

Part 3: Expenses and Net Capital Investment

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This part reports on departmental expenses and net capital investment, by agency. The data is presented on the same basis as data in Statement 6 of Budget Paper No. 1. Both sets of data are presented on the basis of external accounting and financial reporting standards. These standards present information in terms of accrued expenses and accrued revenue.

The external standards used for budget reporting purposes are:

- the Australian Bureau of Statistics' accrual Government Finance Statistics (GFS) publication, *Australian System of Government Finance Statistics: Concepts, Sources and Methods, 2015* (cat no. 5514.0), which is based on the International Monetary Fund (IMF) accrual GFS framework
- the Australian Accounting Standards, issued by the Australian Accounting Standards Board (AASB), which includes International Financial Reporting Standards as adopted in Australia for use by the not-for-profit sector and specific standards such as AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

Machinery of government changes have implications for how information is presented in the tables in this part. For example, if an agency was abolished in a particular year, it will have estimated expenses reflecting expenditure in part of that year. If an agency was created in a particular year, it will have estimated expenses for both that year and forward years.

Departmental Expenses Table

Table 3.1 presents departmental expenses by agency. Departmental expenses reduce the net worth of agencies. It includes expenses controlled by agencies such as payment of wages and purchases of goods and services. It excludes administered expenses – not controlled by agencies – paid on behalf of government such as social benefits and grants to the States. It also excludes net capital investment, which does not reduce net worth.

Table 3.1: Departmental Expenses Table

	Estimates				
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Agriculture, Fisheries and Forestry					
Department of Agriculture, Fisheries and Forestry	1,372	1,432	1,348	1,309	1,306
Total	1,372	1,432	1,348	1,309	1,306
Attorney-General's					
Attorney-General's Department	552	518	465	466	472
Australian Federal Police	1,958	2,015	1,877	1,903	1,983
High Court of Australia	29	30	29	30	30
Total	2,539	2,562	2,372	2,399	2,485
Climate Change, Energy, the Environment and Water					
Bureau of Meteorology	572	532	534	551	554
Clean Energy Finance Corporation	871	5,121	1,626	1,394	315
Clean Energy Regulator	135	117	106	100	96
Department of Climate Change, Energy, the Environment and Water	1,239	1,419	1,117	976	915
Total	2,818	7,189	3,383	3,021	1,881
Defence					
Australian Signals Directorate	2,075	2,142	2,300	2,557	2,564
Australian War Memorial	65	75	66	66	67
Defence Housing Australia	762	856	818	792	750
Department of Defence	46,518	49,298	51,230	52,146	56,052
Department of Veterans' Affairs	689	653	626	563	564
Total	50,108	53,024	55,040	56,125	59,997
Education					
Australian Research Council	25	25	26	26	26
Department of Education	370	407	373	357	358
Total	395	432	399	383	384
Employment and Workplace Relations					
Comcare	338	381	375	376	380
Department of Employment and Workplace Relations	959	982	922	910	892
Total	1,297	1,363	1,297	1,286	1,272
Finance					
Department of Finance	981	959	958	984	992
Future Fund Management Agency	184	209	222	236	250
Total	1,164	1,168	1,179	1,220	1,241

Table 3.1: Departmental Expenses Table (continued)

	Estimates				
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Foreign Affairs and Trade					
Department of Foreign Affairs and Trade	2,395	2,567	2,488	2,577	2,596
Total	2,395	2,567	2,488	2,577	2,596
Health and Aged Care					
Department of Health and Aged Care	1,578	1,795	1,557	1,141	1,078
National Blood Authority	14	15	16	16	16
National Health and Medical Research Council	63	54	54	55	55
Total	1,655	1,864	1,627	1,212	1,149
Home Affairs					
Australian Security Intelligence Organisation	667	729	710	744	684
Department of Home Affairs	3,930	4,160	3,495	3,455	3,391
Total	4,597	4,889	4,205	4,199	4,075
Industry, Science and Resources					
Australian Nuclear Science and Technology Organisation	516	538	552	555	571
Commonwealth Scientific and Industrial Research Organisation	1,691	1,611	1,629	1,623	1,624
Department of Industry, Science and Resources	779	798	728	647	625
Geoscience Australia	384	387	392	365	417
Total	3,371	3,334	3,302	3,189	3,237
Infrastructure, Transport, Regional Development, Communications and the Arts					
Australian Broadcasting Corporation	1,238	1,289	1,313	1,302	1,326
Australian Communications and Media Authority	146	156	158	153	150
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	517	554	505	462	452
National Archives of Australia	108	108	101	103	106
National Capital Authority	17	15	15	15	15
National Gallery of Australia	103	107	104	104	102
National Library of Australia	98	100	97	98	99
Total	2,228	2,328	2,293	2,236	2,251
Parliament					
Department of Parliamentary Services	210	221	225	222	225
Total	210	221	225	222	225
Prime Minister and Cabinet					
Department of the Prime Minister and Cabinet	339	320	265	263	266
Indigenous Business Australia	271	296	301	306	309
National Indigenous Australians Agency	401	348	340	325	323
Total	1,011	964	906	894	898

Table 3.1: Departmental Expenses Table (continued)

	Estimates				
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Social Services					
Department of Social Services	637	680	515	494	482
National Disability Insurance Agency (NDIA)(c)	44,639	49,044	52,540	56,618	60,876
NDIA administered in nature	42,417	46,381	50,805	54,869	59,251
NDIA departmental in nature	2,222	2,663	1,736	1,749	1,624
Services Australia	5,372	5,721	5,512	4,451	4,454
Total	50,649	55,446	58,567	61,563	65,812
Treasury					
Australian Bureau of Statistics	516	592	599	726	462
Australian Office of Financial Management	17	17	17	17	18
Australian Prudential Regulation Authority	240	270	266	256	257
Australian Securities and Investments Commission	520	623	529	526	517
Australian Taxation Office	4,365	4,509	4,560	4,543	4,381
Department of the Treasury	370	414	352	330	327
Housing Australia	89	789	819	1,300	728
Total	6,116	7,214	7,141	7,698	6,688
Small agencies	11,085	11,785	10,720	10,640	10,612
Whole of government and inter-agency amounts(a)	-3,137	-175	3,784	3,948	5,518
Agency expenses considered other economic flows(b)	-1,776	-2,233	-2,194	-2,048	-2,129
Total departmental expenses	138,096	155,374	158,081	162,073	169,497
Less: NDIA administered in nature(c)	42,417	46,381	50,805	54,869	59,251
Total excluding NDIA administered in nature	95,678	108,992	107,277	107,203	110,246

- a) Estimates of inter-agency transactions are included in the whole-of-government and inter-agency amounts. The entry for each portfolio does not include eliminations for inter-agency transactions within that portfolio.
- b) Agency estimates include net write down and impairment of assets and fair value losses. For Australian government reporting these are considered other economic flows.
- c) The National Disability Insurance Agency (NDIA) is a corporate Commonwealth entity and as such is not required to report expenses separately as *administered* or *departmental*. However, the NDIA's expenses incurred in the provision of reasonable and necessary support to clients (*administered* in nature) will be significant over the forward estimates compared to other corporate Commonwealth entities. Additionally, these expenses are jointly funded by the Commonwealth and participating states and territories. To provide a better view of these NDIA expenses, Table 3.1 shows the split between expenses that are *departmental* or *administered* in nature and provides a total excluding NDIA that are *administered* in nature.

Net Capital Investment Table

Table 3.2 presents net capital investment by agency. Net capital investment represents net expenditure by agencies on non-financial assets. It includes expenditure on assets such as defence equipment. It excludes any investment in financial assets such as loans.

Table 3.2: Net Capital Investment Table

	Estimates				
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Agriculture, Fisheries and Forestry					
Department of Agriculture, Fisheries and Forestry	48	70	33	31	44
Total	48	70	33	31	44
Attorney-General's					
Attorney-General's Department	-11	-21	-25	-28	-26
Australian Federal Police	21	26	-2	2	-42
High Court of Australia	1	-1	-4	-4	-4
Total	12	5	-31	-30	-71
Climate Change, Energy, the Environment and Water					
Bureau of Meteorology	110	36	29	23	29
Clean Energy Finance Corporation	-3	-3	5	-3	0
Clean Energy Regulator	-3	-4	-4	-4	-3
Department of Climate Change, Energy, the Environment and Water	220	478	275	38	22
Total	325	507	306	54	48
Defence					
Australian Signals Directorate	748	534	122	-139	-399
Australian War Memorial	167	134	85	22	5
Defence Housing Australia	103	159	213	212	255
Department of Defence	6,068	5,544	6,679	8,353	11,549
Department of Veterans' Affairs	-23	-21	-18	-21	-27
Total	7,064	6,350	7,081	8,426	11,381
Education					
Australian Research Council	-1	-3	-2	-1	0
Department of Education	37	53	35	2	1
Total	36	50	34	2	1
Employment and Workplace Relations					
Comcare	-6	-7	-2	-8	-9
Department of Employment and Workplace Relations	71	15	15	-110	-116
Total	66	8	14	-118	-125
Finance					
Department of Finance	134	215	199	509	628
Future Fund Management Agency	-7	-6	-1	-5	-5
Total	127	209	198	504	623

Table 3.2: Net Capital Investment Table (continued)

	Estimates				
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Foreign Affairs and Trade					
Department of Foreign Affairs and Trade	213	229	170	105	63
Total	213	229	170	105	63
Health and Aged Care					
Department of Health and Aged Care	-1,279	-21	168	-91	-92
National Blood Authority	6	11	-2	-1	2
National Health and Medical Research Council	-6	-6	-5	-5	-5
Total	-1,279	-16	161	-98	-95
Home Affairs					
Australian Security Intelligence Organisation	32	26	45	11	-10
Department of Home Affairs	-346	-287	-305	-440	156
Total	-314	-261	-261	-429	147
Industry, Science and Resources					
Australian Nuclear Science and Technology Organisation	158	38	73	104	183
Commonwealth Scientific and Industrial Research Organisation	47	90	-26	56	-35
Department of Industry, Science and Resources	6	47	12	-23	-17
Geoscience Australia	-18	-20	-6	-9	-21
Total	193	156	52	128	110
Infrastructure, Transport, Regional Development, Communications and the Arts					
Australian Broadcasting Corporation	42	-67	-74	-72	-67
Australian Communications and Media Authority	15	8	2	0	1
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	33	41	3	-45	-26
National Archives of Australia	-6	-4	-5	-16	-16
National Capital Authority	-12	54	84	-10	-9
National Gallery of Australia	33	47	31	21	14
National Library of Australia	13	31	5	6	4
Total	119	109	47	-116	-99
Parliament					
Department of Parliamentary Services	69	20	6	-14	-15
Total	69	20	6	-14	-15
Prime Minister and Cabinet					
Department of the Prime Minister and Cabinet	5	-6	-15	-14	-15
Indigenous Business Australia	-4	1	-8	-9	-5
National Indigenous Australians Agency	-20	-19	-19	-19	-19
Total	-19	-24	-42	-43	-39

Table 3.2: Net Capital Investment Table (continued)

	Estimates				
	2023-24	2024-25	2025-26	2026-27	2027-28
	\$m	\$m	\$m	\$m	\$m
Social Services					
Department of Social Services	-27	-19	-19	-24	-28
National Disability Insurance Agency	5	7	8	7	6
Services Australia	64	109	-323	-350	-348
Total	42	97	-334	-367	-370
Treasury					
Australian Bureau of Statistics	-23	-5	0	-17	-13
Australian Office of Financial Management	0	0	0	0	0
Australian Prudential Regulation Authority	-6	32	-15	-15	-15
Australian Securities and Investments Commission	-38	-29	-29	-27	-26
Australian Taxation Office	-180	18	-194	3	53
Department of the Treasury	-18	-17	-15	-14	-13
Housing Australia	1	0	0	0	0
Total	-264	-2	-254	-71	-14
Small agencies	492	387	28	7	-106
Whole of government and inter-agency amounts(a)	154	-29	257	318	146
Adjustments to agency movements in non-financial assets(b)	672	-1,563	591	698	273
Total net capital investment	7,754	6,303	8,055	8,988	11,899

- a) Estimates of inter-agency transactions are included in the whole-of-government and inter-agency amounts. The entry for each portfolio does not include eliminations for inter-agency transactions within that portfolio.
- b) Agency estimates include net write-down and impairment of non-financial assets and assets recognised for the first time. For Australian Government reporting these are considered other economic flows.