

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 5 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				
	2024-25	2025-26	2026-27	2027-28	2028-29
	\$m	\$m	\$m	\$m	\$m
Agriculture, Fisheries and Forestry					
Department of Agriculture, Fisheries and Forestry	1,429	1,458	1,344	1,339	1,343
Total	1,429	1,458	1,344	1,339	1,343
Attorney-General's					
Attorney-General's Department	528	522	481	479	469
Australian Federal Police	2,157	2,143	2,036	2,063	2,062
Australian Security Intelligence Organisation	748	760	776	720	734
High Court of Australia	30	30	30	30	31
Total	3,463	3,454	3,323	3,292	3,295
Climate Change, Energy, the Environment and Water					
Bureau of Meteorology	626	547	559	562	566
Clean Energy Finance Corporation	515	4,411	1,627	1,629	1,065
Clean Energy Regulator	117	109	105	98	91
Department of Climate Change, Energy, the Environment and Water	1,477	1,294	1,052	944	851
Total	2,735	6,362	3,343	3,232	2,573
Defence					
Australian Signals Directorate	2,168	2,305	2,559	2,568	2,762
Australian War Memorial	72	74	66	68	70
Defence Housing Australia	839	961	988	952	920
Department of Defence	50,725	52,796	53,591	57,682	62,308
Department of Veterans' Affairs	683	670	552	550	578
Total	54,486	56,806	57,756	61,820	66,637
Education					
Australian Research Council	26	26	26	26	26
Department of Education	419	421	397	385	378
Total	444	447	423	411	405
Employment and Workplace Relations					
Comcare	412	424	419	423	432
Department of Employment and Workplace Relations	1,051	940	916	886	894
Total	1,462	1,365	1,335	1,309	1,326
Finance					
Department of Finance	986	1,044	1,028	1,102	1,163
Future Fund Management Agency	205	225	239	252	266
Total	1,191	1,269	1,267	1,353	1,429

Table 3.1: Departmental Expenses Table (continued)

	Estimates				
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
Foreign Affairs and Trade					
Department of Foreign Affairs and Trade	2,616	2,621	2,707	2,733	2,785
Total	2,616	2,621	2,707	2,733	2,785
Health and Aged Care					
Department of Health and Aged Care	2,006	1,893	1,316	1,187	1,166
National Blood Authority	15	16	16	16	16
National Health and Medical Research Council	62	55	56	55	55
Total	2,084	1,963	1,387	1,259	1,238
Home Affairs					
Department of Home Affairs	4,109	4,111	3,517	3,403	3,407
Total	4,109	4,111	3,517	3,403	3,407
Industry, Science and Resources					
Australian Nuclear Science and Technology Organisation	544	582	556	572	573
Commonwealth Scientific and Industrial Research Organisation	1,827	1,742	1,636	1,641	1,696
Department of Industry, Science and Resources	822	773	663	649	609
Geoscience Australia	403	403	375	434	393
Total	3,596	3,499	3,230	3,296	3,271
Infrastructure, Transport, Regional Development, Communications and the Arts					
Australian Broadcasting Corporation	1,313	1,338	1,365	1,396	1,424
Australian Communications and Media Authority	171	176	171	167	163
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	592	535	470	465	434
National Archives of Australia	108	112	103	106	107
National Capital Authority	15	15	15	15	16
National Gallery of Australia	107	114	112	110	111
National Library of Australia	110	100	101	102	103
Total	2,415	2,391	2,336	2,362	2,358
Parliament					
Department of Parliamentary Services	219	220	218	220	226
Total	219	220	218	220	226
Prime Minister and Cabinet					
Department of the Prime Minister and Cabinet	276	301	206	208	212
Indigenous Business Australia	252	274	295	301	304
National Indigenous Australians Agency	375	353	346	330	317
Total	903	929	847	839	833

Table 3.1: Departmental Expenses Table (continued)

	Estimates				
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
Social Services					
Department of Social Services	705	655	503	491	485
National Disability Insurance Agency (NDIA)(c)	48,984	52,686	55,421	59,280	63,912
NDIA administered in nature	46,196	49,829	53,654	57,636	62,242
NDIA departmental in nature	2,788	2,857	1,767	1,645	1,670
Services Australia	5,980	5,868	4,765	4,705	4,742
Total	55,670	59,208	60,689	64,476	69,139
Treasury					
Australian Bureau of Statistics	616	692	800	487	486
Australian Office of Financial Management	17	17	17	18	18
Australian Prudential Regulation Authority	273	269	260	260	259
Australian Securities and Investments Commission	658	645	685	549	543
Australian Taxation Office	4,553	4,789	4,812	4,509	4,527
Department of the Treasury	425	368	334	330	321
Housing Australia	8,161	1,208	916	701	408
Total	14,703	7,987	7,825	6,853	6,562
Small agencies	12,359	12,473	11,571	11,697	11,596
Whole of government and inter-agency amounts(a)	-3,160	-3,073	-2,730	-2,659	-2,755
Agency expenses considered other economic flows(b)	-2,011	-2,471	-2,524	-2,502	-2,402
Total departmental expenses	158,713	161,019	157,865	164,733	173,264
Less: NDIA administered in nature(c)	46,196	49,829	53,654	57,636	62,242
Total excluding NDIA administered in nature	112,516	111,191	104,211	107,097	111,022

- 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				
	2024-25	2025-26	2026-27	2027-28	2028-29
	\$m	\$m	\$m	\$m	\$m
Agriculture, Fisheries and Forestry					
Department of Agriculture, Fisheries and Forestry	100	45	31	44	62
Total	100	45	31	44	62
Attorney-General's					
Attorney-General's Department	-14	-16	-10	-26	-22
Australian Federal Police	-27	-23	-11	-37	-20
Australian Security Intelligence Organisation	14	10	-15	-40	-63
High Court of Australia	-1	-4	-5	-4	-4
Total	-28	-33	-41	-108	-109
Climate Change, Energy, the Environment and Water					
Bureau of Meteorology	9	33	32	47	51
Clean Energy Finance Corporation	18	-1	-5	-2	-1
Clean Energy Regulator	-4	-4	-3	-3	-3
Department of Climate Change, Energy, the Environment and Water	516	614	449	94	-12
Total	539	643	472	137	36
Defence					
Australian Signals Directorate	528	127	-137	-397	-526
Australian War Memorial	166	100	7	-7	-8
Defence Housing Australia	283	309	326	239	225
Department of Defence	4,611	6,087	7,838	11,515	12,603
Department of Veterans' Affairs	109	-19	-21	-27	-26
Total	5,696	6,604	8,013	11,323	12,268
Education					
Australian Research Council	-3	5	-2	-2	-2
Department of Education	49	32	0	-1	-3
Total	46	37	-2	-3	-5
Employment and Workplace Relations					
Comcare	-6	7	-5	19	-9
Department of Employment and Workplace Relations	39	33	-110	-61	-70
Total	34	41	-115	-42	-79
Finance					
Department of Finance	238	81	516	695	-86
Future Fund Management Agency	-6	-1	-5	-5	-5
Total	232	80	511	690	-91

Table 3.2: Net Capital Investment Table (continued)

	Estimates				
	2024-25 \$m	2025-26 \$m	2026-27 \$m	2027-28 \$m	2028-29 \$m
Foreign Affairs and Trade					
Department of Foreign Affairs and Trade	271	176	109	158	34
Total	271	176	109	158	34
Health and Aged Care					
Department of Health and Aged Care	-874	195	-38	-73	-71
National Blood Authority	-1	-1	-1	2	-1
National Health and Medical Research Council	-6	-5	-6	-5	11
Total	-881	189	-45	-76	-62
Home Affairs					
Department of Home Affairs	-25	-34	-221	248	-311
Total	-25	-34	-221	248	-311
Industry, Science and Resources					
Australian Nuclear Science and Technology Organisation	37	93	115	201	13
Commonwealth Scientific and Industrial Research Organisation	41	-32	62	102	-81
Department of Industry, Science and Resources	46	17	-31	-29	-35
Geoscience Australia	-36	-22	-25	-36	-52
Total	88	56	121	238	-155
Infrastructure, Transport, Regional Development, Communications and the Arts					
Australian Broadcasting Corporation	-27	-83	-88	-86	-82
Australian Communications and Media Authority	3	19	-6	-5	-3
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	69	49	17	-25	-26
National Archives of Australia	-4	-16	-16	-16	-16
National Capital Authority	54	84	-10	-9	-16
National Gallery of Australia	37	26	21	21	13
National Library of Australia	27	1	2	0	1
Total	159	80	-80	-121	-129
Parliament					
Department of Parliamentary Services	89	3	-15	-17	-16
Total	89	3	-15	-17	-16
Prime Minister and Cabinet					
Department of the Prime Minister and Cabinet	3	-7	-15	-16	-16
Indigenous Business Australia	-8	-5	-5	1	-1
National Indigenous Australians Agency	-20	-19	-19	-19	-19
Total	-25	-31	-39	-33	-35

Table 3.2: Net Capital Investment Table (continued)

	Estimates				
	2024-25	2025-26	2026-27	2027-28	2028-29
	\$m	\$m	\$m	\$m	\$m
Social Services					
Department of Social Services	-13	-27	-24	-30	-30
National Disability Insurance Agency	36	57	3	-3	18
Services Australia	21	-368	-499	-469	-446
Total	43	-339	-520	-502	-459
Treasury					
Australian Bureau of Statistics	20	-10	-25	-12	-8
Australian Office of Financial Management	0	0	0	0	0
Australian Prudential Regulation Authority	30	-17	-12	-12	-12
Australian Securities and Investments Commission	-25	-18	-31	-31	-30
Australian Taxation Office	-184	50	-25	58	-151
Department of the Treasury	-18	-16	-15	-13	-12
Housing Australia	0	0	0	0	0
Total	-178	-11	-109	-10	-214
Small agencies	458	369	126	7	-152
Whole of government and inter-agency amounts(a)	-366	210	192	165	184
Adjustments to agency movements in non-financial assets(b)	-793	688	751	-72	-571
Total net capital investment	5,459	8,771	9,140	12,025	10,196

- 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.