signals Directorate (ASD), the Australian Submarine Agency (ASA) and Defence Housing Australia (DHA). The Portfolio also contains some smaller entities, including a number of statutory offices, trusts and companies created under the *Public Governance, Performance 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.

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.

# Defence

## Entity Resources and Planned Performance

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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, recruitment and international engagement.

This framework is based on 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 a Strategy of Denial as the cornerstone of Defence planning. This approach aims to deter any conflict before it begins, prevent any potential adversary from succeeding in coercing Australia through force, support regional security and prosperity and uphold a favourable regional strategic balance.

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:

- 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 Australia, the United Kingdom and the United States (AUKUS) 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 Government's adoption of *National Defence* means the ADF will shift 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 ground-up 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, 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.

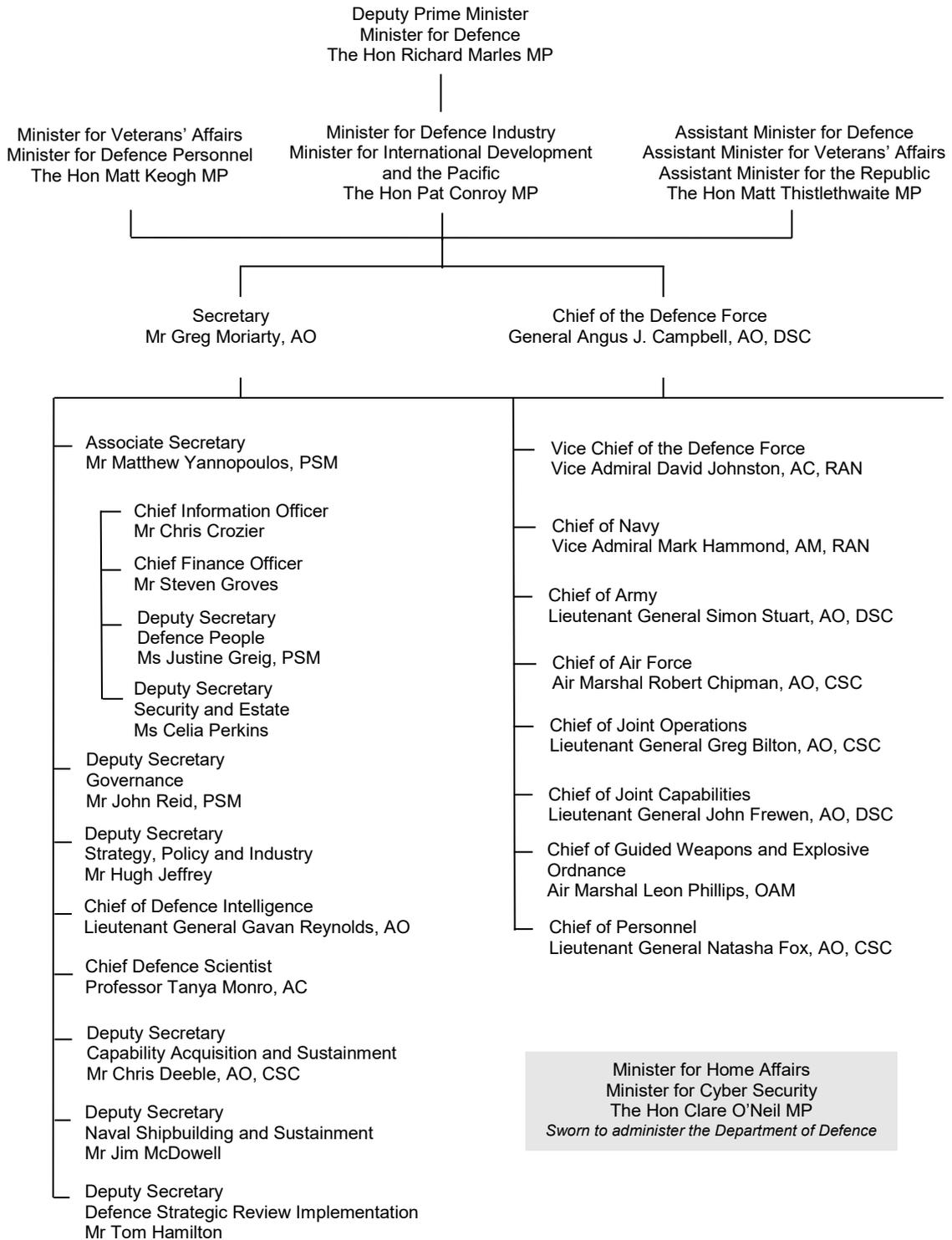
The Australian Submarine Agency (ASA) was established on 1 July 2023 to oversee and manage Australia's nuclear-powered submarine program, including acquisition, delivery, construction, technical governance, sustainment, and disposal of nuclear-powered submarines. The ASA will also enable the necessary 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 2024-25* (PBS 2024-25). 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 are also deepening cooperation on a range of defence capabilities, and contributing to integrated deterrence by pursuing layered and asymmetric capabilities that promote security and stability. AUKUS Pillar II is accelerating the development and delivery of advanced military capabilities and stepping up collaboration between our trilateral defence innovation and industry sectors. The alignment of our national defence strategies, anchored by our shared values, is facilitating unprecedented collaboration in advanced technologies. In addition to working on dedicated AUKUS capabilities, AUKUS Pillar II is breaking down barriers and improving cooperation by driving reform of the enabling environment for capability delivery.

## 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

The following changes have taken place since the last Portfolio Statements:

- On 26 February 2024, Lieutenant General Michelle McGuinness CSC was appointed as the National Cyber Security Coordinator, on secondment to the Department of Home Affairs.

## Organisational Structure

The following change has taken place since the last Portfolio Statements:

- On 1 November 2023, the Chief Information Officer Group was renamed the Defence Digital Group.

## 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 2024-25 Budget year, including variations through Appropriation Bills No. 5 and No. 6, Special Appropriations and Special Accounts. For more detailed information, please refer to *Budget Paper No. 4 – Agency Resourcing*.

**Table 1: Total Defence Resourcing <sup>[a]</sup>**

Serial No.	2023-24		2024-25		2024-25		2025-26		2026-27		2027-28	
	Estimated	Actual	Previous	Budget	Variation	Variation	Forward	Forward	Forward	Forward	Forward	Forward
	\$'000		\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Defence Resourcing</b>												
1	35,902,472		35,616,030	38,784,076	3,168,046	8.9	40,298,687	41,015,493	44,575,469			
2	2,789,500		3,131,471	3,206,210	74,739	2.4	3,584,013	3,496,085	3,387,258			
3	11,539,024		13,363,770	10,590,238	-2,773,532	-20.8	11,573,778	13,447,046	16,841,867			
4	-		-	-	-	-	-	-	-			
<b>5</b>	<b>50,230,996</b>		<b>52,111,271</b>	<b>52,580,524</b>	<b>469,253</b>	<b>0.9</b>	<b>55,456,478</b>	<b>57,958,624</b>	<b>64,804,594</b>			
6	-		-	-	-	-	-	-	-			
7	-		-	-	-	-	-	-	-			
8	-		-	-	-	-	-	-	-			
9	-		-	-	-	-	-	-	-			
<b>10</b>	<b>50,230,996</b>		<b>52,111,271</b>	<b>52,580,524</b>	<b>469,253</b>	<b>0.9</b>	<b>55,456,478</b>	<b>57,958,624</b>	<b>64,804,594</b>			
11	168,742		161,265	140,541	-20,724	-12.9	160,587	201	4,879			
12	835,462		636,039	686,220	50,181	7.9	756,084	776,845	804,390			
13	-		-	-	-	-	-	-	-			
<b>14</b>	<b>1,004,204</b>		<b>797,304</b>	<b>826,761</b>	<b>29,457</b>	<b>3.7</b>	<b>916,671</b>	<b>777,046</b>	<b>809,269</b>			
<b>15</b>	<b>51,235,200</b>		<b>52,908,575</b>	<b>53,407,285</b>	<b>498,710</b>	<b>0.9</b>	<b>56,373,149</b>	<b>58,735,670</b>	<b>65,613,863</b>			
<b>Defence Trusts and Joint Accounts</b>												
16	153,593		300,490	297,555	-2,935	-1.0	280,023	380,362	333,237			
17	-160,212		-310,267	-305,192	5,075	-1.6	-280,272	-380,501	-333,287			
<b>18</b>	<b>-6,619</b>		<b>-9,777</b>	<b>-7,637</b>	<b>2,140</b>	<b>-21.9</b>	<b>-249</b>	<b>-138</b>	<b>-50</b>			
<b>19</b>	<b>51,228,581</b>		<b>52,898,798</b>	<b>53,399,648</b>	<b>500,850</b>	<b>0.9</b>	<b>56,372,900</b>	<b>58,735,532</b>	<b>65,613,813</b>			
<b>Administered <sup>[e]</sup></b>												
20	4,263,437		4,275,297	4,690,199	414,902	9.7	5,051,985	5,420,491	5,803,842			
21	1,513,025		1,067,125	1,413,156	346,031	32.4	1,349,918	1,286,038	1,231,225			
22	-1,513,025		-1,067,125	-1,413,156	-346,031	32.4	-1,349,918	-1,286,038	-1,231,225			
<b>23</b>	<b>4,263,437</b>		<b>4,275,297</b>	<b>4,690,199</b>	<b>414,902</b>	<b>9.7</b>	<b>5,051,985</b>	<b>5,420,491</b>	<b>5,803,842</b>			
<b>24</b>	<b>55,492,018</b>		<b>57,174,095</b>	<b>58,089,847</b>	<b>915,752</b>	<b>1.6</b>	<b>61,424,885</b>	<b>64,156,022</b>	<b>71,417,655</b>			
<b>Appropriation carried forward</b>												
25	1,120,798		1,461,542	1,434,165	-27,377	-1.9	1,699,455	1,964,488	1,789,768			
26	334,253		295,547	302,213	6,666	2.3	301,965	301,827	301,777			
27	-		-	-	-	-	-	-	-			
<b>28</b>	<b>1,455,051</b>		<b>1,757,089</b>	<b>1,736,378</b>	<b>-20,711</b>	<b>-1.2</b>	<b>2,001,420</b>	<b>2,266,315</b>	<b>2,091,545</b>			

### Notes

- This table is prepared on an accrual basis, except for serials 6 to 9, 11, 13, 20 to 24, 26 and 27.
- The appropriations for 2023-24 as disclosed in Serials 1 to 3 include amounts in Appropriation Bills 5 and 6 which are yet to receive royal assent.
- Represents net transfers to and from the Official Public Account.
- All figures are net of GST.
- 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.

### 2024-25 Budget Measures and Other Budget Adjustments

**Table 2: Defence 2024-25 Budget Measures and Other Budget Adjustments**

Program	2024-25 Budget Estimate \$m	2025-26 Forward Estimate \$m	2026-27 Forward Estimate \$m	2027-28 Forward Estimate \$m	Total \$m	
<b>Budget Measures</b>						
<b>Payment Measures</b>						
2024 National Defence Strategy and Integrated Investment Program	<b>Various</b>	400.0	770.0	730.0	3,800.0	5,700.0
Defence Industry Development Strategy <sup>[a]</sup>	<b>2.1</b>	-	-	-	-	-
Nuclear-powered submarine program - workforce and supply chain investments <sup>[b]</sup>	<b>2.16</b>	-	-	-	-	-
Equity injection for Australian Naval Infrastructure <sup>[c]</sup>	<b>2.16</b>	nfp	nfp	nfp	nfp	nfp
National Security Agencies - Additional Funding Measure <sup>[d]</sup>	<b>2.14</b>	nfp	nfp	nfp	nfp	nfp
Defence export - Boxer Heavy Weapons Carriers for Germany <sup>[e]</sup>	<b>2.9</b>	-	-	-	-	-
Continuing Veterans' Access to Health and Support Programs <sup>[f]</sup>	<b>Various</b>	-3.2	-3.6	-2.1	-	-9.0
Policing Engagement and Training <sup>[g]</sup>	<b>2.16</b>	nfp	nfp	nfp	nfp	nfp
Implementation of the Defence Trade Controls Amendment Act 2024 <sup>[h]</sup>	<b>2.1</b>	-	-	-	-	-
Defence Oversight - Parliamentary Joint Committee on Defence	<b>Various</b>	-1.9	-1.6	-1.6	-1.7	-6.8
Southeast Asia Engagement - Additional Funding <sup>[i]</sup>	<b>2.1</b>	-	-	-	-	-
Savings from External Labour - Extension, and the commissioning of a new Audit of Employment	<b>Various</b>	-23.7	-25.8	-25.6	-196.8	-271.9
<b>Total Departmental Budget Measures</b>		<b>371.2</b>	<b>739.0</b>	<b>700.7</b>	<b>3,601.5</b>	<b>5,412.3</b>
<b>Other Departmental Budget Adjustments</b>						
Operation KUDU	<b>1.2</b>	7.6	-	-	-	7.6
Operation RESOLUTE	<b>1.1</b>	71.7	-	-	-	71.7
Operation ACCORDION	<b>1.2</b>	93.4	-	-	-	93.4
Defence: Foreign Exchange	<b>Various</b>	-35.6	-31.3	-37.9	-56.0	-160.9
Other Budget Adjustments <sup>[j]</sup>	<b>Various</b>	nfp	nfp	nfp	nfp	nfp
<b>Total Other Departmental Budget Adjustments</b>		<b>137.1</b>	<b>-31.3</b>	<b>-37.9</b>	<b>-56.0</b>	<b>11.8</b>
<b>Total Other Budget Adjustments</b>		<b>137.1</b>	<b>-31.3</b>	<b>-37.9</b>	<b>-56.0</b>	<b>11.8</b>
<b>Total Defence Funding</b>		<b>508.3</b>	<b>707.6</b>	<b>662.7</b>	<b>3,545.5</b>	<b>5,424.2</b>

**Notes**

- a. This measure provides \$166.2 million over the period 2023-24 to 2027-28 which is being absorbed by Defence.
- b. This measure provides \$64.8 million over the period 2024-25 to 2027-28 which is being absorbed by Defence.
- c. This measure is not for publication (nfp) due to commercial sensitivities.
- d. This measure is not for publication (nfp) due to national security considerations.
- e. This measure is to support administrative arrangements and would be offset by the Federal Republic of Germany.
- f. This measure is a transfer to the Department of Veteran Affairs.
- g. This measure is not for publication (nfp) due to national security considerations.
- h. This measure provides \$28.0 million over the period 2024-25 to 2027-28 which is being absorbed by Defence.
- i. This measure provides \$19.9 million over the period 2024-25 to 2027-28 which is being absorbed by Defence.
- j. This budget adjustment is not for publication (nfp) due to national security considerations.

## Operations Summary

**Table 3: Net Additional Cost of Current Major Operations to 2027-28** [a] [b] [c]

	2023-24	2024-25	2025-26	2026-27	2027-28	
	Estimated	Budget	Forward	Forward	Forward	Total
	Actual	Estimate	Estimate	Estimate	Estimate	
	\$m	\$m	\$m	\$m	\$m	\$m
Operation ACCORDION	117.9	93.4	-	-	-	211.3
Operation HIGHROAD	0.4	-	-	-	-	0.4
Operation RESOLUTE	87.5	71.7	-	-	-	159.3
Operation OKRA	0.7	-	-	-	-	0.7
Operation KUDU	19.7	13.6	-	-	-	33.2
Operation LILIA	60.8	-	-	-	-	60.8
Operation BEECH	12.2	-	-	-	-	12.2
<b>Total Net Additional Costs</b>	<b>299.2</b>	<b>178.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>477.9</b>
<b>Sources of Funding for Major Operations</b>						
Government Supplementation	299.2	178.7	-	-	-	477.9
<b>Total Cost</b>	<b>299.2</b>	<b>178.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>477.9</b>

### Notes

- This table reflects ongoing and new Major Operations funded under no-win, no-loss arrangements for 2023-24 and 2024-25.
- 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 considerations.

## 1.4 Key Cost Category Estimates

**Table 4a: Defence, ASD and ASA Funding from Government** <sup>[a]</sup> <sup>[b]</sup>

Serial No.		2023-24	2024-25	2025-26	2026-27	2027-28	Total
		Estimated	Budget	Forward	Forward	Forward	
		Actual	Estimate	Estimate	Estimate	Estimate	
		\$m	\$m	\$m	\$m	\$m	\$m
1	Defence <sup>[b]</sup>	50,231.0	52,580.5	55,456.5	57,958.6	64,804.6	281,031.2
2	Australian Signals Directorate	2,856.6	2,723.5	2,468.5	2,461.9	2,210.9	12,721.4
3	Australian Submarine Agency	243.4	383.0	430.5	527.4	378.1	1,962.4
<b>4</b>	<b>Consolidated Defence, ASD and ASA Funding</b>	<b>53,331.0</b>	<b>55,687.0</b>	<b>58,355.5</b>	<b>60,947.9</b>	<b>67,393.6</b>	<b>295,715.0</b>

**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 5.

**Table 4b: Defence Planned Expenditure by Key Cost Category** <sup>[a]</sup> <sup>[b]</sup>

Serial No.		2023-24	2024-25	2025-26	2026-27	2027-28	Total
		Estimated	Budget	Forward	Forward	Forward	
		Actual	Estimate	Estimate	Estimate	Estimate	
		\$m	\$m	\$m	\$m	\$m	\$m
1	Workforce	15,770.7	16,694.7	17,460.2	18,407.3	19,413.0	87,745.9
2	Operations	338.6	223.8	1.3	1.3	1.3	566.3
3	Capability Acquisition Program	15,774.3	16,674.3	17,979.2	18,794.4	23,028.4	92,250.6
4	Capability Sustainment Program	16,303.0	17,157.5	18,291.8	18,811.9	20,266.8	90,831.0
5	Operating	3,048.6	2,657.0	2,640.6	2,720.8	2,904.4	13,971.4
<b>6</b>	<b>Total Defence Planned Expenditure</b>	<b>51,235.2</b>	<b>53,407.3</b>	<b>56,373.1</b>	<b>58,735.7</b>	<b>65,613.9</b>	<b>285,365.2</b>

**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 16-18 and Table 38.

**Table 5: Capability Acquisition Program** <sup>[a]</sup>

Serial No.		2023-24	2024-25	2025-26	2026-27	2027-28	Total
		Estimated	Budget	Forward	Forward	Forward	
		Actual	Estimate	Estimate	Estimate	Estimate	
		\$m	\$m	\$m	\$m	\$m	\$m
1	Military Equipment Acquisition Program	11,946.6	13,253.7	14,181.6	14,767.6	18,180.3	72,329.8
2	Enterprise Estate and Infrastructure Program	2,747.2	2,741.0	3,187.9	3,246.1	3,926.3	15,848.5
3	ICT Acquisition Program	857.6	431.9	385.7	544.0	668.4	2,887.6
4	Minors Program	222.9	247.7	224.0	236.7	253.4	1,184.7
<b>5</b>	<b>Total Capability Acquisition Program</b> <sup>[b]</sup>	<b>15,774.3</b>	<b>16,674.3</b>	<b>17,979.2</b>	<b>18,794.4</b>	<b>23,028.4</b>	<b>92,250.6</b>

**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** <sup>[a]</sup>

Serial No.		2023-24	2024-25	2025-26	2026-27	2027-28	Total
		Estimated	Budget	Forward	Forward	Forward	
		Actual	Estimate	Estimate	Estimate	Estimate	
		\$m	\$m	\$m	\$m	\$m	\$m
1	Navy Sustainment	3,433.6	3,400.6	3,697.9	3,705.9	3,753.0	17,991.0
2	Army Sustainment	2,553.2	2,862.9	3,085.7	3,230.6	3,546.5	15,278.9
3	Air Force Sustainment	3,622.0	3,874.1	4,173.2	4,300.9	4,652.9	20,623.1
4	Defence Digital Sustainment <sup>[b]</sup>	1,925.7	2,069.5	2,077.2	2,169.6	2,365.2	10,607.2
5	Joint Capabilities Sustainment	402.3	572.2	743.6	827.8	1,031.5	3,577.4
6	Strategy, Policy and Industry Sustainment	85.7	123.2	148.7	113.8	159.9	631.3
7	Defence Intelligence Sustainment	142.3	204.0	265.4	303.9	520.9	1,436.5
8	Security and Estate Sustainment <sup>[c]</sup>	3,853.6	3,740.6	3,739.5	3,703.4	3,779.3	18,816.4
9	Nuclear-Powered Submarines Sustainment <sup>[d]</sup>	12.1	12.7	34.7	98.5	164.8	322.8
10	Guided Weapons & Explosive Ordnance Sustainment <sup>[d]</sup>	138.0	154.5	165.0	211.7	146.1	815.3
11	Other Minor Sustainment	134.5	143.2	160.9	145.8	146.7	731.1
<b>12</b>	<b>Total Capability Sustainment Program</b> <sup>[e]</sup>	<b>16,303.0</b>	<b>17,157.5</b>	<b>18,291.8</b>	<b>18,811.9</b>	<b>20,266.8</b>	<b>90,831.0</b>

**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. Nuclear-Powered Submarines and Guided Weapons and Explosive Ordnance Sustainment have been reclassified out of Other Minor Sustainment and disclosed separately for the PBS 2024-25 to reflect an increase in Sustainment expenditure for these Groups.  
e. Total sustainment includes both unapproved sustainment (relating to unapproved projects) and approved (current) sustainment.

**Table 7: Retained Capital Receipts**

Serial No.		2024-25	2025-26	2026-27	2027-28
		Budget	Forward	Forward	Forward
		Estimate	Estimate	Estimate	Estimate
		\$m	\$m	\$m	\$m
1	<b>Total proceeds from the sale of property</b>	<b>84.8</b>	<b>160.6</b>	<b>0.2</b>	<b>4.9</b>
2	Costs from the sale of property	-	-	-	-
3	<b>Net property proceeds retained by Defence</b>	<b>84.8</b>	<b>160.6</b>	<b>0.2</b>	<b>4.9</b>
4	Proceeds from sale of specialist military equipment	24.1	-	-	-
5	Proceeds from sale of infrastructure, plant and equipment	31.7	-	-	-
<b>6</b>	<b>Retained Capital Receipts (1 + 2 + 3)</b>	<b>140.5</b>	<b>160.6</b>	<b>0.2</b>	<b>4.9</b>

## 1.5 People

### Workforce Overview

The *2024 National Defence Strategy*, in parallel with the re-cut Integrated Investment Program will form the foundation of Defence's workforce requirements. The growth and retention of a highly skilled Defence workforce is an immediate priority for the Government.

People are Defence's most important asset. As the ADF transitions to an integrated, focused force, Defence's workforce plans must change to effectively respond to the workforce crisis it faces. The Government has directed and funded Defence to recruit, retain and grow the highly specialised and skilled workforce required to meet Defence's capability needs and achieve the objectives of *National Defence*.

The 2020 Force Structure Plan outlined an ADF workforce requirement of around 69,000 personnel by 2023, based on force structure assumptions at the time. In 2022, the former Government announced that Defence's total permanent workforce, encompassing ADF and civilian personnel, would grow to over 101,000 by 2040, with the total number of permanent ADF personnel to increase to almost 80,000. This represented workforce growth of 18,500 as outlined in the 2020 Force Structure Plan. Of the additional 18,500 workforce growth, 12,500 were funded and 6,000 were unfunded. Between 2020-21 and 2022-23, ADF recruitment achieved approximately 80 per cent of its target growth, which combined with increased separation rates, equated to a shortfall of around 4,400 ADF personnel. Australian Public Service (APS) recruitment is on track with a workforce of around 17,500.

The Defence Interim Workforce Plan, released in December 2023, provides Defence's direction on the most immediate and urgent workforce priorities. To enable effective and achievable workforce planning that reflects the force structure requirements, Defence will develop a new comprehensive workforce plan in 2024 that is aligned to the *2024 National Defence Strategy* and the *2024 Integrated Investment Program*.

The highly competitive national labour market and record low levels of unemployment will continue to put pressure on Defence's ability to grow the workforce, particularly in regard to the recruitment of people to the ADF with the required skill sets.

Culture remains fundamental to delivering the Defence mission and implementing the *2024 National Defence Strategy*. Defence will continue to implement the Defence Culture Blueprint and focus on addressing cultural challenges, prioritise suicide prevention programs and initiatives, while promoting a positive, inclusive and psychologically safe workplace. The Defence workforce is becoming more representative of wider society. Diverse teams across all segments of the workforce are needed to achieve the generational uplift in capabilities required for Australia's National Defence.

Defence will continue to reshape and reskill its workforce to transition to new platforms and build capacity in emerging capabilities such as conventionally-armed, nuclear-powered submarines, guided weapons and explosive ordnance, cyber, engineering and space. To deliver the required workforce, Defence will continue to transform its recruitment and retention systems with a focus on:

- widening eligibility criteria to enable more people to join the ADF, including developing options to recruit, where appropriate, non-Australian citizens;
- streamlining 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 skills gaps are met more quickly; and
- encouraging current personnel, who have built the skills and expertise the ADF needs, to stay and serve longer through retention initiatives.

Defence will also continue to progress targeted recruitment of APS personnel with skills and experience in Science, Technology, Engineering and Mathematics (STEM) related fields and project management. Ongoing skilling and professionalisation of the APS workforce will continue as Defence reduces its reliance on contracted staff and develops its APS workforce.

Defence will continue to work with the Department of Veterans' Affairs to finalise the *Defence and Veteran Family Wellbeing Strategy 2024-29* and *Defence and Veteran Mental Health and Wellbeing Strategy 2024-29*. The implementation of the *Defence Strategy for Preventing and Responding to Family and Domestic Violence 2023-28*, *Veteran Transition Strategy* and *Defence Work Health and Safety Strategy 2023-2028* remains a key focus.

### Workforce Summary

The anticipated full-time workforce requirement (demand) will be 82,724 in 2024-25, comprising 63,597 permanent ADF (77 per cent) and 19,127 APS employees (23 per cent). The service breakdown of the permanent ADF is:

- 16,331 Navy personnel;
- 31,339 Army personnel; and
- 15,927 Air Force personnel.

Defence is forecasting to be below the required ADF full-time workforce for 2024-25 due to high separation rates and lower than expected achievement of recruitment targets over recent years. Ongoing investment in recruitment and retention will contribute significantly to stabilising, building and sustaining the ADF workforce from 2024-25 to 2040.

The forecast contribution from Service Categories (SERCAT) 3, 4 and 5 in 2024-25 is 1,126,950 days of service performed by an estimated 21,540 members of the Reserve Forces. Information about the ADF Total Workforce System and structure of service categories is available on the department's website here: <https://www.defence.gov.au/PayandConditions/ADF/ADF-TWS.asp>.

The required workforce outlined in the Forward Estimates is being reviewed in the context of the 2024 *National Defence Strategy* and the 2024 *Integrated Investment Program* in addressing Defence's immediate workforce needs and building a long-term workforce pipeline, Defence is focusing on enhancing culture and workforce wellbeing. In this, we are positioning ourselves to respond to the agreed recommendations of the Royal Commission into Defence and Veteran Suicide (Royal Commission).

## Defence People

Defence is focused on increased support to our people, veterans and families. Recruitment and retention initiatives will make our value proposition more attractive.

Underpinning the ability to grow and retain the required workforce is Defence's commitment to foster a positive workplace culture that is safe, respectful and inclusive. Culture is fundamental to achieving the Defence mission and is present in strategy, military capability and enterprise performance. Importantly, it is reflected in our everyday interactions and requires deliberate and sustained effort and investment. Implementation of the Defence Culture Blueprint Program, launched in November 2023, will guide the evolution of our culture over the next ten years. In 2024-25 this includes:

- implementation of an integrated model supporting unacceptable behaviours prevention and response to reduce the number of unacceptable behaviour incidents;
- expansion of the Mental Health Advisors Program to provide access across all Groups and Services;
- completion of the first Annual Culture Evaluation cycle to evaluate and monitor culture across Defence; and
- delivery of Respect@Work legislation seminars across Defence to build awareness of the positive duty obligation, and Defence's framework for reducing bullying, harassment, and workplace discrimination.

Defence worked closely with the Department of Veterans' Affairs to implement the recommendations of the Royal Commission's interim report. This included ways for Defence members and their families to access their records. Defence will continue simplifying the work with the Royal Commission and support Defence personnel and families who interact with the Royal Commission.

Defence will action the *Defence Work Health and Safety Strategy* to enable a positive work, health and safety culture. Finalisation and implementation of the *Defence and Veteran Mental Health and Wellbeing Strategy 2024-2029* will further strengthen this focus, including a Suicide Prevention Action Plan. Defence's investment in a life-span approach and support for mental health, wellbeing and suicide prevention will continue to shape delivery of the work of the Mental Health and Wellbeing Branch.

Implementation of the *Defence Strategy for Preventing and Responding to Family and Domestic Violence 2023-28* includes a mandatory family and domestic violence awareness program. A review of key policies to identify areas that may have an impact on family and domestic violence within the military environment will be conducted and opportunities for promoting collaboration with specialist community services will be identified.

The Government has significantly invested to ensure Defence has an ability to attract and retain the right people, including greater access to professional development, expanded family health benefits, and the introduction of an ADF Continuation Bonus. In 2024-25 Defence will improve communication in relation to the Defence employment package, deliver a Review of the Reserve workforce and finalise implementation of the ADF Modernisation Program. The final tranche of the ADF Modernisation Program will provide further simplification of allowances as part of the Military Factor Framework and additional leave reform to enhance flexibility in how leave can be accessed.

Defence has made substantial changes to the ADF recruiting system. New ADF recruitment arrangements are based on a candidate-centric approach which includes use of enhanced digital and face-to-face mediums as well as a customised candidate journey during the recruiting process.

To widen the aperture for potentially suitable applicants to join the ADF, Defence has removed 14 medical restrictions to allow applicants whose medical situation can be managed in service to join the ADF. Steps to widen the eligibility criteria, streamline the system and improve processes will continue to be an important focus. Data analytics will be used to assess and improve the recruiting services and workflow efficiencies will be achieved with a new Information Technology System.

Defence remains committed to building a more connected transition system through the implementation of the *Veteran Transition Strategy*. Transition service delivery reform will deliver better outcomes for members through more tailored transition plans.

Defence is strengthening its APS workforce by converting contracted support into APS jobs. Defence is aiming to reduce the contractor workforce by 2,000, or approximately 20 per cent, by the end of 2024. The reduction aligns with the Government's Strategic Commissioning Framework and is focused on contractors who are engaged for skills that would normally be maintained within the APS. This work is complemented by increased access to tertiary and vocational education through enhanced Studybank provisions for APS employees.

Aligned to the 2024 *National Defence Strategy* and the 2024 *Integrated Investment Program*, Defence will develop a new comprehensive workforce plan in 2024 that meets the current and future needs of the ADF, APS and external workforce. Defence will continue to drive cultural reform and improvements to the mental health and wellbeing of our people and ADF families. The findings of the final report of the Royal Commission will further inform strategies to improve culture and suicide prevention. Defence welcomes the final report and will work to implement the agreed recommendations.

**Table 8: Planned Workforce Forecast for the 2024-25 Budget and Forward Estimates - Average Full-time**

	2023-24 Estimated Actual (Workforce Achievement) <sup>[b]</sup>	2024-25 Budget Estimate (Workforce Requirement) <sup>[c] [d]</sup>	2025-26 Forward Estimate (Workforce Requirement) <sup>[c] [d]</sup>	2026-27 Forward Estimate (Workforce Requirement) <sup>[c] [d]</sup>	2027-28 Forward Estimate (Workforce Requirement) <sup>[c] [d]</sup>
<b>ADF Permanent Force</b> <sup>[a] [c]</sup>					
Navy	15,030	16,331	16,632	16,990	17,329
Army	27,959	31,339	31,542	31,813	32,174
Air Force	15,253	15,927	16,358	16,792	17,370
<b>1 Total Permanent Force</b>	<b>58,242</b>	<b>63,597<sup>[e]</sup></b>	<b>64,532</b>	<b>65,595</b>	<b>66,873</b>
<b>Civilian Employees</b>					
APS	18,048	19,127	19,740	20,135	20,150
<b>2 Total Civilian Employees</b>	<b>18,048</b>	<b>19,127</b>	<b>19,740</b>	<b>20,135</b>	<b>20,150</b>
<b>Total Workforce Strength (1 + 2)</b>	<b>76,290</b>	<b>82,724</b>	<b>84,272</b>	<b>85,730</b>	<b>87,023</b>

**Notes**

- a. ADF Permanent Force includes SERCAT 6 and 7, and Service Option C and G personnel.
- b. The 2023-24 Estimated Actual reflects the anticipated workforce achievement.
- c. The Budget and Forward Estimates reflect the expected workforce requirements (demand).
- d. Forward Estimates for the full-time workforce elements represent the Government approved strength for each year, including *Defence White Paper 2016, Force Structure Plan 2020* and *2024 National Defence Strategy* requirements. The demand requirements will be reviewed, with any updates to support the delivery of the NDS and IIP rebuild to be delivered in a future budget context.
- e. The estimated achievement for ADF Permanent Force (supply) for 2024-25 is 58,600.

**Table 9: Planned Workforce Allocation for the 2024-25 Budget and Forward Estimates - Reserve (Service Categories 3, 4 and 5)** <sup>[a] [b]</sup>

	2023-24 Estimated Actual	2024-25 Budget Estimate	2025-26 Forward Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate
<b>Service Category 3 and 5</b>					
Navy	115,500 (1,950)	118,000 (2,000)	120,500 (2,050)	123,000 (2,100)	125,500 (2,150)
Army	740,000 (15,500)	740,000 (15,500)	740,000 (15,500)	740,000 (15,500)	740,000 (15,500)
Air Force	262,000 (3,900)	268,000 (4,000)	274,000 (4,100)	280,000 (4,200)	286,000 (4,300)
<b>1 Sub-total Service Category 3 and 5</b>	<b>1,117,500 (21,350)</b>	<b>1,126,000 (21,500)</b>	<b>1,134,500 (21,650)</b>	<b>1,143,000 (21,800)</b>	<b>1,151,500 (21,950)</b>
<b>Service Category 4</b> <sup>[c]</sup>					
Air Force	950 (40)	950 (40)	950 (40)	950 (40)	950 (40)
<b>2 Sub-total Service Category 4</b>	<b>950 (40)</b>	<b>950 (40)</b>	<b>950 (40)</b>	<b>950 (40)</b>	<b>950 (40)</b>
<b>Total Reserves (1 + 2)</b>	<b>1,118,450 (21,390)</b>	<b>1,126,950 (21,540)</b>	<b>1,135,450 (21,690)</b>	<b>1,143,950 (21,840)</b>	<b>1,152,450 (21,990)</b>

**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.

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

	<b>2023-24 Estimated Actual</b>	<b>2024-25 Budget Estimate<sup>[b]</sup></b>
<b>Navy <sup>[a]</sup></b>		
One Star and above <sup>[c]</sup>	82	82
Senior Officers <sup>[d]</sup>	763	830
Officers	3,664	3,987
Other Ranks	10,521	11,432
<b>Total Navy</b>	<b>15,030</b>	<b>16,331</b>
<b>Army <sup>[a]</sup></b>		
One Star and above <sup>[c]</sup>	98	98
Senior Officers <sup>[d]</sup>	1,013	1,138
Officers	5,599	6,285
Other Ranks	21,249	23,818
<b>Total Army</b>	<b>27,959</b>	<b>31,339</b>
<b>Air Force <sup>[a]</sup></b>		
One Star and above <sup>[c]</sup>	74	74
Senior Officers <sup>[d]</sup>	793	829
Officers	4,929	5,148
Other Ranks	9,457	9,876
<b>Total Air Force</b>	<b>15,253</b>	<b>15,927</b>
<b>APS</b>		
Senior Executives <sup>[c]</sup>	207	203
Senior Officers <sup>[d]</sup>	6,891	7,264
Other APS Staff	10,950	11,660
<b>Total APS</b>	<b>18,048</b>	<b>19,127</b>
<b>Total Workforce <sup>[e]</sup></b>	<b>76,290</b>	<b>82,724</b>

**Notes**

- a. ADF Permanent Force includes SERCAT 6 and 7, and Service Option C and G personnel.
- b. Budget Estimate reflects the anticipated workforce requirements (demand).
- c. The figures for Senior Executives and One Star and above include the Secretary, Chiefs of Divisions and the Chief of the Defence Force and Service Chiefs (respectively).
- d. Senior Officers are of Colonel or Lieutenant Colonel rank equivalent and APS Executive Levels 1 and 2.
- e. The estimated achievement for ADF Permanent Force (supply) for 2024-25 is 58,600.

## 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.

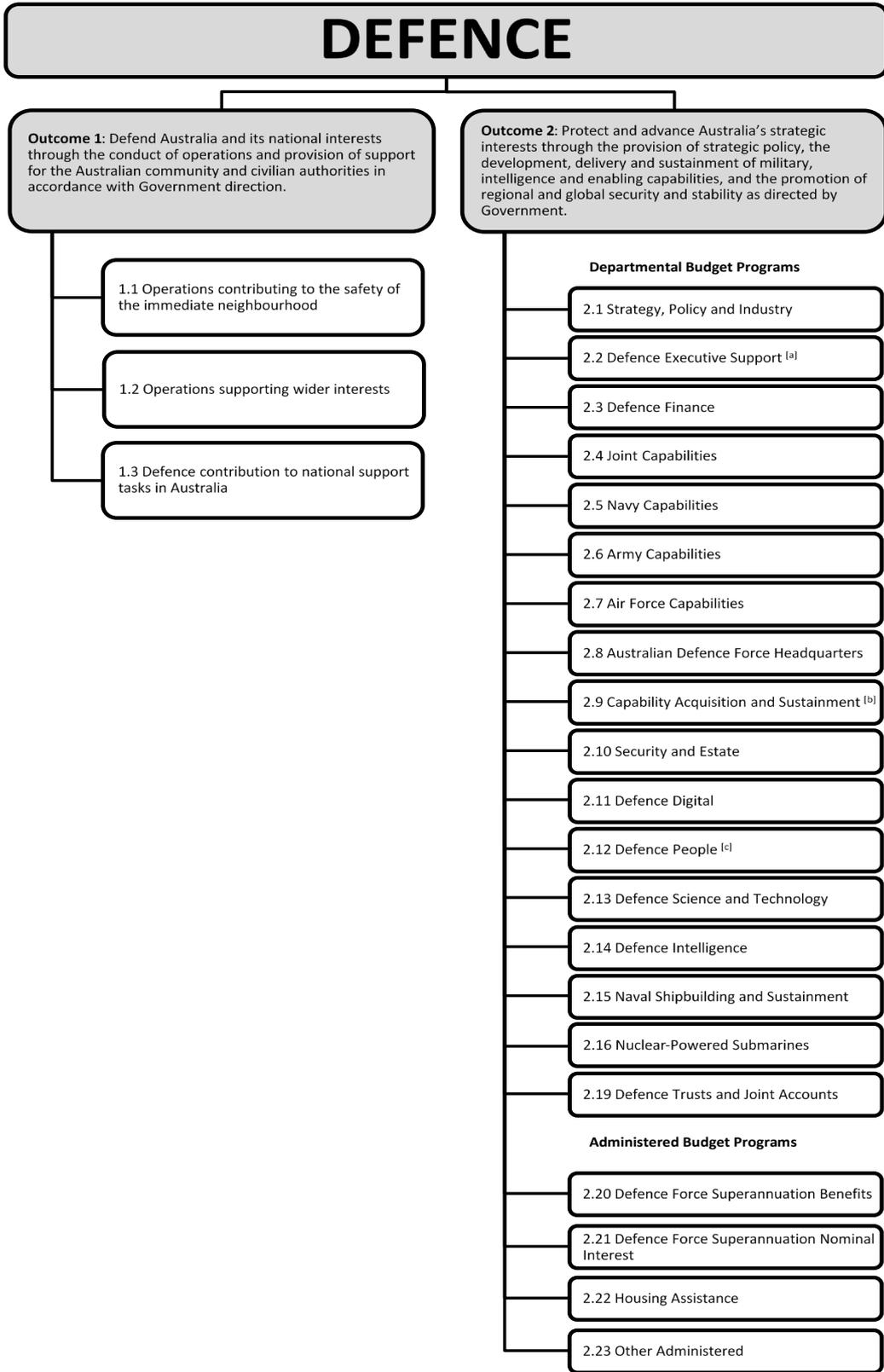
The most recent corporate plan for Defence can be found at:

<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
2.11	Defence Digital	Name change from Chief Information Officer

## 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, OKRA, 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.
- ENHANCED REGIONAL ENGAGEMENT – Enhancement of regional engagement in the Southwest Pacific.
- 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.
- LILIA – ADF support to AFP and DFAT in the Solomon Islands.
- 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.
- OKRA – Contribute to the Coalition to defeat Daesh in Iraq and Syria.
- 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**

- ORENDA – Contribute to the United Nations Multidimensional Integrated Stabilization Mission in Mali.

## Linked Programs

<b>Australian Communications and Media Authority</b>
Program 1.1 - Communications regulation, planning and licensing.
<b>Contribution to Outcome 1 by linked program</b>
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.

<b>Department of Home Affairs</b>
Program 3.4 - Border Enforcement.
<b>Contribution to Outcome 1 by linked program</b>
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 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. 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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Program 1.1 - Operations Contributing to the Safety of the Immediate Neighbourhood</b>					
Revenues from other sources	-	-	-	-	-
Expenditure funded by appropriations	92,706	41,887	39	40	41
<b>Program 1.2 - Operations Supporting Wider Interests</b>					
Revenues from other sources	2,040	1,908	-	-	-
Expenditure funded by appropriations	156,319	108,215	1,216	1,218	1,222
<b>Program 1.3 - Defence Contribution to National Support Tasks in Australia</b>					
Revenues from other sources	-	-	-	-	-
Expenditure funded by appropriations	87,568	71,751	22	22	22
<b>Total resourcing</b>					
Total Departmental revenue from other sources	2,040	1,908	-	-	-
Total operating expense (incl. repayment of lease liabilities) funded by appropriation	263,892	156,734	1,277	1,280	1,285
Total capital expenditure funded by appropriation	-	-	-	-	-
Total capital expenditure funded by Equity injection:					
- Bill 1 DCB	72,701	65,119	-	-	-
- Bill 2 Equity	-	-	-	-	-
<b>Total resources for Outcome 1</b>	<b>338,633</b>	<b>223,761</b>	<b>1,277</b>	<b>1,280</b>	<b>1,285</b>

## 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.

<b>Key Activities</b> <sup>[a]</sup>	<p>This program will be achieved through the following activity:</p> <p><b>1. Conduct operations and deployments to defend and advance Australia's national interests.</b></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>
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Year	Performance measures	Expected Performance Results
Current Year 2023-24	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions as directed by Government to achieve Defence's strategic objectives.	Defence responds to Australian Government requirements and conducts campaigns and operations as directed. This will change year-on-year. <i>Expected to be achieved.</i>
	1.2 Defence commits Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 2024-25	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year-on-year.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.

Material changes to Program 1.1 resulting from 2024-25 Budget Measures: Nil.

**Note**

- a. Refers to updated key activities that are reflected in the 2023-27 Defence Corporate Plan. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 National Defence Strategy.

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated	Budget	Forward	Forward	Forward
	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	9,828	-	-	-	-
Suppliers	41,405	14,911	39	40	41
Other expenses	-	-	-	-	-
	<b>51,233</b>	<b>14,911</b>	<b>39</b>	<b>40</b>	<b>41</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
<b>Total operating expenses</b>	<b>51,233</b>	<b>14,911</b>	<b>39</b>	<b>40</b>	<b>41</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	-	-	-	-	-
Purchases of inventory	41,473	26,976	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
<b>Total capital expenditure</b>	<b>41,473</b>	<b>26,976</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Program 1.1 - Operations Contributing to the Safety of the Immediate Neighbourhood Total funded expenditure <sup>[a]</sup></b>	<b>92,706</b>	<b>41,887</b>	<b>39</b>	<b>40</b>	<b>41</b>

**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.

<b>Key Activities</b> <sup>[a]</sup>	<p>This program will be achieved through the following activity:</p> <p><b>1. Conduct operations and deployments to defend and advance Australia's national interests.</b></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>
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Year	Performance measures	Expected Performance Results
Current Year 2023-24	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 2024-25	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year-on-year.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 1.2 resulting from 2024-25 Budget Measures: Nil.		

#### Note

- a. Refers to updated key activities that are reflected in the 2023-27 *Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 *National Defence Strategy*.

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated	Budget	Forward	Forward	Forward
	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	4,155	1,802	-	-	-
Suppliers	143,949	100,392	1,216	1,218	1,222
Other expenses	-	-	-	-	-
	<b>148,104</b>	<b>102,194</b>	<b>1,216</b>	<b>1,218</b>	<b>1,222</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
<b>Total operating expenses</b>	<b>148,104</b>	<b>102,194</b>	<b>1,216</b>	<b>1,218</b>	<b>1,222</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	-	-	-	-	-
Purchases of inventory	10,255	7,929	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
	-	-	-	-	-
<b>Total capital expenditure</b>	<b>10,255</b>	<b>7,929</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Program 1.2 - Operations Supporting Wider Interests Total funded expenditure <sup>[a]</sup></b>	<b>158,359</b>	<b>110,123</b>	<b>1,216</b>	<b>1,218</b>	<b>1,222</b>

**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

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.

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.

#### Key Activities <sup>[a]</sup>

This program will be achieved through the following activity:

#### 1. Conduct operations and deployments to defend and advance Australia's 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 2023-24	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 2024-25	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year-on-year.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.

Material changes to Program 1.3 resulting from 2024-25 Budget Measures: Nil.

#### Note

- a. Refers to updated key activities that are reflected in the 2023-27 Defence Corporate Plan. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 National Defence Strategy.

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated	Budget	Forward	Forward	Forward
	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	8,037	1,800	-	-	-
Suppliers	58,558	39,737	22	22	22
Other expenses	-	-	-	-	-
	<b>66,595</b>	<b>41,537</b>	<b>22</b>	<b>22</b>	<b>22</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
<b>Total operating expenses</b>	<b>66,595</b>	<b>41,537</b>	<b>22</b>	<b>22</b>	<b>22</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	-	-	-	-	-
Purchases of inventory	20,973	30,214	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
<b>Total capital expenditure</b>	<b>20,973</b>	<b>30,214</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Program 1.3 - Defence Contribution to National Support Tasks in Australia Total funded expenditure <sup>[a]</sup></b>	<b>87,568</b>	<b>71,751</b>	<b>22</b>	<b>22</b>	<b>22</b>

**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 is agile and adaptive, and can flexibly respond to the identified strategic risks in a 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 this cycle and the 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 to become the cornerstone of Defence planning. This approach aims to deter any conflict before it begins, prevent any potential adversary from succeeding in coercing Australia through force, support regional security and prosperity and uphold a favourable strategic balance.

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.

The Government also commissioned an Independent Analysis of Navy's Surface Combatant Fleet to ensure the Navy's size, structure and composition complement the capabilities provided by the forthcoming conventionally-armed, nuclear-powered submarines. On 29 September 2023, the independent analysis of Navy's surface combatant fleet capability was submitted to the Government. The Independent Analysis Team engaged a range of government officials, ADF personnel, industry experts and partners to assess the capability requirements needed to meet our strategic circumstances. On 20 February 2024, the Government responded to the recommendations made by the independent analysis and released the blueprint for Navy's future enhanced lethality surface combatant fleet.

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 \$880 million 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.

In line with *2024 National Defence Strategy*, the United States Alliance continues to evolve and strengthen, including through Enhanced Force Posture Cooperation, deepening strategic partnerships in the Indo-Pacific, enhancing cooperation on Australia's Guided Weapons and Explosive Ordnance Enterprise, and streamlining trade controls and information-sharing between the two nations. The AUKUS trilateral security and technology partnership continues to deepen defence capability and technological cooperation between Australia, the United Kingdom and the United States. Enhanced cooperation with the United States and the United Kingdom, including through AUKUS, complements Australia's commitment to our existing network of international partnerships, including the Pacific Islands Forum and Association of Southeast Asian Nations, as well as Five Eyes, the Five Power Defence Arrangements, and the Quad.

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 in 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 has released the *Defence Industry Development Strategy*, establishing 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.

A focus in 2024-25 will also be the implementation of the amendments to the *Defence Trade Control Act 2012* to create a trilateral export control licence-free environment with the United States and the United Kingdom. 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, and preventing the illicit trade of conventional weapons or proliferation of weapons of mass destruction.

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

<b>Attorney-General’s Department</b>
Program 1.8 – Nuclear-Powered Submarines.
<b>Contribution to Outcome 2 by linked programs</b>
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.

<b>Australian Federal Police</b>
Program 1.1 – Federal Policing.
Program 3.1 – Specialist Protective Services.
Program 3.2 – International Police Assistance and External Territories.
<b>Contribution to Outcome 2 by linked programs</b>
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.

<b>Australian Maritime Safety Authority</b>
Program 1.1 – Seafarer and ship safety, safety of navigation and environmental protection.
<b>Contribution to Outcome 2 by linked program</b>
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 *Australian Security Intelligence Organisation Act 1979*, 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 *Intelligence Services Act 2001*, 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.

<b>Bureau of Meteorology</b>
Program 1.1 – Bureau of Meteorology.
<b>Contribution to Outcome 2 by linked program</b>
The Bureau of Meteorology has a strategic partnering agreement for the provision of meteorological and oceanographic services to support Defence.

<b>Commonwealth Superannuation Corporation</b>
Program 1.1 – Superannuation Scheme Governance.
<b>Contribution to Outcome 2 by linked programs</b>
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.

<b>Defence Housing Australia</b>
Program 1.1 – The provision of Defence housing and housing related services.
<b>Contribution to Outcome 2 by linked programs</b>
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.

<b>Department of Climate Change, Energy, the Environment and Water</b>
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.
<b>Contribution to Outcome 2 by linked programs</b>
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.

<b>Department of Education</b>
Program 2.1 – Commonwealth Grant Scheme.
Program 2.8 – Nuclear-Powered Submarine Program.
<b>Contribution to Outcome 2 by linked program</b>
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 APMC 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 APMC 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><b>Department of Industry, Science and Resources</b></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><b>Contribution to Outcome 2 by linked programs</b></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 to prevent the unwanted transfer of 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><b>Department of Infrastructure, Transport, Regional Development, Communications and the Arts</b></p>
<p>Program 1.1 – The Australian Transport Safety Bureau.                  Program 1.1 – The Civil Aviation Safety Authority.</p>
<p><b>Contribution to Outcome 2 by linked programs</b></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>

<b>Department of Infrastructure, Transport, Regional Development, Communications and the Arts, continued</b>
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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.
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<b>Department of Social Services</b>
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Program 2.1 – Families and Communities.
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Contribution to Outcome 2 by linked programs
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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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<b>Department of the Treasury</b>
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Program 1.1 – Department of the Treasury.
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Program 1.4 – Commonwealth-State Financial Relations.
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<b>Contribution to Outcome 2 by linked program</b>
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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 Review Board applications, where those applications have national security implications or affect Defence interests.
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<p><b>Department of Veterans' Affairs</b></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><b>Contribution to Outcome 2 by linked programs</b></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 (Agreement for Services)</i>.</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><b>Geoscience Australia</b></p> <p>Program 1.1 – Geoscientific and Spatial Information Services.</p>
<p><b>Contributing to Outcome 2 by linked program</b></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 priorities.

## Outcome 2 Resources

**Table 16: Total Budgeted Resources Available for Outcome 2**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Program 2.1 Strategy, Policy and Industry</b>					
Revenues from other sources	545	575	578	601	628
Expenditure funded by appropriations	873,112	830,566	789,640	708,443	813,095
<b>Program 2.2 Defence Executive Support</b>					
Revenues from other sources	5,560	4,299	5,247	5,773	4,808
Expenditure funded by appropriations	544,223	502,198	513,758	560,960	652,883
<b>Program 2.3 Defence Finance</b>					
Revenues from other sources	29,769	26,859	9,318	10,000	9,326
Expenditure funded by appropriations	220,670	255,590	256,663	268,640	271,205
<b>Program 2.4 Joint Capabilities</b>					
Revenues from other sources	10,733	1,872	1,918	1,966	2,014
Expenditure funded by appropriations	2,414,355	2,554,903	2,438,874	2,839,200	3,840,313
<b>Program 2.5 Navy Capabilities</b>					
Revenues from other sources	75,171	59,015	22,844	23,440	24,053
Expenditure funded by appropriations	10,506,215	10,705,000	11,622,137	12,777,943	12,743,406
<b>Program 2.6 Army Capabilities</b>					
Revenues from other sources	17,679	20,990	47,486	41,293	44,974
Expenditure funded by appropriations	11,274,542	11,751,745	13,071,365	13,700,574	14,378,939
<b>Program 2.7 Air Force Capabilities</b>					
Revenues from other sources	40,851	41,900	42,978	44,082	45,216
Expenditure funded by appropriations	10,213,766	9,469,480	10,075,457	10,778,738	11,137,175
<b>Program 2.8 Australian Defence Force Headquarters</b>					
Revenues from other sources	13,141	13,378	9,454	7,971	6,939
Expenditure funded by appropriations	313,748	231,705	194,964	176,800	206,760
<b>Program 2.9 Capability Acquisition and Sustainment</b>					
Revenues from other sources	82,426	26,353	2,000	2,000	2,000
Expenditure funded by appropriations	1,069,741	1,293,951	1,500,826	1,709,471	1,762,354
<b>Program 2.10 Security and Estate</b>					
Revenues from other sources	508,032	449,640	523,300	544,204	574,535
Expenditure funded by appropriations	6,432,715	6,156,935	6,252,101	6,386,320	6,547,335
<b>Program 2.11 Defence Digital</b>					
Revenues from other sources	47,951	57,892	63,043	66,075	61,999
Expenditure funded by appropriations	1,622,133	1,610,899	1,685,189	1,959,160	2,214,509
<b>Program 2.12 Defence People</b>					
Revenues from other sources	15,927	16,523	18,683	19,974	18,203
Expenditure funded by appropriations	2,158,345	2,341,105	2,441,232	2,490,975	2,579,600
<b>Program 2.13 Defence Science and Technology</b>					
Revenues from other sources	4,451	4,497	4,643	4,759	4,872
Expenditure funded by appropriations	773,209	673,139	739,724	799,168	959,571
<b>Program 2.14 Defence Intelligence</b>					
Revenues from other sources	4,371	4,480	4,592	4,707	4,825
Expenditure funded by appropriations	712,994	1,007,250	1,054,083	1,326,157	1,497,190
<b>Program 2.15 Naval Shipbuilding and Sustainment</b>					
Revenues from other sources	-	-	-	-	-
Expenditure funded by appropriations	434,926	263,584	226,350	225,619	229,020
<b>Program 2.16 Nuclear-Powered Submarines</b>					
Revenues from other sources	-	-	-	-	-
Expenditure funded by appropriations	475,266	2,807,197	2,753,425	1,249,375	4,974,830

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Program 2.19 Defence Trusts and Joint Accounts</b>					
Revenues from other sources	153,593	297,555	280,023	380,362	333,237
Total Expenditure	160,212	305,192	280,272	380,501	333,287
<b>Program 2.20 Defence Force Superannuation Benefits Program and Program 2.21 Defence Force Superannuation Nominal Interest</b>					
Defence Force Retirement Benefits Act, 1948 Part 1, s.15D and VIC, s.82ZJ (1)	40,300	27,613	25,778	24,132	22,630
Defence Force Retirements and Death Benefits Act, 1973 Part XII, s.125 (3)	1,834,852	1,917,602	1,950,448	1,977,161	1,989,902
Military Superannuation and Benefits Act, 1991 Part V, s.17 <sup>[a]</sup>	2,048,270	2,325,519	2,566,504	2,812,014	3,070,477
Australian Defence Force Cover Act 2015	120,000	183,189	254,154	331,386	422,238
Expenses not requiring appropriation	5,705,192	5,338,408	5,458,685	5,633,983	5,812,101
<b>Total Administered expenses <sup>[b]</sup></b>	<b>9,748,614</b>	<b>9,792,331</b>	<b>10,255,569</b>	<b>10,778,676</b>	<b>11,317,348</b>
Administered revenues from other sources	-1,124,706	-1,067,060	-1,011,025	-956,047	-902,839
<b>Total Program 2.20 and 2.21</b>	<b>8,623,908</b>	<b>8,725,270</b>	<b>9,244,544</b>	<b>9,822,629</b>	<b>10,414,508</b>
<b>Program 2.22 Housing Assistance</b>					
Defence Home Ownership Assistance Scheme Act 2008 Part VI, s.84	220,016	236,275	255,100	275,795	298,595
Expenses not requiring appropriation	-	-	-	-	-
<b>Total Administered expenses</b>	<b>220,016</b>	<b>236,275</b>	<b>255,100</b>	<b>275,795</b>	<b>298,595</b>
Administered revenues from other sources	-21,614	-23,978	-26,573	-29,426	-32,570
<b>Total Program 2.22</b>	<b>198,402</b>	<b>212,297</b>	<b>228,527</b>	<b>246,369</b>	<b>266,025</b>
<b>Program 2.23 Other Administered</b>					
Expenses not requiring appropriation	-	-	-	-	-
<b>Total Administered expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Administered revenues from other sources	-42,178	-41,877	-43,864	-45,150	-53,125
<b>Total Program 2.23</b>	<b>-42,178</b>	<b>-41,877</b>	<b>-43,864</b>	<b>-45,150</b>	<b>-53,125</b>
<b>Total resourcing</b>					
Total operating expense (incl. repayment of lease liabilities) funded by appropriation	35,784,137	38,723,921	40,457,998	41,014,415	44,579,063
Total capital expenditure funded by appropriation / (capital surplus)	-	-	-	-	-
Capital Prepayment	-	-	-	-	-
Total Gifted assets included in budget estimates	-	-	-	-	-
Total Administered <sup>[c]</sup>	4,263,437	4,690,199	5,051,985	5,420,491	5,803,842
Total Departmental revenue from other sources	856,607	728,274	756,084	776,845	804,390
Total Administered revenue from other sources <sup>[d]</sup>	1,188,498	1,132,915	1,081,462	1,030,623	988,534
Administered returns to the Official Public Account <sup>[e]</sup>	-1,513,025	-1,413,156	-1,349,918	-1,286,038	-1,231,225
Prior year appropriation	-	-	-	-	-
Total capital expenditure funded by Equity injection:					
- Bill 1 DCB	2,716,799	3,141,090	3,584,012	3,496,085	3,387,258
- Bill 2 Equity	11,539,024	10,590,238	11,573,778	13,447,046	16,841,867
<b>Total resources for Outcome 2</b>	<b>54,835,477</b>	<b>57,593,482</b>	<b>61,155,401</b>	<b>63,899,467</b>	<b>71,173,729</b>
Net revenue/ (expenditure) in relation to Defence Trusts and Joint Accounts <sup>[f]</sup>	-6,619	-7,637	-249	-138	-50
<b>Total resources for Outcome 2 including Defence Trusts and Joint Accounts</b>	<b>54,828,858</b>	<b>57,585,844</b>	<b>61,155,152</b>	<b>63,899,328</b>	<b>71,173,679</b>

**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 2023-24 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.
- 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.
- Based on a change in Defence's accounting policy, revenue and expenses in relation to Defence Trusts and Joint Accounts are classified as Departmental activities with retrospective effect from 1 July 2022 based on approval from Minister for Finance on 20 September 2022.

## Contributions to Outcome 2

Program 2.1: Strategy, Policy and Industry		
<p><b>Program 2.1 Objective</b></p> <p>To deliver high-quality policy advice to Government, the Secretary and Chief of the Defence Force, to protect and advance Australia's strategic interests.</p>		
<p><b>Key Activities</b> <sup>[a]</sup></p>	<p>This program will be achieved through the following activities:</p> <p><b>2. Be a strategy-led organisation.</b> Defence is a strategy-led organisation and sets strategic objectives in line with Government direction in order to achieve our mission and purpose. The <i>2024 National Defence Strategy</i> encompasses a comprehensive outline of Defence policy, planning, capabilities and resourcing. It is Defence's key strategic policy document and focuses the enterprise to achieve government objectives.</p> <p><b>5. Promote regional and global security and stability.</b> In our current strategic circumstances, it is more important than ever for Defence to promote regional and global security and stability so that Australia contributes to the strategic balance of power that keeps the peace in our region, making it harder for countries to be coerced against their interests.</p> <p><b>7. Advance Australia's prosperity.</b> 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 2023-24	2.1: Defence develops internal policy guidance to implement Government direction.	Defence revises the Strategy Framework and develops the <i>National Defence Strategy</i> for Government agreement as directed by the <i>Defence Strategic Review</i> .  <i>Expected to be achieved.</i>
	5.1: Defence builds and maintains relationships with international partners that promote regional and global security and stability.	International engagement activities are directed and focused on strengthening Defence relationships and maintaining regional balance.  <i>Expected to be achieved.</i>
	5.2: Defence conducts operations, activities and investments, which provide presence and posture in the Indo-Pacific.	Defence is investing in partnerships and activities in the Indo-Pacific.  <i>Expected to be achieved.</i>
	7.1: Defence contributes to Australia's prosperity through the inclusion of Australian businesses and enterprises in supply chains for capability and services.	Defence contributes to the Australian economy, strengthens sovereign defence industry, invests in national innovation, science and technology in line with priorities, and meets or exceeds Indigenous procurement targets.  <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year 2024-25	2.1: Defence develops internal policy guidance to implement Government direction.	Defence implements the <i>National Defence Strategy</i> as directed by government.
	5.1: Defence builds and maintains relationships with international partners that promote regional and global security and stability.	International engagement activities are directed and focused on strengthening Defence relationships and maintaining regional balance.
	5.2: Defence conducts operations, activities and investments, which provide presence and posture in the Indo-Pacific.	Defence is investing in partnerships and activities in the Indo-Pacific.
	7.1: Defence contributes to Australia's prosperity through the inclusion of Australian businesses and enterprises in supply chains for capability and services.	Defence contributes to the Australian economy, strengthens sovereign defence industry, invests in national innovation, science and technology in line with priorities, and meets or exceeds Indigenous procurement targets.

Year	Performance measures	Planned Performance Results
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.1 resulting from 2024-25 Budget Measures: Nil.		

**Note**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	97,072	108,955	109,361	118,650	121,574
Suppliers	700,682	643,764	624,734	537,234	592,601
Other expenses	38,895	51,156	39,060	39,064	39,052
	<b>836,649</b>	<b>803,875</b>	<b>773,155</b>	<b>694,948</b>	<b>753,227</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	41,262	37,881	39,047	41,722	32,734
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	609	644	680	719	760
	<b>41,871</b>	<b>38,525</b>	<b>39,727</b>	<b>42,441</b>	<b>33,494</b>
<b>Total operating expenses</b>	<b>878,520</b>	<b>842,400</b>	<b>812,882</b>	<b>737,389</b>	<b>786,721</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	28,047	18,071	7,627	4,412	50,559
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	8,961	9,195	9,436	9,684	9,937
<b>Total capital expenditure</b>	<b>37,008</b>	<b>27,266</b>	<b>17,063</b>	<b>14,096</b>	<b>60,496</b>
<b>Program 2.1 Strategy, Policy and Industry Total funded expenditure <sup>(a)</sup></b>	<b>873,657</b>	<b>831,141</b>	<b>790,218</b>	<b>709,044</b>	<b>813,723</b>

**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 2.2: 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.

<b>Key Activities</b> <sup>[a]</sup>	<p>This program will be achieved through the following activities:</p> <p><b>4. Invest in Defence People.</b> 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><b>6. Deliver future capability.</b> 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>
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Year	Performance measures	Expected Performance Results
Current Year 2023-24	4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests. <i>Expected to be partially achieved.</i>
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs.	Defence supports Australian Defence Force members and their families by providing access to support services and programs. <i>Expected to be substantially 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 described by the <i>Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule. <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>
Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs having regard to lifetime wellbeing.	Defence supports Australian Defence Force members and their families by providing access to support services and programs.
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.2 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the *2024-28 Defence Corporate Plan*.

**Table 18: Cost Summary for Program 2.2 Defence Executive Support**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	89,877	90,899	91,310	94,075	92,232
Suppliers	311,512	330,841	336,057	290,639	344,428
Other expenses	3,384	2,743	2,812	2,882	2,753
	<b>404,773</b>	<b>424,483</b>	<b>430,179</b>	<b>387,596</b>	<b>439,413</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	10,890	12,521	29,405	21,219	25,305
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	10,505	13,000	16,088	19,910	24,639
	<b>21,395</b>	<b>25,521</b>	<b>45,493</b>	<b>41,129</b>	<b>49,944</b>
<b>Total operating expenses</b>	<b>426,168</b>	<b>450,004</b>	<b>475,672</b>	<b>428,725</b>	<b>489,357</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	144,996	81,999	88,811	179,121	218,262
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	14	15	15	16	16
<b>Total capital expenditure</b>	<b>145,010</b>	<b>82,014</b>	<b>88,826</b>	<b>179,137</b>	<b>218,278</b>
<b>Program 2.2 Defence Executive Support Total funded expenditure</b> <sup>(a) (b)</sup>	<b>549,783</b>	<b>506,497</b>	<b>519,005</b>	<b>566,733</b>	<b>657,691</b>

**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 2.3: Defence Finance		
<b>Program 2.3 Objective</b>		
To produce quality financial products to deliver Defence and Government-directed outcomes.		
<b>Key Activities</b> <sup>[a]</sup>	<p>This program will be achieved through the following activities:</p> <p><b>6. Deliver future capability.</b> 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><b>7. Advance Australia's prosperity.</b> 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>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year 2023-24	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 described by the <i>Defence Strategic Review</i> .	<p>80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.</p> <p><i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i></p> <p><i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i></p>
	7.1: Defence contributes to Australia's prosperity through the inclusion of Australian businesses and enterprises in supply chains for capability and services.	<p>Defence contributes to the Australian economy, strengthens sovereign defence industry, invests in national innovation, science and technology in line with priorities, and meets or exceeds Indigenous procurement targets.</p> <p><i>Expected to be substantially achieved.</i></p>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year <sup>[b]</sup> 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.
	7.1: Defence contributes to Australia's prosperity through the inclusion of Australian businesses and enterprises in supply chains for capability and services.	Defence contributes to the Australian economy, strengthens sovereign defence industry, invests in national innovation, science and technology in line with priorities, and meets or exceeds Indigenous procurement targets.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.3 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

**Table 19: Cost Summary for Program 2.3 Defence Finance <sup>[a]</sup>**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees <sup>[b]</sup>	163,840	190,254	190,786	201,588	201,715
Suppliers	82,868	88,361	71,282	73,059	74,729
Other expenses	3,731	3,834	3,913	3,993	4,087
	<b>250,439</b>	<b>282,449</b>	<b>265,981</b>	<b>278,640</b>	<b>280,531</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
<b>Total operating expenses</b>	<b>250,439</b>	<b>282,449</b>	<b>265,981</b>	<b>278,640</b>	<b>280,531</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	-	-	-	-	-
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
<b>Total capital expenditure</b>	-	-	-	-	-
<b>Program 2.3 Defence Finance Total funded expenditure <sup>[c]</sup></b>	<b>250,439</b>	<b>282,449</b>	<b>265,981</b>	<b>278,640</b>	<b>280,531</b>

**Notes**

- The Defence Finance Program includes budget adjustments applied at the whole of Defence level, and not otherwise applied to other programs.
- Full-time equivalent headcount is held in this Program from time to time for future prioritisation.
- 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**

<b>Program 2.4 Objective</b> <sup>[a]</sup>		
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.		
<b>Key Activities</b> <sup>[b]</sup>	<p>This program will be achieved through the following activities:</p> <p><b>1. Conduct operations and deployments to defend and advance Australia's national interests.</b> 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><b>4. Invest in Defence People.</b> 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><b>6. Deliver future capability.</b> 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>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year 2023-24	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests. <i>Expected to be partially achieved.</i>
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs.	Defence supports Australian Defence Force members and their families by providing access to support services and programs. <i>Expected to be substantially 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 described by the Defence Strategic Review.	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>

Year	Performance measures	Planned Performance Results
Budget Year <sup>(c)</sup> 2024-25	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.4 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. The following elements of the Program Objectives have moved to Program 2.12: Defence People (including Chief of Personnel) and will be updated in the 2024-28 Defence Corporate Plan: health, military police, youth development, reserves, employer support and gender mainstreaming.
- b. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- c. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

**Table 20: Cost Summary for Program 2.4 Joint Capabilities**

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated	Budget	Forward	Forward	Forward
	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	150,603	167,310	172,776	180,585	189,664
Suppliers	1,499,829	1,655,208	1,597,932	1,897,725	1,985,868
Other expenses	7,298	24	25	25	26
	<b>1,657,730</b>	<b>1,822,542</b>	<b>1,770,733</b>	<b>2,078,335</b>	<b>2,175,558</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	69,829	100,594	135,829	173,990	214,689
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	333,113	353,307	374,932	398,134	423,085
	<b>402,942</b>	<b>453,901</b>	<b>510,761</b>	<b>572,124</b>	<b>637,774</b>
<b>Total operating expenses</b>	<b>2,060,672</b>	<b>2,276,443</b>	<b>2,281,494</b>	<b>2,650,459</b>	<b>2,813,332</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	767,292	734,165	669,989	762,759	1,666,696
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	66	68	70	72	73
<b>Total capital expenditure</b>	<b>767,358</b>	<b>734,233</b>	<b>670,059</b>	<b>762,831</b>	<b>1,666,769</b>
<b>Program 2.4 Joint Capabilities Total funded expenditure <sup>[a] [b]</sup></b>	<b>2,425,088</b>	<b>2,556,775</b>	<b>2,440,792</b>	<b>2,841,166</b>	<b>3,842,327</b>

**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

### 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.

<b>Key Activities</b> <sup>[a]</sup>	<p>This program will be achieved through the following activities:</p> <p><b>1. Conduct operations and deployments to defend and advance Australia's national interests.</b> 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><b>6. Deliver future capability.</b> 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>
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Year	Performance measures	Expected Performance Results
Current Year 2023-24	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 described by the <i>Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>

Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.5 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the 2023-27 *Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 *National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 *Defence Corporate Plan*.

**Table 21: Cost Summary for Program 2.5 Navy Capabilities**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	2,791,949	2,928,118	3,065,762	3,271,271	3,447,856
Suppliers	3,607,295	3,638,349	4,055,334	4,307,402	4,135,793
Other expenses	6,098	5,778	5,090	4,310	5,985
	<b>6,405,342</b>	<b>6,572,245</b>	<b>7,126,186</b>	<b>7,582,983</b>	<b>7,589,634</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	1,319,711	1,461,471	1,472,473	1,457,322	1,455,425
Inventory consumption	396,919	356,729	357,617	329,585	346,537
Net write-down and net impairment of assets	58,392	62,122	66,184	70,630	75,516
	<b>1,775,022</b>	<b>1,880,322</b>	<b>1,896,274</b>	<b>1,857,537</b>	<b>1,877,478</b>
<b>Total operating expenses</b>	<b>8,180,364</b>	<b>8,452,567</b>	<b>9,022,460</b>	<b>9,440,520</b>	<b>9,467,112</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	3,658,901	3,723,329	3,957,818	4,701,481	4,703,352
Purchases of inventory	494,274	445,256	537,467	493,075	450,286
Principal repayments of lease liabilities	22,869	23,185	23,510	23,844	24,187
<b>Total capital expenditure</b>	<b>4,176,044</b>	<b>4,191,770</b>	<b>4,518,795</b>	<b>5,218,400</b>	<b>5,177,825</b>
<b>Program 2.5 Navy Capabilities Total funded expenditure <sup>(a)</sup> <sub>(b)</sub></b>	<b>10,581,386</b>	<b>10,764,015</b>	<b>11,644,981</b>	<b>12,801,383</b>	<b>12,767,459</b>

**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 22: Navy Deliverables (Unit Availability Days) <sup>[a]</sup>**

Deliverables		2023-24 Estimated Actual	2024-25 Budget Estimate	2025-26 Forward Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate
17	Major Combatants <sup>[b]</sup>	2,843	3,294	3,280	3,190	3,191
14	Minor Combatants <sup>[c]</sup>	3,727	3,593	3,010	2,420	2,201
5	Amphibious and Afloat Support <sup>[d]</sup>	984	1,125	1,049	964	1,128
10	Maritime Teams <sup>[e]</sup>	3,320	3,941	4,446	4,748	4,748
5	Hydrographic Force <sup>[f]</sup>	917	526	650	648	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 eight Anzac Class frigates, three Hobart Class destroyers and six Collins Class submarines. Increased UAD for the Forward Estimates reflects changes to the Fleet Activity Schedule and Docking Schedules.
- c. Minor Combatants comprises a decreasing number of Armidale Class patrol boats, an increasing number of Cape Class patrol boats and four Huon Class coastal minehunters. There is nil significant change in UADs this financial year.
- d. Amphibious and Afloat Support comprises two Supply Class replenishment ships, two Canberra Class amphibious ships and HMAS *Choules*. Increased UAD in the Forward Estimates is due to changes in the Fleet Activity Schedule for the AOR's.
- e. Maritime Teams comprises two Clearance Diving teams, four Deployable Geospatial Support and four Deployable Meteorological teams. Two Senior Deployable Meteorologist teams have been included in the Forward Estimates increasing the overall UAD.
- f. Hydrographic Force comprises two Leeuwin Class hydrographic ships and the Naval Air Station Weather and Oceanographic Centre. Decreased UAD relates to withdrawal from service of the Paluma Class survey motor launch.

**Table 23: Navy Deliverables (Flying Hours)**

Deliverables		2023-24 Estimated Actual	2024-25 Budget Estimate	2025-26 Forward Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate
23	MH-60R	6,250	6,250	6,750	7,200	7,200

**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.

<b>Key Activities</b> <sup>[a]</sup>	<p>This program will be achieved through the following activities:</p> <p><b>1. Conduct operations and deployments to defend and advance Australia's national interests.</b> 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><b>6. Deliver future capability.</b> 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>
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Year	Performance measures	Expected Performance Results
Current Year 2023-24	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 described by the <i>Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>

Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.6 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the 2023-27 *Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 *National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 *Defence Corporate Plan*.

**Table 24: Cost Summary for Program 2.6 Army Capabilities**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	4,822,651	5,010,716	5,220,516	5,511,732	5,783,918
Suppliers	2,357,300	2,596,229	3,074,114	3,194,543	3,188,753
Other expenses	3,057	124	127	131	133
	<b>7,183,008</b>	<b>7,607,069</b>	<b>8,294,757</b>	<b>8,706,405</b>	<b>8,972,804</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	1,870,020	1,494,655	1,409,815	1,416,983	1,388,315
Inventory consumption	510,342	614,581	630,916	695,999	731,484
Net write-down and net impairment of assets	70,300	74,262	78,464	82,922	87,658
	<b>2,450,662</b>	<b>2,183,498</b>	<b>2,119,195</b>	<b>2,195,905</b>	<b>2,207,457</b>
<b>Total operating expenses</b>	<b>9,633,670</b>	<b>9,790,567</b>	<b>10,413,952</b>	<b>10,902,310</b>	<b>11,180,261</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	3,409,220	3,211,550	3,827,194	3,967,767	4,396,168
Purchases of inventory	689,286	943,128	985,624	1,056,123	1,043,066
Principal repayments of lease liabilities	10,708	10,988	11,276	11,571	11,875
<b>Total capital expenditure</b>	<b>4,109,213</b>	<b>4,165,666</b>	<b>4,824,094</b>	<b>5,035,462</b>	<b>5,451,109</b>
<b>Program 2.6 Army Capabilities Total funded expenditure <sup>[a] [b]</sup></b>	<b>11,292,221</b>	<b>11,772,735</b>	<b>13,118,851</b>	<b>13,741,867</b>	<b>14,423,913</b>

**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	2023-24 Estimated Actual	2024-25 Budget Estimate	2025-26 Forward Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate
14 CH-47F Chinook	2,480	3,000	3,000	3,000	3,000
22 ARH Tiger <sup>[a]</sup>	2,850	2,995	1,315	450	450
46 MRH-90 Taipan <sup>[b]</sup>	335	-	-	-	-
29 AH-64E Apache <sup>[c]</sup>	-	-	1,000	3,250	4,920
40 UH-60M Black Hawk <sup>[d]</sup>	880	2,900	4,100	4,500	5,400
2 RQ-7B Shadow 200 – Tactical Uncrewed Aerial System (TUAS) <sup>[e]</sup>	2,070	500	-	-	-
6 RQ-21 Integrator – TUAS <sup>[f]</sup>	400	1,250	1,750	2,000	2,000
3 AW139 <sup>[g]</sup>	1,250	1,500	-	-	-
5 H135 <sup>[h]</sup>	-	3,000	3,000	3,000	3,000

**Notes**

- a. Reducing ARH Tiger Rate of Effort (RoE) reflects transition of the workforce to the replacement Boeing AH-64E Apache. Estimate for 2027-28 is only to be considered as a contingency option.
- b. On Friday, 29 September 2023, the Government announced that the Australian Defence Force's MRH-90 Taipan helicopters will not return to flying operations before their planned withdrawal date of December 2024. The platform had flown 335AHRs of the planned 3500AFHRs before the decision to be removed from flying operations.
- c. AH-64E Apache Forward Estimates reflect the fleet's planned introduction into service as it replaces ARH Tiger. Aircraft deliveries are expected to commence in Quarter 3, 2025 and will progressively increase to a fleet of 29.
- d. UH-60M Black Hawk Forward Estimates reflect the fleet's planned introduction into service as it replaces MRH-90 Taipan. Aircraft deliveries commenced in Quarter 2, 2023 and will progressively increase to a fleet of 40. RoE amendment due to increased fidelity of aircraft delivery schedule.
- e. Increase in Shadow 200 TUAS RoE reflects the current support to operations and extension of collective training due to project Land 129 Phase 3 schedule delay.
- f. RQ-21 Integrator TUAS Forward Estimates reflect the fleet's planned introduction into service as it replaces Shadow 200 TUAS. System deliveries commenced in Quarter 1, 2024 and enabled RoE to support Land Capability exercises ahead of schedule as approved by Project office. The capability will progressively increase to a fleet of 6 systems. RoE demands for 2027-28 Forward Estimates will be assessed during the IIS and path to FOC.
- g. The AW139 fleet will be withdrawn from service at end of Quarter 2, 2025.
- h. Army is leasing five H-135 helicopters to mitigate the loss of MRH-90 RoE in both the operational and training systems. The first aircraft are expected to be delivered in Quarter 2, 2024.

**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** <sup>[a]</sup> This program will be achieved through the following activities:

**1. Conduct operations and deployments to defend and advance Australia's 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 2023-24	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 described by the <i>Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>

Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.7 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

**Table 26: Cost Summary for Program 2.7 Air Force Capabilities**

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	2,721,117	2,866,295	3,015,647	3,226,577	3,452,780
Suppliers	4,008,415	4,112,228	4,465,336	4,438,147	4,551,876
Other expenses	2,315	2,616	2,607	2,636	2,673
	<b>6,731,847</b>	<b>6,981,139</b>	<b>7,483,590</b>	<b>7,667,360</b>	<b>8,007,329</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	1,720,385	1,693,550	1,731,031	1,688,775	1,750,562
Inventory consumption	374,076	341,370	377,148	407,534	427,557
Net write-down and net impairment of assets	63,840	67,575	71,589	75,915	80,592
	<b>2,158,301</b>	<b>2,102,495</b>	<b>2,179,768</b>	<b>2,172,224</b>	<b>2,258,711</b>
<b>Total operating expenses</b>	<b>8,890,148</b>	<b>9,083,634</b>	<b>9,663,358</b>	<b>9,839,583</b>	<b>10,266,040</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	3,030,686	2,080,608	2,032,416	2,512,648	2,569,962
Purchases of inventory	459,588	416,286	568,208	607,694	569,062
Principal repayments of lease liabilities	32,496	33,347	34,221	35,118	36,038
<b>Total capital expenditure</b>	<b>3,522,770</b>	<b>2,530,241</b>	<b>2,634,845</b>	<b>3,155,460</b>	<b>3,175,062</b>
<b>Program 2.7 Air Force Capabilities Total funded expenditure</b> <sup>[a] [b]</sup>	<b>10,254,617</b>	<b>9,511,380</b>	<b>10,118,435</b>	<b>10,822,820</b>	<b>11,182,391</b>

**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 27: Air Force Deliverables (Flying Hours)**

Deliverables <sup>[a]</sup>		2023-24 Estimated Actual	2024-25 Budget Estimate	2025-26 Forward Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate
49	PC-21	22,000	26,820	26,820	26,820	26,820
11	KA350 King Air	2,600	3,800	3,800	3,800	3,800
12	C-130J Hercules	5,500	7,350	7,350	7,350	7,350
8	C-17A Globemaster III	4,900	6,200	6,200	6,200	6,200
10	C-27J Spartan	5,100	5,500	5,500	5,500	5,500
7	KC-30A MRTT	4,500	4,700	4,700	4,700	4,700
2	737 BBJ	1,450	1,600	1,600	1,600	1,600
3	Falcon-7X	1,550	2,400	2,400	2,400	2,400
0	AP-3C Orion <sup>[b]</sup>	413.5	-	-	-	-
12	P-8A Poseidon <sup>[c]</sup>	5,500	5,800	6,200	6,600	7,000
6	E-7A Wedgetail	3,300	3,600	3,600	3,600	3,600
24	F/A-18F Super Hornet	4,600	4,500	4,500	4,500	4,500
33	Hawk 127	5,500	6,500	6,500	6,500	6,500
12	E/A-18G Growler	2,500	2,800	2,800	2,800	2,800
72	F-35A Lightning II <sup>[d]</sup>	9,700	11,000	11,500	12,000	12,000
-	MC-55A Peregrine <sup>[e]</sup>	-	-	450	2,440	3,000
-	MQ-4C Triton <sup>[f]</sup>	-	300	1,500	2,000	2,600

**Notes**

- Fleet sizes represent totals in service during 2024-25.
- AP-3C Orion Forward Estimates reflect the fleet's planned withdrawal from service.
- P-8A Poseidon Forward Estimates reflect projected increase aligned with workforce growth.
- F-35A phasing reflects projected workforce growth and maturing understanding of training demand and preparedness requirements.
- MC-55A Peregrine Forward Estimates reflect the fleet's planned introduction into service.
- MQ-4C Triton Forward Estimates reflect the fleet's planned introduction into service.

**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** <sup>[a]</sup> This program will be achieved through the following activities:

**1. Conduct operations and deployments to defend and advance Australia's 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 2023-24	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 described by the <i>Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>

Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.

Year	Performance measures	Planned Performance Results
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.8 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	35,507	38,457	38,875	40,489	41,309
Suppliers	290,633	198,967	164,954	143,678	154,151
Other expenses	88	5,121	97	99	100
	<b>326,228</b>	<b>242,545</b>	<b>203,926</b>	<b>184,266</b>	<b>195,560</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	13,465	15,791	17,573	19,351	20,782
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	369	408	453	505	565
	<b>13,834</b>	<b>16,199</b>	<b>18,026</b>	<b>19,856</b>	<b>21,347</b>
<b>Total operating expenses</b>	<b>340,062</b>	<b>258,744</b>	<b>221,952</b>	<b>204,122</b>	<b>216,907</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	194	2,058	-	-	17,621
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	467	480	492	505	518
<b>Total capital expenditure</b>	<b>661</b>	<b>2,538</b>	<b>492</b>	<b>505</b>	<b>18,139</b>
<b>Program 2.8 Australian Defence Force Headquarters Total funded expenditure</b> <sup>(a)</sup> <sup>(b)</sup>	<b>326,889</b>	<b>245,083</b>	<b>204,418</b>	<b>184,771</b>	<b>213,699</b>

**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 2.9: 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.

<b>Key Activities</b> <sup>[a]</sup>	<p>This program will be achieved through the following activities:</p> <p><b>6. Deliver future capability.</b> 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><b>7. Advance Australia's prosperity.</b> 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 2023-24	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 described by the <i>Defence Strategic Review</i> .	<p>80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.</p> <p><i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i></p> <p><i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i></p>
	7.1: Defence contributes to Australia's prosperity through the inclusion of Australian businesses and enterprises in supply chains for capability and services.	<p>Defence contributes to the Australian economy, strengthens sovereign defence industry, invests in national innovation, science and technology in line with priorities, and meets or exceeds Indigenous procurement targets.</p> <p><i>Expected to be substantially achieved.</i></p>
Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.
	7.1: Defence contributes to Australia's prosperity through the inclusion of Australian businesses and enterprises in supply chains for capability and services.	Defence contributes to the Australian economy, strengthens sovereign defence industry, invests in national innovation, science and technology in line with priorities, and meets or exceeds Indigenous procurement targets.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.9 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	443,289	459,733	473,727	501,979	518,385
Suppliers	532,083	666,841	648,982	757,590	565,592
Other expenses	13	14	14	14	14
	<b>975,385</b>	<b>1,126,588</b>	<b>1,122,723</b>	<b>1,259,583</b>	<b>1,083,991</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	88,478	201,546	335,897	466,101	566,589
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	209	219	229	240	252
	<b>88,687</b>	<b>201,765</b>	<b>336,126</b>	<b>466,341</b>	<b>566,841</b>
<b>Total operating expenses</b>	<b>1,064,072</b>	<b>1,328,353</b>	<b>1,458,849</b>	<b>1,725,924</b>	<b>1,650,832</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	176,683	193,614	379,998	451,781	680,253
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	99	102	105	107	110
<b>Total capital expenditure</b>	<b>176,782</b>	<b>193,716</b>	<b>380,103</b>	<b>451,888</b>	<b>680,363</b>
<b>Program 2.9 Capability Acquisition and Sustainment Total funded expenditure</b> <sup>(a) (b)</sup>	<b>1,152,167</b>	<b>1,320,304</b>	<b>1,502,826</b>	<b>1,711,471</b>	<b>1,764,354</b>

**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. This includes the transfers from the Services (Navy, Army, and Air Force) towards the creation of the Guided Weapons and Explosive Ordnance Group.

Program 2.10: Security and Estate		
<b>Program 2.10 Objective</b>		
To deliver integrated security, estate and infrastructure services to enable Defence Force Operations and to contribute to Defence outcomes.		
<b>Key Activities</b> <sup>[a]</sup>	This program will be achieved through the following activity:  <b>6. Deliver future capability.</b> 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 2023-24	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 described by the <i>Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>
Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.10 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

**Table 30: Cost Summary for Program 2.10 Security and Estate**

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated	Budget	Forward	Forward	Forward
	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	1,392,544	1,407,979	1,507,260	1,566,321	1,600,079
Suppliers	4,024,373	3,673,647	3,737,512	3,980,812	4,398,725
Other expenses	116,150	114,360	112,977	111,426	107,457
	<b>5,533,067</b>	<b>5,195,986</b>	<b>5,357,749</b>	<b>5,658,559</b>	<b>6,106,261</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	1,501,913	1,523,624	1,560,679	1,638,911	1,685,785
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	65,552	70,648	76,158	82,116	88,562
	<b>1,567,465</b>	<b>1,594,272</b>	<b>1,636,837</b>	<b>1,721,027</b>	<b>1,774,347</b>
<b>Total operating expenses</b>	<b>7,100,532</b>	<b>6,790,258</b>	<b>6,994,586</b>	<b>7,379,586</b>	<b>7,880,608</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	1,230,311	1,226,974	1,227,590	1,075,138	811,744
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	177,369	183,615	190,062	196,827	203,865
<b>Total capital expenditure</b>	<b>1,407,680</b>	<b>1,410,589</b>	<b>1,417,652</b>	<b>1,271,965</b>	<b>1,015,609</b>
<b>Program 2.10 Security and Estate Total funded expenditure <sup>[a]</sup></b>	<b>6,940,747</b>	<b>6,606,575</b>	<b>6,775,401</b>	<b>6,930,524</b>	<b>7,121,870</b>

**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 2.11: Defence Digital**

<b>Program 2.11 Objective</b>		
A modern, secure, sustainable and scalable information environment to enable Australian Defence Force Operations and support Defence business.		
<b>Key Activities</b> <sup>[a]</sup>	This program will be achieved through the following activity:  <b>6. Deliver future capability.</b> 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.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year 2023-24	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 described by the <i>Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year <sup>[b]</sup> 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.11 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the *2024-28 Defence Corporate Plan*.

**Table 31: Cost Summary for Program 2.11 Defence Digital <sup>[a]</sup>**

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	73,918	68,629	74,990	74,766	79,315
Suppliers	1,560,442	1,554,170	1,647,295	1,709,787	1,965,925
Other expenses	34	35	36	37	38
	<b>1,634,394</b>	<b>1,622,834</b>	<b>1,722,321</b>	<b>1,784,590</b>	<b>2,045,278</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	303,366	304,922	245,399	204,479	156,603
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	23,597	28,626	34,817	42,447	51,853
	<b>326,963</b>	<b>333,548</b>	<b>280,216</b>	<b>246,926</b>	<b>208,456</b>
<b>Total operating expenses</b>	<b>1,961,357</b>	<b>1,956,382</b>	<b>2,002,537</b>	<b>2,031,516</b>	<b>2,253,734</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	21,812	32,000	11,871	226,521	217,019
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	13,878	13,957	14,040	14,124	14,211
<b>Total capital expenditure</b>	<b>35,690</b>	<b>45,957</b>	<b>25,911</b>	<b>240,645</b>	<b>231,230</b>
<b>Program 2.11 Defence Digital Total funded expenditure <sup>[b] [c]</sup></b>	<b>1,670,084</b>	<b>1,668,791</b>	<b>1,748,232</b>	<b>2,025,235</b>	<b>2,276,508</b>

**Notes**

- a. Program 2.11 has been renamed to Defence Digital from Chief Information Officer.
- 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 2.12: 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** <sup>[a]</sup>

The program will be achieved through the following activities:

**1. Conduct operations and deployments to defend and advance Australia's 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.

Year	Performance measures	Expected Performance Results
Current Year 2023-24	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster 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 is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests. <i>Expected to be partially achieved.</i>
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs.	Defence supports Australian Defence Force members and their families by providing access to support services and programs. <i>Expected to be substantially achieved.</i>
Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	1.1: Defence maintains ready forces, plans and conducts operations, activities and actions 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 Australian Defence Force and Australian Public Service assistance to whole-of-government national disaster and emergency response, as directed by Government.	Defence responds to Australian Government direction as required. This will change year-on-year.
	4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs having regard to lifetime wellbeing.	Defence supports Australian Defence Force members and their families by providing access to support services and programs.

Year	Performance measures	Planned Performance Results
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.12 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the 2023-27 *Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 *National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 *Defence Corporate Plan*.

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	1,000,503	1,149,643	1,201,518	1,276,562	1,300,651
Suppliers	1,149,052	1,121,640	1,161,812	1,138,595	1,199,328
Other expenses	5,495	7,779	6,989	7,137	7,024
	<b>2,155,050</b>	<b>2,279,062</b>	<b>2,370,319</b>	<b>2,422,294</b>	<b>2,507,003</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	27,950	15,840	19,403	19,737	19,318
Inventory consumption	7,124	38,337	52,482	55,527	57,053
Net write-down and net impairment of assets	2,089	2,554	3,128	3,836	4,709
	<b>37,163</b>	<b>56,731</b>	<b>75,013</b>	<b>79,100</b>	<b>81,080</b>
<b>Total operating expenses</b>	<b>2,192,213</b>	<b>2,335,793</b>	<b>2,445,332</b>	<b>2,501,394</b>	<b>2,588,083</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	6	21	21	23	24
Purchases of inventory	11,344	70,466	81,285	80,124	82,046
Principal repayments of lease liabilities	7,872	8,079	8,290	8,508	8,730
<b>Total capital expenditure</b>	<b>19,223</b>	<b>78,566</b>	<b>89,596</b>	<b>88,655</b>	<b>90,800</b>
<b>Program 2.12 Defence People Total funded expenditure</b> <sup>[a]</sup> <sup>[b]</sup> <sup>[c]</sup>	<b>2,174,272</b>	<b>2,357,628</b>	<b>2,459,915</b>	<b>2,510,949</b>	<b>2,597,803</b>

**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.
- The Defence People Group includes the funded expenditure for the Military Personnel Group and the People Strategy Group.

**Program 2.13: Defence Science and Technology**

<b>Program 2.13 Objective</b>		
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.		
<b>Key Activities</b> <sup>[a]</sup>	<p>This program is achieved through the following activities:</p> <p><b>6. Deliver future capability.</b> 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><b>7. Advance Australia's prosperity.</b> 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>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year 2023-24	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 described by the <i>Defence Strategic Review</i> .	<p>80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.</p> <p><i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i></p> <p><i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i></p>
	7.1: Defence contributes to Australia's prosperity through the inclusion of Australian businesses and enterprises in supply chains for capability and services.	<p>Defence contributes to the Australian economy, strengthens sovereign defence industry, invests in national innovation, science and technology in line with priorities, and meets or exceeds Indigenous procurement targets.</p> <p><i>Expected to be substantially achieved.</i></p>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year <sup>[b]</sup> 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.
	7.1: Defence contributes to Australia's prosperity through the inclusion of Australian businesses and enterprises in supply chains for capability and services.	Defence contributes to the Australian economy, strengthens sovereign defence industry, invests in national innovation, science and technology in line with priorities, and meets or exceeds Indigenous procurement targets.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.13 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the 2023-27 *Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 *Defence Corporate Plan*.

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	369,774	384,672	392,203	406,941	419,751
Suppliers	405,050	291,645	350,828	395,632	526,718
Other expenses	2,143	1,136	1,148	1,161	1,171
	<b>776,967</b>	<b>677,453</b>	<b>744,179</b>	<b>803,734</b>	<b>947,640</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	33,019	37,836	40,366	40,698	20,257
Inventory consumption	151	155	158	162	166
Net write-down and net impairment of assets	2,079	2,195	2,317	2,446	2,582
	<b>35,249</b>	<b>40,186</b>	<b>42,841</b>	<b>43,306</b>	<b>23,005</b>
<b>Total operating expenses</b>	<b>812,216</b>	<b>717,639</b>	<b>787,020</b>	<b>847,040</b>	<b>970,645</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	515	-	-	-	16,605
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	178	183	188	193	198
<b>Total capital expenditure</b>	<b>693</b>	<b>183</b>	<b>188</b>	<b>193</b>	<b>16,803</b>
<b>Program 2.13 Defence Science and Technology Total funded expenditure <sup>(a)</sup></b>	<b>777,660</b>	<b>677,636</b>	<b>744,367</b>	<b>803,927</b>	<b>964,443</b>

**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 2.14: Defence Intelligence**

**Program 2.14 Objective**  
 Deliver high-quality and timely intelligence services that achieve Government intelligence priorities.

**Key Activities** <sup>[a]</sup> This program is achieved through the following activities:

**3. Enable intelligence-informed strategic policy and overseas operations.** 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 2023-24	3.1: Defence intelligence assessments and products inform the planning and conduct of overseas operations and the development of strategic policy.	100 per cent of overseas operations and strategic policy products are informed by Defence intelligence assessments and products.  <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 described by <i>the Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>

Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	3.1: Defence intelligence assessments and products inform the planning and conduct of overseas operations and the development of strategic policy.	100 per cent of overseas operations and strategic policy products are informed by Defence intelligence assessments and products.
	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.

Material changes to Program 2.14 resulting from 2024-25 Budget Measures: Nil.

**Notes**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the *2024-28 Defence Corporate Plan*.

**Table 34: Cost Summary for Program 2.14 Defence Intelligence**

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	141,070	148,354	152,620	157,637	148,680
Suppliers	497,437	659,650	636,504	717,094	841,065
Other expenses	20	20	21	21	21
	<b>638,527</b>	<b>808,024</b>	<b>789,145</b>	<b>874,752</b>	<b>989,766</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	24,746	38,546	63,921	75,915	79,355
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	22,031	26,898	32,902	40,311	49,458
	<b>46,777</b>	<b>65,444</b>	<b>96,823</b>	<b>116,226</b>	<b>128,813</b>
<b>Total operating expenses</b>	<b>685,304</b>	<b>873,468</b>	<b>885,968</b>	<b>990,978</b>	<b>1,118,579</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	78,687	203,551	269,371	455,948	512,081
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	151	155	159	164	168
<b>Total capital expenditure</b>	<b>78,838</b>	<b>203,706</b>	<b>269,530</b>	<b>456,112</b>	<b>512,249</b>
<b>Program 2.14 Defence Intelligence Total funded expenditure</b> <sup>[a]</sup>	<b>717,365</b>	<b>1,011,730</b>	<b>1,058,675</b>	<b>1,330,864</b>	<b>1,502,015</b>

**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	2023-24 Estimated Actual	2024-25 Budget Estimate	2025-26 Forward Estimate	2026-27 Forward Estimate	2027-28 Forward Estimate
Maritime Safety Updates <sup>[a]</sup>	100%	100%	100%	100%	100%
Charting Projects <sup>[b]</sup>	13	15	15	15	15
Nautical Publications <sup>[c]</sup>	30	31	30	30	31
Survey Projects <sup>[d]</sup>	11	10	12	14	16
Australian Hydrographic Office Availability <sup>[e]</sup>	247	248	249	249	249

**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, five annual publications, and selected additional publications in some years. Variation of plus one due to inclusion of annual AusTides publication.
- d. 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. The Survey Project rate of effort is aligned with the annual HIPP budget guidance and available personnel to manage the planning and oversight of scheduled survey projects. Variation due to two 2022-23 activities being completed in 2023-24. HIPP Phase 1 funding expires at the end of 2023-24 and all Stage 1 contracts are planned to be completed by end of 2023-24.
- 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**

<b>Program 2.15 Objective</b>		
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.		
<b>Key Activities</b> <sup>[a]</sup>	This program is achieved through the following activity:  <b>6. Deliver future capability.</b> 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.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year 2023-24	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 described by the <i>Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year <sup>[b]</sup> 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.15 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the 2023-27 Defence Corporate Plan. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 National Defence Strategy.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated	Budget	Forward	Forward	Forward
	Actual	Estimate	Estimate	Estimate	Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	161,791	166,410	166,663	170,773	162,817
Suppliers	273,114	97,153	59,665	54,299	65,412
Other expenses	-	-	-	-	-
	<b>434,905</b>	<b>263,563</b>	<b>226,328</b>	<b>225,072</b>	<b>228,229</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	114	28	29	30	31
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	1	1	1	1	1
	<b>115</b>	<b>29</b>	<b>30</b>	<b>31</b>	<b>32</b>
<b>Total operating expenses</b>	<b>435,020</b>	<b>263,592</b>	<b>226,358</b>	<b>225,103</b>	<b>228,261</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	-	-	-	524	768
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	21	21	22	23	23
<b>Total capital expenditure</b>	<b>21</b>	<b>21</b>	<b>22</b>	<b>547</b>	<b>791</b>
<b>Program 2.15 Naval Shipbuilding and Sustainment Total funded expenditure</b> <sup>[a]</sup>	<b>434,926</b>	<b>263,584</b>	<b>226,350</b>	<b>225,619</b>	<b>229,020</b>

**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**

<b>Program 2.16 Objective</b>		
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.		
<b>Key Activities</b> <sup>[a]</sup>	This program is achieved through the following activity:  <b>6. Deliver future capability.</b> 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.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year 2023-24	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 described by the <i>Defence Strategic Review</i> .	80 per cent or more of approved Integrated Investment Program projects across all domains are on track to deliver the capability approved by Government within Government approved cost and schedule.  <i>The current year performance is expected to be substantially achieved against the approved Integrated Investment Program baseline.</i>  <i>Defence will reconcile the current measure from 1 July 2023 to April 2024 along with further information on the new measure in our Annual Performance Statements.</i>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year <sup>[b]</sup> 2024-25	6.1: Defence is delivering the right future capability at the right time within the Integrated Investment Program to ensure a generational uplift in Defence capability, providing a more credible ability to implement the Strategy of Denial 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 capability approved by Government within Government approved cost and schedule.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.16 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the *2023-27 Defence Corporate Plan*. Corporate Planning, including performance measures, key activities and targets will be reviewed in light of the release of the *2024 National Defence Strategy*.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	-	-	-	-	-
Suppliers	237,535	2,222,182	1,857,717	416,919	1,051,608
Other expenses	183,749	236,763	383,205	464,467	1,699,671
	<b>421,284</b>	<b>2,458,945</b>	<b>2,240,922</b>	<b>881,386</b>	<b>2,751,279</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	51	213	450	2,202	21,716
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	<b>51</b>	<b>213</b>	<b>450</b>	<b>2,202</b>	<b>21,716</b>
<b>Total operating expenses</b>	<b>421,335</b>	<b>2,459,158</b>	<b>2,241,372</b>	<b>883,588</b>	<b>2,772,995</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	53,982	348,252	512,503	367,989	2,223,551
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
<b>Total capital expenditure</b>	<b>53,982</b>	<b>348,252</b>	<b>512,503</b>	<b>367,989</b>	<b>2,223,551</b>
<b>Program 2.16 Nuclear-Powered Submarines Total funded expenditure</b> <sup>[a] [b]</sup>	<b>475,266</b>	<b>2,807,197</b>	<b>2,753,425</b>	<b>1,249,375</b>	<b>4,974,830</b>

**Notes**

- 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 was created on 27 March 2023 and reflects movement of functions and associated budget from other Defence Programs. This Program holds funding to be allocated to other agencies, including in relation to the final allocation of funding for the establishment of the Australian Naval Nuclear Power Safety Regulator to be created in 2024-25.

**Program 2.19: Defence Trusts and Joint Accounts**

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Expenses funded by appropriation and own source revenue</b>					
Employees	-	-	-	-	-
Suppliers	-	-	-	-	-
Other expenses	47,778	58,227	58,928	55,608	7,520
	<b>47,778</b>	<b>58,227</b>	<b>58,928</b>	<b>55,608</b>	<b>7,520</b>
<b>Expenses not requiring appropriation</b>					
Depreciation and amortisation	-	-	-	-	-
Inventory consumption	-	-	-	-	-
Net write-down and net impairment of assets	-	-	-	-	-
	-	-	-	-	-
<b>Total operating expenses</b>	<b>47,778</b>	<b>58,227</b>	<b>58,928</b>	<b>55,608</b>	<b>7,520</b>
<b>Capital expenditure funded by appropriation and own source revenue</b>					
Purchases of non-financial assets	112,434	246,965	221,344	324,893	325,767
Purchases of inventory	-	-	-	-	-
Principal repayments of lease liabilities	-	-	-	-	-
	<b>112,434</b>	<b>246,965</b>	<b>221,344</b>	<b>324,893</b>	<b>325,767</b>
<b>Program 2.19 Defence Trusts and Joint Accounts <sup>(a)</sup></b>	<b>160,212</b>	<b>305,192</b>	<b>280,272</b>	<b>380,501</b>	<b>333,287</b>

**Note**

- a. 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**

<b>Administered Program 2.20 Objective</b>		
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.		
<b>Key Activities</b> <sup>[a]</sup>	This program will be achieved through the following activity:  <b>4. Invest in Defence People.</b> 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.	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year 2023-24	4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.  <i>Expected to be partially achieved.</i>
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs.	Defence supports Australian Defence Force members and their families by providing access to support services and programs.  <i>Expected to be substantially achieved.</i>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year <sup>[b]</sup> 2024-25	4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs having regard to lifetime wellbeing.	Defence supports Australian Defence Force members and their families by providing access to support services and programs.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.20 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the 2023-27 Defence Corporate Plan. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 National Defence Strategy.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

**Administered Program 2.21: Defence Force Superannuation Nominal Interest**

<b>Administered Program 2.21 Objective</b>		
<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>		
<b>Key Activities</b> <sup>[a]</sup>	<p>This program will be achieved through the following activity:</p> <p><b>4. Invest in Defence People.</b> 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>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year 2023-24	4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.  <i>Expected to be partially achieved.</i>
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs.	Defence supports Australian Defence Force members and their families by providing access to support services and programs.  <i>Expected to be substantially achieved.</i>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year <sup>[b]</sup> 2024-25	4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs having regard to lifetime wellbeing.	Defence supports Australian Defence Force members and their families by providing access to support services and programs.
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 2.21 resulting from 2024-25 Budget Measures: Nil.		

**Notes**

- a. Refers to updated key activities that are reflected in the 2023-27 Defence Corporate Plan. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 National Defence Strategy.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Expenses</b>					
Military retention benefits	46,970	11,250	-	-	-
Military superannuation benefits <sup>[a]</sup>					
- benefits	3,702,406	3,154,190	3,352,049	3,591,647	3,838,806
- interest	5,999,238	6,626,891	6,903,520	7,187,030	7,478,542
<b>Total expenses</b>	<b>9,748,614</b>	<b>9,792,331</b>	<b>10,255,569</b>	<b>10,778,676</b>	<b>11,317,348</b>
<b>Income</b>					
<b>Revenues <sup>[b]</sup></b>					
Military superannuation contributions	-1,124,706	-1,067,060	-1,011,025	-956,047	-902,839
<b>Total income</b>	<b>-1,124,706</b>	<b>-1,067,060</b>	<b>-1,011,025</b>	<b>-956,047</b>	<b>-902,839</b>
<b>Program 2.20 Defence Force Superannuation Benefits and Program 2.21 Defence Force Superannuation Nominal Interest</b>	<b>8,623,908</b>	<b>8,725,270</b>	<b>9,244,544</b>	<b>9,822,629</b>	<b>10,414,508</b>

**Notes**

- Figures for 2023-24 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.
- Negative amounts denote revenue.

**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.

<b>Key Activities</b> <sup>[a]</sup>	<p>This program will be achieved through the following activity:</p> <p><b>4. Invest in Defence People.</b> 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>
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Year	Performance measures	Expected Performance Results
Current Year 2023-24	4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	<p>Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.</p> <p style="text-align: right;"><i>Expected to be partially achieved.</i></p>
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs.	<p>Defence supports Australian Defence Force members and their families by providing access to support services and programs.</p> <p style="text-align: right;"><i>Expected to be substantially achieved.</i></p>

Year	Performance measures	Planned Performance Results
Budget Year <sup>[b]</sup> 2024-25	4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.	<p>Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.</p>
	4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs having regard to lifetime wellbeing.	<p>Defence supports Australian Defence Force members and their families by providing access to support services and programs.</p>
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.

Material changes to Program 2.22 resulting from 2024-25 Budget Measures: Nil.

**Notes**

- a. Refers to updated key activities that are reflected in the 2023-27 Defence Corporate Plan. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 National Defence Strategy.
- b. Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

**Table 40: Cost Summary for Administered Program 2.22 Housing Assistance**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Expenses</b>					
Housing subsidies	220,016	236,275	255,100	275,795	298,595
<b>Total expenses</b>	<b>220,016</b>	<b>236,275</b>	<b>255,100</b>	<b>275,795</b>	<b>298,595</b>
<b>Income</b>					
<b>Revenues <sup>[a]</sup></b>					
Dividends	-	-	-	-	-
License fees <sup>[b]</sup>	-21,614	-23,978	-26,573	-29,426	-32,570
Other	-	-	-	-	-
<b>Total income</b>	<b>-21,614</b>	<b>-23,978</b>	<b>-26,573</b>	<b>-29,426</b>	<b>-32,570</b>
<b>Program 2.22 Housing Assistance</b>	<b>198,402</b>	<b>212,297</b>	<b>228,527</b>	<b>246,369</b>	<b>266,025</b>

**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><b>Administered Program 2.23 Objective</b></p> <p>This program comprises three elements:</p> <ol style="list-style-type: none"> <li>Interest earned on overdue accounts and on official bank accounts held to facilitate operational requirements.</li> <li>Interest on Government loans to fund the building of new accommodation, dividends and tax equivalent payments received from the DHA.</li> <li>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.</li> </ol>		
<p><b>Key Activities</b> <sup>[a]</sup></p>	<p>This program will be achieved through the following activity:</p> <p><b>4. Invest in Defence People.</b> 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>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
<p>Current Year 2023-24</p>	<p>4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.</p>	<p>Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.</p> <p><i>Expected to be partially achieved.</i></p>
	<p>4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs.</p>	<p>Defence supports Australian Defence Force members and their families by providing access to support services and programs.</p> <p><i>Expected to be substantially achieved.</i></p>
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
<p>Budget Year <sup>[b]</sup> 2024-25</p>	<p>4.1: Defence is able to attract and retain an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.</p>	<p>Defence attracts and retains an Australian Defence Force and Australian Public Service workforce with the necessary culture, skills and capabilities to contribute to Australia's national interests.</p>
	<p>4.2: Defence supports Australian Defence Force members and their families by providing access to support services and programs having regard to lifetime wellbeing.</p>	<p>Defence supports Australian Defence Force members and their families by providing access to support services and programs.</p>
<p>Forward Estimates 2025-28</p>	<p>As per 2024-25.</p>	<p>As per 2024-25.</p>
<p>Material changes to Program 2.23 resulting from 2024-25 Budget Measures: Nil.</p>		

**Notes**

- Refers to updated key activities that are reflected in the 2023-27 Defence Corporate Plan. Corporate Planning, including key activities, performance measures and targets will be reviewed in light of the release of the 2024 National Defence Strategy.
- Performance measures have been updated and will be reflected in the 2024-28 Defence Corporate Plan.

**Table 41: Cost Summary for Administered Program 2.23 Other Administered**

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses</b>					
Supplier expenses	-	-	-	-	-
<b>Total expenses</b>	-	-	-	-	-
<b>Income</b>					
<b>Revenues <sup>(a)</sup></b>					
Other <sup>(b)</sup>	-42,178	-41,877	-43,864	-45,150	-53,125
<b>Total income</b>	<b>-42,178</b>	<b>-41,877</b>	<b>-43,864</b>	<b>-45,150</b>	<b>-53,125</b>
<b>Program 2.23 Other Administered</b>	<b>-42,178</b>	<b>-41,877</b>	<b>-43,864</b>	<b>-45,150</b>	<b>-53,125</b>

**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 2024-25 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](http://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 2024-25 as at May Budget 2024 <sup>[a]</sup>**

	Estimated Actual available appropriation 2023-24 \$'000	Estimate of prior year amounts available in 2024-25 \$'000	Proposed Budget 2024-25 \$'000	Total Estimate 2024-25 \$'000
<b>Departmental</b>				
Annual appropriations - ordinary annual services	35,902,472	-	38,784,076	38,784,076
Prior year appropriations available	-	-	-	-
Departmental appropriation	-	-	-	-
s74 External Revenue	-	-	-	-
Departmental capital budget - non-operating	-	-	-	-
Draw down of prior year appropriations	-	-	-	-
Prior year appropriations available	843,048	1,120,798	313,367	1,434,165
Equity injection	11,539,024	-	10,590,238	10,590,238
Departmental Capital Budget	2,789,500	-	3,206,210	3,206,210
<b>Total departmental annual appropriations <sup>[b]</sup></b>	<b>51,074,044</b>	<b>1,120,798</b>	<b>52,893,891</b>	<b>54,014,689</b>
<b>Total departmental resourcing</b>	<b>51,074,044</b>	<b>1,120,798</b>	<b>52,893,891</b>	<b>54,014,689</b>
<b>Administered</b>				
Annual appropriations - ordinary annual services	4,263,437	-	4,690,199	4,690,199
Prior year appropriations available	-	-	-	-
Equity injection	-	-	-	-
<b>Total administered annual appropriations</b>	<b>4,263,437</b>	<b>-</b>	<b>4,690,199</b>	<b>4,690,199</b>
<b>Total administered resourcing</b>	<b>4,263,437</b>	<b>-</b>	<b>4,690,199</b>	<b>4,690,199</b>

**Notes**

- This table is prepared on the same basis as Table 1.
- The appropriations for 2023-24, include amounts in Appropriation Bills 5 and 6 which are yet to receive royal assent.

**Table 43: Third Party Payments to and from other Agencies <sup>[a]</sup>**

	<b>2023-24</b>	<b>2024-25</b>
	<b>Estimated</b>	<b>Budget</b>
	<b>Actual</b>	<b>Estimate</b>
	<b>\$'000</b>	<b>\$'000</b>
Receipts from Defence Housing Australia for competitive neutrality revenue (Administered)	42,178	41,877
Payments made to Defence Housing Australia for the provision of services (Departmental)	740,070	793,382
Payments made to CEA Technologies Pty Ltd for the provision of services (Departmental)	-	283,480
Receipts from Australian Signals Directorate for the provision of services (Departmental)	100,502	102,840
Receipts from Australian Submarine Agency for the provision of services (Departmental)	28,688	41,508
Payments made to Department of Foreign Affairs and Trade for the provision of services (Departmental)	24,071	24,165
Payments made to the Commonwealth Superannuation Corporation for the provision of services (Departmental)	38,426	39,692
Payments made to the Department of Finance for the provision of services (Departmental)	49,652	49,652
Payments made to Comcare for workers compensation premiums (Departmental)	18,497	20,760
Payments made to Bureau of Meteorology for the provision of services (Departmental)	26,779	24,339
Payments made to the Australian Federal Police for the provision of services (Departmental)	50,022	51,730

**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)**

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>EXPENSES</b>					
Employee benefits	14,477,523	15,190,028	15,874,012	16,799,947	17,560,726
Supplier expenses	23,070,145	25,057,086	25,909,657	25,543,243	27,206,655
Grants	47,636	49,842	44,907	44,999	45,108
Depreciation and amortisation	7,025,199	6,939,017	7,101,316	7,267,435	7,437,464
Finance costs	128,066	126,015	124,132	121,962	119,571
Write-down of assets and impairment of assets	1,524,637	1,621,821	1,727,492	1,842,844	1,969,305
Foreign exchange losses	-	-	-	-	-
Net losses from sale of assets	-	-	12,379	21,821	20,238
Expenses in relation to Defence Trusts and Joint Accounts	47,778	58,227	58,928	55,608	7,520
Other	196,767	255,645	389,084	470,442	1,705,527
<b>Total expenses</b>	<b>46,517,751</b>	<b>49,297,681</b>	<b>51,241,907</b>	<b>52,168,301</b>	<b>56,072,114</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sales of goods and rendering of services	463,182	368,382	362,021	360,894	370,491
Revenue in relation to Defence Trusts and Joint Accounts	153,593	297,555	280,023	380,362	333,237
Other revenue	372,280	317,838	394,063	415,951	433,899
<b>Total own-source revenue</b>	<b>989,055</b>	<b>983,775</b>	<b>1,036,107</b>	<b>1,157,207</b>	<b>1,137,627</b>
<b>Gains</b>					
Foreign exchange	-	-	-	-	-
Reversals of previous asset write-downs	871,950	919,361	969,550	1,022,714	1,079,073
Net gains from sale of assets	23,185	43,961	-	-	-
Other gains	-	-	-	-	-
<b>Total gains</b>	<b>895,136</b>	<b>963,322</b>	<b>969,550</b>	<b>1,022,714</b>	<b>1,079,073</b>
<b>Total own-source income</b>	<b>1,884,191</b>	<b>1,947,097</b>	<b>2,005,657</b>	<b>2,179,921</b>	<b>2,216,701</b>
<b>Net cost of (contribution by) services</b>	<b>44,633,560</b>	<b>47,350,584</b>	<b>49,236,250</b>	<b>49,988,380</b>	<b>53,855,413</b>
Revenue from Government	35,902,472	38,784,076	40,298,687	41,015,493	44,575,469
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>-8,731,088</b>	<b>-8,566,510</b>	<b>-8,937,564</b>	<b>-8,972,887</b>	<b>-9,279,945</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items not subject to subsequent reclassification to net cost of services</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>-8,731,088</b>	<b>-8,566,510</b>	<b>-8,937,564</b>	<b>-8,972,887</b>	<b>-9,279,945</b>

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Note: Impact of Net Cash Appropriation Arrangements</b>					
<b>Surplus/ (Deficit) attributable to the Australian Government prior to Net Cash Appropriation Adjustments</b>	<b>-39,741</b>	<b>142,747</b>	<b>48,129</b>	<b>302,732</b>	<b>300,600</b>
Less: Items previously included in revenue appropriation:					
Depreciation and amortisation	7,025,199	6,939,017	7,101,316	7,267,435	7,437,464
Inventory consumption	1,288,612	1,351,172	1,418,323	1,488,808	1,562,798
Net write-down and net impairment of assets	652,686	702,460	757,943	820,130	890,232
Add: Repayment of lease liabilities funded through revenue appropriations	275,150	283,392	291,887	300,754	309,949
<b>Surplus (Deficit) attributable to the Australian Government as per above</b>	<b>-8,731,088</b>	<b>-8,566,510</b>	<b>-8,937,564</b>	<b>-8,972,887</b>	<b>-9,279,945</b>

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	334,253	302,213	301,965	301,827	301,777
Trade and other receivables	176,252	176,252	176,252	176,252	176,252
Tax assets	413,952	413,952	413,952	413,952	413,952
Appropriation receivable	1,120,798	1,434,165	1,699,455	1,964,488	1,789,768
Other receivables	555,544	555,396	555,243	555,100	554,940
<b>Total financial assets</b>	<b>2,600,799</b>	<b>2,881,978</b>	<b>3,146,867</b>	<b>3,411,619</b>	<b>3,236,689</b>
<b>Non-financial assets</b>					
Land and buildings	25,388,786	26,730,494	28,486,215	30,437,501	32,829,822
Infrastructure, plant and equipment	9,323,695	9,792,170	10,566,249	12,008,293	12,381,247
Specialist military equipment	89,073,328	91,851,358	94,930,213	98,955,510	106,667,064
Intangibles	2,383,643	2,654,077	2,927,471	3,111,449	3,398,906
Heritage and cultural	420,276	404,289	387,928	371,184	354,048
Inventories	9,136,759	9,664,481	10,153,206	10,672,675	11,010,645
Prepayments	4,059,850	4,243,307	4,568,273	4,815,915	5,279,310
<b>Total non-financial assets</b>	<b>139,786,338</b>	<b>145,340,176</b>	<b>152,019,555</b>	<b>160,372,527</b>	<b>171,921,042</b>
Assets held for sale	76,598	76,598	76,598	76,598	76,598
<b>Total assets</b>	<b>142,463,735</b>	<b>148,298,752</b>	<b>155,243,020</b>	<b>163,860,744</b>	<b>175,234,329</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	5,713,222	5,896,679	6,221,645	6,469,286	6,932,681
Other	670,284	715,251	779,826	855,841	462,675
<b>Total payables</b>	<b>6,383,506</b>	<b>6,611,930</b>	<b>7,001,471</b>	<b>7,325,127</b>	<b>7,395,356</b>
<b>Interest bearing liabilities</b>					
Leases	3,229,778	3,362,436	3,496,223	3,631,016	3,766,748
<b>Total interest bearing liabilities</b>	<b>3,229,778</b>	<b>3,362,436</b>	<b>3,496,223</b>	<b>3,631,016</b>	<b>3,766,748</b>
<b>Provisions</b>					
Employee provisions	3,336,318	3,580,316	3,781,029	3,970,058	4,188,503
Restoration, decontamination and decommissioning	1,087,208	1,087,208	1,087,208	1,087,208	1,087,208
Other	305,933	305,933	305,933	305,933	305,933
<b>Total provisions</b>	<b>4,729,459</b>	<b>4,973,457</b>	<b>5,174,170</b>	<b>5,363,199</b>	<b>5,581,644</b>
<b>Total liabilities</b>	<b>14,342,743</b>	<b>14,947,823</b>	<b>15,671,864</b>	<b>16,319,343</b>	<b>16,743,748</b>
<b>NET ASSETS</b>	<b>128,120,992</b>	<b>133,350,929</b>	<b>139,571,156</b>	<b>147,541,402</b>	<b>158,490,581</b>
<b>EQUITY</b>					
Contributed equity	93,452,272	107,248,719	122,406,510	139,349,642	159,578,766
Retained surplus (accumulated deficit)	630,697	-7,935,813	-16,873,377	-25,846,264	-35,126,208
Reserves	34,038,023	34,038,023	34,038,023	34,038,023	34,038,023
<b>Total equity</b>	<b>128,120,992</b>	<b>133,350,929</b>	<b>139,571,156</b>	<b>147,541,402</b>	<b>158,490,581</b>

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations (current year)	35,648,536	38,470,706	40,033,399	40,750,450	44,750,191
Appropriations (prior year)	-	-	-	-	-
Goods and services	722,096	612,022	687,972	701,318	743,593
Net GST received	2,803,121	2,936,945	3,106,498	3,224,493	3,688,076
Interest	-	-	-	-	-
Receipts in relation to Defence Trusts and Joint Accounts	67,467	273,152	280,024	380,363	333,237
Other cash received	113,366	74,198	68,112	75,527	60,797
Cash transfer from the Official Public Account (receivables)	-	-	-	-	-
<b>Total cash received</b>	<b>39,354,586</b>	<b>42,367,023</b>	<b>44,176,005</b>	<b>45,132,151</b>	<b>49,575,894</b>
<b>Cash used</b>					
Employees	14,223,587	14,876,659	15,608,725	16,534,903	17,735,447
Suppliers	21,781,533	23,705,914	24,491,336	24,054,435	25,643,859
Net GST paid	2,803,121	2,936,945	3,106,498	3,224,493	3,688,076
Grants	47,636	49,842	44,907	44,999	45,108
Payments in relation to Defence Trusts and Joint Accounts	160,212	305,192	280,272	380,501	333,287
Other cash used	324,834	381,660	513,213	592,406	1,825,097
Cash transfer to the Official Public Account (receivables)	-	-	-	-	-
<b>Total cash used</b>	<b>39,340,923</b>	<b>42,256,212</b>	<b>44,044,952</b>	<b>44,831,737</b>	<b>49,270,874</b>
<b>Net cash from (used by) operating activities</b>	<b>13,663</b>	<b>110,811</b>	<b>131,053</b>	<b>300,414</b>	<b>305,020</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of land and buildings	127,232	84,825	160,578	192	4,870
Proceeds from sales of infrastructure, plant and equipment	31,655	31,655	4	4	4
Proceeds from sales of specialist military equipment	9,855	24,061	5	5	5
Proceeds from sales of heritage and cultural assets	-	-	-	-	-
Other cash received	-	-	-	-	-
<b>Total cash received</b>	<b>168,742</b>	<b>140,541</b>	<b>160,587</b>	<b>201</b>	<b>4,879</b>
<b>Cash used</b>					
Purchase of land and buildings	1,995,116	2,189,878	2,723,007	2,692,026	3,122,332
Purchase of infrastructure, plant and equipment	110,801	1,050,281	1,380,399	2,063,360	1,051,545
Purchase of specialist military equipment	10,361,590	8,131,802	8,372,426	9,503,985	13,328,098
Purchase of heritage and cultural assets	-	-	-	-	-
Purchase of intangibles	133,824	484,231	509,376	446,744	582,690
Purchase of inventory	1,727,193	1,940,256	2,172,583	2,237,016	2,144,460
Selling costs on sale of assets	-	-	-	-	-
Finance costs	-	-	-	-	-
<b>Total cash used</b>	<b>14,328,524</b>	<b>13,796,448</b>	<b>15,157,791</b>	<b>16,943,131</b>	<b>20,229,125</b>
<b>Net cash from (used by) investing activities</b>	<b>-14,159,782</b>	<b>-13,655,907</b>	<b>-14,997,204</b>	<b>-16,942,930</b>	<b>-20,224,246</b>

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	11,539,024	10,590,238	11,573,778	13,447,046	16,841,867
Appropriations - departmental capital budget	2,789,500	3,206,210	3,584,013	3,496,085	3,387,258
Prior year appropriation	-	-	-	-	-
<b>Total cash received</b>	<b>14,328,524</b>	<b>13,796,448</b>	<b>15,157,791</b>	<b>16,943,131</b>	<b>20,229,125</b>
<b>Cash used</b>					
Principal repayments of lease liabilities	275,150	283,392	291,887	300,754	309,949
Cash to the Official Public Account	-	-	-	-	-
<b>Total cash used</b>	<b>275,150</b>	<b>283,392</b>	<b>291,887</b>	<b>300,754</b>	<b>309,949</b>
<b>Net cash from (used by) financing activities</b>	<b>14,053,374</b>	<b>13,513,056</b>	<b>14,865,904</b>	<b>16,642,377</b>	<b>19,919,176</b>
<b>Net increase (decrease) in cash and cash equivalents held</b>	<b>-92,745</b>	<b>-32,040</b>	<b>-247</b>	<b>-139</b>	<b>-50</b>
Cash and cash equivalents at the beginning of the reporting period	426,998	334,253	302,213	301,965	301,827
Transfer of cash from administered programs	-	-	-	-	-
Effect of exchange rate movements on cash and cash equivalents at beginning of the reporting period	-	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>334,253</b>	<b>302,213</b>	<b>301,965</b>	<b>301,827</b>	<b>301,777</b>

**Table 47: Departmental Statement of Changes in Equity — Summary of Movement (Budget year 2024-25)**

	Retained Earnings	Asset Revaluation Reserve	Contributed Equity/ Capital	Total Equity
	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2024</b>				
Balance carried forward from previous period	630,697	34,038,023	93,452,272	128,120,992
Adjustment for changes in accounting policies	-	-	-	-
<b>Adjusted opening balance</b>	<b>630,697</b>	<b>34,038,023</b>	<b>93,452,272</b>	<b>128,120,992</b>
<b>Comprehensive income</b>				
Comprehensive income recognised directly in equity:				
Gain/loss on revaluation of property	-	-	-	-
<b>Subtotal comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus (Deficit) for the period	-8,566,510	-	-	-8,566,510
<b>Total comprehensive income recognised directly in equity</b>	<b>-8,566,510</b>	<b>-</b>	<b>-</b>	<b>-8,566,510</b>
<b>Transactions with owners</b>				
<i>Distribution to owners</i>				
Returns on capital:				
Restructuring	-	-	-	-
Other	-	-	-	-
<i>Contributions by owners</i>				
Appropriation (equity injection)	-	-	10,590,238	10,590,238
Departmental Capital Budget	-	-	3,206,210	3,206,210
Other	-	-	-	-
<b>Sub-total transaction with owners</b>	<b>-</b>	<b>-</b>	<b>13,796,448</b>	<b>13,796,448</b>
Transfers between equity components	-	-	-	-
<b>Estimated closing balance as at 30 June 2025</b>	<b>-7,935,813</b>	<b>34,038,023</b>	<b>107,248,719</b>	<b>133,350,929</b>

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Budget Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CAPITAL APPROPRIATIONS</b>					
<b>Departmental Capital</b>					
Departmental Capital Budget	2,789,500	3,206,210	3,584,013	3,496,085	3,387,258
Bill 2 Equity	11,539,024	10,590,238	11,573,778	13,447,046	16,841,867
<b>Total capital appropriations</b>	<b>14,328,524</b>	<b>13,796,448</b>	<b>15,157,791</b>	<b>16,943,131</b>	<b>20,229,125</b>
<b>Represented by:</b>					
Purchase of non-financial assets	12,601,331	11,856,192	12,985,208	14,706,115	18,084,665
Purchase of inventory	1,727,193	1,940,256	2,172,583	2,237,016	2,144,460
Annual finance lease costs	-	-	-	-	-
Other items (including capital prepayments)	-	-	-	-	-
<b>Total Items</b>	<b>14,328,524</b>	<b>13,796,448</b>	<b>15,157,791</b>	<b>16,943,131</b>	<b>20,229,125</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	14,328,524	13,796,448	15,157,791	16,943,131	20,229,125
Funded by prior year appropriation	-	-	-	-	-
Funded by finance lease costs	-	-	-	-	-
Net capital (surplus) / deficit <sup>[a]</sup>	-	-	-	-	-
<b>Total</b>	<b>14,328,524</b>	<b>13,796,448</b>	<b>15,157,791</b>	<b>16,943,131</b>	<b>20,229,125</b>
<b>Reconciliation of cash used to acquire assets to asset movement table</b>					
Total purchases	14,440,958	14,043,413	15,379,135	17,268,024	20,554,892
less additions by finance lease	-	-	-	-	-
less additions by creditors/borrowings	-	-	-	-	-
plus borrowing/finance costs	-	-	-	-	-
plus prepayments	-	-	-	-	-
less gifted assets	112,434	246,965	221,344	324,893	325,767
less s75/restructuring	-	-	-	-	-
<b>Total cash used to acquire assets</b>	<b>14,328,524</b>	<b>13,796,448</b>	<b>15,157,791</b>	<b>16,943,131</b>	<b>20,229,125</b>

**Note**

- a. 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 2024-25)**

	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
<b>As at 1 July 2024</b>								
Gross book value	6,309,878	18,257,097	94,838,665	10,605,171	4,128,736	456,090	76,598	<b>134,672,235</b>
Gross book value - ROU	56,338	3,077,136	318,415	623,464	-	-	-	<b>4,075,352</b>
Accumulated depreciation/amortisation and impairment	-	1,276,226	6,013,432	1,569,123	1,745,092	35,814	-	<b>10,639,687</b>
Accumulated depreciation/amortisation and impairment - ROU	-	1,035,438	70,321	335,816	-	-	-	<b>1,441,575</b>
<b>Opening net book balance</b>	<b>6,366,216</b>	<b>19,022,570</b>	<b>89,073,328</b>	<b>9,323,695</b>	<b>2,383,643</b>	<b>420,276</b>	<b>76,598</b>	<b>126,666,327</b>
<b>CAPITAL ASSET ADDITIONS</b>								
<b>Estimated expenditure on new or replacement assets</b>								
By purchase - appropriation equity	108,024	2,081,855	8,131,802	1,050,281	484,231	-	-	<b>11,856,193</b>
By purchase - appropriation equity - ROU	-	285,630	32,635	97,784	-	-	-	<b>416,050</b>
By purchase - donated funds	6,695	129,026	-	111,244	-	-	-	<b>246,965</b>
By purchase - donated funds - ROU	-	-	-	-	-	-	-	-
By finance lease	-	-	-	-	-	-	-	-
By finance lease - ROU	-	-	-	-	-	-	-	-
<b>Total additions</b>	<b>114,718</b>	<b>2,210,881</b>	<b>8,131,802</b>	<b>1,161,525</b>	<b>484,231</b>	-	-	<b>12,103,158</b>
<b>Total additions - ROU</b>	-	<b>285,630</b>	<b>32,635</b>	<b>97,784</b>	-	-	-	<b>416,050</b>
<b>Other movements</b>								
Reclassifications <sup>[a]</sup>	-	-241,653	164,334	262,888	4,615	-	-	<b>190,184</b>
Reclassifications - ROU	-	-	-	-	-	-	-	-
Depreciation and amortisation	-	685,402	4,887,359	847,108	133,601	15,987	-	<b>6,569,457</b>
Depreciation and amortisation - ROU	-	253,953	30,903	84,703	-	-	-	<b>369,559</b>
Disposal of entities or operations (including restructuring)	-	-	-	-	-	-	-	-
Disposal of entities or operations (including restructuring) - ROU	-	-	-	-	-	-	-	-
Other disposals <sup>[b]</sup>	-	88,513	632,479	121,912	84,812	-	-	<b>927,715</b>
Other disposals - ROU	-	-	-	-	-	-	-	-
<b>Total other movements</b>	-	<b>-1,015,568</b>	<b>-5,355,504</b>	<b>-706,132</b>	<b>-213,798</b>	<b>-15,987</b>	-	<b>-7,306,989</b>
<b>Total other movements - ROU</b>	-	<b>-253,953</b>	<b>-30,903</b>	<b>-84,703</b>	-	-	-	<b>-369,559</b>
<b>As at 30 June 2025</b>								
Gross book value	6,424,597	20,137,812	102,502,323	11,907,672	4,532,770	456,090	76,598	<b>146,037,862</b>
Gross book value - ROU	56,338	3,362,766	351,050	721,248	-	-	-	<b>4,491,402</b>
Accumulated depreciation/amortisation and impairment	-	1,961,628	10,900,791	2,416,231	1,878,694	51,801	-	<b>17,209,144</b>
Accumulated depreciation/amortisation and impairment - ROU	-	1,289,391	101,224	420,519	-	-	-	<b>1,811,134</b>
<b>Closing net book value</b>	<b>6,480,935</b>	<b>20,249,559</b>	<b>91,851,358</b>	<b>9,792,170</b>	<b>2,654,077</b>	<b>404,289</b>	<b>76,598</b>	<b>131,508,986</b>

**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)**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Non-taxation</b>					
Dividends	-	-	-	-	-
Military superannuation contributions	1,124,706	1,067,060	1,011,025	956,047	902,839
Fees	21,614	23,978	26,573	29,426	32,570
Other	42,178	41,877	43,864	45,150	53,125
<b>Total non-taxation</b>	<b>1,188,498</b>	<b>1,132,915</b>	<b>1,081,462</b>	<b>1,030,623</b>	<b>988,534</b>
<b>Total revenues administered on behalf of Government</b>	<b>1,188,498</b>	<b>1,132,915</b>	<b>1,081,462</b>	<b>1,030,623</b>	<b>988,534</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Subsidies	220,016	236,275	255,100	275,795	298,595
Military retention benefits	46,970	11,250	-	-	-
Military superannuation benefits	9,701,644	9,781,081	10,255,569	10,778,676	11,317,348
Other	-	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	<b>9,968,630</b>	<b>10,028,606</b>	<b>10,510,669</b>	<b>11,054,471</b>	<b>11,615,943</b>

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	-	-	-	-	-
Trade and other receivables	21,614	23,978	26,573	29,426	32,570
Investments accounted for using the equity method	3,741,881	3,915,985	4,113,989	4,305,358	4,456,623
<b>Total financial assets</b>	<b>3,763,495</b>	<b>3,939,963</b>	<b>4,140,562</b>	<b>4,334,784</b>	<b>4,489,193</b>
<b>Non-financial assets</b>					
Prepayments	11,250	-	-	-	-
<b>Total non-financial assets</b>	<b>11,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets administered on behalf of Government</b>	<b>3,774,745</b>	<b>3,939,963</b>	<b>4,140,562</b>	<b>4,334,784</b>	<b>4,489,193</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Other	10,004	10,004	10,004	10,004	10,004
<b>Total payables</b>	<b>10,004</b>	<b>10,004</b>	<b>10,004</b>	<b>10,004</b>	<b>10,004</b>
<b>Provisions</b>					
Superannuation - DFRB	228,528	211,659	195,829	180,892	166,748
Superannuation - DFRDB	31,391,975	31,020,895	30,592,963	30,112,135	29,590,759
Superannuation - MSBS	96,437,450	100,934,413	105,251,294	109,403,271	113,378,993
Superannuation - ADF Cover	4,982,115	6,483,078	8,339,907	10,576,155	13,193,885
<b>Total provisions</b>	<b>133,040,068</b>	<b>138,650,045</b>	<b>144,379,993</b>	<b>150,272,453</b>	<b>156,330,385</b>
<b>Total liabilities administered on behalf of Government</b>	<b>133,050,072</b>	<b>138,660,049</b>	<b>144,389,997</b>	<b>150,282,457</b>	<b>156,340,389</b>

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

	2023-24	2024-25	2025-26	2026-27	2027-28
	Estimated Actual	Forward Estimate	Forward Estimate	Forward Estimate	Forward Estimate
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Interest	-	-	-	-	-
Military superannuation contributions	1,414,706	1,349,877	1,282,288	1,214,527	1,148,674
Fees	34,657	21,614	23,978	26,573	29,426
Other	63,662	41,665	43,652	44,938	53,125
<b>Total cash received</b>	<b>1,513,025</b>	<b>1,413,156</b>	<b>1,349,918</b>	<b>1,286,038</b>	<b>1,231,225</b>
<b>Cash used</b>					
Subsidies paid	220,016	236,275	255,100	275,795	298,595
Military benefits	4,043,421	4,453,924	4,796,885	5,144,696	5,505,247
<b>Total cash used</b>	<b>4,263,437</b>	<b>4,690,199</b>	<b>5,051,985</b>	<b>5,420,491</b>	<b>5,803,842</b>
<b>Net cash from or (used by) operating activities</b>	<b>-2,750,412</b>	<b>-3,277,043</b>	<b>-3,702,067</b>	<b>-4,134,453</b>	<b>-4,572,617</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Dividends	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Loans	-	-	-	-	-
<b>Total cash used</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from (used by) investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>	<b>-2,750,412</b>	<b>-3,277,043</b>	<b>-3,702,067</b>	<b>-4,134,453</b>	<b>-4,572,617</b>
Cash at the beginning of reporting period	-	-	-	-	-
Cash from the Official Public Account for appropriations	4,263,437	4,690,199	5,051,985	5,420,491	5,803,842
Cash to the Official Public Account	-1,513,025	-1,413,156	-1,349,918	-1,286,038	-1,231,225
Net increase (decrease) in Special Account	-	-	-	-	-
Effect of exchange rate movements on cash and cash equivalents	-	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### **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 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.

In line with the *2024 National Defence Strategy*, the DCP priority regions are our primary area of military interest, 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 also 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. The Pacific Maritime Security Program is the successor to the original Pacific Patrol Boat Program, through which Australia has provided 20 Guardian Class patrol boats (with in-country advisory personnel, maintenance support, crew training and technical assistance) to 11 Pacific Island nations to date.

Under the Pacific Maritime Security Program, 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 2025. The Pacific Maritime Security Program 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 2024-25 <sup>[a]</sup>**

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 will now occur at the regional level.

	<b>2023-24 Revised Estimate \$'000</b>	<b>2023-24 Estimated Actual \$'000</b>	<b>2024-25 Budget Estimate \$'000</b>
Pacific Region <sup>[b]</sup>	245,261	242,552	308,132
Southeast Asia	33,719	28,320	36,612
Other regional activities	25,574	19,183	28,012
Defence International Training Centre	899	2,931	3,033
<b>Total</b>	<b>305,453</b>	<b>292,986</b>	<b>375,790</b>

**Notes**

- a. DCP funding does not include support provided through the Capability Acquisition Program.
- b. Per the *National Defence Strategy* the investment in the Pacific Region has increased to help our Pacific partners respond to climate change and other non-traditional security threats and includes some one-off projects.

## 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 2024-25 Forecast Expenditure (Gross Plan) <sup>[a]</sup> <sup>[b]</sup> <sup>[c]</sup>**

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Air Domain</b>						
Air Launched Multi Domain Strike	<b>AIR 6004</b>	Military Equipment Acquisition	2,503	751	412	This project will deliver long range strike and air-to-surface weapons for use by Air Force's air combat aircraft, including the F/A-18F Super Hornet and F-35A Lightning II. Equipment will primarily be acquired through the United States Government Foreign Military Sales program, with some items purchased via direct commercial sales, including supply of general purpose bombs through Australian Munitions.
		Other Project Inputs to Capability	5	5	0	During 2024-25, the project will continue procurement, delivery and introduction into service of a number of weapons, including the Long Range Anti-Ship Missile, Joint Air to Surface Stand-off Missile – Extended Range and various aircraft bombs.
MQ-4C Triton	<b>AIR 7001</b>	Military Equipment Acquisition	2,448	1,247	256	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.
		Other Project Inputs to Capability	647	236	122	During 2024-25, the project will continue to deliver support systems including the first aircraft. Australian network integration will commence after delivery of the first aircraft.

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 Forecast Expenditure (Gross Plan) (Continued) <sup>[a]</sup> <sup>[b]</sup> <sup>[c]</sup>

Domain/Project Name	Project Number/ Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Air Domain (Continued)</b>						
F-35A Lightning II Acquisition	<b>AIR 6000 Phase 2A/B</b>	Military Equipment Acquisition	16,589	12,400	370	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 2024-25, Australia's remaining nine aircraft are expected to be delivered.
		Other Project Inputs to Capability	1,726	1,540	-	
EA-18G - Growler	<b>AIR 5349</b>	Military Equipment Acquisition	6,748	3,762	281	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. During 2024-25, the project will continue contributing to the Next Generation Jammer cooperative program with the United States Navy, and on delivery of enhanced maintenance and support systems for the existing ALQ-99 Tactical Jammer System. Defence will work with the United States Navy to acquire the Advanced Anti-Radiation Guided Missile Extended Range capability, and with CEA Technologies and Raytheon Australia on Electronic Warfare Ranges design and integration activities.
		Other Project Inputs to Capability	815	522	21	
P-8A Poseidon	<b>AIR 7000</b>	Military Equipment Acquisition	7,499	4,931	246	This project will 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. During 2024-25, the project will focus on the delivery of the final two aircraft and the modification kits as well as undertake activities to prepare for aircraft modification in Australia.
		Other Project Inputs to Capability	949	825	28	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 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 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Air Domain (Continued)</b>						
MC-55A Peregrine	<b>AIR 555</b>	Military Equipment Acquisition	2,383	1,872	224	This project is approved to acquire four MC-55A Peregrine aircraft including mission, ground and support systems, and Australian-based facilities. The project is primarily a developmental Foreign Military Sales acquisition through the United States Air Force.
		Other Project Inputs to Capability	510	402	27	During 2024-25, flight and mission system testing and initial operator and maintenance training will be conducted in the United States. Ground and support system deliveries will continue, ensuring that the operational support infrastructure and systems are installed, integrated and fully functional prior to aircraft delivery.
Integrated Air and Missile Defence Command and Control	<b>AIR 6500</b>	Military Equipment Acquisition	1,094	374	235	The project is being managed in tranches to deliver 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	15	3	During 2024-25, the project will commence delivery of new CEA Technologies-supplied radars and incremental releases of the Joint Air Battle Management System.
MQ-28A Ghost Bat	<b>AIR 6014</b>	Military Equipment Acquisition	846	499	207	The project is developing the MQ-28A Ghost Bat, a sovereign, uncrewed combat aircraft in partnership with Boeing Defence Australia.
		Other Project Inputs to Capability	12	2	5	During 2024-25, the project will continue assessment of the MQ-28A aircraft through testing in both live and digital environments, conducting a capability demonstration in 2025, production of three Block II aircraft, and engagement with the United States under the Combat Collaborative Aircraft Project Arrangement.
Short Range Ground Based Air Defence	<b>LAND 19</b>	Military Equipment Acquisition	1,241	1,031	124	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. Australian-developed radars from CEA Technologies will be provided as Government furnished equipment to replace the United States-developed Sentinel radar in the system.
		Other Project Inputs to Capability	286	126	77	During 2024-25, the project will complete major systems acceptance, training and missile certification.

**Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 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 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Information and Cyber</b>						
Communications Security Modernisation	JP 9141	Military Equipment Acquisition	1,287	574	256	This project will remediate and modernise selected ADF land radios to meet upcoming algorithm obsolescence. This will ensure ongoing availability of secure communications in support of Defence operations, and interoperability with key partner communications and intelligence networks.  During 2024-25, the project will continue to upgrade communications facilities and capabilities and deliver modernised radios, software and equipment to the Land Force.
		Other Project Inputs to Capability	123	43	24	
Enhanced High Frequency Communications System	JP 9101	Military Equipment Acquisition	846	354	81	This project will enhance the Defence High Frequency Communications System. This involves facilities upgrades at 10 sites across Australia, replacing mission system equipment and introducing enhanced technology into the system. The enhanced capability will provide greater communications capacity and faster speeds, and improved interoperability between Defence and its partners.  During 2024-25, the project will commence facilities upgrades at Townsville QLD and Riverina NSW. The project will also conduct detailed design reviews of the mission system and support system.
		Other Project Inputs to Capability	407	54	134	
Joint Data Network	JP 9347	Military Equipment Acquisition	575	205	143	This project will expand and modernise Defence's Joint Data Networks to enhance command and control through the timely distribution and management of tactical and intelligence data between aircraft, ships, vehicles and ground nodes.  During 2024-25, the project continues to deliver key tactical data link equipment and radios, support integration on Defence platforms, and finalise design and development for future Joint Data Network Systems.
		Other Project Inputs to Capability	139	88	16	

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 Forecast Expenditure (Gross Plan) (Continued) <sup>[a]</sup> <sup>[b]</sup> <sup>[c]</sup>

Domain/Project Name	Project Number/ Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Land Domain</b>						
Boxer Combat Reconnaissance Vehicles	<b>LAND 400 Phase 2</b>	Military Equipment Acquisition	5,775	2,913	636	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.
		Other Project Inputs to Capability	128	59	20	During 2024-25, the project will progress various design reviews and testing activities for Joint Fires and Surveillance, Command, Repair and Recovery variants, while production activities for the Reconnaissance variant will continue. The project will also commence delivery of the remaining 186 Block II vehicles.
UH-60M Black Hawk Utility Helicopter	<b>LAND 4507</b>	Military Equipment Acquisition	3,492	523	624	This project will acquire 40 UH-60M Black Hawks via the United States Government Foreign Military Sales program as a proven and mature utility helicopter to replace the current MRH90 Taipan.
		Other Project Inputs to Capability	379	25	21	During 2024-25, the project continues to focus on delivery, acceptance and flight operation of additional UH-60M aircraft. The project will also support operational test and evaluation activities and the introduction into service program ahead of achieving Initial Operational Capability.
Redback Infantry Fighting Vehicle	<b>LAND 400 Phase 3</b>	Military Equipment Acquisition	6,856	285	617	This project will deliver 129 Redback Infantry Fighting Vehicles to partially 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	33	9	During 2024-25, the project will progress various design reviews and testing activities in preparation for build in Australia.

**Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 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 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Land Domain (Continued)</b>						
Armoured Combat	<b>LAND 907</b>	Military Equipment Acquisition	2,360	732	610	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	22	14	During 2024-25, the project will continue with full rate of production for the Main Battle Tanks and Combat Engineering Vehicles and undertake detailed preparation for the delivery of the vehicles in partnership with the United States Government. This includes planning for introduction into service, enduring support of the capabilities, and establishment of contracts with Australian industry for training systems and engineering and logistics support.
AH-64E Apache Attack Helicopter	<b>LAND 4503</b>	Military Equipment Acquisition	4,560	255	269	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	18	15	During 2024-25, the project will focus on the induction of initial spare parts into the local supply chain, establishing local Apache support provisions, airworthiness certification, and the implementation of sustainment Foreign Military Sales cases with the United States Army.
AS9 Huntsmen Self-Propelled Howitzers	<b>LAND 8116</b>	Military Equipment Acquisition	1,329	684	232	This project will deliver 30 Self-Propelled Howitzers and 15 Armoured Ammunition Resupply Vehicles.
		Other Project Inputs to Capability	42	12	14	During 2024-25, the project will continue testing and integration activities, and commence vehicle production in Australia at the Hanwha Armoured Vehicle Centre of Excellence located adjacent to Avalon Airport in Greater Geelong, VIC.
First Long Range Fires Regiment	<b>LAND 8113 Phase 1</b>	Military Equipment Acquisition	1,856	24	163	This project will deliver Army's first long range fires regiment, providing High Mobility Artillery Rocket Systems 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.
		Other Project Inputs to Capability	481	80	36	During 2024-25, the project will take delivery of the first High Mobility Artillery Rocket System from the United States, and commence introduction into service activities.

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 Forecast Expenditure (Gross Plan) (Continued) <sup>[a]</sup> <sup>[b]</sup> <sup>[c]</sup>

Domain/Project Name	Project Number/ Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Land Domain (Continued)</b>						
Individual Combat Equipment	<b>LAND 300</b>	Military Equipment Acquisition	1,356	901	136	This project will replace and upgrade weapons systems ranging from fighting knives, pistols, rifles and machine guns to Anti-Tank Guided Missile systems. During 2024-25, the project will commence delivery of the first of three tranches of weapon systems and continue to develop options for the second tranche.
		Other Project Inputs to Capability	56	41	9	
Protected Mobility Vehicle Technology Modernisation	<b>LAND 4111</b>	Military Equipment Acquisition	431	177	127	This project will modernise and standardise the ADFs deployable protected mobility capability which comprises the Bushmaster, Hawkei and Medium Heavy Truck capabilities. The first phase will deliver a Motorised Battalion and Enablers to ensure the protected mobility capability remains aligned to emerging threats and operational requirements. During 2024-25, the project will undertake risk reduction activities to progress the integration of improved communications and force protection electronic counter measure capabilities, and upgraded lethality systems. This effort will inform the project's submission to be considered by Government in early 2026.
		Other Project Inputs to Capability	10	6	-	

**Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 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 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Maritime Domain</b>						
Nuclear-Powered Submarines	DEF 1	Military Equipment Acquisition	11,814	356	2,223	<p>Through the AUKUS partnership, this project will acquire, operate and sustain a sovereign, conventionally-armed fleet of nuclear-powered submarines equipped for intelligence, surveillance, reconnaissance and undersea warfare and strike missions. 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.</p> <p>The United States, as commenced in 2023, and the United Kingdom, commencing in 2026, will make longer and more frequent nuclear-powered submarine visits to Australia. These enhanced visits will lay the groundwork for Submarine Rotational Force – West to begin operating from Western Australia as early as 2027, growing to a mature state of up to four rotational United States nuclear-powered submarines and one rotational United Kingdom nuclear-powered submarine.</p>
		Other Project Inputs to Capability	1,774	100	368	<p>Work over this period includes upgrades to infrastructure and workforce development activities.</p> <p>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.</p>

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 Forecast Expenditure (Gross Plan) (Continued) <sup>[a]</sup> <sup>[b]</sup> <sup>[c]</sup>

Domain/Project Name	Project Number/Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Maritime Domain (Continued)</b>						
Hunter Class Frigate	<b>SEA 5000</b>	Military Equipment Acquisition	6,243	3,633	745	<p>This project is the foundation project for continuous naval shipbuilding in Australia. It will introduce into service six multi-role frigates optimised for anti-submarine warfare. The Hunter class frigates will form the core of a larger, hybrid fleet of surface combatants consisting of six Hunter class frigates and three Hobart class destroyers. These ships will provide essential advanced air defence, long-range strike, presence and undersea warfare.</p> <p>The current approved scope covers the Design and Productionisation phase only. During 2024-25 the project will continue to progress design and productionisation activities including finalising long lead time item contracts, progressing the zonal design program, finalising the scope of the support system, and continuing construction of the six schedule protection blocks.</p> <p>Subject to Government approval, the project is planning to transition to the Construction phase early in 2024-25. Transition to construction will result in the official commencement of construction of the first three ships.</p>
		Other Project Inputs to Capability	1,011	638	68	
Maritime Guided Weapons and Munitions	<b>SEA 1300</b>	Military Equipment Acquisition	8,853	1,930	697	<p>This project is introducing a programmatic approach to delivering Navy guided weapons and munitions capabilities.</p> <p>During 2024-25, the project will continue to progress development and acquisition activities related to long-range anti-ship missiles, extended range surface-to-air missiles, advanced lightweight torpedoes, heavyweight torpedoes and advanced maritime land strike capabilities and munitions.</p>
		Other Project Inputs to Capability	84	6	11	

**Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 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 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Maritime Domain (Continued)</b>						
Arafura Class	<b>SEA 1180</b>	Military Equipment Acquisition	3,705	1,626	469	<p>This project will acquire the Arafura class offshore patrol vessel (OPV) to support maritime border patrol and response.</p> <p>The Government has agreed a recommendation in the "Navy's Enhanced Lethality Surface Combatant fleet review" to truncate the number of OPVs from 12 to 6.</p>
		Other Project Inputs to Capability	984	518	118	<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.</p> <p>The Project was declared a Project of Concern in October 2023. The project has experienced delays in delivery of both the vessels and the associated support system with schedule delays first emerging in 2021.</p>
Aegis Baseline	<b>SEA 4000 Phase 6</b>	Military Equipment Acquisition	2,451	714	575	<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 Interface with a Saab Australia developed Australian Interface.</p> <p>Legacy SEA 4000 Phase 3 and 3.3 scope has been integrated into SEA 4000 Phase 6.</p>
		Other Project Inputs to Capability	26	15	7	<p>In 2024-25 the project will establish necessary commercial arrangements and continue design and integration activities for accelerated and minimum viable capability. Support System delivery will include Australian interface training simulator design and long lead time item procurement.</p>

Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 Forecast Expenditure (Gross Plan) (Continued) <sup>[a]</sup> <sup>[b]</sup> <sup>[c]</sup>

Domain/Project Name	Project Number/ Phase	Project Inputs to Capability	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Maritime Domain (Continued)</b>						
MH 60R Seahawk Helicopter	<b>SEA 9100</b>	Military Equipment Acquisition	4,770	2,939	512	This Project amalgamates AIR 9000 Ph8, SEA 5510 Ph1 and SEA 9100 Ph1. 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 type thereby resulting in an expansion of the Navy's fleet to a total of 36 aircraft. Additional helicopters are expected to be delivered during 2026, and will enable Navy to support up to 14 embarked flights. Program assurance will maintain a contemporary and sustainable MH-60R capability through life, maximising effectiveness, commonality and interoperability with the United States Navy.
		Other Project Inputs to Capability	379	221	11	
Collins Life Of Type Extension	<b>SEA 1450</b>	Military Equipment Acquisition	1,045	318	240	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.  During 2024-25, the project will continue to progress core design elements through to production readiness.
		Other Project Inputs to Capability	-	-	-	
Maritime Electromagnetic Manoeuvre Warfare	<b>SEA 5011</b>	Military Equipment Acquisition	664	168	124	This program will deliver the next generation of Maritime Electronic Warfare Systems to Navy. This includes the acquisition, integration and sustainment of a suite of new and extant electronic warfare capabilities.  During 2024-25, the project will mobilise a local capability supporting the delivery of a suite of new passive and active decoys. In addition, an Electronic Warfare Operations Co-ordinator, integrating the electronic warfare capabilities, will be developed, integrated and tested. Platform integration work will be ongoing to support delivery of capability to surface combatants.
		Other Project Inputs to Capability	62	7	17	

**Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 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 2024 \$m	Budget Estimate 2024-25 \$m	Top 30 Military Equipment Acquisition Project Descriptions
<b>Maritime Domain (Continued)</b>						
Maritime Mining	<b>SEA 2000</b>	Military Equipment Acquisition	769	137	136	Project SEA 2000 was established to acquire a new Maritime Mining (MM) capability to conduct sea denial and sea control operations. The project was accelerated by government in 2022 to acquire an initial MM capability to meet an advanced Initial Operating Capability (IOC).
		Other Project Inputs to Capability	163	0	0	

**Table 54: Top 30 Military Equipment Acquisition Program Approved Projects by 2024-25 Forecast Expenditure (Gross Plan) (Continued)** <sup>[a]</sup> <sup>[b]</sup> <sup>[c]</sup>

	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	Budget Estimate 2024-25 \$m
<b>Total Top 30 Projects (Gross Plan) – Total</b>	<b>124,742</b>	<b>51,971</b>	<b>13,165</b>
<b>Total Top 30 Projects (Gross Plan) - Other Project Inputs to Capability</b>	<b>12,355</b>	<b>5,657</b>	<b>1,195</b>
<b>Total Top 30 Projects (Gross Plan) - Military Equipment Acquisition</b>	<b>112,387</b>	<b>46,314</b>	<b>11,970</b>
Other Approved Project Gross Plans - Military Equipment Acquisition	55,418	33,650	3,566
<b>Total Approved Projects (Gross Plan) - Military Equipment Acquisition</b>	<b>167,805</b>	<b>79,964</b>	<b>15,536</b>
Overprogramming - Military Equipment Acquisition			-4,199
<b>Net Approved Program - Military Equipment Acquisition</b>			<b>11,337</b>

**Notes**

- a. Approved Project Expenditure, Estimated Cumulative Expenditure to 30 June 2024 and Budget Estimate 2024-25 are on an accrual basis, and funded by appropriation.
- b. Budget estimates shown as 0 are amounts greater than \$0 but less than \$500,000.
- c. 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 2024-25**

Domain/Product Name	Product Serial	Budget Estimate 2024-25 \$m <sup>[a]</sup>	Top 30 Capability Sustainment Product Descriptions
<b>Air Domain</b>			
F/A18F Super Hornet & Growler Weapon System	CAF21	544	<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. Defence procured one additional Growler aircraft (under AIR 5349 Phase 3), restoring the fleet to 12, following the loss of one aircraft in 2018. The F/A-18F Super Hornet delivers Air Combat capability. The EA-18G Growler is an electronic attack aircraft capable of disrupting, deceiving or denying a broad range of military electronic systems, including radars and communications.</p> <p>During 2024-25, F/A-18F and EA-18G aircraft are scheduled to undergo planned capability upgrades as a part of the United States Navy-managed Spiral Upgrade Program to ensure the platform's ongoing lethality and survivability in a contested air combat environment, and to maintain configuration alignment with United States Navy.</p>
F-35 Joint Strike Fighter	CAF30	526	<p>The F-35A Lightning II capability currently comprises 63 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 2024-25, all 72 aircraft are expected to be delivered. Defence will continue to mature the F-35A sustainment support system to meet the directed level of operational capability and Air Force pilot training throughput requirements.</p>
Airborne Early Warning and Control System	CAF20	300	<p>The Airborne Early Warning and Control capability comprises of six E-7A Wedgetail aircraft and associated support elements operated from RAAF Base Williamtown, NSW. Sustainment is provided under a performance-based arrangement for maintenance, logistics, engineering, training and program management to support the capability.</p> <p>During 2024-25, the focus will remain on advancing multiple mission system obsolescence remediation activities, implementing safety and cybersecurity modifications, and maximising aircraft fleet availability to support international partner training.</p>
P-8A Poseidon Maritime Patrol and Response	CAF35	247	<p>The Maritime Patrol and Response capability currently comprises 12 P-8A Poseidon aircraft and support elements operated from RAAF Base Edinburgh, SA. The fleet will grow to 14 in 2024-25. 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 2024-25, the focus remains on maturing sustainment relationships between the Through Life Support contractor and the United States Navy P-8A Cooperative Program.</p>

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2024-25 (Continued)

Domain/Product Name	Product Serial	Budget Estimate 2024-25 \$m <sup>[a]</sup>	Top 30 Capability Sustainment Product Descriptions
<b>Air Domain (Continued)</b>			
C-17 Heavy Air Lift Weapons System	<b>CAF19</b>	171	<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 2024-25, there will continue to be a number of minor upgrades to the fleet to address obsolescence, rectification of minor deficiencies, and maintaining configuration alignment with the United States Air Force. Upgrades will continue to progress across the fleet improving satellite connectivity and treating obsolescence of the heads up display.</p>
KC-30A Weapon System Multi-Role Tanker Transport	<b>CAF22</b>	170	<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. In 2019, the seventh aircraft was delivered with a government transport configuration. Support is provided through a performance based arrangement for maintenance, logistics, engineering, training and program management to support the capability.</p> <p>During 2024-25, the focus will be on supporting military operations, maturing sustainment performance, progressing mid-life upgrade activities, and expansion of aircraft types certified as capable of air-to-air refuelling from the KC-30A Multi-Role Tanker Transport.</p>
Pilot Training System	<b>CAF37</b>	150	<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 2024-25, the focus will be on continuing to execute initiatives to improve throughput of ab-initio students and identifying scalability options for aircrew training in line with the Defence Strategic Review.</p>
Lead-In Fighter Hawk 127 Weapon System	<b>CAF03</b>	147	<p>The Lead-In Fighter Training capability comprises 33 Hawk, 127 lead-in fighter aircraft and related support systems operated from RAAF Bases Williamtown, NSW and Pearce WA.</p> <p>During 2024-25, the focus will be 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.</p>
C130J-30 Weapon System	<b>CAF06</b>	146	<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 2024-25, there will be multiple programs of deeper maintenance. Four of the six planned upgrades occurred in 2023-24. The two remaining will occur in 2024-25, alongside one originally planned upgrade for this year to further C-130J Block Upgrade enhancements. The focus remains on cost conscious sustainment of the current C-130J assets as they approach their planned withdrawal date in 2030.</p>

**Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2024-25 (Continued)**

Domain/Product Name	Product Serial	Budget Estimate 2024-25 \$m <sup>[a]</sup>	Top 30 Capability Sustainment Product Descriptions
<b>Air Domain (Continued)</b>			
MC-55A Long Range ISREW Aircraft	CAF40	130	The MC-55A Peregrine Airborne Intelligence Surveillance, Reconnaissance and Electronic Warfare Capability will sustain four MC 55A Peregrine aircraft and related support systems. During 2024-25, the focus remains on the establishment of initial support arrangements to allow operation of the aircraft upon arrival in Australia.
Advanced Testing & Training Environment	CAF23	122	The Advanced Training and Test Environment provides Air Force with both Live and Synthetic environments to allow for the conduct of training, test and mission rehearsal events. The scope of the product includes Air Force air weapons ranges, exercise control, opposing forces and modelling and simulation capabilities. During 2024-25, the focus will be on increasing Woomera Test Range availability in support of test activities and generating realistic opposing force threats and targets.
Special Purpose Aircraft Weapon System	CAF09	109	The Special Purpose Aircraft Management Unit, located at RAAF Fairbairn ACT, provide sustainment services for the Boeing Business Jets and Dassault Falcon 7X, through an Australian support contract. During 2024-25, the focus remains on disposal of two Boeing Business Jet platforms and introducing into service two Boeing 737-8 'max' platforms.
Wide Area Surveillance (OTHR)	CAF13	99	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. During 2024-25, the focus will be on sustainment of new enhancements and upgrades to the capability system. A maturing sustainment obsolescence program will contribute to enhanced supportability of current assets through to replacement.
<b>Defence Enterprise Programs</b>			
Explosive Ordnance Manufacturing Facilities	CJC01	145	The Explosive Ordnance Manufacturing Facilities provide 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.
<b>Land Domain</b>			
Explosive Ordnance - Army Munitions Branch	CA59	395	Sustainment of Army Munitions and Guided Weapons support 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.

Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2024-25 (Continued)

Domain/Product Name	Product Serial	Budget Estimate 2024-25 \$m <sup>[a]</sup>	Top 30 Capability Sustainment Product Descriptions
<b>Land Domain (Continued)</b>			
Armed Reconnaissance Helicopter Weapons System	CA12	179	This Product manages the sustainment of the Armed Reconnaissance Helicopter System. Many of the traditional Systems Program Office (SPO) functions have been contracted to Airbus Australia Pacific (AIRBUS) with the contract management of AIRBUS a core function for Army Aviation SPO. Operational Maintenance is conducted by the 1st Aviation Regiment for the operational fleet and AIRBUS for the Training Fleet. All Deeper Maintenance is conducted by AIRBUS. Army carries out training with workforce augmentation from AIRBUS to aid in the delivery of aircrew, ground-crewmembers and maintenance training.
Protected Mobility Fleet - Bushranger	CA04	132	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 2024-25, key activities include continuing to support the Bushmaster fleet, establishing and maturing the Hawkei support system and conducting modernisation activities for both fleets to prepare for the planned commencement of the Protected Mobility Modernisation Program.
Deployed Information Environment	CA65	120	This Product manages the sustainment of the Deployed Information Environment (DIE), including software applications, hardware and Information Communications Technology infrastructure for which Army is the Capability Manager. The DIE was introduced into service as an interim product and was not intended to be an enduring capability. LAND 4130 was scoped to replace the DIE by 2025. Subsequently, LAND 4130 was subsumed into the War Fighting Network and Applications Program, which will deliver a Joint Deployed Environment in 2029.
Battlespace Communication Systems	CA31	118	The Battlespace Communications Systems supports the sustainment of a range of deployable voice and data communications systems for battlespace command and control.  During 2024-25, key activities will include capability enhancements to the Integrated Battlespace Telecommunications Network; the ongoing development and delivery of a mobile retransmission system, 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.
<b>Maritime Domain</b>			
Collins Class Submarine	CN10	769	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.  During 2024-25, the program will continue to assure Navy's agreed Collins Class submarine performance targets are achieved, 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.

**Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2024-25 (Continued)**

Domain/Product Name	Product Serial	Budget Estimate 2024-25 \$m <sup>[a]</sup>	Top 30 Capability Sustainment Product Descriptions
<b>Maritime Domain (Continued)</b>			
Anzac Class Frigate	CN02	313	This product supports eight Anzac Class frigates and associated support systems through the provision of materiel support, maintenance and engineering services. During 2024-25, the focus will be on completing the scheduled and corrective maintenance activities across the Anzac Class to ensure Navy's availability and seaworthiness requirements are met; supporting the withdrawal and disposal of two vessels in line with Government direction arising from the Independent Analysis Team's review of Navy's surface combatant fleet; and re-building and implementing the class usage and upkeep cycle to align with the delivery of the General Purpose Frigates.
Hobart Class Destroyer	CN40	231	This product supports the three Hobart Class destroyers through the provision of materiel support and ongoing maintenance of the ships and associated equipment, systems and operator training facilities. During 2024-25, the focus will be on completing the scheduled Hobart Class maintenance activities to ensure Navy's requirements are achieved. Preparations will increase to support the Aegis Upgrade Program (SEA 4000 Phase 6), and associated class capability enhancements.
MH-60R Seahawk Romeo Helicopter	CN35	197	The MH-60R Seahawk 'Romeo' capability is operated from HMAS <i>Albatross</i> in Nowra NSW, and is supporting nine embarked flights in Navy ships. In-service support is led through four United States Government Foreign Military Sales cases. During 2024-25, the focus continues to be on expanding current sustainment arrangements to support the additional helicopters delivered under the Improved Embarked Logistics Support Helicopter project (SEA 9100 Phase 1), which will increase the total fleet to 36.
Canberra Class Amphibious Ship	CN34	180	This product supports the two Canberra Class LHDs and 12 LHD landing craft, through the provision of materiel support and ongoing maintenance of the ships and associated equipment, systems and operator training facilities. During 2024-25, the focus will be on completing the scheduled Canberra Class maintenance activities, achieving a steady state for the in-service support arrangements and preparation to support activities for the Canberra Class capability assurance program (SEA 2048 Phase 6).
Anzac Class Frigate Capability Assurance Program	CN65	171	This product supports the Transition Capability Assurance Program (TransCAP), an upgrade project to extend the life of type of the Anzac Class frigates until the arrival of the Hunter 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 2024-25 will be on closure and finalisation of the TransCAP design and long lead procurements activities already underway, and negotiate and close out any matters arising from cancellation.
Navy Explosive Ordnance	CN54	130	This product supports Navy's guided weapons and explosive ordnance including precision guided munitions, countermeasures, navigational outfits and naval gunnery. Navy's guided weapons are categorised into three main capability streams: maritime strike and munitions, underwater weapons, and air and missile defence.

**Table 55: Top 30 Capability Sustainment Products by End of Financial Year Outcome 2024-25 (Continued)**

Domain/Product Name	Product Serial	Budget Estimate 2024-25 \$m <sup>[a]</sup>	Top 30 Capability Sustainment Product Descriptions
<b>Maritime Domain (Continued)</b>			
Arafura Class Offshore Patrol Vessels	<b>CN57</b>	128	This product supports the Arafura Class Offshore Patrol Vessels (OPVs) through the provision of materiel support, maintenance and engineering services. During 2024-25, the focus will be on the transition of the first two vessels out of the acquisition program, continuing the establishment of support arrangements to meet Interim Operational Release milestone and reviewed support funding arrangements in line with the government's decision to truncate the OPV fleet from 12 to six.
Maritime Cross Platform	<b>CN49</b>	118	This product supports a common inventory of over 40,000 stock items, 20 critical cross class systems/outfits, and managing in-service support contracts that are common across multiple ship classes. During 2024-25, the focus will be on meeting inventory and service demands across the product lines supported to ensure Navy's availability and seaworthiness requirements are met.
Large Hull Vessels	<b>CN58</b>	114	This product supports six commercial auxiliary vessels including MV Sycamore, MV Bessant, MV Stoker, MV Mercator, ADV Ocean Protector and ADV Reliant through the provision of materiel support, maintenance and engineering services. During 2024-25, 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	<b>CN60</b>	103	This product covers the sustainment of the Aegis Combat System in the Hobart Class destroyers and its related shore based test and training infrastructure both in Australia and the United States. During 2024-25, the focus will be the delivery of software and hardware updates for Aegis Combat System elements and the development of future major Aegis Combat System computer program updates.

	Budget Estimate 2024-25 \$m <sup>[a]</sup>
<b>Total Top 30 Capability Sustainment Products</b>	<b>6,404</b>
Other Sustainment Product Estimates	4,130
<b>Total Capability Sustainment Product Funds Available</b>	<b>10,534</b>

**Note**

a. Budget Estimate 2024-25 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 2024-25.

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 2024 \$m	2024-25 Budget Estimate \$m
<b>RAAF Base Tindal Redevelopment Stage 6 and United States Force Posture Initiative (USFPI) Airfield Works and Associated Infrastructure</b>				
RAAF Tindal	NT - Lingiari	1,582.0	790.3	308.0
<b>Enhanced Land Force (ELF) Stage 2</b>				
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		73.5	11.2
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	-
<b>Total</b>		<b>1,476.0</b>	<b>1,457.6</b>	<b>11.2</b>

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

Project	State and Federal Electorate	Total Estimated Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	2024-25 Budget Estimate \$m
<b>Navy Capability Infrastructure</b>				
<b>Sub-program: Offshore Patrol Vessel (OPV) Facilities (SEA 1180 Phase 1)</b>				
HMAS <i>Coonawarra</i>	NT - Solomon		147.6	38.5
RAAF Darwin	NT - Solomon		12.3	0.4
HMAS <i>Cairns</i>	QLD - Leichhardt		39.2	58.3
HMAS <i>Stirling</i>	WA - Brand		219.1	15.5
Henderson Maritime Precinct	WA - Fremantle		55.0	-
<b>Total</b>		<b>918.5</b>	<b>473.2</b>	<b>112.7</b>
<b>Navy Capability Infrastructure</b>				
<b>Sub-program: Hunter Class Frigate Program Facilities (SEA 5000 Phase 1)</b>				
HMAS <i>Watson</i>	NSW - Wentworth		-	-
Garden Island Defence Precinct	NSW - Sydney		-	-
St Kilda	SA - Spence		98.8	-
Osborne Naval Shipyard	SA - Hindmarsh		88.7	47.6
HMAS <i>Stirling</i>	WA - Brand		264.8	16.9
Henderson Maritime Precinct	WA - Fremantle		100.3	-
<b>Total</b>		<b>915.5</b>	<b>552.6</b>	<b>64.5</b>
<b>Maritime Patrol Aircraft Replacement (AIR 7000 Phase 2B)</b>				
RAAF Edinburgh	SA - Spence		511.4	25.0
RAAF Darwin	NT - Solomon		158.6	-
RAAF Townsville	QLD - Herbert		0.7	2.2
RAAF Pearce	WA - Pearce		110.2	-
HMAS <i>Stirling</i>	WA - Brand		4.6	-
<b>Total</b>		<b>896.9</b>	<b>785.5</b>	<b>27.2</b>
<b>USFPI Northern Territory Training Areas and Ranges Upgrades</b>				
Bradshaw Field Training Area	NT - Lingjari		196.0	67.8
Kangaroo Flats Training Area	NT - Lingjari		65.4	24.5
Mount Bunday Training Area	NT - Lingjari		30.5	32.2
Robertson Barracks Close Training Area	NT - Lingjari		93.9	12.7
<b>Total</b>		<b>747.0</b>	<b>385.8</b>	<b>137.2</b>
<b>RAAF Base Learmonth Redevelopment Enabling KC-30 Operations</b>				
RAAF Learmonth	WA - Durack	<b>662.2</b>	<b>25.7</b>	<b>141.4</b>
<b>Larrakeyah Defence Precinct Redevelopment Program</b>				
Larrakeyah Defence Precinct	NT - Solomon	<b>601.7</b>	<b>484.4</b>	<b>51.0</b>
<b>Cocos (Keeling) Islands Airfield Upgrade</b>				
Cocos (Keeling) Islands	NT - Lingjari	<b>567.6</b>	<b>10.0</b>	<b>100.1</b>
<b>HMAS <i>Watson</i> Redevelopment</b>				
HMAS <i>Watson</i>	NSW - Wentworth	<b>430.5</b>	<b>258.4</b>	<b>35.9</b>

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

Project	State and Federal Electorate	Total Estimated Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	2024-25 Budget Estimate \$m
<b>Airfield Maintenance Works P0010 (Amberley, Pearce, Richmond and Albatross)</b>				
HMAS Albatross	NSW - Gilmore		19.5	29.3
RAAF Richmond	NSW - Macquarie		2.3	30.9
RAAF Amberley	QLD - Blair		30.4	27.7
RAAF Pearce	WA - Pearce		24.1	39.3
<b>Total</b>		<b>427.9</b>	<b>76.3</b>	<b>127.2</b>
<b>Facilities to Support AIR 7000 Phase 1B Remotely Piloted Aircraft System</b>				
RAAF Tindal	NT - Lingiari		102.1	95.8
Edinburgh Defence Precinct	SA - Spence		40.4	2.5
<b>Total</b>		<b>427.2</b>	<b>142.5</b>	<b>98.3</b>
<b>Robertson Barracks Base Improvements Project</b>				
Robertson Barracks	NT - Lingiari	<b>389.1</b>	<b>25.7</b>	<b>94.0</b>
<b>Airfield Capital Works P0009 (RAAF Darwin and Mount Bunday)</b>				
RAAF Darwin	NT - Solomon		125.1	120.0
Mount Bunday	NT - Lingiari		0.4	14.0
<b>Total</b>		<b>351.7</b>	<b>125.5</b>	<b>134.0</b>
<b>Edinburgh Defence Precinct Mid-Term Refresh</b>				
RAAF Edinburgh	SA - Spence	<b>311.9</b>	<b>5.3</b>	<b>19.6</b>
<b>AIR 555 Phase 1 Airborne Intelligence Surveillance Reconnaissance Electronic Warfare Capability Facilities Works</b>				
Territory of Cocos (Keeling) Islands	NT - Lingiari		20.3	0.8
RAAF Darwin	NT - Solomon		1.1	-
RAAF Townsville	QLD - Herbert		13.5	0.1
RAAF Edinburgh	SA - Spence		216.6	9.3
<b>Total</b>		<b>293.7</b>	<b>251.5</b>	<b>10.2</b>

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

<b>Project</b>	<b>State and Federal Electorate</b>	<b>Total Estimated Expenditure \$m</b>	<b>Estimated Cumulative Expenditure to 30 June 2024 \$m</b>	<b>2024-25 Budget Estimate \$m</b>
<b>Defence Fuel Transformation Program - Tranche 2 Facilities Project</b>				
HMAS <i>Creswell</i>	ACT - Fenner		0.1	0.2
Garden Island Defence Precinct	NSW - Sydney		0.7	9.5
HMAS <i>Albatross</i>	NSW - Gilmore		0.1	0.6
HMAS <i>Waterhen</i>	NSW - North Sydney		0.1	0.5
Holsworthy Barracks	NSW - Hughes		0.2	0.6
RAAF Base Williamtown	NSW - Paterson		0.2	0.3
RAAF Darwin	NT - Solomon		0.4	0.3
RAAF Tindal	NT - Lingiari		0.2	1.0
Borneo Barracks	QLD - Groom		0.4	0.1
Longreach	QLD - Maranoa		0.2	0.2
Lavarack Barracks	QLD - Herbert		0.3	0.2
RAAF Amberley	QLD - Blair		0.5	1.3
RAAF Townsville	QLD - Herbert		0.3	1.4
Port Wakefield	SA - Grey		0.3	4.8
RAAF Edinburgh	SA - Spence		-	-
Puckapunyal Military Area	VIC - Nicholls		0.5	4.8
Army Testing Ground Monegeetta	VIC - McEwen		0.2	4.9
RAAF Learmonth	WA - Durack		4.4	36.6
Geraldton	WA - Durack		0.2	4.9
Laverton	WA - O'Connor		0.3	4.8
HMAS <i>Stirling</i>	WA - Brand		0.1	5.0
<b>Total</b>		<b>286.9</b>	<b>9.7</b>	<b>82.0</b>
<b>Garden Island Critical Infrastructure Recovery Program Stage 2</b>				
Garden Island Defence Precinct	NSW - Sydney	<b>286.5</b>	<b>278.9</b>	<b>2.6</b>
<b>Facilities to Support JP 9101 Enhanced Defence Communications</b>				
Lyndoch	NSW - Riverina		5.0	17.0
Morundah	NSW - Farrer		2.0	13.9
Humpty Doo	NT - Lingiari		-	9.2
Mount Bunday	NT - Lingiari		7.1	32.0
Shoal Bay	NT - Lingiari		-	-
Bohle River	QLD - Herbert		5.0	29.0
Speed Creek	QLD - Kennedy		2.0	23.7
Exmouth	WA - Durack		-	-
Rough Range	WA - Durack		-	-
HMAS <i>Harman</i>	ACT - Bean		-	-
Russell Offices	ACT - Canberra		-	5.0
<b>Total</b>		<b>280.3</b>	<b>21.1</b>	<b>129.8</b>
<b>Facilities to Support LAND 19 Phase 7B Short Range Ground Based Air Defence</b>				
RAAF Edinburgh	SA - Spence	<b>266.1</b>	<b>112.4</b>	<b>76.3</b>

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

Project	State and Federal Electorate	Total Estimated Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	2024-25 Budget Estimate \$m
<b>Joint Health Command Garrison Facilities Upgrades</b>				
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		-	-
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		11.0	-
Campbell Barracks	WA - Curtin		17.2	-
RAAF Townsville	QLD - Herbert		15.4	-
RAAF Pearce	WA - Pearce		5.7	-
RAAF Darwin	NT - Solomon		18.4	0.0
<b>Total</b>		<b>251.8</b>	<b>220.0</b>	<b>0.0</b>
<b>Armoured Fighting Vehicles Facilities Program Stage 1</b>				
Lavarack Barracks	QLD - Herbert		32.7	-
Edinburgh Defence Precinct	SA - Spence		74.8	1.0
Puckapunyal Military Area	VIC - Nicholls		102.8	8.3
<b>Total</b>		<b>248.5</b>	<b>210.3</b>	<b>9.3</b>
<b>Land 121 Phase 5B Facilities Project</b>				
Lavarack Barracks	QLD - Herbert		7.0	-
Robertson Barracks	NT - Lingiari		-	-
Gallipoli Barracks	QLD - Ryan		103.2	9.2
Derwent Barracks	TAS - Clark		17.0	-
Puckapunyal Military Area	VIC - Nicholls		9.0	-
Campbell Barracks	WA - Curtin		35.5	-
Porton Barracks	QLD - Kennedy		0.1	-
<b>Total</b>		<b>183.3</b>	<b>171.8</b>	<b>9.2</b>
<b>Airfield Capital Works P0008 (RAAF Williamtown)</b>				
RAAF Williamtown	NSW - Paterson	<b>181.3</b>	<b>169.7</b>	<b>4.9</b>
<b>Fishermans Bend Redevelopment</b>				
Fishermans Bend	VIC - Macnamara	<b>160.9</b>	<b>4.0</b>	<b>50.6</b>
<b>RAAF Base Darwin Mid-Term Refresh</b>				
RAAF Darwin	NT - Solomon	<b>159.9</b>	<b>1.4</b>	<b>61.1</b>
<b>DEF101 Data Centre Upgrade</b>				
HMAS <i>Harman</i>	ACT - Bean	<b>131.5</b>	<b>124.5</b>	<b>0.0</b>
<b>HMAS <i>Harman</i> Redevelopment</b>				
HMAS <i>Harman</i>	ACT - Bean	<b>116.4</b>	<b>12.2</b>	<b>55.2</b>
<b>Airfield Capital Works P0006 (Curtin, Tindal and Townsville)</b>				
RAAF Townsville	QLD - Herbert		3.0	9.4
RAAF Curtin	WA - Durack		15.2	-
RAAF Tindal	NT - Lingiari		47.5	-
<b>Total</b>		<b>95.3</b>	<b>65.7</b>	<b>9.4</b>
<b>Cultana Training Area Redevelopment Phase 2</b>				
Cultana Training Area	SA - Grey	<b>79.8</b>	<b>2.1</b>	<b>30.0</b>

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

Project	State and Federal Electorate	Total Estimated Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	2024-25 Budget Estimate \$m
<b>DEF 01 Submarine Rotational Force - West Infrastructure Project Priority Works</b>				
<i>HMAS Stirling</i>	WA - Brand	74.9	5.5	69.4
<b>North Queensland Mid-Term Refresh Program: RAAF Townsville Mid-Term Refresh Project</b>				
RAAF Townsville	QLD - Herbert	72.8	35.0	32.5
<b>GWEO Program Accelerated Storage</b>				
Defence Establishment Myambat	NSW - Hunter	62.4	0.0	6.4
<b>AIR 2025 Phase 6 Jindalee Operational Radar Networks (JORN) Facilities Project</b>				
Alice Springs	NT - Lingiari		54.0	-
Murray Bridge Training Area	SA - Barker		1.4	-
RAAF Learmonth	WA - Durack		0.0	-
Geraldton	WA - Durack		3.2	0.0
<b>Total</b>		<b>61.9</b>	<b>58.6</b>	<b>0.0</b>
<b>Facilities to Support SEA 2273 Fleet Information Environment Modernisation Project</b>				
<i>HMAS Kuttabul</i>	NSW - Sydney		3.2	2.2
<i>HMAS Cerberus</i>	VIC - Flinders		0.5	-
<i>HMAS Stirling</i>	WA - Brand		22.4	4.0
<i>HMAS Coonawarra</i>	NT - Solomon		1.8	1.7
<i>HMAS Cairns</i>	QLD - Leichardt		0.3	0.3
<b>Total</b>		<b>58.6</b>	<b>28.2</b>	<b>8.2</b>
<b>Anglesea Paterson Project</b>				
Anglesea Barracks	TAS - Clark		21.6	13.7
North Launceston	TAS - Bass		2.6	11.9
Youngtown Depot	TAS - Bass		2.1	2.8
<b>Total</b>		<b>57.4</b>	<b>26.3</b>	<b>28.4</b>
<b>GWEO Storage Tranche 1</b>				
RAAF Amberley	QLD - Blair		11.4	10.9
<i>HMAS Stirling</i>	WA - Brand		9.9	9.3
<b>Total</b>		<b>52.2</b>	<b>21.3</b>	<b>20.2</b>
<b>Facilities to Support LAND 129 Phase 3 Tactical Unmanned Aerial Vehicles</b>				
Gallipoli Barracks	QLD - Ryan	51.7	24.3	6.1
<b>LAND 4502 Phase 1 Additional CH-47F Chinook Facilities</b>				
RAAF Townsville	QLD - Herbert	49.9	53.2	9.5
<b>GWEO Program Accelerated Storage</b>				
Defence Establishment Jennings	NSW - Lismore	47.3	21.8	19.0
<b>RAAF Base Amberley Sewage Treatment Plant</b>				
RAAF Amberley	QLD - Blair	41.7	26.5	10.0
<b>Facilities to Support LAND 8116 Phase 1 Protected Mobile Fires</b>				
Lavarack Barracks	QLD - Herbert		6.6	13.5
Puckapunyal Military Area	VIC - Nicholls		-	0.5
<b>Total</b>		<b>36.5</b>	<b>6.6</b>	<b>14.0</b>

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

Project	State and Federal Electorate	Total Estimated Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	2024-25 Budget Estimate \$m
<b>Relocation of Units from Elizabeth North Training Depot</b>				
Edinburgh Defence Precinct	SA - Spence	35.4	3.0	9.8
<b>Facilities to Support LAND 3025 Phase 2 Deployable Special Operations Engineer Regiment</b>				
Holsworthy Barracks	NSW - Hughes	30.7	14.2	9.6
<b>HMAS <i>Creswell</i> Mid-Term Refresh</b>				
HMAS <i>Creswell</i>	ACT - Fenner	30.7	7.9	8.1
<b>LAND 2110 Phase 1B - Chemical, Biological, Radiological and Nuclear Defence Facilities</b>				
HMAS <i>Stirling</i>	WA - Brand		0.8	-
Bindoon Training Area	WA - Pearce		0.5	-
Robertson Barracks	NT - Lingiari		0.6	1.3
RAAF Edinburgh	SA - Spence		0.4	-
Lavarack Barracks	QLD - Herbert		0.5	0.4
Gallipoli Barracks	QLD - Ryan		0.3	0.5
RAAF Amberley	QLD - Blair		0.4	1.3
Holsworthy Barracks	NSW - Hughes		1.1	-
Kapooka Military Area	NSW - Riverina		5.3	-
RAAF Wagga	NSW - Riverina		1.2	-
HMAS <i>Creswell</i>	ACT - Fenner		0.5	0.7
Majura Range	ACT - Canberra		1.6	-
HMAS <i>Cerberus</i>	VIC - Flinders		1.3	-
Dutson Air Weapons Range	VIC - Gippsland		1.3	-
<b>Total</b>		<b>23.1</b>	<b>15.8</b>	<b>4.2</b>
<b>North Queensland Mid-Term Refresh Program: Townsville Field Training Area Mid-Term Refresh Project</b>				
Townsville Field Training Area	QLD - Kennedy	22.8	18.9	0.6
<b>Facilities for A Company 41st Royal New South Wales Regiment Tweed Heads Region</b>				
Tweed Heads	NSW - Richmond	17.4	13.9	1.4
<b>North Queensland Mid-Term Refresh Program: HMAS <i>Cairns</i> Mid-Term Refresh Project</b>				
HMAS <i>Cairns</i>	QLD - Leichardt	15.6	8.8	4.5
<b>Facilities to Support JP 8190 Phase 1 Deployable Bulk Fuel Distribution</b>				
Lavarack Barracks	QLD - Herbert		0.0	4.4
RAAF Amberley	QLD - Blair		0.0	4.3
Cowley Beach Training Area	QLD - Kennedy		0.0	0.9
Greenbank Training Area	QLD - Wright		-	0.3
Townsville Field Training Area	QLD - Kennedy		0.0	0.7
<b>Total</b>		<b>15.0</b>	<b>0.1</b>	<b>10.6</b>
<b>Facilities to Support LAND 159 Phase 1 Lethality Systems</b>				
Greenbank Training Area	QLD - Wright	8.2	3.7	4.0
<b>RAAF Base Pearce Additional Flight Training Device</b>				
RAAF Pearce	WA - Durack	7.2	5.3	1.3

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

<b>Project</b>	<b>State and Federal Electorate</b>	<b>Total Estimated Expenditure \$m</b>	<b>Estimated Cumulative Expenditure to 30 June 2024 \$m</b>	<b>2024-25 Budget Estimate \$m</b>
<b>Facilities to Support SEA 9100 Phase 1 Improved Embarked Logistics Support Helicopter Tranche 1</b>				
HMAS <i>Albatross</i>	NSW - Gilmore	5.1	1.7	1.8
<b>Projects in or about to enter Defects Liability Period <sup>[a]</sup></b>				
<b>Total <sup>[b]</sup></b>				<b>25.9</b>
		<b>14,606.4</b>	<b>7,654.7</b>	<b>2,298.4</b>

**Notes**

- a. This amount represents the expenditure estimates for completed projects during their first year in-use.
- b. The sum of the individual figures may differ to the totals 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 is providing infrastructure to support and ensure ongoing communications capability at HMAS *Harman* ACT through the expansion and fit-out of existing facilities. The majority of the works are complete with the exception of a minor engineering services component which is scheduled for completion in mid-2024.

#### HMAS *Harman* Redevelopment

This project is delivering fit-for-purpose 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 late-2025.

#### 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 early-2025.

### New South Wales

#### HMAS *Watson* Redevelopment

This project is addressing functionality deficiencies, capacity constraints, and non-compliances with facilities and infrastructure at HMAS *Watson*, Sydney, NSW. This project is scheduled for completion in early-2027.

#### Garden Island (East) 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-2024.

#### Airfield Capital Works P0008 (RAAF Base Williamtown)

This project is maintaining aircraft pavements, aeronautical ground lighting and airfield drainage, and delivering associated airfield upgrade works at RAAF Base Williamtown NSW. This project is scheduled for completion in mid-2024.

#### Guided Weapons Explosive Ordnance Enterprise Program Accelerated Storage Myambat

This project will provide explosive ordnance storage at Defence Establishment Myambat NSW. This project is scheduled to commence construction in mid-2024 for completion in early-2025.

#### Guided Weapons Explosive Ordnance Enterprise Program Accelerated Storage Jennings

This project will provide explosive ordnance storage at Defence Establishment Jennings NSW. This project is scheduled to commence construction in mid-2024 for completion in late-2024.

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

This project is delivering fit-for-purpose facilities and infrastructure to support deployable special operations engineer capability at Holsworthy Barracks NSW, including new storage, training and laboratory facilities and refurbished office. This project is scheduled for completion in early-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 and minor refurbishment works to alleviate existing functionality and capacity issues at Tweed Heads NSW. This project is scheduled for completion in mid-2024.

#### **Facilities to Support SEA 9100 Phase 1 Improved Embarked Logistics Support Helicopter Tranche 1**

This project will provide facilities to support improved embarked logistics support helicopters at HMAS *Albatross* NSW. This project is scheduled to commence construction in mid-2024 for completion in late-2024.

### **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 enhanced facilities and infrastructure, including airfield improvements, 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 Bunday 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 late-2025.

#### **Larrakeyah Defence Precinct Redevelopment Program**

This program is upgrading critical base infrastructure, improving the working environment, delivering new facilities, and supporting future growth on the Larrakeyah Defence Precinct NT. This program is also delivering a new wharf, fuel storage and refuelling capabilities to support Navy's major surface combatant ships operating in the north of Australia. This program of works is scheduled for completion in late-2025.

#### **Cocos (Keeling) Islands Airfield Upgrade**

This project will upgrade the airfield and construct supporting infrastructure at Cocos (Keeling) Islands, including the runway, taxiway, and airfield lighting. This project is scheduled for completion in mid-2027.

#### **Robertson Barracks Base Improvements Project**

This project is upgrading engineering services such as potable water and power, providing additional living-in accommodation, and providing a new combined mess 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, aeronautical ground lighting and airfield drainage at RAAF Base Darwin NT and Mount Bunday NT. This project is scheduled for completion in late-2025.

**RAAF Base Darwin Mid-Term Refresh**

This project will upgrade the entry and engineering services, such as water and sewer networks, at RAAF Base Darwin NT. This project is scheduled to commence in late-2024 for completion in early-2027.

**Queensland****North Queensland Mid-Term Refresh Program****RAAF Townsville Mid-Term Refresh Project**

This project is upgrading engineering services including potable water and power, refurbishing working accommodation, and providing additional transit living-in accommodation at RAAF Base Townsville QLD. This project is scheduled for completion in early-2025.

**Townsville Field Training Area Mid-Term Refresh Project**

This project is upgrading 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 is scheduled for completion in mid-2024.

**HMAS Cairns Mid-Term Refresh Project**

This project is upgrading engineering services including firefighting systems, potable water, sewerage and stormwater, and delivering minor building refurbishment works at HMAS Cairns QLD. This project is scheduled for completion in late-2024.

**Facilities to Support LAND 129 Phase 3 Tactical Unmanned Aerial Vehicles**

This project is providing fit-for-purpose facilities and infrastructure to support replacement Tactical Unmanned Aerial Vehicle capability at Gallipoli Barracks QLD. The scope includes working accommodation, training, storage, and hardstand facilities as well as electrical and communications upgrades. This project is scheduled for completion in early-2025.

**LAND 4502 Phase 1 Additional CH-47F Chinook Facilities**

This project is providing new facilities to support the introduction and sustainment of new CH-47F Chinook Medium Lift Helicopters at RAAF Base Townsville QLD. This project is scheduled for completion in mid-2024.

**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-2025.

#### **Facilities to Support JP 8190 Phase 1 Deployable Bulk Fuel Distribution**

This project will provide new and refurbished training, maintenance and storage facilities to support training at RAAF Base Amberley, Lavarack Barracks, Cowley Beach Training Area, and Greenbank Training Area in QLD. This project is scheduled to commence construction in late-2024 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-2024.

### **South Australia**

#### **Edinburgh Defence Precinct Mid-Term Refresh**

This project will remediate and upgrade base infrastructure at the Edinburgh Defence Precinct SA including engineering services such as power and water. This project is scheduled to commence construction in early-2025 for completion in mid-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 to support new air defence capability at RAAF Base Edinburgh SA. This project is scheduled for completion in mid-2025.

#### **Cultana Training Area Redevelopment Phase 2**

This project will provide new facilities and infrastructure to develop the expanded training area into a training range at the Cultana Training Area SA. This project is scheduled to commence construction in mid-2024 for completion in mid-2025.

#### **Relocation of Units from Elizabeth North Training Depot**

This project will provide 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 to commence construction in mid-2024 for completion in late-2025.

### **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 late-2024.

### **Victoria**

#### **Fishermans Bend Redevelopment**

This project will address 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 late-2026.

## Western Australia

### RAAF Base Learmonth Redevelopment Enabling KC-30A Operations

This project will upgrade the airfield including the runway, taxiway and parking aprons at RAAF Base Learmonth WA. This project is scheduled to commence in mid-2024 for completion in mid-2028.

### 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 due for completion by late-2026.

### RAAF Base Pearce Additional Flight Training Device

This project is delivering a new facility to support ongoing air capability training in a simulated environment at RAAF Base Pearce WA. This project is scheduled for completion in late-2024.

## Various Locations

### Enhanced Land Force (ELF) Stage 2

This project provided purpose-built facilities and supporting infrastructure to support ELF capabilities. 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 at the Cultana Training Area SA, which is scheduled for completion in early-2026.

### Navy Capability Infrastructure Sub-program

This program of works is providing new and upgraded facilities and infrastructure around Australia to support the introduction into service and sustainment of new frigate, offshore patrol, and replenishment vessels.

### 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 to replace the current Anzac 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 Townsville QLD, RAAF Base Pearce WA, RAAF Base Darwin NT and HMAS *Stirling* WA. The works are progressively scheduled for completion at each base up to mid-2026.

#### 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 early-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. The works include a control centre, training facilities, squadron headquarters, hangars, airfield pavements, aircraft wash point, and site-wide engineering services. The works are scheduled for completion in early-2026.

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

This project is providing facilities and infrastructure to support the introduction into service of MC-55A Peregrine Airborne Intelligence Surveillance Reconnaissance Electronic Warfare capability at RAAF Base Darwin NT, RAAF Base Townsville QLD, RAAF Base Edinburgh SA and Cocos (Keeling) Islands NT. This project is scheduled for completion in mid-2024.

#### Defence Fuel Transformation Program - Tranche 2 Facilities Project

This project will remediate, replace, upgrade and dispose existing fuel installations across various sites. The works are scheduled to commence in mid-2024 for completion in early-2027.

#### Facilities to Support JP 9101 Phase 1 Enhanced Communications Systems

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

#### Joint Health Command Garrison Facilities Upgrades

This project is providing contemporary Garrison Health Facilities at 14 bases around Australia. The majority of the works are complete except for those at RAAF Base Darwin NT. These works are scheduled for completion in late-2024.

#### Armoured Fighting Vehicles Facilities Program Stage 1

This project is providing facilities and infrastructure to support, sustain, and train Army personnel on the next generation armoured fighting vehicles at Lavarack Barracks QLD, Edinburgh Defence Precinct SA and the Puckapunyal Military Area VIC. This project is scheduled for completion in late-2024.

#### LAND 121 Phase 5B Facilities Project

This project is providing facilities and infrastructure to support and sustain vehicles, modules and trailers at seven bases around Australia. This project is scheduled for completion in mid-2024.

**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 mid-2026.

**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 Mount Everard and Harts Range near Alice Springs NT, Murray Bridge Training Area SA, and RAAF Learmonth and Geraldton in WA. This project is scheduled for completion in late-2025.

**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 mid-2024.

**Guided Weapons Explosive Ordnance Storage Project Tranche 1**

This project will provide explosive ordnance storage facilities and infrastructure at various bases around Australia. These works are scheduled for completion in early-2025.

**Facilities to Support LAND 8116 Phase 1 Protected Mobile Fires**

This project is providing new storage, workshop, and shelter facilities; upgrading road and infrastructure services; and reconfiguring existing training and office rooms at Lavarack Barracks QLD and the Puckapunyal Military Area VIC. This project is scheduled to commence construction in mid-2024 for completion in early-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 14 bases around Australia. This project is scheduled for completion in mid-2025.

## Appendix E: Status of Projects Foreshadowed for Parliamentary Standing Committee on Public Works Consideration in 2024-25

### Projects Foreshadowed for Consideration and Approval

During 2024-25, Defence expects to present a number of Enterprise Estate and Infrastructure Program (EEIP) 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, in 2024-25.

**Table 57: Major Capital Facilities Projects Foreshadowed for PWC Consideration and Approval in 2024-25**

Project Description	State/Electorate	Actual/Indicative PWC Referral Date <sup>[a]</sup>	Actual/Indicative PWC Hearing Date <sup>[a] [b]</sup>	Parliamentary Approval Date <sup>[a]</sup>
Canberra Defence Precinct Tranche 1 – Australian Defence Force Academy Living-in Accommodation	ACT - Canberra	Nov-2023	Mid-2024	Mid-2024
Facilities to Support AIR 5349 Phase 6 Advanced Growler	Various locations	Feb-2024	Mid-2024	Mid-2024
Albury-Wodonga Military Area Redevelopment	Various locations	Early-2024	Mid-2024	Mid-2024
RAAF Base Wagga Redevelopment	NSW - Riverina	Early-2024	Mid-2024	Mid-2024
Explosive Ordnance Facilities Northern New South Wales Redevelopment	NSW - Lindsay & Hunter	Mid-2024	Mid-2024	Late-2024
Facilities to Support LAND 4507 Phase 1 Multi Role Helicopter Rapid Replacement Program	NSW - Hughes	Mid-2024	Mid-2024	Late-2024
Facilities to Support SEA 9100 Phase 1 Improved Embarked Logistics Support Helicopter (Tranche 2)	Various locations	Mid-2024	Late-2024	Late-2024
Army Aviation Omnibus Program of Works	Various locations	Late-2024	Late-2024	Late-2024
Facilities to Support LAND 8113 Phase 1 Long Range Fires	Various locations	Late-2024	Late-2024	Early-2025

**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 2024-25**

Project Description	State/Electorate	Actual/Indicative PWC Notification Date <sup>[a]</sup>	Indicative PWC Approval Date <sup>[a]</sup>
Facilities to Support LAND 8180 Phase 1 Aviation and Field Fire Truck Capability	Various locations	Mid-2024	Mid-2024

**Note**

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

## Explanation of Projects

### Australian Capital Territory

Canberra Defence Precinct Tranche 1 – Australian Defence Force Academy Living-in Accommodation

This project proposes to provide living-in accommodation to address growth and condition issues at the Australian Defence Force Academy ACT. Subject to parliamentary approval, construction is scheduled for completion in late-2026.

### New South Wales

RAAF Base Wagga Redevelopment

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

Explosive Ordnance Facilities Northern New South Wales Redevelopment

This project proposes to remediate existing, and provide new, facilities and infrastructure to support training, storage and maintenance activities at Defence Establishment Orchard Hills and Myambat Explosive Ordnance Depot NSW. Subject to parliamentary approval, construction is scheduled to commence in late-2024 for completion in mid-2028.

Facilities to Support LAND 4507 Phase 1 Multi Role Helicopter Rapid Replacement Program

This project proposes to provide facilities and infrastructure to support the associated capability at Holsworthy Barracks including working accommodation, maintenance, storage and training facilities. Subject to parliamentary approval, construction is scheduled to commence in mid-2025 for completion in early-2028.

### Northern Territory

Not applicable.

### Queensland

Not applicable.

### South Australia

Not applicable.

### Tasmania

Not applicable.

### Victoria

Not applicable.

### Western Australia

Not applicable.

## Various Locations

### Albury Wodonga Military Area Redevelopment

This project proposes to address condition, capacity and compliance issues at the Albury-Wodonga Military Area in NSW and VIC, including upgrading engineering services, constructing new facilities and infrastructure, and demolishing aged facilities. Subject to parliamentary approval, construction is scheduled for completion in mid-2030.

### Facilities to Support AIR 5349 Phase 6 Advanced Growler

This project proposes to provide new facilities and infrastructure in support of the associated capability at various bases including storage, maintenance and working accommodation. Subject to parliamentary approval, construction is scheduled to commence in mid-2025 for completion in late-2026.

### Facilities to Support SEA 9100 Phase 1 Improved Embarked Logistics Support Helicopter (Tranche 2)

This project proposes to provide facilities in support of the associated capability at various bases. Subject to parliamentary approvals, construction is scheduled to commence in mid-2025 for completion in mid-2027.

### Army Aviation Omnibus Program of Works

This project proposes to provide facilities to support the associated capability at various bases. Subject to parliamentary approval, construction is scheduled to commence in late-2025 for completion in early-2028.

### Facilities to Support LAND 8113 Phase 1 Long Range Fires

This project proposes to provide facilities and infrastructure to support the associated capability at various bases. Subject to parliamentary approval, construction is scheduled to commence in late-2025 for completion in late-2028.

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

This project proposes to deliver training, testing, maintenance, and storage facilities to support the associated capability at various bases. Subject to Public Works Committee agreement, construction is scheduled to commence in early-2025 for completion in early-2026.

## 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 2024-25 Forecast Expenditure (Gross Plan) <sup>[a]</sup>**

Project Name	Project Number/ Phase	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	Budget Estimate 2024-25 \$m	Top 5 ICT Project Descriptions
Enterprise Resource Planning (ERP)	<b>ICT 2283</b>	1,642	712	133	ERP will modernise, integrate and transform Defence's processes to manage its HR, finance, procurement, logistics, engineering and maintenance, and estate functions. During 2024-25 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 ERP across Defence.
Warfighting Networks and Applications	<b>JP 9111</b>	303	114	116	Joint Project 9111 Warfighting Networks and Applications (WNA) will provide a Joint Command and Control information environment to support the planning and execution of operations and exercises at all levels of command. This project will deliver a modernised warfighting network, associated software applications, and a support system. It will be used across all five domains for 'SECRET' and below information sharing. During 2024-25 (Quarter 2, 2025), the project will commence building facilities to support the Joint Command and Control information environment. Additionally, this project will invest in long term strategic industry partnerships and build Australian Industry Capability.
Health Knowledge Management	<b>JP 2060 Phase 4</b>	380	261	76	Health Knowledge Management (HKM) will replace the ADF's legacy electronic health record product (DeHS) with a modern, patient-centric health solution. The new 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 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 integrate into other whole-of-government systems, including the Department of Veteran's Affairs, ComSuper and My Health Record. During 2024-25, 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 2024-25 Forecast Expenditure (Gross Plan) (Continued) <sup>[a]</sup>

Project Name	Project Number/ Phase	Approved Project Expenditure \$m	Estimated Cumulative Expenditure to 30 June 2024 \$m	Budget Estimate 2024-25 \$m	Top 5 ICT Project Descriptions
Fleet Information Environment Modernisation	SEA 2273	563	372	67	This 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.  In 2024-25 the project is scheduled to meet Initial Operating Capability together with installs on both a Major and Minor vessel.
Integrated Intelligence Surveillance Reconnaissance and Processing Exploitation Dissemination Enterprise	DEF 2150	208	92	62	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 facility in Adelaide to provide the Processing, Exploitation and Dissemination of Intelligence from data and information collected by a range of Air Force Intelligence, Surveillance and Reconnaissance (ISR) platforms.
<b>Total Top 5 ICT Projects (Gross Plan)</b>		<b>3,096</b>	<b>1,551</b>	<b>454</b>	

**Note**

a. Approved Project Expenditure, Estimated Cumulative Expenditure to 30 June 2024 and Budget Estimate 2024-25 are on an accrual basis and funded by appropriation.

## Appendix G: Australian Government Indigenous Expenditure

**Table 60: Australian Government Indigenous Expenditure**

		2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000
	<b>Program</b>		
Defence Indigenous Strategy	2.12	6,584	5,995
Army Aboriginal Community Assistance Program	2.6	7,425	22,450
<b>Total Australian Government Indigenous Expenditure</b>		<b>14,009</b>	<b>28,445</b>

### Defence Indigenous Activities

Defence’s commitment to reconciliation and implementing the National Agreement on Closing the Gap will continue through practical action to deliver real and positive change for First Nations peoples. Defence will increase its focus on the attraction, recruitment, and retention of First Nations peoples, and empower the First Nations business sector to enhance Defence capability.

Defence has set First Nations representation targets of 3 per cent for the Defence Australian Public Service (APS) workforce, and 5 per cent for the Australian Defence Force (ADF) by 2025. As at 1 April 2024, the ADF participation rate was 3.9 per cent and the Defence APS participation rate was 1.9 per cent. Over 2024-25, Defence will increase the opportunities of the First Nations workforce through targeted recruitment and retention programs and initiatives.

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 April 2024, over \$9.6 billion of Commonwealth Government contracts have been awarded to First Nations businesses since the introduction of the IPP. Of this, Defence has awarded over \$4.8 billion in contract value to First Nations businesses. Defence will continue to place a strong emphasis on engagement with the First Nations business sector, creating opportunities and promoting the requirement for greater inclusion of Indigenous businesses on Defence panel arrangements. Defence will also deliver Indigenous procurement reform in 2024-25 to strengthen First Nations business participation across Defence.

### Defence Indigenous Programs

Defence will continue to deliver a range of programs for First Nations peoples interested in a career in the ADF or Defence APS workforce, and supports existing First Nations personnel. An increased focus will be put on employment pathways.

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

Defence partners closely with National Indigenous Australians Agency (NIAA) to support programs identified in the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020-24. Defence remains committed to implementing the Indigenous Graduate Pathway Program which aims to increase First Nations graduates 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 participation in a number of Indigenous Australian Public Service programs is ongoing. These programs enable employment pathways into Defence through apprentice, trainee and graduate recruitment pathways, including the Australian Government Indigenous Apprenticeship Program and Indigenous Graduate Pathways.

### **Defence Indigenous Community Assistance**

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 in 2024, 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 the 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 make Australia the most secure place to connect online and 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 these objectives, 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.

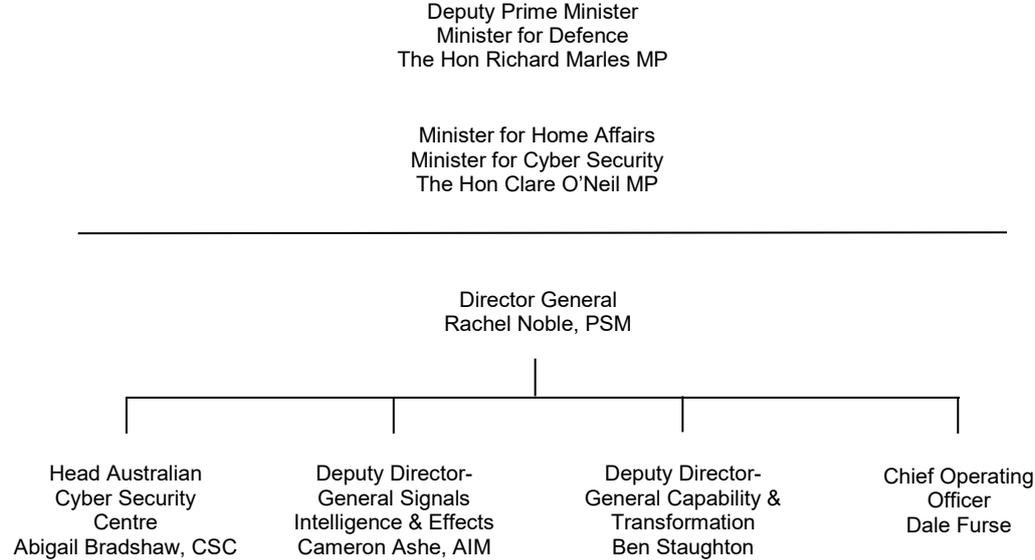
ASD's success is founded in the ingenuity of its workforce. The organisation seeks to recruit and develop a curious and imaginative workforce which is not deterred by difficult challenges. Recruiting the requisite specialist technological expertise has become increasingly challenging, given the high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

Under the *2024 Integrated Investment Program*, the Government has continued its significant investment in ASD's cyber and intelligence capabilities through REDSPICE (Resilience, Effects, Defence, Space, Intelligence, Cyber, and Enablers). REDSPICE will significantly expand ASD's offensive cyber capabilities, its ability to detect and respond to cyber attacks, and introduce new intelligence capabilities.

This investment will involve a substantial increase in the cyber, data science and intelligence workforce, with the creation of 1,900 ASD jobs to 2030-31, and additional jobs for Australian industry.

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 2024-25 as at May Budget**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Departmental</b>					
Annual appropriations - ordinary annual services					
Departmental appropriation	1,732,225	1,657,007	1,743,367	1,938,329	1,956,902
s74 External Revenue	2,918	2,994	3,064	3,141	3,221
Departmental Capital Budget	30,000	30,000	30,000	30,000	30,000
Annual appropriations - other services - non-operating					
Equity injection	1,094,367	1,036,491	695,098	493,569	224,024
<b>Total Departmental resourcing</b>	<b>2,859,510</b>	<b>2,726,492</b>	<b>2,471,529</b>	<b>2,465,039</b>	<b>2,214,147</b>
<b>Total resourcing for ASD</b>	<b>2,859,510</b>	<b>2,726,492</b>	<b>2,471,529</b>	<b>2,465,039</b>	<b>2,214,147</b>

### 1.3 Budget Measures

#### 2024-25 Budget Measures and Other Budget Adjustments

Table 2: ASD 2024-25 Budget Measures

	2024-25 Budget Estimate \$m	2025-26 Forward Estimate \$m	2026-27 Forward Estimate \$m	2027-28 Forward Estimate \$m
<b>Other Budget Adjustments</b>				
Foreign Exchange	-0.5	-0.4	-0.5	-0.1
Other Budget Adjustments	112.6	103.1	-86.5	-129.2
<b>Total Other Departmental Budget Adjustments</b>	<b>112.1</b>	<b>102.7</b>	<b>-87.0</b>	<b>-129.3</b>
<b>Variation to ASD Departmental Funding</b>	<b>112.1</b>	<b>102.7</b>	<b>-87.0</b>	<b>-129.3</b>

## 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 *Intelligence Services Act 2001*, 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 *Intelligence Services Act 2001*, 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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Program 1.1 - Foreign Signals Intelligence, Cyber Security and Offensive Cyber Operations</b>					
<b>Expenses funded by appropriation and own source revenue <sup>[a]</sup></b>					
Employees	508,799	599,887	725,294	781,069	824,584
Suppliers	1,170,405	1,003,003	965,429	1,108,124	1,081,956
Other expenses	7,272	6,578	5,860	5,188	4,499
	1,686,476	1,609,468	1,696,583	1,894,381	1,911,039
<b>Expenses not requiring appropriation <sup>[b]</sup></b>					
Resources received free of charge (Auditor fees)	156	155	159	160	162
Depreciation and amortisation	388,265	532,090	603,311	662,886	653,010
Net write-down and net impairment of assets	-	-	-	-	-
	388,421	532,245	603,470	663,046	653,172
<b>Total operating expenses</b>	<b>2,074,897</b>	<b>2,141,713</b>	<b>2,300,053</b>	<b>2,557,427</b>	<b>2,564,211</b>
<b>Capital expenditure funded by appropriation</b>					
Purchases of non-financial assets	1,124,629	1,066,491	725,098	523,569	254,024
Principal repayments of lease liabilities	48,677	50,533	49,848	47,089	49,084
<b>Total capital expenditure</b>	<b>1,173,306</b>	<b>1,117,024</b>	<b>774,946</b>	<b>570,658</b>	<b>303,108</b>
<b>Total funded expenditure Program 1.1 <sup>[c]</sup></b>	<b>2,859,782</b>	<b>2,726,492</b>	<b>2,471,529</b>	<b>2,465,039</b>	<b>2,214,147</b>

**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.

	2023-24	2024-25
<b>Average Staffing Level (number)</b>	nfp	nfp

**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 2024-25 Budget Measures that have created new programs or materially changed existing programs are provided.

<b>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.</b>		
<b>Program 1.1- Foreign Signals Intelligence, Cyber Security and Offensive Cyber Operations</b>		
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.		
<b>Key Activities</b>	<ul style="list-style-type: none"> <li>• Provide foreign signals intelligence.</li> <li>• Provide cyber security services.</li> <li>• Conduct offensive cyber operations.</li> </ul>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current Year 2023-24	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 measures	Planned Performance Results
Current Year 2023-24	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>
Budget Year 2024-25	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 2025-28	As per 2024-25.	As per 2024-25.
Material changes to Program 1.1 resulting from 2024-25 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 2024-25 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 <sup>[a]</sup>**

	<b>2023-24 Estimated Actual \$'000</b>	<b>2024-25 Budget Estimate \$'000</b>
Payments made to Department of Defence for provision of services (Departmental)	100,502	102,840

**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 Department of 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)**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>EXPENSES</b>					
Employee benefits	508,799	599,887	725,294	781,069	824,584
Supplier expenses	1,170,561	1,003,158	965,588	1,108,284	1,082,118
Depreciation and amortisation	388,265	532,090	603,311	662,886	653,010
Write-down of assets and impairment of assets	-	-	-	-	-
Foreign exchange losses	-	-	-	-	-
Other	7,272	6,578	5,860	5,188	4,499
<b>Total expenses</b>	<b>2,074,897</b>	<b>2,141,713</b>	<b>2,300,053</b>	<b>2,557,427</b>	<b>2,564,211</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sales of goods and rendering of services	2,918	2,994	3,064	3,141	3,221
<b>Total own-source revenue</b>	<b>2,918</b>	<b>2,994</b>	<b>3,064</b>	<b>3,141</b>	<b>3,221</b>
<b>Gains</b>					
Reversals of previous asset write-downs	-	-	-	-	-
Other	156	155	159	160	162
<b>Total gains</b>	<b>156</b>	<b>155</b>	<b>159</b>	<b>160</b>	<b>162</b>
<b>Total own-source income</b>	<b>3,074</b>	<b>3,149</b>	<b>3,223</b>	<b>3,301</b>	<b>3,383</b>
<b>Net cost of (contribution by) services</b>	<b>-2,071,823</b>	<b>-2,138,564</b>	<b>-2,296,830</b>	<b>-2,554,126</b>	<b>-2,560,828</b>
Revenue from Government	1,732,225	1,657,007	1,743,367	1,938,329	1,956,902
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>-339,598</b>	<b>-481,557</b>	<b>-553,463</b>	<b>-615,797</b>	<b>-603,926</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items not subject to subsequent reclassification to net cost of services</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>-339,598</b>	<b>-481,557</b>	<b>-553,463</b>	<b>-615,797</b>	<b>-603,926</b>

**Note: Impact of net cash appropriation arrangements**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Surplus/(Deficit) attributable to the Australian Government prior to Net Cash Appropriation Adjustments</b>	<b>-10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
less: Depreciation/amortisation expenses previously funded through revenue appropriations	388,265	532,090	603,311	662,886	653,010
add: Principal repayments on leased assets	48,677	50,533	49,848	47,089	49,084
<b>Total comprehensive income/(loss) - as per the statement of comprehensive income</b>	<b>-339,598</b>	<b>-481,557</b>	<b>-553,463</b>	<b>-615,797</b>	<b>-603,926</b>

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	15,041	15,041	15,041	15,041	15,041
Trade and other receivables	127,310	127,310	127,310	127,310	127,310
<b>Total financial assets</b>	<b>142,351</b>	<b>142,351</b>	<b>142,351</b>	<b>142,351</b>	<b>142,351</b>
<b>Non-financial assets</b>					
Land and buildings	619,686	562,635	506,649	453,818	423,334
Property, plant and equipment	1,254,833	1,799,845	1,972,640	1,855,737	1,494,176
Intangibles	128,062	174,502	179,480	209,897	202,956
Heritage assets	244	244	244	244	244
Other non-financial assets	129,208	129,208	129,208	129,208	129,208
<b>Total non-financial assets</b>	<b>2,132,033</b>	<b>2,666,434</b>	<b>2,788,221</b>	<b>2,648,904</b>	<b>2,249,918</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>2,274,384</b>	<b>2,808,785</b>	<b>2,930,572</b>	<b>2,791,255</b>	<b>2,392,269</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	245,628	245,628	245,628	245,628	245,628
Other	14,397	14,397	14,397	14,397	14,397
<b>Total payables</b>	<b>260,025</b>	<b>260,025</b>	<b>260,025</b>	<b>260,025</b>	<b>260,025</b>
<b>Interest bearing liabilities</b>					
Leases	503,879	453,346	403,498	356,409	307,325
<b>Total interest bearing liabilities</b>	<b>503,879</b>	<b>453,346</b>	<b>403,498</b>	<b>356,409</b>	<b>307,325</b>
<b>Provisions</b>					
Employee provisions	127,649	127,649	127,649	127,649	127,649
<b>Total provisions</b>	<b>127,649</b>	<b>127,649</b>	<b>127,649</b>	<b>127,649</b>	<b>127,649</b>
<b>Total liabilities</b>	<b>891,553</b>	<b>841,020</b>	<b>791,172</b>	<b>744,083</b>	<b>694,999</b>
<b>NET ASSETS</b>	<b>1,382,831</b>	<b>1,967,765</b>	<b>2,139,400</b>	<b>2,047,172</b>	<b>1,697,270</b>
<b>EQUITY</b>					
Contributed equity	2,544,866	3,611,357	4,336,455	4,860,024	5,114,048
Reserves	44,521	44,521	44,521	44,521	44,521
Retained surplus (accumulated deficit)	-1,206,556	-1,688,113	-2,241,576	-2,857,373	-3,461,299
<b>Total equity</b>	<b>1,382,831</b>	<b>1,967,765</b>	<b>2,139,400</b>	<b>2,047,172</b>	<b>1,697,270</b>

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	1,732,225	1,657,007	1,743,367	1,938,329	1,956,902
Goods and services	2,917	2,994	3,064	3,141	3,221
Net GST received	140,324	134,271	114,325	119,361	98,854
Other	-	-	-	-	-
<b>Total cash received</b>	<b>1,875,466</b>	<b>1,794,272</b>	<b>1,860,756</b>	<b>2,060,831</b>	<b>2,058,977</b>
<b>Cash used</b>					
Employees	508,892	599,887	725,294	781,069	824,584
Suppliers	1,170,244	1,003,003	965,429	1,108,124	1,081,956
Net GST paid	140,334	134,271	114,325	119,361	98,854
Cash transfer to the Official Public Account (receivables)	-	-	-	-	-
Interest payments on lease liabilities	7,272	6,578	5,860	5,188	4,499
Other	57	-	-	-	-
<b>Total cash used</b>	<b>1,826,799</b>	<b>1,743,739</b>	<b>1,810,908</b>	<b>2,013,742</b>	<b>2,009,893</b>
<b>Net cash from (used by) operating activities</b>	<b>48,667</b>	<b>50,533</b>	<b>49,848</b>	<b>47,089</b>	<b>49,084</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Proceeds from sales of intangibles	-	-	-	-	-
Other cash received	-	-	-	-	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of assets	1,124,629	1,066,491	725,098	523,569	254,024
<b>Total cash used</b>	<b>1,124,629</b>	<b>1,066,491</b>	<b>725,098</b>	<b>523,569</b>	<b>254,024</b>
<b>Net cash from (used by) investing activities</b>	<b>-1,124,629</b>	<b>-1,066,491</b>	<b>-725,098</b>	<b>-523,569</b>	<b>-254,024</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	1,124,367	1,066,491	725,098	523,569	254,024
Receipts from other entities on account of restructure	-	-	-	-	-
<b>Total cash received</b>	<b>1,124,367</b>	<b>1,066,491</b>	<b>725,098</b>	<b>523,569</b>	<b>254,024</b>
<b>Cash used</b>					
Principal repayments of lease liabilities	48,677	50,533	49,848	47,089	49,084
Cash to the Official Public Account	-	-	-	-	-
<b>Total cash used</b>	<b>48,677</b>	<b>50,533</b>	<b>49,848</b>	<b>47,089</b>	<b>49,084</b>
<b>Net cash from (used by) financing activities</b>	<b>1,075,690</b>	<b>1,015,958</b>	<b>675,250</b>	<b>476,480</b>	<b>204,940</b>
<b>Net increase (decrease) in cash and cash equivalents held</b>	<b>-272</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	15,313	15,041	15,041	15,041	15,041
Effect of exchange rate movements on cash and cash equivalents at beginning of the reporting period	-	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>15,041</b>	<b>15,041</b>	<b>15,041</b>	<b>15,041</b>	<b>15,041</b>

**Table 9: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2024-25)**

	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
<b>Opening balance as at 1 July 2024</b>					
Balance carried forward from previous period	-1,206,556	44,521	-	2,544,866	1,382,831
Adjustment for changes in accounting policies	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>-1,206,556</b>	<b>44,521</b>		<b>2,544,866</b>	<b>1,382,831</b>
<b>Comprehensive income</b>					
Comprehensive income recognised directly in equity:					
Gain/loss on revaluation of property	-	-	-	-	-
<b>Subtotal comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus (Deficit) for the period	-481,557	-	-	-	-481,557
<b>Total comprehensive income recognised directly in equity</b>	<b>-481,557</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-481,557</b>
<b>Transactions with owners</b>					
<i>Distribution to owners</i>					
Returns on capital:					
Restructuring	-	-	-	-	-
Other	-	-	-	-	-
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	1,036,491	1,036,491
Departmental Capital Budget (DCB)	-	-	-	30,000	30,000
Other	-	-	-	-	-
<b>Sub-total transaction with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,066,491</b>	<b>1,066,491</b>
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2025</b>	<b>-1,688,113</b>	<b>44,521</b>	<b>-</b>	<b>3,611,357</b>	<b>1,967,765</b>
<b>Closing balance attributable to the Australian Government</b>	<b>-1,688,113</b>	<b>44,521</b>	<b>-</b>	<b>3,611,357</b>	<b>1,967,765</b>

**Table 10: Statement of Departmental Asset Movements (Budget year 2024-25)**

	Buildings \$'000	Other property, plant and equipment \$'000	Heritage & cultural \$'000	Computer & software & intangibles \$'000	Total \$'000
<b>As at 1 July 2024</b>					
Gross book value	167,929	1,864,161	244	242,304	2,274,638
Gross book value - ROU assets	694,091	-	-	-	694,091
Accumulated depreciation/amortisation and impairment	-3,398	-609,328	-	-114,242	-726,968
Accumulated depreciation/amortisation and impairment - ROU assets	-238,936	-	-	-	-238,936
<b>Opening net book balance</b>	<b>619,686</b>	<b>1,254,833</b>	<b>244</b>	<b>128,062</b>	<b>2,002,825</b>
<b>Capital asset additions</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase - appropriation equity <sup>[a]</sup>	-	952,226	-	84,265	1,036,491
By purchase - appropriation equity - ROU assets	-	-	-	-	-
By purchase - appropriation ordinary annual services <sup>[b]</sup>	-	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)	-	-	-	-	-
<b>Total additions</b>	<b>-</b>	<b>982,226</b>	<b>-</b>	<b>84,265</b>	<b>1,066,491</b>
<b>Other movements</b>					
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	-3,398	-437,214	-	-37,825	-478,437
Depreciation/amortisation on ROU assets	-53,653	-	-	-	-53,653
Disposals <sup>[c]</sup>	-	-	-	-	-
From disposal of entities or operations (including restructuring)	-	-	-	-	-
From disposal of entities or operations (including restructuring) on ROU assets	-	-	-	-	-
Other	-	-	-	-	-
Other - ROU assets	-	-	-	-	-
<b>Total other movements</b>	<b>-57,051</b>	<b>-437,214</b>	<b>-</b>	<b>-37,825</b>	<b>-532,090</b>
<b>As at 30 June 2025</b>					
Gross book value	167,929	2,846,387	244	326,569	3,341,129
Gross book value - ROU assets	694,091	-	-	-	694,091
Accumulated depreciation/amortisation and impairment	-6,796	-1,046,542	-	-152,067	-1,205,405
Accumulated depreciation/amortisation and impairment - ROU assets	-292,589	-	-	-	-292,589
<b>Closing net book balance</b>	<b>562,635</b>	<b>1,799,845</b>	<b>244</b>	<b>174,502</b>	<b>2,537,226</b>

**Notes**

- 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2024-25 and *Appropriation Act (No. 4) 2023-24*, including Collection Development Acquisition Budget.
- 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2024-25 and *Appropriation Act (No. 3) 2023-24* 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)

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Departmental Capital budget - Bill 1 (DCB)	30,000	30,000	30,000	30,000	30,000
Equity injections - Bill 2	1,094,367	1,036,491	695,098	493,569	224,024
Loans - Bill 2	-	-	-	-	-
<b>Total new capital appropriations</b>	<b>1,124,367</b>	<b>1,066,491</b>	<b>725,098</b>	<b>523,569</b>	<b>254,024</b>
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	1,124,367	1,066,491	725,098	523,569	254,024
<i>Annual finance lease costs</i>	-	-	-	-	-
<i>Other Items</i>	-	-	-	-	-
<b>Total items</b>	<b>1,124,367</b>	<b>1,066,491</b>	<b>725,098</b>	<b>523,569</b>	<b>254,024</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	1,094,367	1,036,491	695,098	493,569	224,024
Funded by capital appropriation - DCB	30,000	30,000	30,000	30,000	30,000
Funded by finance leases	-	-	-	-	-
Funded internally from Departmental resources	262	-	-	-	-
Funded by special appropriations	-	-	-	-	-
<b>TOTAL</b>	<b>1,124,629</b>	<b>1,066,491</b>	<b>725,098</b>	<b>523,569</b>	<b>254,024</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	1,124,629	1,066,491	725,098	523,569	254,024
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	-	-	-	-	-
<b>Total cash used to acquire assets</b>	<b>1,124,629</b>	<b>1,066,491</b>	<b>725,098</b>	<b>523,569</b>	<b>254,024</b>

### 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

The *2024 National Defence Strategy* acknowledged that the strategic environment of Australia's region is being reshaped and is becoming more challenging. Increased competition economically, militarily, strategically and diplomatically, alongside a contest of values and narratives, is threatening the rules based order which has provided the foundation for security and increased prosperity for Australia and the Indo-Pacific over decades.

In this context, Australia is acquiring a conventionally-armed, nuclear-powered submarine capability, which will give Australia a more capable and potent submarine force to enhance our ability to deter threats and contribute to the security and stability of the Indo-Pacific region. Through the Australia, the United Kingdom and the United States (AUKUS) partnership, the acquisition of nuclear-powered submarines for Australia (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.

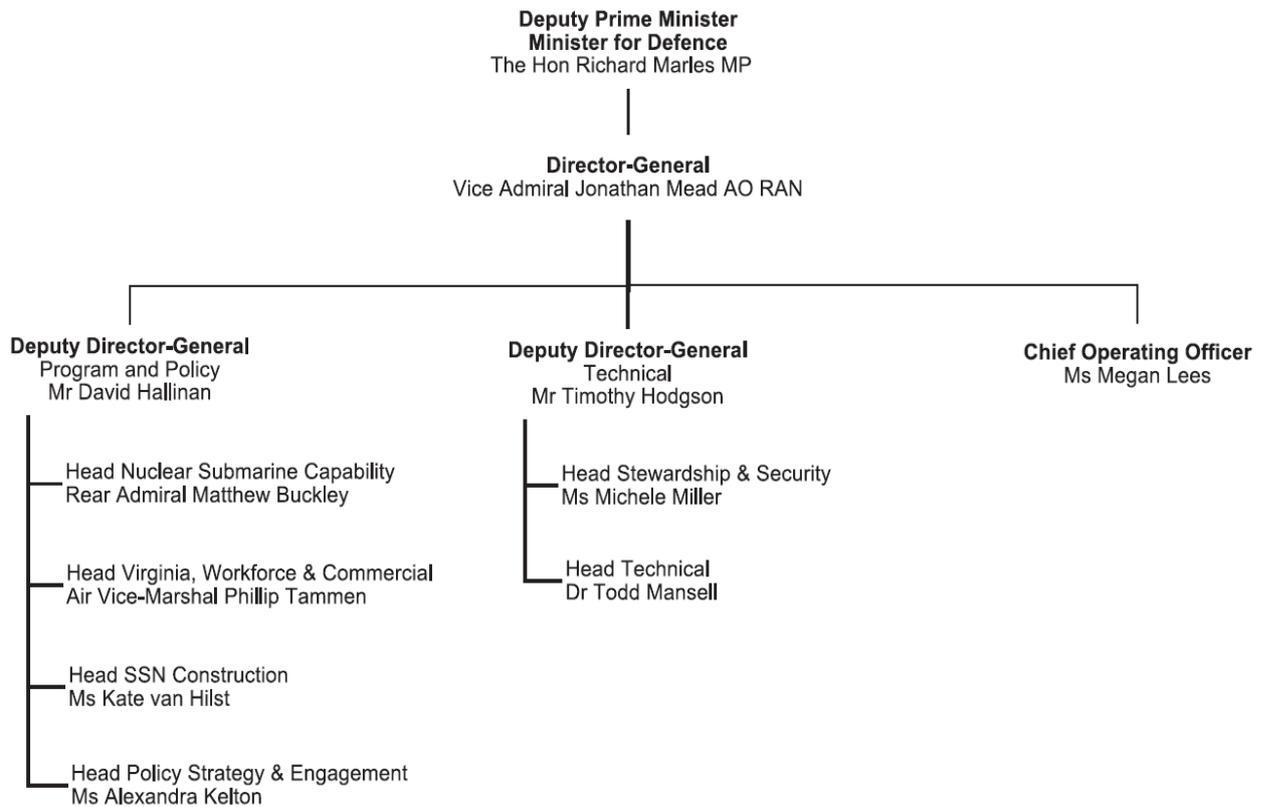
In a significant milestone for AUKUS and Australian industry, the Australian Government has announced the build and sustainment partners for Australia to acquire nuclear-powered submarines. This is a vital step on the pathway for Australia to build, operate and sustain nuclear-powered submarines while strengthening the submarine industrial base of all three AUKUS partners. This marks the start of extensive opportunities for Australian industry and jobs which will benefit through the development and growth of the Australian supply chain. In addition, it is expected that Australian industry capability will contribute to the resilience of existing supply chains. This is a key element and strength of the AUKUS trilateral partnership.

The ASA is accountable for overseeing and managing 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 Royal Australian Navy will continue to be responsible for submarine operations. The nuclear-powered submarine program is funded through the Defence Integrated Investment Program, and its budget and expenditure is reflected in the Defence Program 2.16 Nuclear-Powered Submarines.

In addition to AUKUS partners, ASA works in partnership with organisations within the Defence portfolio, and with Australian Government, state and territory departments and agencies to deliver this whole-of-nation endeavour. In delivering this program, AUKUS partners are committed to meeting the highest nuclear non-proliferation standard, strengthening the global nuclear non-proliferation regime, and to maintaining the highest standards of nuclear safety and security.

## ASA Organisational Structure

Figure 1: ASA Organisational Chart



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

### 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 *Portfolio Additional Estimates Statements 2023-24*.

## 1.2 ASA Resource Statement

**Table 1: ASA Resource Statement – Budget Estimates for 2024-25 as at May Budget**

	2023-24 Estimated Actual <sup>(a)</sup> \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Departmental</b>					
Annual appropriations - ordinary annual services					
Departmental appropriation	235,334	330,111	421,904	519,532	378,058
Annual appropriations - other services - non-operating					
Equity injection	8,085	52,843	8,610	7,860	-
<b>Total departmental resourcing</b>	<b>243,419</b>	<b>382,954</b>	<b>430,514</b>	<b>527,392</b>	<b>378,058</b>
<b>Total resourcing for ASA</b>	<b>243,419</b>	<b>382,954</b>	<b>430,514</b>	<b>527,392</b>	<b>378,058</b>

**Note**

- a. Decrease in estimates of \$80.0 million in 2023-24 relates to a reduction in estimates under s51 arrangements which are yet to be quarantined against *Appropriation Act (No.3) 2023-2024*.

### 1.3 Budget Measures

#### 2024-25 Budget Measures and Other Budget Adjustments

Table 2: ASA 2024-25 Budget Measures

	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Other Budget Adjustments</b>				
Handback to Defence - AUKUS Trilateral	-	-	-	-
Australian Submarine Agency - External Labour Savings	-1,223	-1,682	-2,197	-12,140
Other Adjustments	-416	-886	-547	-1,144
<b>Total Other Departmental Budget Adjustments</b>	<b>-1,639</b>	<b>-2,568</b>	<b>-2,744</b>	<b>-13,284</b>
<b>Variation to ASA Departmental Funding</b>	<b>-1,639</b>	<b>-2,568</b>	<b>-2,744</b>	<b>-13,284</b>

## Section 2: ASA Outcomes and Planned Performance

### 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

The ASA was established on 1 July 2023 to manage and oversee the safe and secure delivery of Australia’s nuclear-powered submarine program.

The ASA is a non-corporate Commonwealth entity for the purposes of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the ASA functions are listed in Schedule 1 of the PGPA Rule (2014).

The ASA has two key activities that will ensure delivery of the nuclear-powered submarine program. These activities are:

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.

#### Linked Programs

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

<b>Australian Nuclear Science and Technology Organisation</b>
Program 2 – Nuclear-Powered Submarines.
<b>Contribution to Outcome 1 by linked program</b>
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.

**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.

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

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

<b>Department of Foreign Affairs and Trade</b>
Program 1.8 – Nuclear-Powered Submarine Program.
<b>Contribution to Outcome 1 by linked programs</b>
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.

<b>Department of Industry, Science and Resources</b>
Program 1.4 – Nuclear-Powered Submarines.
<b>Contribution to Outcome 1 by linked programs</b>
The Department of Industry, Science and Resources (DISR), through the Australian Radioactive Waste Agency, is working with the Australian Submarine 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**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Program 1.1 - Nuclear-Powered Submarines</b>					
<b>Expenses funded by appropriation and own source revenue<sup>[a]</sup></b>					
Employees	86,563	132,033	175,507	204,693	152,201
Suppliers	148,771	198,078	246,397	314,839	225,857
Other expenses	-	-	-	-	-
	<b>235,334</b>	<b>330,111</b>	<b>421,904</b>	<b>519,532</b>	<b>378,058</b>
<b>Expenses not requiring appropriation<sup>[b]</sup></b>					
Resources received free of charge	-	-	-	-	-
Depreciation and amortisation	202	1,523	1,738	1,934	1,934
Net write-down and net impairment of assets	-	-	-	-	-
	<b>202</b>	<b>1,523</b>	<b>1,738</b>	<b>1,934</b>	<b>1,934</b>
<b>Total operating expenses</b>	<b>235,536</b>	<b>331,634</b>	<b>423,642</b>	<b>521,466</b>	<b>379,992</b>
<b>Capital expenditure funded by appropriation</b>					
Purchases of non-financial assets	8,085	52,843	8,610	7,860	-
Principal repayments of lease liabilities	-	-	-	-	-
	<b>8,085</b>	<b>52,843</b>	<b>8,610</b>	<b>7,860</b>	<b>-</b>
<b>Total capital expenditure</b>	<b>8,085</b>	<b>52,843</b>	<b>8,610</b>	<b>7,860</b>	<b>-</b>
<b>Total funded expenditure for Program 1.1<sup>[c]</sup></b>	<b>243,419</b>	<b>382,954</b>	<b>430,514</b>	<b>527,392</b>	<b>378,058</b>

	2024-25	2025-26
<b>Average Staffing Level (number)</b>	665	883

**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 measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current ASA 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 2024-25 Budget Measures that have created new programs or materially changed existing programs are provided.

The ASA was established on 1 July 2023 to deliver the nuclear-powered submarine program for Australia. As indicated in the Optimal Pathway, delivery of nuclear-powered submarines is broken into three distinct phases with a number of enabling functions to ensure Australia is sovereign ready to operate and maintain this capability. Further detail on the ASA performance measures, key activities and targets are included in the *2023-2027 Corporate Plan*.

<b>Program 1.1: Nuclear-Powered Submarines</b>		
<b>Program 1.1 Objective</b>		
Safely and securely acquire, construct, deliver, technically govern, sustain and dispose of Australia's conventionally-armed nuclear-powered submarine capability, via the AUKUS partnership.		
<b>Key Activities</b>	This program is achieved through the following activities: <ol style="list-style-type: none"> <li>1. Deliver nuclear-powered submarines in accordance with the Optimal Pathway and within government-approved costs in collaboration with AUKUS partners.</li> <li>2. Exemplify best practice nuclear stewardship to build and maintain naval nuclear propulsion technology, in compliance with Australian and international obligations.</li> </ol>	
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Current 2023-24	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"> <li>• Manage and oversee the completion of upgrades to the submarine training systems centre and personnel accommodation at SRF-W (HMAS <i>Stirling</i>).</li> <li>• Commence planning and training placements to develop a qualified and experienced naval and industrial workforce to undertake maintenance on visiting US SSNs.</li> </ul>
	Phase 2: Deliver three Virginia Class submarines, pending approval from US Congress.	<ul style="list-style-type: none"> <li>• Develop the selection process for the Sovereign Submarine Partner - Sustainment.</li> <li>• Establish new arrangements with the US to enable access to nuclear technical capabilities.</li> <li>• Establish procurement arrangements for Virginia-specific training support systems.</li> </ul>
	Phase 3: Deliver Australian-built SSN AUKUS, including infrastructure development at Osborne shipyard.	<ul style="list-style-type: none"> <li>• Manage and oversee the commencement of preparatory infrastructure works at the nuclear-powered submarine construction yard in Adelaide, South Australia.</li> <li>• Deliver Skills and Training Academy interim operating capability.</li> <li>• Develop the selection process for the Sovereign Submarine Partner – Shipbuilder.</li> </ul>
	Establish or refine any international arrangements or agreements required to implement the nuclear-powered submarine program and sustain trilateral engagement.	<ul style="list-style-type: none"> <li>• Establish personnel exchange agreements with the UK and US for APS and ADF personnel.</li> </ul>

Year	Performance measures	Planned Performance Results
Current 2023-24	Develop and implement safeguards arrangements as agreed between Australia and the International Atomic Energy Agency (IAEA).	<ul style="list-style-type: none"> <li>In consultation with ASNO, DFAT and AGD, engage with the IAEA on the development of Australia's non-proliferation and safeguards approach.</li> </ul>
	Set program and technical requirements and standards for nuclear-powered submarine capability across all capability life-cycle phases.	<ul style="list-style-type: none"> <li>Embed ASA staff in US and UK nuclear submarine enterprises, which could include SSN AUKUS build program and technical authority organisations, and enrolment in education and training courses.</li> <li>Define the Australian Technical Authority Plan that describes how Australia will exercise technical control over nuclear-powered submarine design, build, sustainment and operations.</li> </ul>
	Establish stewardship capabilities to support the introduction of naval nuclear technology to Australia.	<ul style="list-style-type: none"> <li>Establish a licensing approach to meet legislative and regulatory requirements for Phase 1.</li> </ul>
Budget Year 2024-25	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"> <li>Manage and oversee facilities, infrastructure and equipment to enable the US and UK to operate from HMAS <i>Stirling</i>.</li> </ul>
	Phase 2: Deliver three Virginia Class submarines.	<ul style="list-style-type: none"> <li>Manage and oversee the procurement of Virginia-specific training support systems.</li> </ul>
	Phase 3: Deliver Australian-built SSN AUKUS, including infrastructure development at Osborne shipyard.	<ul style="list-style-type: none"> <li>Manage and oversee the mobilisation of the SSN-AUKUS program.</li> </ul>
Forward Estimates 2025-28	As per 2024-25.	As per 2024-25.

## 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 2024-25 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 <sup>[a]</sup>**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000
Payments made to Department of Defence for provision of services (Departmental)	28,688	41,508

**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) <sup>[a]</sup>**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>EXPENSES</b>					
Employee benefits	86,563	132,033	175,507	204,693	152,201
Suppliers	148,771	198,078	246,397	314,839	225,857
Depreciation and amortisation	202	1,523	1,738	1,934	1,934
<b>Total expenses</b>	<b>235,536</b>	<b>331,634</b>	<b>423,642</b>	<b>521,466</b>	<b>379,992</b>
<b>LESS</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	-	-	-	-	-
Rental income	-	-	-	-	-
<b>Total own-source revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gains	-	-	-	-	-
<b>Total gains</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total own-source income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cost of (contribution by) services</b>	<b>-235,536</b>	<b>-331,634</b>	<b>-423,642</b>	<b>-521,466</b>	<b>-379,992</b>
Revenue from Government	235,334	330,111	421,904	519,532	378,058
<b>Surplus/(Deficit) attributable to the Australian Government</b>	<b>-202</b>	<b>-1,523</b>	<b>-1,738</b>	<b>-1,934</b>	<b>-1,934</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items not subject to subsequent reclassification to net cost of services</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>-202</b>	<b>-1,523</b>	<b>-1,738</b>	<b>-1,934</b>	<b>-1,934</b>
<b>Note: Impact of net cash appropriation arrangements</b>					
	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Surplus/(Deficit) attributable to the Australian Government prior to Net Cash Appropriation Adjustments</b>	<b>-202</b>	<b>-1,523</b>	<b>-1,738</b>	<b>-1,934</b>	<b>-1,934</b>
less: depreciation/amortisation expenses previously funded through revenue appropriations	202	1,523	1,738	1,934	1,934
add: principal repayments on leased assets <sup>[b]</sup>	-	-	-	-	-
<b>Total comprehensive income/(loss) as per the statement of comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Notes

- Prepared on Australian Accounting Standards basis.
- Applies to leases under AASB 16 Leases.

**Table 7: Budgeted Departmental Balance Sheet (as at 30 June) <sup>[a]</sup>**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	5,000	5,000	5,000	5,000	5,000
Trade and other receivables	74,476	99,895	122,981	147,387	110,519
<b>Total financial assets</b>	<b>79,476</b>	<b>104,895</b>	<b>127,981</b>	<b>152,387</b>	<b>115,519</b>
<b>Non-financial assets</b>					
Land and buildings	1,945	47,937	54,761	60,988	59,355
Property, plant and equipment	5,938	11,266	11,314	11,013	10,712
Intangibles	-	-	-	-	-
<b>Total non-financial assets</b>	<b>7,883</b>	<b>59,203</b>	<b>66,075</b>	<b>72,001</b>	<b>70,067</b>
Assets held for sale	-	-	-	-	-
<b>Total assets</b>	<b>87,359</b>	<b>164,098</b>	<b>194,056</b>	<b>224,388</b>	<b>185,586</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	25,096	35,590	44,050	58,190	43,254
Other payables	2,331	4,063	6,075	7,873	1,171
<b>Total payables</b>	<b>27,427</b>	<b>39,653</b>	<b>50,125</b>	<b>66,063</b>	<b>44,425</b>
<b>Provisions</b>					
Employee provisions	25,116	38,309	50,923	59,391	44,161
<b>Total provisions</b>	<b>25,116</b>	<b>38,309</b>	<b>50,923</b>	<b>59,391</b>	<b>44,161</b>
<b>Total liabilities</b>	<b>52,543</b>	<b>77,962</b>	<b>101,048</b>	<b>125,454</b>	<b>88,586</b>
<b>Net assets</b>	<b>34,816</b>	<b>86,136</b>	<b>93,008</b>	<b>98,934</b>	<b>97,000</b>
<b>EQUITY</b>					
Contributed equity	8,085	60,928	69,538	77,398	77,398
Reserves	-	-	-	-	-
Retained surplus/(accumulated deficit)	26,730	25,208	23,470	21,536	19,602
<b>Total Equity</b>	<b>34,816</b>	<b>86,136</b>	<b>93,008</b>	<b>98,934</b>	<b>97,000</b>

**Note**

a. Prepared on Australian Accounting Standards basis.

Table 8: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)<sup>[a]</sup>

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	160,858	304,692	398,818	495,126	414,926
Sale of goods and rendering of services	-	-	-	-	-
<b>Total cash received</b>	<b>160,858</b>	<b>304,692</b>	<b>398,818</b>	<b>495,126</b>	<b>414,926</b>
<b>Cash used</b>					
Employees	72,671	117,108	160,881	194,427	174,133
Suppliers	83,187	187,584	237,937	300,699	240,793
<b>Total cash used</b>	<b>155,858</b>	<b>304,692</b>	<b>398,818</b>	<b>495,126</b>	<b>414,926</b>
<b>Net cash from (used by) operating activities</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of non-financial assets	8,085	52,843	8,610	7,860	-
<b>Total cash used</b>	<b>8,085</b>	<b>52,843</b>	<b>8,610</b>	<b>7,860</b>	<b>-</b>
<b>Net cash from (used by) investing activities</b>	<b>-8,085</b>	<b>-52,843</b>	<b>-8,610</b>	<b>-7,860</b>	<b>-</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	8,085	52,843	8,610	7,860	-
<b>Total cash received</b>	<b>8,085</b>	<b>52,843</b>	<b>8,610</b>	<b>7,860</b>	<b>-</b>
<b>Net cash from (used by) financing activities</b>	<b>8,085</b>	<b>52,843</b>	<b>8,610</b>	<b>7,860</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>					
Cash and cash equivalents at the beginning of the reporting period	-	5,000	5,000	5,000	5,000
Effect of exchange rate movements on cash and cash equivalents at the beginning of the reporting period	-	-	-	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>

**Note**

a. Prepared on Australian Accounting Standards basis.

**Table 9: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2024-25) <sup>[a]</sup>**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2024</b>	26,730	-	-	8,085	34,816
<b>Comprehensive income</b>					
Comprehensive income recognised directly in equity	-	-	-	-	-
<b>Subtotal Comprehensive income</b>	-	-	-	-	-
Surplus/(deficit) for the period	-1,523	-	-	-	-1,523
<b>Total comprehensive income recognised directly in equity</b>	<b>-1,523</b>	-	-	-	<b>-1,523</b>
<b>Transactions with owners</b>					
<i>Contributions by owners</i>					
Appropriation (equity injection)	-	-	-	52,843	52,843
<b>Subtotal transactions with owners</b>	-	-	-	52,843	52,843
Transfers between equity components	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2025</b>	<b>25,208</b>	-	-	<b>60,928</b>	<b>86,136</b>
<b>Closing balance attributable to the Australian Government</b>	<b>25,208</b>	-	-	<b>60,928</b>	<b>86,136</b>

**Note**

a. Prepared on Australian Accounting Standards basis.

**Table 10: Statement of Departmental Asset Movements (Budget year 2024-25)**

	Buildings \$'000	Other property, plant and equipment \$'000	Other \$'000	Total \$'000
<b>Opening balance as at 1 July 2024</b>				
Gross book value	1,995	6,090	-	8,085
Accumulated depreciation/amortisation and impairment	-50	-152	-	-202
<b>Opening net book balance</b>	<b>1,945</b>	<b>5,938</b>	<b>-</b>	<b>7,883</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation equity	47,222	5,621	-	52,843
<b>Total additions</b>	<b>47,222</b>	<b>5,621</b>	<b>-</b>	<b>52,843</b>
<b>Other movements</b>				
Depreciation/amortisation expense	-1,230	-293	-	-1,523
<b>Total other movements</b>	<b>-1,230</b>	<b>-293</b>	<b>-</b>	<b>-1,523</b>
<b>Closing balance as at 30 June 2025</b>				
Gross book value	49,217	11,711	-	60,928
Accumulated depreciation/amortisation and impairment	-1,280	-445	-	-1,725
<b>Closing net book balance</b>	<b>47,937</b>	<b>11,266</b>	<b>-</b>	<b>59,203</b>

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

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Equity injections - Bill 2	8,085	52,843	8,610	7,860	-
<b>Total new capital appropriations</b>	<b>8,085</b>	<b>52,843</b>	<b>8,610</b>	<b>7,860</b>	<b>-</b>
<i>Provided for:</i>					
Purchase of non-financial assets	8,085	52,843	8,610	7,860	-
Other items	-	-	-	-	-
<b>Total items</b>	<b>8,085</b>	<b>52,843</b>	<b>8,610</b>	<b>7,860</b>	<b>-</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	8,085	52,843	8,610	7,860	-
Funded by finance leases	-	-	-	-	-
Funded internally from departmental resources	-	-	-	-	-
Funding by special appropriations	-	-	-	-	-
<b>TOTAL</b>	<b>8,085</b>	<b>52,843</b>	<b>8,610</b>	<b>7,860</b>	<b>-</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	8,085	52,843	8,610	7,860	-
less additions by finance lease	-	-	-	-	-
less additions by creditor/borrowings	-	-	-	-	-
plus borrowing/finance cost	-	-	-	-	-
plus annual finance lease costs	-	-	-	-	-
less gifted assets	-	-	-	-	-
less s75 transfers/restructuring	-	-	-	-	-
<b>Total cash used to acquire assets</b>	<b>8,085</b>	<b>52,843</b>	<b>8,610</b>	<b>7,860</b>	<b>-</b>

### **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)*.

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# 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 Assistant Minister for Defence 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 31 March 2024, the DHA Board members were:

Chairman	Dr Robert Lang
Managing Director	Mr Barry Jackson
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

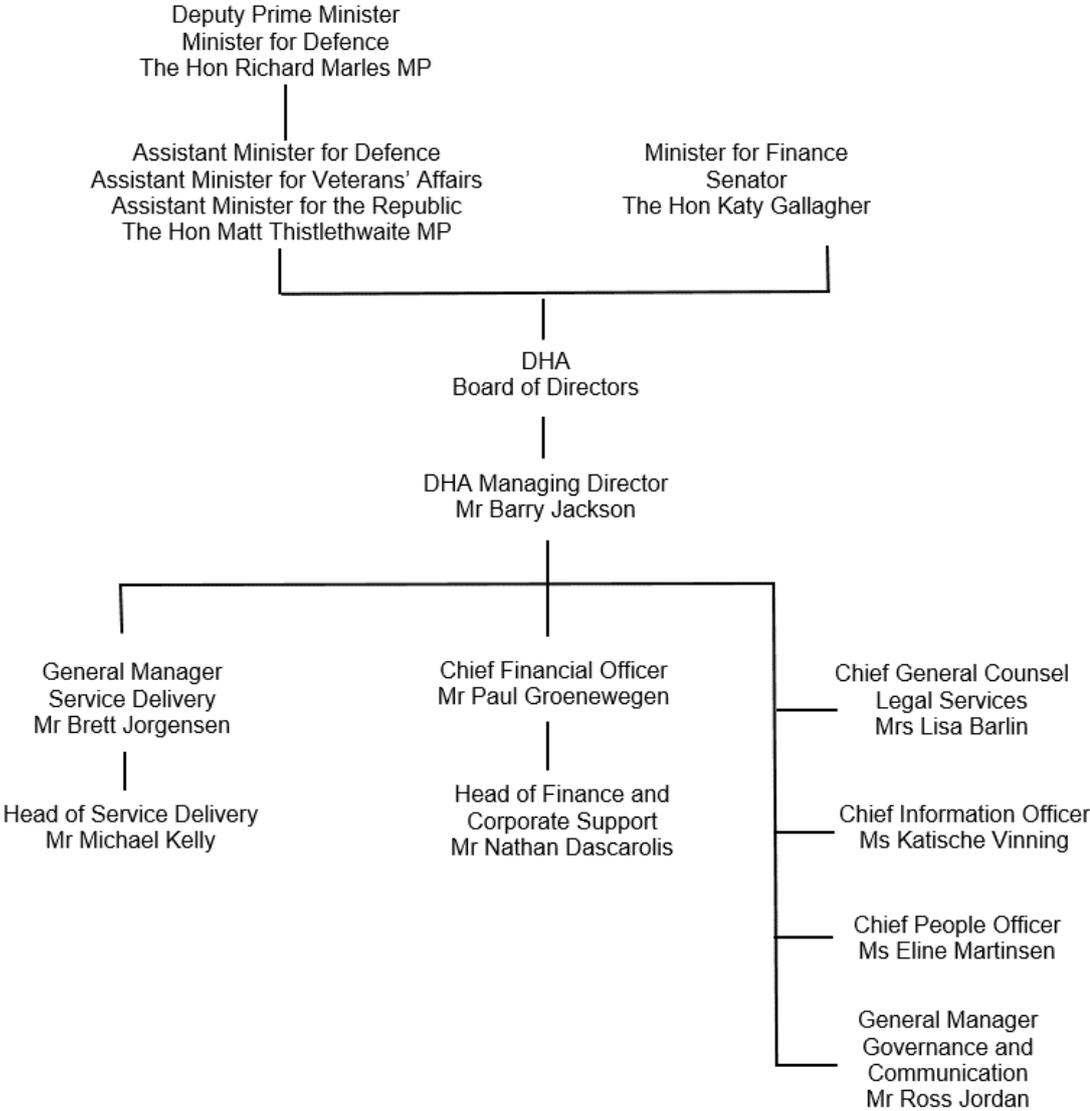
The DHA Board also has the following subcommittees: Board Audit and Risk Committee, Board Investment Committee, People and Culture Committee and Board Nomination and Remuneration Committee.

DHA also has an Advisory Committee in accordance with the DHA Act that had the following members as at 31 March 2024:

Chairperson	BRIG Leigh Wilton AM
Appointee of the Chief of the Defence Force	RADM Jonathan Earley 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 Barry Jackson (Managing Director)

The chart below shows DHA’s Senior Executive.

**Figure 1: DHA Organisational Structure (as at 31 March 2024)**



## 1.2 DHA Resource Statement

**Table 1: DHA Resource Statement – Budget Estimates for 2024-25 as at May Budget <sup>[a]</sup>**

	<b>2023-24 Estimated Actual \$'000</b>	<b>2024-25 Budget Estimate \$'000</b>
<b>Opening balance/cash reserves at 1 July</b>	97,531	97,753
<b>Funds from Government</b>	-	-
Amounts received from related entities	-	-
Amounts from portfolio department	751,344	793,174
Total amounts received from related entities	751,344	793,174
<b>Total funds from Government</b>	<b>751,344</b>	<b>793,174</b>
<b>Funds from other sources</b>		
Interest	3,266	1,691
Sale of goods and services	66,256	136,306
<b>Total funds from other sources</b>	<b>69,522</b>	<b>137,997</b>
<b>Total net resourcing for DHA</b>	<b>918,397</b>	<b>1,028,924</b>

**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 2024-25 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**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Program 1.1 Other Departmental - DHA</b>					
Revenue from Government					
Payment from related entities	740,070	793,382	803,111	770,564	761,066
Revenues from other independent sources	74,823	143,094	118,181	105,710	4,506
<b>Total expenses for Program 1.1</b>	<b>814,893</b>	<b>936,476</b>	<b>921,292</b>	<b>876,274</b>	<b>765,572</b>
	<b>2023-24</b>	<b>2024-25</b>			
<b>Average staffing level (number)</b>	566	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 2024-25 Budget Measures that have created new programs or materially changed existing programs are provided.

<b>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.</b>		
<b>Program 1.1: The provision of Defence housing and housing related services.</b>		
<b>Program 1.1 Objective</b>		
Provide adequate and suitable housing and related services.		
Provide value to shareholders.		
<b>Key Activities</b>	<ul style="list-style-type: none"> <li>• Partner with Defence to shape and administer housing policy.</li> <li>• Provide and manage a portfolio of housing solutions.</li> <li>• Provide housing services to ADF members and their families.</li> <li>• Operate effectively, efficiently and sustainably as a better practice Commonwealth entity.</li> </ul>	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance results</b>
Current Year 2023–24	Housing solutions supplied against provisioning schedule.	>99%
	ADF Members satisfied with housing solutions.	>80%
	Return on equity.	>2%
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Budget Year 2024–25	Housing solutions supplied against provisioning schedule.	>99%
	ADF Members satisfied with housing solutions.	>80%
	Return on equity.	>3%
Forward Estimates from 2025–28	Housing solutions supplied against provisioning schedule.	>99%
	ADF Members satisfied with housing solutions.	>80%
	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 2024-25 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)** <sup>[a] [b] [c]</sup>

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	811,570	934,785	919,616	874,102	763,862
Interest	3,323	1,691	1,676	2,172	1,710
<b>Total revenue</b>	<b>814,893</b>	<b>936,476</b>	<b>921,292</b>	<b>876,274</b>	<b>765,572</b>
<b>Total income</b>	<b>814,893</b>	<b>936,476</b>	<b>921,292</b>	<b>876,274</b>	<b>765,572</b>
<b>EXPENSES</b>					
Employee benefits	91,998	98,115	96,741	95,546	91,403
Suppliers	245,928	353,077	305,259	264,001	214,246
Depreciation and amortisation	367,194	349,233	356,530	367,598	369,716
Finance costs	56,781	56,060	59,914	65,187	74,250
Losses from asset sales	9	-	-	-	-
<b>Total expenses</b>	<b>761,910</b>	<b>856,485</b>	<b>818,444</b>	<b>792,332</b>	<b>749,615</b>
<b>Profit/(loss) before income tax</b>	<b>52,983</b>	<b>79,991</b>	<b>102,848</b>	<b>83,942</b>	<b>15,957</b>
Income tax expense	18,329	25,806	33,191	28,778	8,110
<b>Net profit/(loss)</b>	<b>34,654</b>	<b>54,185</b>	<b>69,657</b>	<b>55,164</b>	<b>7,847</b>
<b>Profit/(loss) attributable to the Australian Government</b>	<b>34,654</b>	<b>54,185</b>	<b>69,657</b>	<b>55,164</b>	<b>7,847</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>34,654</b>	<b>54,185</b>	<b>69,657</b>	<b>55,164</b>	<b>7,847</b>

**Note: Impact of Net Cash Appropriation Arrangements**

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>Total comprehensive income/(loss) as per statement of Comprehensive Income</b>	<b>34,654</b>	<b>54,185</b>	<b>69,657</b>	<b>55,164</b>	<b>7,847</b>
plus: depreciation of ROU	325,636	303,874	307,618	315,071	313,850
less: principal repayments	314,462	302,892	306,727	310,410	308,013
<b>Net Cash Operating Surplus / (Deficit)</b>	<b>45,828</b>	<b>55,167</b>	<b>70,548</b>	<b>59,825</b>	<b>13,684</b>

**Notes**

- Prepared on Australian Accounting Standards basis.
- The 2023-24 Estimated actual is based on DHA's 2023-24 Quarter 2 Forecast and the outer years from 2024-25 to 2026-27 are based on the Corporate Plan. The Forecast and Corporate Plan are prepared on a For Profit basis, whilst the Budget Estimates submission has been prepared on a Not for Profit basis, in line with the PGPA Act Financial Reporting Rules.
- 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) <sup>[a]</sup> <sup>[b]</sup> <sup>[c]</sup>

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	97,753	104,470	100,539	107,019	94,427
Trade and other receivables	13,595	13,819	14,320	14,679	15,065
Other financial assets	27,407	27,407	27,407	27,407	27,407
<b>Total financial assets</b>	<b>138,755</b>	<b>145,696</b>	<b>142,266</b>	<b>149,105</b>	<b>136,899</b>
<b>Non-financial assets</b>					
Land and buildings	5,005,577	5,193,359	5,397,179	5,626,511	5,896,051
Property, plant and equipment	14,304	13,612	12,893	13,574	12,430
Intangibles	17	6	6	6	6
Inventories	183,387	155,364	165,932	147,041	132,441
Tax assets	45,778	45,410	44,810	45,265	45,950
Other non-financial assets	8,980	9,098	9,219	9,342	9,469
<b>Total non-financial assets</b>	<b>5,258,043</b>	<b>5,416,849</b>	<b>5,630,039</b>	<b>5,841,739</b>	<b>6,096,347</b>
<b>Total assets</b>	<b>5,396,798</b>	<b>5,562,545</b>	<b>5,772,305</b>	<b>5,990,844</b>	<b>6,233,246</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	12,215	12,215	12,215	12,215	12,215
Other payables	50,497	41,585	32,288	28,948	2,910
<b>Total payables</b>	<b>62,712</b>	<b>53,800</b>	<b>44,503</b>	<b>41,163</b>	<b>15,125</b>
<b>Interest bearing liabilities</b>					
Loans	140,000	195,000	240,000	240,000	405,000
Leases	1,454,452	1,396,860	1,368,425	1,392,619	1,342,884
<b>Total interest bearing liabilities</b>	<b>1,594,452</b>	<b>1,591,860</b>	<b>1,608,425</b>	<b>1,632,619</b>	<b>1,747,884</b>
<b>Provisions</b>					
Employee provisions	18,001	24,606	31,368	38,355	45,657
Other provisions	107,254	107,268	108,618	111,620	110,061
<b>Total provisions</b>	<b>125,255</b>	<b>131,874</b>	<b>139,986</b>	<b>149,975</b>	<b>155,718</b>
<b>Total liabilities</b>	<b>1,782,419</b>	<b>1,777,534</b>	<b>1,792,914</b>	<b>1,823,757</b>	<b>1,918,727</b>
<b>Net assets</b>	<b>3,614,379</b>	<b>3,785,011</b>	<b>3,979,391</b>	<b>4,167,087</b>	<b>4,314,519</b>
<b>EQUITY <sup>[b]</sup></b>					
<b>Parent entity interest</b>					
Contributed equity	396,148	396,148	396,148	396,148	396,148
Reserves	3,107,396	3,223,843	3,348,566	3,481,098	3,620,683
Retained surplus / (accumulated deficit)	110,835	165,020	234,677	289,841	297,688
<b>Total parent entity interest</b>	<b>3,614,379</b>	<b>3,785,011</b>	<b>3,979,391</b>	<b>4,167,087</b>	<b>4,314,519</b>
<b>Total non-controlling interest</b>					
<b>Total Equity</b>	<b>3,614,379</b>	<b>3,785,011</b>	<b>3,979,391</b>	<b>4,167,087</b>	<b>4,314,519</b>

**Notes**

- Prepared on Australian Accounting Standards basis.
- Equity is the residual interest in assets after the deduction of liabilities.
- The 2023-24 Estimated actual is based on DHA's 2023-24 Quarter 2 Forecast and the outer years from 2024-25 to 2026-27 are based on the Corporate Plan. The Forecast and Corporate Plan are prepared on a For Profit basis, whilst the Budget Estimates submission has been prepared on a Not for Profit basis, in line with the PGPA Act Financial Reporting Rules.

**Table 6: Budgeted Departmental Statement of Cash Flows (for the period ended 30 June)** <sup>[a]</sup> <sup>[b]</sup>

	2023-24 Estimated Actual \$'000	2024-25 Budget Estimate \$'000	2025-26 Forward Estimate \$'000	2026-27 Forward Estimate \$'000	2027-28 Forward Estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Sale of goods and rendering of services	817,600	929,480	914,046	869,266	763,476
Interest	3,266	1,691	1,676	2,172	1,710
Other	-	-	-	-	-
<b>Total cash received</b>	<b>820,866</b>	<b>931,171</b>	<b>915,722</b>	<b>871,438</b>	<b>765,186</b>
<b>Cash used</b>					
Employees	88,833	91,510	89,979	88,559	84,101
Suppliers	235,184	283,295	272,082	200,083	146,648
Borrowing costs	5,406	11,855	14,043	16,132	23,439
Interest payments on lease liability	51,375	44,205	45,871	49,055	50,811
Other	57,301	71,146	80,683	73,246	87,958
<b>Total cash used</b>	<b>438,099</b>	<b>502,011</b>	<b>502,658</b>	<b>427,075</b>	<b>392,957</b>
<b>Net cash from / (used by) operating activities</b>	<b>382,767</b>	<b>429,160</b>	<b>413,064</b>	<b>444,363</b>	<b>372,229</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	1,410	-	-	-	-
<b>Total cash received</b>	<b>1,410</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash used</b>					
Purchase of property, plant, and equipment and intangibles	169,493	174,551	155,268	127,473	241,808
<b>Total cash used</b>	<b>169,493</b>	<b>174,551</b>	<b>155,268</b>	<b>127,473</b>	<b>241,808</b>
<b>Net cash from / (used by) investing activities</b>	<b>(168,083)</b>	<b>(174,551)</b>	<b>(155,268)</b>	<b>(127,473)</b>	<b>(241,808)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Cash received from borrowing	100,000	55,000	45,000	-	165,000
<b>Total cash received</b>	<b>100,000</b>	<b>55,000</b>	<b>45,000</b>	<b>-</b>	<b>165,000</b>
<b>Cash used</b>					
Repayments of borrowings	-	-	-	-	-
Principal payments on lease liability	314,462	302,892	306,727	310,410	308,013
Dividends paid	-	-	-	-	-
<b>Total cash used</b>	<b>314,462</b>	<b>302,892</b>	<b>306,727</b>	<b>310,410</b>	<b>308,013</b>
<b>Net cash from/(used by) financing activities</b>	<b>(214,462)</b>	<b>(247,892)</b>	<b>(261,727)</b>	<b>(310,410)</b>	<b>(143,013)</b>
<b>Net increase/(decrease) in cash held</b>	<b>222</b>	<b>6,717</b>	<b>(3,931)</b>	<b>6,480</b>	<b>(12,592)</b>
Cash and cash equivalents at the beginning of the reporting period	97,531	97,753	104,470	100,539	107,019
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>97,753</b>	<b>104,470</b>	<b>100,539</b>	<b>107,019</b>	<b>94,427</b>

**Notes**

- a. Prepared on Australian Accounting Standards basis.
- b. The 2023-24 Estimated actual is based on DHA's 2023-24 Quarter 2 Forecast and the outer years from 2024-25 to 2026-27 are based on the Corporate Plan. The Forecast and Corporate Plan are prepared on a For Profit basis, whilst the Budget Estimates submission has been prepared on a Not for Profit basis, in line with the PGPA Act Financial Reporting Rules.

**Table 7: Departmental Statement of Changes in Equity — Summary of Movement (Budget Year 2024-25)** <sup>[a]</sup> <sup>[b]</sup>

	Retained Earnings \$'000	Asset Revaluation Reserve \$'000	Contributed Equity/ Capital \$'000	Total Equity \$'000
<b>Opening balance as at 1 July 2024</b>				
Balance carried forward from previous period	110,835	3,107,396	396,148	3,614,379
<b>Adjusted opening balance</b>	<b>110,835</b>	<b>3,107,396</b>	<b>396,148</b>	<b>3,614,379</b>
<b>Comprehensive income</b>				
Surplus/(deficit) for the period	54,185	-	-	54,185
<b>Total comprehensive income</b>	<b>54,185</b>	<b>-</b>	<b>-</b>	<b>54,185</b>
<b>Contributions by owners</b>				
Other	-	116,447	-	116,447
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>116,447</b>	<b>-</b>	<b>116,447</b>
<b>Estimated closing balance as at 30 June 2025</b>	<b>165,020</b>	<b>3,223,843</b>	<b>396,148</b>	<b>3,785,011</b>
<b>Closing balance attributable to the Australian Government</b>	<b>165,020</b>	<b>3,223,843</b>	<b>396,148</b>	<b>3,785,011</b>

**Notes**

- a. Prepared on Australian Accounting Standards basis.
- b. The 2023-24 Estimated actual is based on DHA's 2023-24 Quarter 2 Forecast and the outer years from 2024-25 to 2026-27 are based on the Corporate Plan. The Forecast and Corporate Plan are prepared on a For Profit basis, whilst the Budget Estimates submission has been prepared on a Not for Profit basis, in line with the PGPA Act Financial Reporting Rules.

**Table 8: Statement of Departmental Asset Movements (Budget Year 2024-25)** <sup>[a]</sup> <sup>[b]</sup>

	Land	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2024</b>					
Gross book value	1,867,532	1,722,832	29,021	21,678	3,641,063
Gross book value - ROU assets	-	2,854,257	1,670	-	2,855,927
Accumulated depreciation/ amortisation and impairment	-	-	-15,260	-21,661	-36,921
Accumulated depreciation/amortisation and impairment - ROU assets	-	-1,439,044	-1,127	-	-1,440,171
<b>Opening net book balance</b>	<b>1,867,532</b>	<b>3,138,045</b>	<b>14,304</b>	<b>17</b>	<b>5,019,898</b>
<b>Capital asset additions</b>					
<b>Estimated expenditure on new or replacement assets</b>					
By purchase - other	58,036	106,383	1,200	-	165,619
By purchase - other - ROU assets	-	254,246	-	-	254,246
<b>Total additions</b>	<b>58,036</b>	<b>360,629</b>	<b>1,200</b>	<b>-</b>	<b>419,865</b>
<b>Other movements</b>					
Depreciation/amortisation expense	-	-43,862	-1,486	-11	-45,359
Depreciation/amortisation on ROU assets	-	-303,468	-406	-	-303,874
Disposals	37,495	78,952	-	-	116,447
Other	<b>37,495</b>	<b>-268,378</b>	<b>-1,892</b>	<b>-11</b>	<b>-232,786</b>
<b>Total other movements</b>					
<b>As at 30 June 2025</b>					
Gross book value	1,963,063	1,908,167	30,221	21,678	3,923,129
Gross book value - ROU assets	-	3,108,503	1,670	-	3,110,173
Accumulated depreciation/ amortisation and impairment	-	-43,862	-16,746	-21,672	-82,280
Accumulated depreciation/amortisation and impairment - ROU assets	-	-1,742,512	-1,533	-	-1,744,045
<b>Closing net book balance</b>	<b>1,963,063</b>	<b>3,230,296</b>	<b>13,612</b>	<b>6</b>	<b>5,206,977</b>

**Notes**

- Prepared on Australian Accounting Standards basis.
- The 2023-24 Estimated actual is based on DHA's 2023-24 Quarter 2 Forecast and the outer years from 2024-25 to 2026-27 are based on the Corporate Plan. The Forecast and Corporate Plan are prepared on a For Profit basis, whilst the Budget Estimates submission has been prepared on a Not for Profit basis, in line with the PGPA Act Financial Reporting Rules.

## 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"> <li>• controlled by an entity as a result of a past event,</li> <li>• from which future economic benefits are expected to flow to the entity.</li> </ul>
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, Chief Joint Capabilities, Chief of Defence Intelligence, the Service Chiefs, Chief Information Officer, Deputy Secretary Security and Estate, and Chief Defence Scientist.
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.

<b>Term</b>	<b>Meaning</b>
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.
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.

Term	Meaning
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"> <li>• An arrangement for the provision of financial assistance by the Commonwealth or on behalf of the Commonwealth:</li> <li>• under which Commonwealth funds are to be paid to a grantee other than the Commonwealth,</li> <li>• which is intended to help address one or more of the Australian Government's policy outcomes while assisting the grantee achieve its objectives.</li> </ul>
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.
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.

<b>Term</b>	<b>Meaning</b>
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.
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.

Term	Meaning
<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.
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.

<b>Term</b>	<b>Meaning</b>
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

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