

PORTFOLIO ADDITIONAL ESTIMATES
STATEMENTS 2025-26

DEFENCE PORTFOLIO

Explanations of Additional Estimates 2025-26

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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 Portfolio Additional Estimates Statements in support of the 2025-26 Additional Estimates for the Defence Portfolio.

These statements have been developed, and are submitted to the Parliament, as a statement on the funding requirements being sought for the Portfolio.

I present these statements by virtue of my ministerial responsibility for accountability to the Parliament and, through it, the public.

Yours sincerely

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

Richard Marles

Abbreviations and Conventions

The following notations may be used:

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nfp	not for publication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

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

Enquiries

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

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

User Guide to the Portfolio Additional Estimates Statements

User Guide

The purpose of the 2025-26 Portfolio Additional Estimates Statements (PAES), like that of the 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. The focus of the PAES differs from the PB Statements in one important aspect. While the PAES include an Entity Resource Statement to inform Parliament of the revised estimate of the total resources available to an entity, the focus of the PAES is on explaining the changes in resourcing by outcomes since the Budget. As such, the PAES provides information on new measures and their impact on the financial and/or non-financial planned performance of programs supporting those outcomes.

The PAES facilitate understanding of the proposed appropriations in *Appropriation Bills* (Nos. 3 and 4) and *Appropriation (Parliamentary Departments) Bill* (No. 2) 2025-26. In this sense, the PAES is declared by the Additional Estimates Appropriation Bills to be a 'relevant document' to the interpretation of the Bills according to section 15AB of the *Acts Interpretation Act 1901*.

Structure of the Portfolio Additional Estimates Statements

The PAES are presented in three parts with subsections.

User Guide	
Provides a brief introduction explaining the purpose of the PAES.	
Portfolio Overview	
Provides an overview of the portfolio, including a chart that outlines the outcomes for entities in the portfolio.	
Entity Additional Estimates Statements	
A statement (under the name of the entity) for each entity affected by Additional Estimates.	
Section 1: Entity overview and resources	This section details the changes in total resources available to an entity and staffing levels, the impact of any measures since Budget, and impact of <i>Appropriation Bills Nos. 3 and 4</i> .
Section 2: Revisions to outcomes and planned performance	This section details changes to Government outcomes and/or changes to the planned performance of entity programs.
Section 3: Special account flows and budgeted financial statements	This section contains updated explanatory tables on special account flows and revisions to the budgeted financial statements.
Portfolio Glossary	
Explains key terms relevant to the Portfolio.	
Portfolio Acronyms	
Explains acronyms relevant to the Portfolio.	

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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 Pat Conroy MP, Minister for Defence Industry and Minister for Pacific Island Affairs;
- the Hon Matt Keogh MP, Minister for Veterans' Affairs and Minister for Defence Personnel;
and
- the Hon Peter Khalil MP, Assistant Minister for Defence.

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

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

In addition to the above Ministers, the Prime Minister made the following non-Ministerial appointment:

- Mr Luke Gosling OAM MP, Special Envoy for Defence, Veterans' Affairs and Northern Australia.

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.

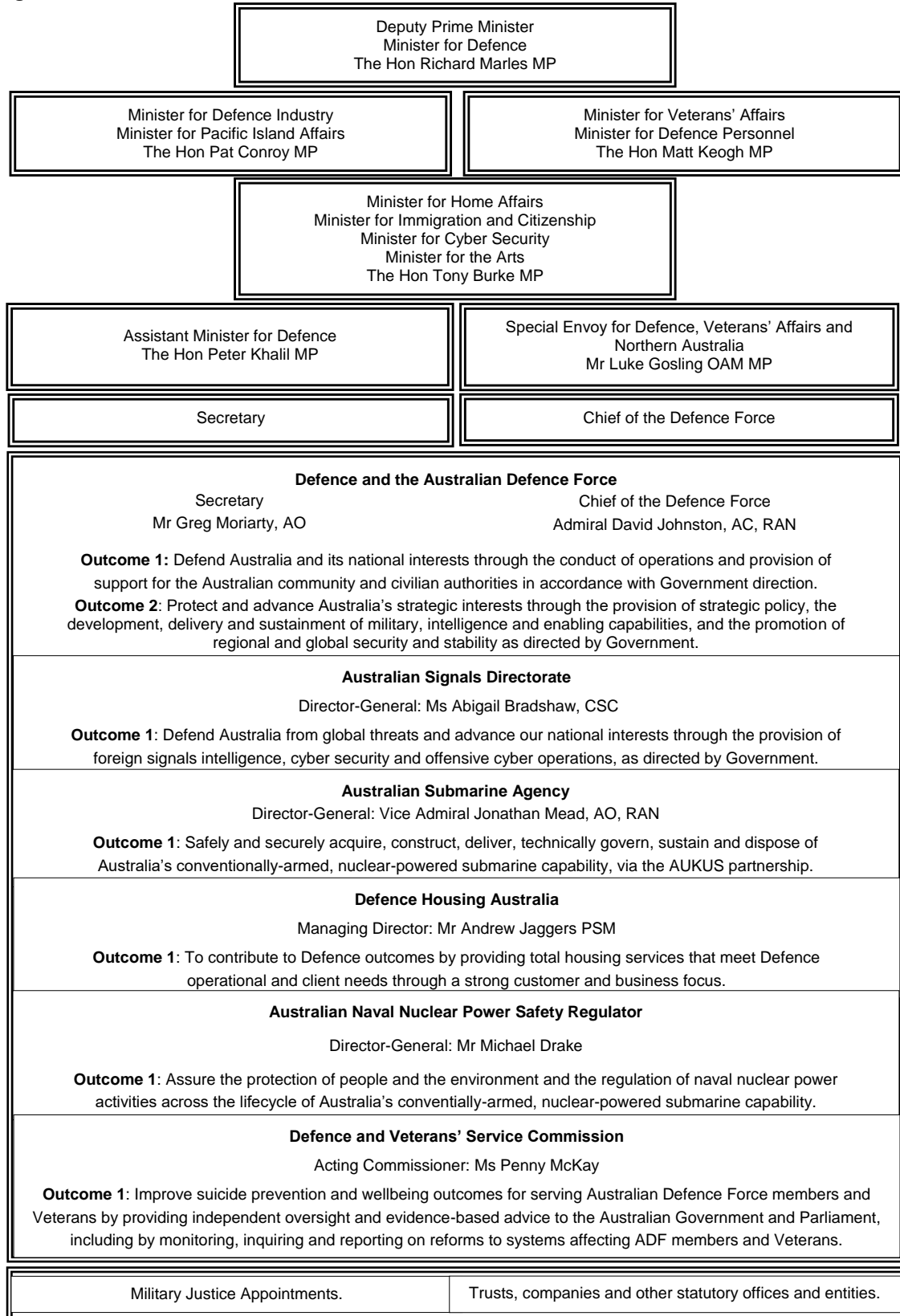
The Portfolio includes the Australian Signals Directorate (ASD), the Australian Submarine Agency (ASA), Defence Housing Australia (DHA), the Australian Naval Nuclear Power Safety Regulator (ANNPSR) and the Defence and Veterans' Service Commission (DVSC). The Portfolio also contains some smaller entities, 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 DVA 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

The following changes have taken place since the *PB Statements 2025-26*:

Defence and Veterans' Service Commission

Acting Commissioner: Ms Penny McKay

Since the publication of the *PB Statements 2025-26*, the Defence and Veterans' Service Commission (DVSC) was established under the *Defence Act 1903*, to provide independent oversight and evidence-based advice to the Australian Government. The new entity commenced operations on 29 September 2025.

The launch of DVSC marks an important step in strengthening accountability to improve suicide prevention and wellbeing outcomes for current and ex-serving Australian Defence Force (ADF) members.

Australian Naval Nuclear Power Safety Regulator

Director-General: Mr Michael Drake

Since the publication of the *PB Statements 2025-26*, the Australian Naval Nuclear Power Safety Regulator (ANNPSR) commenced operation as a separate agency under the *Australian Naval Nuclear Power Safety Act 2024* to promote nuclear safety for the environment and people in relation to Australia's naval nuclear power. The new entity commenced operations on 1 November 2025.

No other changes have been made to the Defence Portfolio Bodies since the *PB Statements 2025-26*.