Australian Government

Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

2025–26

Annual Report



Connecting Australians **Enriching** our communities **Empowering** our regions

Welcome to the 2025–26 Annual Report

The purpose of this annual report is to inform the Parliament and the Australian public of the department's performance – both financial and non-financial – for the reporting period 1 July 2025 to 30 June 2026.

This annual report has been prepared in accordance with the *Public Governance, Performance and Accountability Act 2013* and addresses the requirements set out in the Public Governance, Performance and Accountability Rule 2014.

Acknowledgment of Country

We acknowledge the Traditional Custodians of the lands where we work and live. From the desert to the high Country, connecting to our beaches and sand, through the snow, the rivers and saltwaters, in our cities, the bush and islands, we reflect, respect, and celebrate the unique and diverse communities we serve.

We walk with Aboriginal and Torres Strait Islander peoples, celebrating the oldest continuing living cultures in the world – listening, learning, and yarning, to understand the past and work as one towards an inclusive future. We pay our respects to all Elders past and present. We are committed to creating positive change and promoting meaningful reconciliation.



Connections by Mahalia Mabo, a proud Manbarra, Nywaigi, and Meriam woman.

Australian Government

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Connecting Australians **Enriching** our communities **Empowering** our regions

About us

The department's work connects and enriches every Australian community, underpins our economy and society, and empowers our regions. This includes planning for the global digital economy, urban development and creating the transport and telecommunications systems of tomorrow. We help empower our regional communities, promote our thriving sport and arts sectors and protect and celebrate the culture, heritage and languages of First Nations people.

We touch the lives of Australians, every day. We have a national footprint with our people located in each state and territory capital city, regional areas, and in Australia's non-self-governing territories. This broad coverage brings benefits to the department including fostering greater collaboration both within the department and with our partners, strengthening our diversity and inclusion and most importantly contributing to better outcomes for Australians.

Our purpose

Our purpose statement ensures proper reflection of the department's important role in supporting the economic, social and cultural well-being of Australians.

We work with our partners to enable connected, productive, safe, sustainable and culturally vibrant communities in our cities, regions and territories to improve the lives of Australians.

Our vision

Our work connects and enriches every Australian community, underpins our economy and society, and empowers our regions. We provide policy advice and deliver programs, projects and services in the infrastructure, transport, communications, sport and arts sectors, supporting our regions, cities and territories.

Our organisational objectives are to serve the government of the day, with a focus on improving the lives and opportunities of the Australian community by:



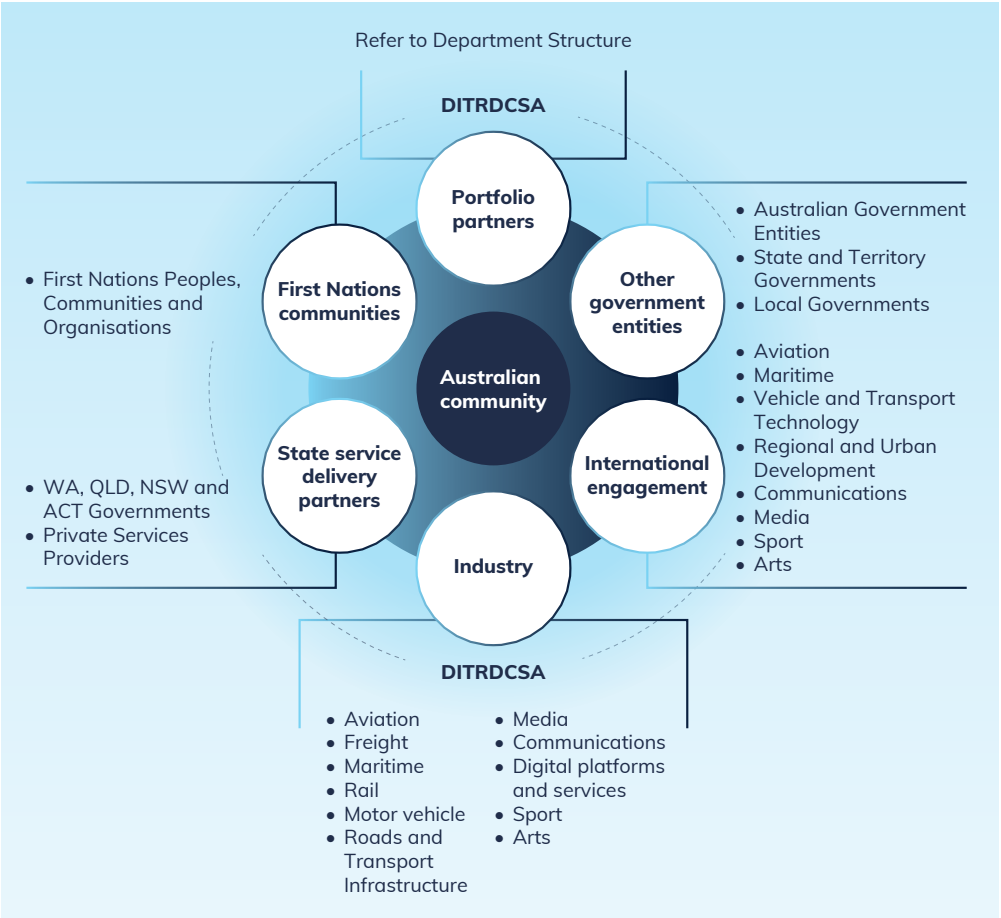
Our role

The department's role is to achieve our purpose and deliver results through:

> providing strategic policy advice
> delivering programs and services
> delivering and administering fit-for-purpose regulation.

Our partners

Collaboration and engagement with our partners are fundamental in helping us achieve our purpose. They are critical to designing policy and regulatory approaches that are fit for purpose. Maintaining open, trusted and respectful relationships allows us to understand different perspectives on our policies and services and helps us navigate competing needs and interests. In line with our values and strategic objectives, the department actively seeks diverse views and engages regularly with key partners. Our aim is that all staff engage meaningfully with communities, industries, other jurisdictions and our whole-of-government colleagues to leverage their collective capabilities and insights to improve policy, program and service delivery outcomes.



Letter of Transmittal

Australian Government

Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

Secretary
Jim Betts

The Hon Catherine King MP
Minister for Infrastructure, Transport, Regional Development and Local Government
Parliament House
CANBERRA ACT 2600

Dear Minister King

I am pleased to present the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts Annual Report 2025–26 for the year ended 30 June 2026.

This report has been prepared in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), for your presentation to the Parliament.

In accordance with sections 39(1)(b) and 43(4) of the PGPA Act, this report includes the department's Annual Performance Statements and audited Financial Statements.

This report also contains information required under other applicable legislation including:

- Airports (Environment Protection) Regulations 1997, *Air Navigation Act 1920* and *Aircraft Noise Levy Collection Act 1995* (Appendix H: Reports under aviation legislation)
- *National Land Transport Act 2014* (Appendix I: Reports under *National Land Transport Act 2014*)
- *Australian Broadcasting Corporation Act 1983* and *Special Broadcasting Service Act 1991* (Appendix J: Reports under public broadcasters legislation)
- *Telecommunication Legislation Amendment (Competition and Consumer) Act 2020* (Appendix K: Report under the *Telecommunications (Consumer Protection and Service Standards) Act 1999*)
- *National Sports Tribunal Act 2019* (Appendix L – Report on the operation of the National Sports Tribunal for 2025–26)
- *Protection of Movable Cultural Heritage Act 1986* (Appendix M: Report under the *Protection of Movable Cultural Heritage Act 1986*).

The department's fraud and corruption control arrangements comply with section 10 of the *Public Governance, Performance and Accountability Rule 2014*. Formal certification is included in Part 3.1: Corporate Governance of this report.

Yours sincerely

Jim Betts

25 September 2026

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Secretary's Review



Jim Betts
Secretary

I am pleased to present the 2025–26 Annual Report for the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts.

The department works across issues that shape Australia's economy, communities and cultural life. Spanning infrastructure, supply chains, communications, communities, arts and sport, our people deliver meaningful outcomes for Australians.

One of the defining features of 2025–26 was the department's contribution to the whole-of-government response to the conflict in the Middle East. This created fuel supply pressures and transport disruption which required a coordinated response across governments and industry. Our staff worked quickly and collaboratively to support measures that strengthened transport resilience, maintained supply chains and helped keep freight and essential goods moving during a period of uncertainty. We supported communities to navigate these challenges through reducing the Road User Charge for heavy vehicles, running a national awareness campaign and coordinating engagement with governments and industry stakeholders. We also established the Transport Resilience and Capacity Kickstart (TRACK) program to support more fuel-efficient freight movements across Australia.

During 2025–26, we have worked closely with the Australian Special Envoys to combat Anti-Semitism and Islamophobia to ensure that – through the arts, sport and proportionate regulation of the digital world – we are playing our role in building social cohesion and safety for Australians.

The breadth of our portfolio is one of our greatest strengths. As conflict and uncertainty emerged, the department continued to deliver. Whether strengthening supply chains, expanding digital connectivity, supporting major nation-building infrastructure, preparing for global sporting events, or promoting Australia's cultural and creative life, we continued to address both immediate challenges and long-term opportunities. Many of these achievements are highlighted throughout this report and demonstrate the scale, diversity and impact of our work during 2025–26.



First Nations partnerships

The department progressed implementation of the 4 Priority Reforms that underpin the *National Agreement on Closing the Gap*, continuing to strengthen how we engage and work with Aboriginal and Torres Strait Islander peoples. This included expanding learning opportunities for staff, embedding cultural capability in recruitment processes, and supporting the First Nations Engagement and Partnership Guide through knowledge-building events and workshops. These initiatives are helping to embed First Nations perspectives across policy development, program design, implementation and reporting, while strengthening the department's cultural capability and commitment to partnership-based approaches.

We continued delivering initiatives that support improved outcomes for First Nations communities. One of these initiatives involved the addition of 52 communities to the First Nations Community Wi-Fi Program, providing place-based and culturally safe connectivity solutions tailored to local needs. Access to free Wi-Fi is helping people connect with essential services such as healthcare, education and training, while supporting stronger cultural, family and community connections. Through programs such as these, the department is working alongside First Nations communities to improve access, participation and opportunity, particularly in regional and remote Australia.

Connecting Australians in a digital society

Australians increasingly rely on digital services to participate in education, employment, business and community life, and the department is working to ensure everyone can participate confidently, safely and equitably in a digital society. From expanding connectivity to supporting public interest journalism and implementing online safety reforms, our work reflected both the opportunities and challenges of an increasingly digital world.

The department strengthened online safety and consumer protections through a range of legislative reforms. In December 2025, laws came into effect requiring age-restricted platforms to take reasonable steps to prevent Australians under 16 from holding accounts. The department progressed changes to Australia's gambling regulations following the announcement of a package of measures in April 2026. These measures are intended to strengthen consumer protections and provide greater safeguards for Australians engaging with gambling services, including restrictions on wagering advertising during live sporting events on broadcast television between 6:00 am and 8:30 pm. The changes will be implemented through amendments to the *Interactive Gambling Act 2001* and are expected to commence from 1 January 2027.

Expanding connectivity remained a priority, particularly for regional and remote Australia. Legislation was introduced for the Universal Outdoor Mobile Obligation, which will require national mobile carriers to provide access to SMS and voice coverage nationwide. The department supported broadband upgrades through the NBN Fibre Upgrade Program, enabling an additional 1.5 million premises previously served by Fibre to the Node to access full fibre connections. Improved connectivity supports safety, productivity and participation, helping Australians remain connected wherever they live.

Through the News Media Assistance Program, the department supported public interest journalism and local news services through the $67.6 million Journalism Assistance Fund. These services play an important role in informing communities and supporting democratic participation.

All Australians must have confidence they can reach emergency services when in need and this year saw the establishment of the Triple Zero Custodian (the Custodian) to oversee the Triple Zero ecosystem. During both routine operations and crisis situations,

the Custodian actively monitors and coordinates critical information, as well as identifying lessons to strengthen the Triple Zero ecosystem. The Custodian is leading a critical review into Australia's Triple Zero laws to consider if they are fit for purpose and support a reliable and resilient Triple Zero system that delivers for Australians, now and into the future. The Custodian leads other significant work to help safeguard the continued availability of emergency calling for Australians, including funding Australia's first telecommunications research centre and leading national exercises to build a shared, system-wide understanding of the vulnerabilities, challenges and opportunities within the system.

Expanding opportunities through sport

Sport is an important part of life in Australia. It improves our physical and mental health, benefits the economy, and helps to strengthen our national pride and international relationships.

Over 2025–26, the department delivered support for 4 major sporting events: the Virtus Athletics World Championships 2025, International Canoe Federation Slalom World Championships 2025, Boccia World Challenger 2025 and AFC Women's Asian Cup 2026. We also continued planning for the Rugby World Cup 2027 and the Brisbane 2032 Olympic and Paralympic Games.

The *Play our Way* program provided over $60 million to more than 280 grantees, giving women and girls more opportunities to access, participate and stay involved in sport and physical activity. This work is helping to strengthen pathways from grassroots participation through to elite competition, supporting broader participation and future sporting excellence.

Strengthening national infrastructure

Infrastructure investment is critical to Australia's productivity, resilience and future economic growth. During 2025–26, we delivered major infrastructure investments across the country, progressed nationally significant freight projects, and supported the implementation of reforms that will help reduce emissions and improve transport efficiency.

Government funding of $15.3 billion was delivered through the Infrastructure Investment Program, with 83 major projects completed during this period. Some of these projects included the METRONET: Midland Station Project and METRONET: Byford Rail Extension, which delivered significant improvements to Perth's public transport network. Improvements include new and upgraded stations, 1.7 km of new rail track and 8 km of new dual rail infrastructure, enhanced bus and active transport connections, the removal of nine level crossings, and improved access to employment and services. Together, these investments have increased network capacity, connectivity, and accessibility, including a 46-minute rail journey between Byford and the Perth CBD and more frequent public transport services for growing communities.

Continued delivery of Inland Rail between Beveridge, Victoria and Parkes, NSW, together with commencement of construction of the Beveridge Intermodal Precinct, is enhancing freight capacity and supporting productivity. The Australian Rail Track Corporation continues to progress projects under the jointly funded Network Investment Program, resulting in the removal of 58 temporary speed restrictions across the network and a reduction in travel time of 99.5 minutes helping to improve the reliability of the network. The upgrade of drainage culverts at 9 high-risk locations across the network will help reduce the risk of disruptions to the network from extreme weather events. These investments will support regional development and improve the resilience, reliability and productivity of the existing network, strengthening supply chains to help meet Australia's future freight demands.

We progressed delivery of the Brisbane 2032 Olympic and Paralympic Games by signing an updated Intergovernmental Agreement (IGA) with the Queensland Government, progressing 6 approved projects towards procurement and delivery and advancing the design and validation work on the remaining 11 projects funded under the IGA.

Shaping regional development

Regional communities lead in shaping their own futures. By working in partnership with all levels of government, the department supported projects and investments that strengthen liveability, economic opportunity and long-term regional prosperity.

The department works with Local Government Authorities and Regional Development Australia Committees to support regional communities to lead in shaping their own futures. By working in partnership with all levels of government, the department supported projects and investments that strengthen liveability, economic opportunity and long-term regional prosperity. This support includes ongoing delivery of the $938.8 million Priority Community Infrastructure Program, which funded 93 community infrastructure projects and the $306 million Investing in Our Communities program, both of which improve social and economic viability and social amenity and increased health and wellbeing.

The department continued delivery of the Growing Regions ($600 million) and Thriving Suburbs ($350 million) programs, to provide funding to local areas to construct new, expanded or upgraded capital works projects to improve community amenity and liveability.

The Northern Australia Infrastructure Facility has reached major investment milestones. These include a $3 billion loan drawdown, with Parliament passing legislation to extend its investment period to 30 June 2036. The first Annual Progress Report was published for the Northern Australia Action Plan 2024–29.

Enabling our territories

The department continued to support sustainable, resilient and connected communities across Australia's territories through investments in essential infrastructure, services and local governance arrangements.

In Jervis Bay Territory, completion of the 11 km water pipeline linking the Vincentia and Stoney Creek reservoirs connected the Territory to the broader Shoalhaven water network. This critical infrastructure provides a more resilient and sustainable drinking water supply for residents, including members of the Wreck Bay Aboriginal Community.

On Norfolk Island, we progressed delivery of a new 16-bed residential aged care facility, reaching the 50% design stage and preparing the project for consideration by the Parliamentary Standing Committee on Public Works. The project will help ensure older residents can access appropriate care and support within their community.

We also supported continuity of Commonwealth representation across the territories through the reappointment of the Indian Ocean Territories Administrator and the appointment of a new Norfolk Island Administrator, strengthening local engagement and supporting effective governance.

Increasing sovereign capabilities through transport

Strengthening our sovereign capabilities in the transport sector is a priority in uncertain times. Across aviation, maritime and road transport, the department delivered reforms and investments that will improve resilience, productivity and consumer outcomes.

A significant milestone was supporting the construction of Western Sydney International (Nancy-Bird Walton) Airport (WSI), which will be open to passengers from 25 October 2026. WSI has been designed to support growth across Western Sydney. The department supported the airport's commencement through finalising airspace and flight paths, assessing key planning and environmental frameworks, and implementing noise mitigation measures. WSI will strengthen national aviation capacity, enhance freight and supply chain resilience, and unlock economic opportunities across Western Sydney, including for local small and medium enterprises and First Nations businesses.

We also strengthened Australia's transport resilience and capability through strategic investments in future fuels and maritime capacity. Working with the Australian Renewable Energy Agency, we launched the $250 million Future Made in Australia Innovation Fund for low carbon liquid fuels and continued delivery of the $1.1 billion Cleaner Fuels Program.

Alongside investments in transport capability, the department progressed significant reforms to strengthen consumer confidence and support a more responsive aviation sector.

The Aviation Consumer Protection Bill 2026 and 3 related bills were introduced to Parliament, establishing the foundations for an aviation consumer protection framework. The Aviation Consumer Ombuds Scheme (the Scheme) conducted the first national survey of Australians' air travel behaviours, experiences and attitudes which will inform the proposed Aviation Consumer Protections Charter.

After significant work following Rex Airlines entering voluntary administration, the department successfully negotiated the support of a majority of the airline's creditors for the acquisition of the airline by US-based Air T. Grant funding was made available earlier this year to regional and remote airports impacted by the voluntary administration. These communities can rely on robust air transport into the future.

We worked across all levels of government to deliver through the Infrastructure and Transport Ministers' Meeting, the National Road Transport Technology Strategy and 2024–27 Connected Automated Vehicle Action Plan, setting the path for harmonised new road transport technology innovation.

This year we established the New Vehicle Efficiency Standard Regulator and supported the first year of implementation. Being an area of significant transport reform, it required an extraordinary effort from staff who worked closely with industry, regulators and government partners to establish systems, guidance and reporting arrangements. The first compliance period resulted in more than 17 million tradable units across 59 entities.

Our sovereign capabilities were further developed by entering into the Strategic Fleet Pilot Program Deed of Standing Offer and securing the first vessel to participate in the Strategic Fleet Pilot Program. The strategic fleet will strengthen Australia's supply chains, enable the movement of critical cargo during crises and emergencies, and provide employment and training opportunities to improve Australia's maritime workforce capability.

Celebrating Australia's cultural life

This year saw important progress across the arts portfolio. We continued implementation of *Revive*, delivering further actions under Australia's National Cultural Policy to support Australian stories, creative expression and cultural participation. Development of a new National Cultural Policy also commenced, informed by more than 2,700 submissions and supported by a whole-of-government steering committee, 5 expert panels and a policy advisory group.

We strengthened support for Australia's creative sector through the establishment of Writing Australia and its Council within Creative Australia, helping to ensure Australian literature continues to thrive. We also introduced the Australian Content Requirement for Subscription Video on Demand (Streaming) Services to ensure that, no matter which streaming service Australians are watching, they have guaranteed access to Australian stories.

We continued to support First Nations cultural expression, languages and heritage, recognising their central place in Australia's cultural identity. Funding was provided to continue the Languages Policy Partnership established under the *National Agreement on Closing the Gap* for a further 3 years to help progress work on delivering Target 16: Aboriginal and Torres Strait Islander cultures and languages are strong, supported and flourishing. As at December 2025, the repatriation of 55 Aboriginal and Torres Strait Islander ancestors was facilitated from international collecting institutions. Domestically, 98 ancestors and 25 secret sacred objects were returned to Country and Traditional Custodians.

Cultural heritage objects were returned to Ukraine, Egypt, Mexico, Peru and Italy, reinforcing Australia's commitment to global cultural responsibility.

Building a capable and resilient organisation

Delivering outcomes depends on having a capable, inclusive and adaptable organisation. Within this, our Corporate team continues to provide exemplary support, helping meet our deliverables for people in Australia.

During the period, there have been significant initiatives to modernise the department's operating environment, improve the use of data and digital technologies, and support flexible and collaborative ways of working. The department rolled out Microsoft 365, including Teams, OneDrive and SharePoint, and transitioned to Windows 11. Educational campaigns and change management supported this uplift, including boosting cyber security awareness and resilience.

We improved staff onboarding with the development of a new smart form. We launched the Learning Strategy 2025–28 and continued to foster a work environment where people feel valued and safe through the delivery of the Diversity Equity and Inclusion Strategy, Mental Health Strategy and Psychosocial Risk Management Action Plan.

The Enterprise Resource Planning (ERP) Program commenced, which will transform how we work across the department and empower our people with a modern, efficient, cloud-based integration solution.

Our legal capabilities enabled legislative projects and drafting of legislative instruments for teams across the department including on Cultural Heritage, Telecommunications, Aviation, Online Safety and Disability Standards.

Geospatial expertise facilitated the development of a new geospatial Australian National Railway dataset. The department also released the Communications Programs Mapping Tool, enabling users to visualise information on regional communications grants.

Looking ahead

As we look to 2026–27, the department will continue to focus on delivering high-quality policy advice, effective program administration and robust regulatory oversight. Key priorities include:

- Northern Australia Infrastructure Facility's newly extended 10-year mandate and new governance structure
- supporting venue infrastructure development for the 2032 Olympic and Paralympic Games
- supporting the government's commitment to legislate a Digital Duty of Care
- commencing passenger operations at WSI from October 2026
- developing the next National Cultural Policy
- the high speed rail project from Newcastle to Sydney, with a focus on identifying and reducing risks in any future construction phase
- further strengthening preparedness and resilience through Triple Zero Custodian exercises
- continuing delivery of the department's modernisation program.

The breadth of our portfolio is one of our greatest strengths. I am proud of our people across all areas of the department. Throughout the year, they continued to provide high-quality policy advice, administer complex programs, regulate effectively and work collaboratively with state and territory governments, local governments, industry, First Nations communities and stakeholders.

Our commitment to diversity, equity and inclusion remains central to fostering a workplace where people feel valued, respected and supported. Continued recognition as a Diversity Council of Australia Inclusive Employer reflects the efforts of our people and our shared commitment to an inclusive culture. By drawing on diverse perspectives and experiences, we strengthen our ability to deliver for the Australian community.

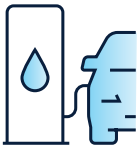


Jim Betts
Secretary

25 September 2026

2025–26 Highlights

Launched the $55 million **Transport Resilience And Capacity Kickstart (TRACK) program** to help address fuel shortages by moving freight using less fuel.





Funded NBN Fibre upgrades to provide full fibre access to 1.5 million additional premises and enable multi-gigabit speeds for more than 10 million premises.

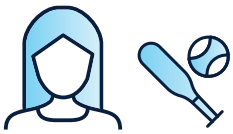
Delivered $15.3 billion through the Infrastructure Investment Program, **completing 83 major projects across Australia**.

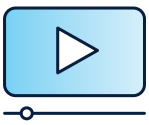




Supported the construction of **Western Sydney International (Nancy-Bird Walton) Airport**.

Provided over **$60 million through the Play Our Way Program** to support women and girls in sport and physical activity.

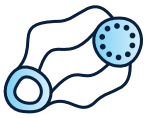




Introduced **Australian content requirements** for streaming services, giving Australians guaranteed access to Australian stories.

Progressed **High Speed Rail** between Newcastle and Sydney, with a $659.6 million investment to prepare the project for future construction.





Progressed the Closing the Gap Priority Reforms by **embedding cultural capability in recruitment** processes and **strengthening First Nations engagement** across the department.

Supported **road vehicle safety and compliance** by regulating almost 1.6 million environmentally compliant vehicles, facilitating 227 recalls, assessing over 44,000 applications, and introducing emergency lane keeping and cyclist-detection braking standards.

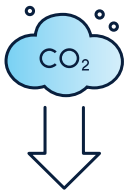




Funded the National Telecom Resilience Centre to **strengthen the resilience of Australia's emergency call service**.

Supported 4 major sporting events: Virtus Athletics World Championships 2025, International Canoe Federation Slalom World Championships 2025, Boccia World Challenger 2025 and AFC Women's Asian Cup 2026.





Advanced low carbon liquid fuels by working with the Australian Renewable Energy Agency to launch the $250 million Future Made in Australia Innovation Fund and continue the $1.1 billion Cleaner Fuels Program.

Strengthened support for air travellers, receiving more than 270 complaints and escalating around 11% to airlines and airports for resolution, ahead of legislated dispute resolution powers.





Provided over $46 million in 2025–26 through the Precincts and Partnerships Programs to **support community infrastructure projects**.

Implemented a **world-leading digital policy initiative** to prevent Australians under the age of 16 from holding accounts on social media platforms.



Our Stories on Country

The department continues to implement the Our Stories on Country Agreement (the Agreement); transforming and strengthening cultural capability, systems and behaviours across the department as we work to progress the National Agreement on Closing the Gap Priority Reforms.

During 2025–26, the department progressed key elements of the Agreement, building on foundational work established since its commencement in 2024, including strengthening cultural capability and anti-racism approaches, embedding partnership through Group Collaboration Circles and building systems for implementation and accountability.

Central to this work is strengthening genuine partnership with Aboriginal and Torres Strait Islander employees and communities in decision-making processes. This reflects the Agreement's principles of self-determination, cultural authority and reciprocity, and recognises that culturally and psychologically safe environments are essential to enabling meaningful participation, improving decision-making quality, and delivering outcomes aligned with the National Agreement on Closing the Gap.

Strengthening cultural capability and anti-racism approaches

The department progressed work to develop and embed anti-racism and cultural safety frameworks to uplift cultural capability across the workforce. This includes advancing a more consistent and structured approach to capability development, embedding cultural capability in recruitment processes, supported by the Cultural Safety Framework and setting expectations through maturity-based approaches.

This work focuses not only on capability uplift, but on addressing systemic barriers, racism and unsafe behaviours that impact Aboriginal and Torres Strait Islander staff. In doing so, it contributes to a safer and more inclusive workplace for all Australians and strengthens the department's ability to engage effectively and respectfully with communities.

Embedding partnership through Group Collaboration Circles

Group Collaboration Circles continued to mature as a key mechanism for elevating First Nations perspectives and embedding partnership approaches in policy and program development.

During the reporting period, work progressed to finalise Action for Impact plans, strengthening alignment between divisional priorities and the Agreement's objectives. This has supported greater shared accountability and enabled more consistent inclusion of Aboriginal and Torres Strait Islander perspectives in departmental decision-making processes.

Building systems for implementation and accountability

The department continues to strengthen the governance, accountability and enabling structures required to embed the Our Stories on Country Agreement, including the continued development of guidance materials, learning pathways and accountability mechanisms. These initiatives support the sustained behavioural, cultural and organisational change required to transform the department's systems, policies and practices, consistent with the objectives of Priority Reform Three of the National Agreement on Closing the Gap.

This includes work to expand learning offerings and embed clearer accountability through performance and reporting structures, supported by ongoing use of the Our Stories on Country Dashboard to monitor and evaluate progress and provide transparency. Areas that are identified as needing action are captured in the Agreement's In Practice Plan, which sets transactional and transformational actions and initiatives to address these areas.

These efforts support sustained behavioural and organisational change across the department, recognising that embedding cultural capability, partnership and accountability will improve outcomes not only for Aboriginal and Torres Strait Islander peoples, but across the department's broader functions and responsibilities.

Oversight of implementation continues through the First Nations Steering Committee, ensuring Aboriginal and Torres Strait Islander leadership and perspectives remain central to decision-making and accountability.



2025–26 Financial Performance

The department's activities involve the use of assets, liabilities, revenue and expenses controlled or incurred by the department in its own right. Administered activities involve management or oversight by the department, on behalf of the Australian Government, of items controlled or costs incurred by the Australian Government.

This section should be read in conjunction with the department's audited financial statements in Part 4 of this report.

Note: 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.

Departmental finances

The department reported total comprehensive income of $7.0 million in 2025–26, which equates to a net cash operating surplus of $29.1 million after adjusting for depreciation and amortisation and lease payments under Australian Accounting Standard AASB 16 *Leases*. The operating surplus was attributable to a combination of factors, including strategies to restrain expenditure and staffing growth. Lower than anticipated employee and supplier costs, reduced and delayed administrative costs associated with grant payments, contributed materially to the operating surplus.

The department's net assets position increased by $4.4 million from 2024–25. The department continues to maintain a strong financial position, with total assets exceeding total liabilities with a net assets position of $221.8 million.

Table 1.1: Summary of departmental financial performance and position ($million)

	2024–25	2025–26	Change from last year
Revenue from government	567.3	553.0	(14.3)
Own-source revenue	14.7	16.3	1.6
Gains	0.1	0.5	0.4
Total income	**582.1**	**569.8**	**(12.3)**
Employee and supplier expenses	519.9	516.2	(3.7)
Grants and contributions	1.0	1.7	0.7
Depreciation and amortisation	47.4	49.0	1.6
Other expenses	3.7	3.0	(0.7)
Total expenses	**572.0**	**569.9**	**(2.1)**
Changes in asset revaluation reserve	3.9	7.1	3.2
Surplus (Deficit) attributable to the Australian Government	**13.9**	**7.0**	**(6.9)**
Plus non-appropriated depreciation and amortisation expenses	47.4	49.0	1.6

	2024–25	2025–26	Change from last year
Minus principal repayments — leased assets	(27.1)	(27.0)	0.1
Operating result (loss) attributable to the agency	**34.3**	**29.1**	**(5.2)**
Financial assets (A)	238.6	250.6	12.0
Non-financial assets (B)	172.3	234.8	62.5
Liabilities (C)	193.6	263.6	70.0
Net assets: A+B-C	**217.4**	**221.8**	**4.4**

Administered finances

Total administered expenses of $11.6 billion represent an increase of $2.5 billion compared to the prior year. The increase was primarily driven by higher grant expenditure, with grant payments to State and Territory Governments increasing by $2.4 billion. The increase relates to the Financial Assistance Grant program which reflects government decisions.

Major administered expense items reported by the department in 2025–26 were:

> Local Government Financial Assistance Grant payments ($4.6 billion)
> payments to Corporate Commonwealth entities ($2.9 billion)
> Roads to Recovery Program ($671.1 million)
> Local Roads and Community Infrastructure Program ($377.1 million)
> Priority Community Infrastructure Program ($189.3 million)
> Community Development Grants Programme ($150.2 million)

Administered income increased by $142.7 million, mainly due to a $64.5 million increase in interest revenue and a $55.6 million increase in other gains.

The $64.5 million increase in interest revenue was primarily driven by a $44.4 million increase in interest on Northern Australia Infrastructure Facility (NAIF) loans, reflecting the maturity profile of the existing portfolio, new loan arrangements and loan amendments. It was also driven by a $20.1 million increase in unwinding of concessional discounts on NAIF loans.

The $55.6 million increase in other gains resulted from a revised expected credit loss (ECL) impairment calculation for NAIF loans. The revised calculation reflects a reduction in the loss given default (LGD) assumption for the NAIF loan balance as at 30 June 2026, from 55% in 2025 to 45% in 2026.

Net assets administered on behalf of the Australian Government increased by $1.9 billion mainly due to an increase in financial assets. This is attributable to an increase in administered investments of $0.7 billion. This balance represents the Australian Government's interest in the portfolio entities.

Table 1.2: Summary of administered financial performance and position ($million)

	2024–25	2025–26	Change from last year
Taxation revenue	33.1	45.8	12.7
Non-taxation revenue	432.9	507.2	74.4
Gains	-	55.6	55.6
Total income	**465.9**	**608.6**	**142.7**
Employee and supplier expenses	659.7	722.1	62.4
Subsidies	1,128.6	552.3	(576.3)
Grants	4,685.6	7,114.8	2,429.2
Depreciation and amortisation	59.0	69.0	10.0
Impairment loss on financial instruments	100.8	6.8	(94.0)
Payments to corporate Commonwealth entities	2,420.3	2,918.9	498.5
Concessional loans	88.9	99.3	10.4
Other expenses	16.4	139.1	122.7
Total expenses	**9,159.3**	**11,622.3**	**2,463.0**
Financial assets (A)	48,172.8	49,467.8	1,295.0
Non-financial assets (B)	1,093.1	1,081.4	(11.7)
Liabilities (C)	1,409.8	805.5	(604.4)
Net assets: A+B-C	**47,856.1**	**49,743.7**	**1,887.6**





Part 1

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Part 1.1: Portfolio overview

Our ministers

As at 30 June 2026,[1] the Infrastructure, Transport, Regional Development, Communications, Sport and the Arts portfolio was the responsibility of the following ministers:



The Hon Catherine King MP

Minister for Infrastructure, Transport, Regional Development and Local Government

Departmental outcomes: Outcome 1, Outcome 2, Outcome 3 (Programs 3.1, 3.2 and 3.3)

Portfolio entities/government business enterprises:

- Airservices Australia
- Australian Maritime Safety Authority
- Australian Rail Track Corporation Limited
- Australian Transport Safety Bureau
- Civil Aviation Safety Authority
- High Speed Rail Authority
- Infrastructure Australia
- National Intermodal Corporation Limited
- National Transport Commission
- WSA Co Limited.



The Hon Anika Wells MP

Minister for Communications
Minister for Sport

Departmental outcomes: Outcome 5 and Outcome 7

Portfolio entities/government business enterprises:

- Australian Broadcasting Corporation
- Australian Communications and Media Authority (including eSafety Commissioner)
- Australian Postal Corporation (Australia Post)
- Australian Sports Commission
- Australian Sports Foundation Limited
- National Sports Tribunal
- NBN Co Limited
- Special Broadcasting Service Corporation
- Sport Integrity Australia.

1 The most up-to-date information on our ministers is available at: https://minister.infrastructure.gov.au



The Hon Tony Burke MP
Minister for the Arts

Departmental outcome: Outcome 6

Portfolio entities/government business enterprises:

- Australian Film, Television and Radio School
- Australian National Maritime Museum
- Bundanon Trust
- Creative Australia
- Museum of Australian Democracy
- National Archives of Australia
- National Film and Sound Archive of Australia
- National Gallery of Australia
- National Library of Australia
- National Museum of Australia
- National Portrait Gallery of Australia
- Screen Australia.



The Hon Madeleine King MP
Minister for Northern Australia

Departmental outcome: Outcome 3 (Program 3.4)

Portfolio entities/government business enterprises:

- Northern Australia Infrastructure Facility.



The Hon Kristy McBain MP
Minister for Regional Development, Local Government and Territories

Departmental outcomes: Outcome 3 (Programs 3.1, 3.2 and 3.3), Outcome 4

Portfolio entities/government business enterprises:

- National Capital Authority.



Senator the Hon Anthony Chisholm
Assistant Minister for Regional Development

Departmental outcome: Outcome 3 (Program 3.1)

Portfolio entities/government business enterprises:

Not applicable.



Senator the Hon Nita Green
Assistant Minister for Northern Australia

Departmental outcome: Outcome 3 (Program 3.4)

Portfolio entities/government business enterprises:

Not applicable.

Special Envoys

Luke Gosling OAM MP
Special Envoy for Northern Australia

Marion Scrymgour MP
Special Envoy for Remote Communities

Susan Templeman MP
Special Envoy for the Arts

Tim Watts MP
Special Envoy for Indian Ocean Affairs

Portfolio structure

As at 30 June 2026, the Infrastructure, Transport, Regional Development, Communications, Sport and the Arts portfolio comprised:

Department of State

Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts
Secretary: Jim Betts

Portfolio Entities

Airservices Australia
Chief Executive Officer: Rob Sharp

Australian Broadcasting Corporation
Managing Director: Hugh Marks

Australian Communications and Media Authority
Chair and Agency Head:
Nerida O'Loughlin PSM

Australian Film, Television and Radio School
Chief Executive Officer:
Dr Nell Greenwood

Australian Maritime Safety Authority
Chief Executive Officer: Kaylene Dale

Australian National Maritime Museum
Director and Chief Executive Officer:
Daryl Karp AM

Australian Sports Commission
Chief Executive Officer:
Kieren Perkins OAM

Australian Sports Foundation Limited
Chief Executive Officer:
Jerril Rechter AM

Australian Transport Safety Bureau
Chief Commissioner and Chief Executive Officer: Angus Mitchell

Bundanon Trust
Chief Executive Officer: Rachel Kent

Civil Aviation Safety Authority
Chief Executive Officer and Director of Aviation Safety: Pip Spence PSM

Creative Australia
Chief Executive Officer:
Adrian Collette AM

High Speed Rail Authority
Chief Executive Officer: Tim Parker

Infrastructure Australia
Chief Executive Officer: Adam Copp

National Archives of Australia
Director-General: Simon Froude

National Capital Authority
Chief Executive: Karen Doran PSM

National Film and Sound Archive of Australia
Chief Executive Officer:
Patrick McIntyre

Portfolio Entities *continued*

National Gallery of Australia
Director: Dr Nick Mitzevich

National Library of Australia
Director-General: Alison Dellit

National Museum of Australia
Director: Katherine McMahon

National Portrait Gallery of Australia
Director: Bree Pickering

National Transport Commission
Chief Executive Officer and Commissioner: Michael Hopkins

Northern Australia Infrastructure Facility
Chief Executive Officer: Neil Macdonald

Old Parliament House
Executive Director and Chief Executive Officer: Stephanie Bull

Screen Australia
Chief Executive Officer: Deirdre Brennan

Special Broadcasting Service Corporation
Managing Director: Jane Palfreyman

Sport Integrity Australia
Chief Executive Officer: Dr Sarah Benson PSM

Government Business Enterprises

Australian Postal Corporation
Group Chief Executive Officer and Managing Director: Paul Graham

Australian Rail Track Corporation Limited
Chief Executive and Managing Director: Wayne Johnson

National Intermodal Corporation Limited
Chief Executive Officer: James Baulderstone

NBN Co Limited
Chief Executive Officer: Ellie Sweeney

WSA Co Limited
Chief Executive Officer: Simon Hickey

Statutory Office Holders

eSafety Commissioner
Commissioner: Julie Inman Grant

National Sports Tribunal
Chief Executive Officer: Dr Michelle Gallen

Part 1.2: Department overview

Accountable authority

Jim Betts, Secretary, Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts was the department's accountable authority for the period of this report.

Executive

Members of our Executive team as at 30 June 2026:



Jim Betts

Secretary



Jessica Hall

Deputy Secretary
Regional Development and Infrastructure



Stephen Arnott

Deputy Secretary
Creative Economy and the Arts



Rachel Parry

Deputy Secretary
Transport



Ruth Wall

Chief Operating Officer
Deputy Secretary (Acting)
Corporate and Territories



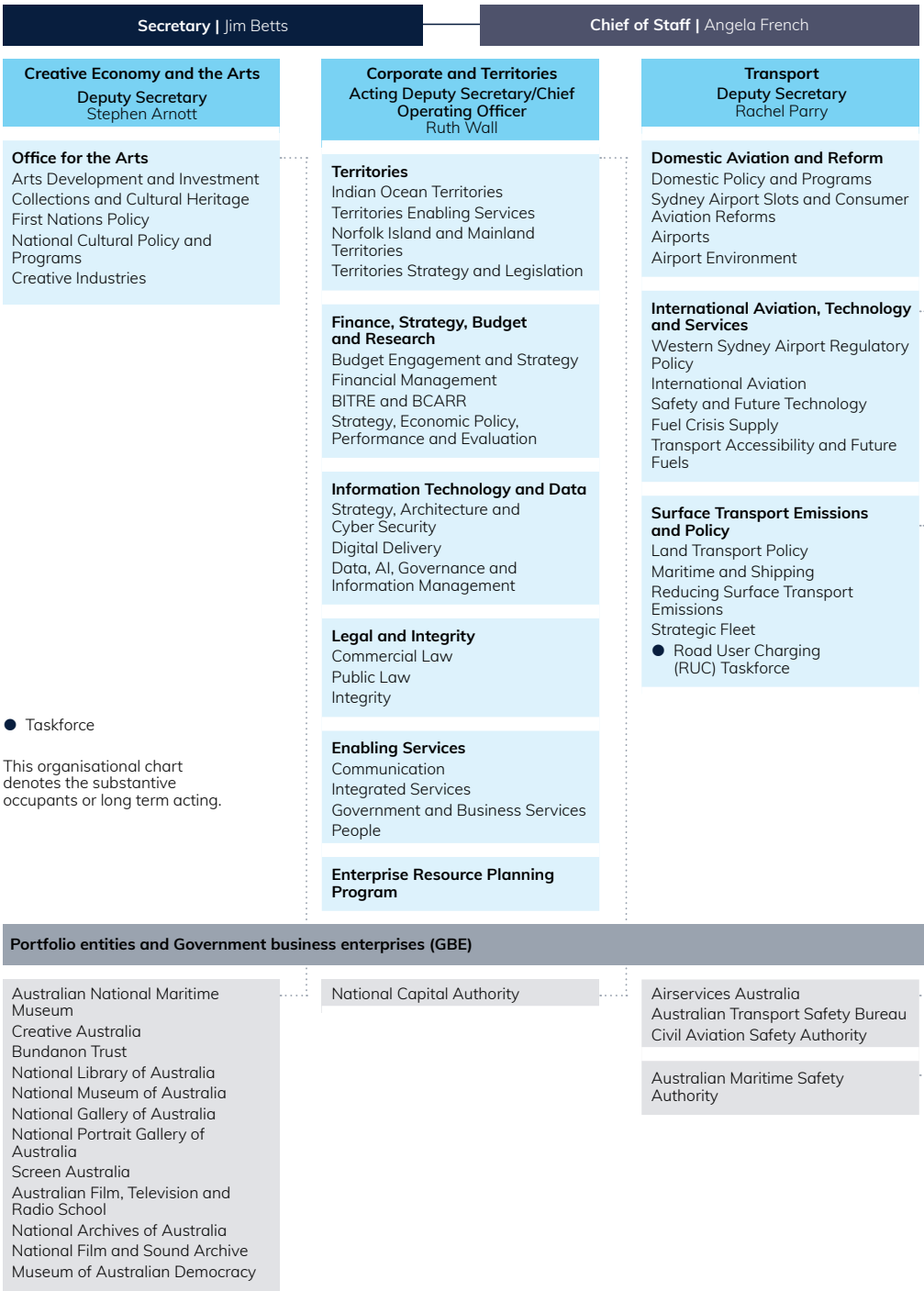
David Mackay

Deputy Secretary
Communications, Media and Sport

Department structure

As at 30 June 2026.[2]

Figure 1.2.1: Organisational chart



2 The department's most recent structure chart is available at: https://www.infrastructure.gov.au/department/our-organisation#org

Regional Development and Infrastructure
Deputy Secretary
Jessica Hall

Regional Development, Northern Australia and Local Government
Office of Northern Australia
National Programs
Regional Development and Local Government
Community Infrastructure and Major Projects
Northern Territory Projects Taskforce

Road Vehicle Regulation
Vehicle Safety Policy and Partnerships
Vehicle Safety Operations
Transport Partnerships and Emerging Technology
New Vehicle Efficiency Standards Regulator

Land Transport Infrastructure
QLD Infrastructure Investment and Brisbane 2032 Games Venues
Budget, Policy and Assurance
NSW and ACT Infrastructure Investment
Vic, Tas and SA Infrastructure Investment
WA and NT Infrastructure Investment
Infrastructure Investment Reform

Commonwealth Infrastructure Projects
Intermodals, Strategic Infrastructure Projects and Governance
Rail Delivery
WSI Delivery, High Speed Rail and Infrastructure Advisory
Office of Road Safety and Programs

Northern Australia Infrastructure Facility

National Transport Commission

High Speed Rail Authority
National Intermodal Corporation Ltd
Infrastructure Australia
Australian Rail Track Corporation Ltd
WSA Co. Ltd

Communications, Media and Sport
Deputy Secretary
David Mackay

National Sports Tribunal

Office for Sport
Policy and Programs
Major Events

Online Safety and Classification
Classification
Online Safety
Group Strategy, Internet Governance and AI
Digital Platforms, International and Policy

Broadcasting, Media and News Policy
Broadcasting and Gambling
Television, Radio and Streaming
News and Journalism

Communications and Markets
Broadband and Post
Spectrum, International and Markets
Universal Services
Digital Inclusion and Deployment

Connectivity
Regional Connectivity
Consumer Safeguards
Regional Mobile Infrastructure Programs

Triple Zero Custodian
Custodian Implementation
Custodian Operations
Special Adviser

National Sports Tribunal

Australian Sports Commission
Sport Integrity Australia
Australian Sports Foundation

eSafety Commissioner

Australian Broadcasting Corporation
Special Broadcasting Service Corporation

NBN Co. Ltd
Australian Postal Corporation

Australian Communications and Media Authority

First Nations Partnerships
Lil Gordon

Projects, Policy and Coordination

Culture, Capability and Collaboration

Part 1.3: Department-specific outcomes

Our purpose, outcomes, programs and key activities

Our purpose:

We work with our partners to enable connected, productive, safe, sustainable and culturally vibrant communities in our cities, regions and territories to improve the lives of Australians.

As at 30 June 2026,[3] the department had the following purpose, outcomes, programs and key activities.



Outcome 1: Transport Connectivity (Infrastructure)

Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure

Program 1.1: Infrastructure Investment

Key activities:

> Advise on, deliver and manage the Infrastructure Investment Program (IIP)
> Support of Government Business Enterprises and portfolio entities.



Outcome 2: Transport Connectivity (Transport)

An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations

Program 2.1: Surface Transport

Key activities:

> Support surface transport decarbonisation, productivity and safety through policy advice
> Administer regulatory functions to drive compliance across the surface transport emissions, productivity and maritime safety environments
> Administer and monitor the delivery of surface transport programs.

Program 2.2: Road Safety

Key activities:

> Support road safety in Australia
> Administration of the Road Vehicle Standards (RVS) legislation
> Advise on and deliver better road safety.

Program 2.3: Air Transport

Key activities:

> Support the implementation of key Aviation White Paper Initiatives
> Manage aviation programs and regulations
> Support a safe and accessible transport system
> Administer effective aviation safety, accessibility for people with disability, and new and emerging aviation technologies policy.

3 For the department's current purpose, outcomes, programs and key activities, refer to the department's 2026–27 Corporate Plan available at: https://www.infrastructure.gov.au/about-us/corporate-reporting/corporate-plan

Outcome 3: Regional and Urban Development, Local Government, and Northern Australia

Strengthening the sustainability, capacity and diversity of Australia's urban and regional areas including northern Australia, including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance

Program 3.1: Regional Development

Key activity:

> Advise on and deliver programs to support regional development and local governments.

Program 3.2: Local Government

Key activity:

> Advise on and deliver programs to support regional development and local governments.

Program 3.3: Urban Development

Key activities:

> Work with Queensland to deliver venue infrastructure for the Brisbane 2032 Olympic and Paralympic Games

> Deliver commitments to enhance community level infrastructure in Australia's cities and towns.

Program 3.4: Growing a Stronger Northern Australia Economy

Key activity:

> Progress key initiatives and support whole-of-government implementation of the northern Australian agenda.

Outcome 4: Territories

Good governance and service delivery in the Australian territories including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories

Program 4.1: Services to Territories

Key activities:

> Ensuring governance and legislative arrangements are fit for purpose to:
>
> a. support delivery of services and programs to Australia's non-self-governing territories;
>
> b. facilitate our national interests in the Australian Capital Territory and the Northern Territory

> Provide essential infrastructure, fund and deliver services to residents of the external territories (Norfolk Island and the Indian Ocean Territories) and the Jervis Bay Territory.

Outcome 5: Communications Connectivity

Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services

Program 5.1: Digital Technologies and Communications Services

Key activities:

- Deliver communications programs, including in regional and remote Australia
- Provide effective and inclusive communications services and technologies
- Advise on the regulatory and legislative framework for spectrum management, broadband and other telecommunications
- Advise on the news, broadcasting and media industry
- Advise on harmful online and digital content, and activities.

Outcome 6: Creativity and Culture

Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression

Program 6.1: Arts and Cultural Development

Key activities:

- Protecting and promoting Australian content
- Deliver policies and programs that support the cultural and creative sectors and enable all people in Australia to access and participate in cultural and creative activities
- Deliver policies and programs to support Australian cultural heritage, including Indigenous cultural heritage, arts, languages and repatriation.

Outcome 7: Sport and Physical Activity

Contribute to healthy, active communities and a sustainable sport system through policy development, coordination and targeted support

Program 7.1: Sport and Physical Activity

Key activities:

- Provide national policy advice and governance support, deliver on sport programs and projects, and provide strategic coordination and support on major international sporting events.

Changes to the department's outcome structure

As a result of changes to the Administrative Arrangements Orders (AAO) (dated 13 May 2025), changes were made to the department's outcome structure published in the 2025–26 Infrastructure, Transport, Regional Development, Communications and the Arts Portfolio Budget Statements (refer to Table 1.3.1).

Responsibility for Outcome 7: Sport and Physical Activity was transferred to the department from the Department of Health, Disability and Ageing.

Responsibility for national policy on cities, land and planning policy, the Planning Ministers Meeting, and enabling infrastructure for housing was transferred to the Department of the Treasury. Urban development programs (the City Deals, Thriving Suburbs, and urban Precincts and Partnerships programs) remain with the department.

Table 1.3.1: Changes to the department's outcome structure after publication of the 2025–26 Infrastructure, Transport, Regional Development, Communications, Sport and the Arts Portfolio Budget Statements

Previous outcome statement and program name	New outcome statement and program name
Outcome 3: Strengthening the sustainability, capacity and diversity of Australia's cities and regions including northern Australia, including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance **Program 3.3:** Cities	**Outcome 3:** Strengthening the sustainability, capacity and diversity of Australia's urban and regional areas including northern Australia, including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance **Program 3.3:** Urban Development
Outcome 4: Contribute to healthy, active communities and a sustainable sport system through policy development, coordination and targeted support **Program 4.1:** Sport and Physical Activity (Previously the responsibility of the Department of Health, Disability and Ageing).	**Outcome 7:** Contribute to healthy, active communities and a sustainable sport system through policy development, coordination and targeted support **Program 7.1:** Sport and Physical Activity







Part 2
Annual Performance Statements

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Outcome 7: Sport and Physical Activity 113

Summary of changes in 2025–26 123

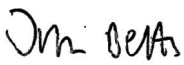
Statement of preparation

Accountable authority statement

I, as the accountable authority for the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (department), present the 2025–26 Annual Performance Statements for the department, which have been prepared in accordance with paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, these annual performance statements accurately present the department's performance for the year ending 30 June 2026, and comply with section 16F of the Public Governance, Performance and Accountability Rule 2014 and subsection 39(2) of the PGPA Act.

The department remains committed to the continuous improvement of its performance reporting.



Jim Betts

25 September 2026

Introduction

The 2025–26 Annual Performance Statements outline the progress the department has made towards achieving its purpose:

We work with our partners to enable connected, productive, safe, sustainable and culturally vibrant communities in our cities, regions and territories to improve the lives of Australians.

This includes planning for the global digital economy, creating the infrastructure, transport and telecommunications systems of tomorrow and building a thriving and inclusive sport sector. We also help empower our regional communities, promote our thriving arts sector and protect and celebrate the culture, heritage and languages of First Nations people.

The achievement of our purpose is guided by the department's priorities, outlined below:

> Infrastructure
> Transport connectivity
> Regional development
> Territories
> Communications connectivity
> Creativity and culture
> Sport.

Performance reporting has been prepared in accordance with performance information published in the 2025–26 Corporate Plan and subsequently updated through the 2026–27 Portfolio Budget Statements. The department continues to strengthen its performance reporting, building on progress achieved in recent years, with a focus on improving the meaningfulness of its performance information.

The department assesses performance measures against the results matrix in Table 2.1.

Table 2.1 2025–26 performance results matrix

Reporting result	Result calculation range
● Met	100%
◉ Substantially met	75% – 99%
◉ Partially met	50% – 74%
○ Not met	≤49%
– Unable to be assessed	Not applicable. No assessable result.

Structure of the annual performance statements

The annual performance statements demonstrate the link between the department's activities and their contribution to achieving our purpose. They are structured into 7 chapters, each aligned to one of the department's outcomes. Each chapter includes a performance snapshot and analysis of results achieved during the 2025–26 financial year, with Table 2.2 providing a summary of performance results by measure. Select chapters also include spotlights to highlight additional work undertaken throughout the year which may not be fully captured through performance measures.

Performance snapshot

In 2025–26, we demonstrated our performance across 37 measures and 45 targets across 12 programs that support the achievement of our purpose and outcomes. Composite targets, where applicable, were weighted equally in determining overall measure achievement.

Of the 37 performance measures:

> 22 were met (59%)
> 11 were substantially met (30%)
> 2 were partially met (5%)
> 1 was not met (3%)
> 1 was unable to be assessed (3%)

Figure 2.1: 2025–26 overall performance results

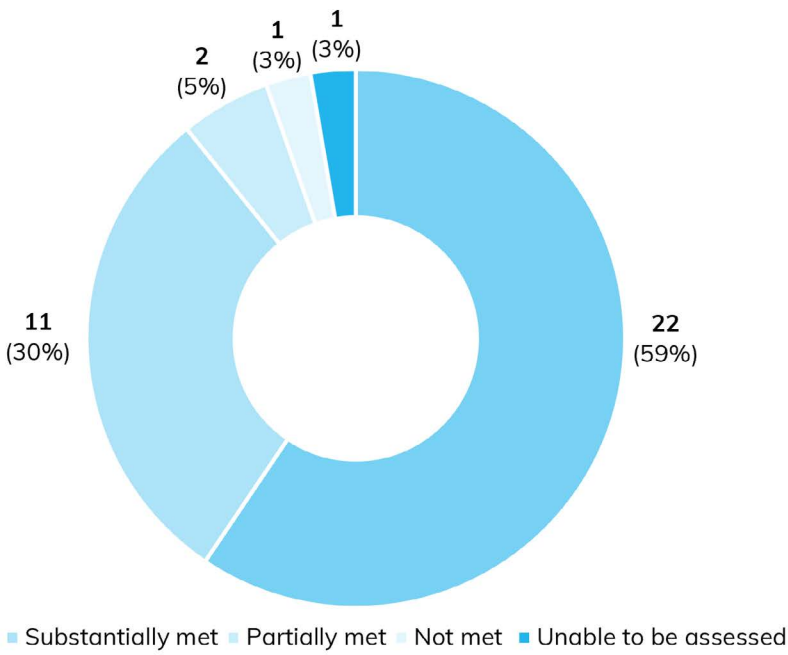


Table 2.2 Summary of 2025–26 performance results by measure

2025–26 Performance measure (PM)	Result	Page reference
Outcome 1		
Program 1.1		
PM 1 Provide policy advice on IIP Project Proposal Report(s).	Substantially met	44
PM 2 Assessment of milestone claims for payments on IIP projects listed in the relevant tables in the Federation Funding Agreement Schedule (FFAS).	Met	47
PM 3 Provide advice and oversight for the delivery of Commonwealth infrastructure projects.	Met	50
Outcome 2		
Program 2.1		
PM 4 Provide policy advice relating to surface transport productivity, safety and emissions reduction.	Partially met	53
PM 5 Administration of regulatory functions for: a. Maritime regulation b. New Vehicle Efficiency Standard (NVES) Regulator.	Met	56
PM 6 Provide effective administration of surface transport and emissions program functions: a. Tasmanian Shipping Programs (TFES and BSPVES) b. Heavy Vehicle Safety Initiative c. Strategic Local Government Asset Assessment Project.	Met	59
Program 2.2		
PM 7 Administration of the Road Vehicle Standards (RVS) legislation.	Substantially met	62
PM 8 Delivery of non-infrastructure road safety grants programs to support the implementation of the National Road Safety Action Plan 2023–25.	Substantially met	63
Program 2.3		
PM 9 Administer the regulation of noise from remotely piloted aircraft (RPA) under the *Air Navigation (Aircraft Noise) Regulations 2018*.	Met	65
PM 10 Percentage of Master Plans and Major Development Plans (MDP) processed for leased federal airports within statutory timeframes.	Met	66

2025–26 Performance measure (PM)	Result	Page reference
PM 11 The number of per- and poly-fluoroalkyl substances (PFAS) investigations completed at civilian airports.	○ Not met	68
PM 12 Contribute to maintain or reduce the number of aviation fatalities per 100,000 people for the current year's 10-year average.	● Met	69
PM 13 Provide policy advice supporting aviation safety, accessibility for people with disability, and new and emerging aviation technologies.	◉ Substantially met	70
Outcome 3		
Program 3.1		
PM 14 Delivery of the regional Precincts and Partnerships Program (rPPP) within agreed timeframes.	● Met	73
PM 15 Provide effective administration of the Growing Regions Program.	◉ Substantially met	74
PM 16 Percentage of Regional Development Australia (RDA) Committees achieving agreed outcomes as demonstrated by: a. stakeholders satisfied with the performance of their RDA b. departmental review of RDA reporting.	● Met	76
PM 17 Provide policy advice on regional development and local government.	◉ Substantially met	77
Program 3.2		
PM 18 Financial assistance is provided to local government in accordance with the *Local Government (Financial Assistance) Act 1995* consisting of: a. a general-purpose component which is distributed between the states and territories according to population (i.e. on a per capita basis) b. an identified local road component which is distributed between the states and territories according to fixed historical shares.	● Met	79
Program 3.3		
PM 19 Provide policy advice on Brisbane 2032 Olympic and Paralympic venue infrastructure projects.	● Met	81

2025–26 Performance measure (PM)	Result	Page reference
PM 20 Approval of Brisbane 2032 Olympic and Paralympic venue infrastructure project milestones in line with the Federation Funding Agreement Schedule (FFAS).	– Unable to be assessed	83
PM 21 Delivery of the urban Precincts and Partnerships Program (uPPP) within agreed timeframes.	Met	84
PM 22 Provide effective administration of the Thriving Suburbs Program.	Substantially met	85
Program 3.4		
PM 23 Percentage of Northern Australia Infrastructure Facility (NAIF) proposal notices received within the financial year processed for ministerial consideration within statutory timeframes.	Met	86
PM 24 Provide policy advice on Northern Australia.	Substantially met	87
Outcome 4		
Program 4.1		
PM 25 Provide policy advice on governance and legislative arrangements in Australia's territories.	Partially met	90
PM 26 Availability of key services in the non-self-governing territories.	Substantially met	92
Outcome 5		
Program 5.1		
PM 27 Total amount of new and improved mobile coverage delivered through the Mobile Black Spot Program and the Peri-Urban Mobile Program.	Met	96
PM 28 The total amount of new or improved contracted outcomes delivered through the Regional Connectivity Program.	Met	97
PM 29 Accessible communication services for Australians, through: a. National Relay Service (NRS) b. Audio description services c. Broadcaster captioning compliance.	Substantially met	99

2025–26 Performance measure (PM)	Result	Page reference
PM 30 Provide policy advice on the regulatory and legislative framework for spectrum management, broadband and other telecommunications matters.	Met	101
PM 31 Provide policy advice about the news, broadcasting and media industry.	Substantially met	104
PM 32 Provide policy advice about harmful online and digital content and activities.	Met	106
Outcome 6		
Program 6.1		
PM 33 Contribute to the delivery of actions within *Revive*, the National Cultural Policy 2023–2027.	Met	108
PM 34 Administered grants are paid within a timely manner.	Met	112
Outcome 7		
Program 7.1		
PM 35 Contribute to the implementation, monitoring and reporting of the National Sport Strategy 2024–2034 (the Strategy).	Met	114
PM 36 Strategic coordination of the planning and delivery of major international sporting events hosted in Australia.	Met	116
PM 37 Sport programs and projects are delivered in accordance with grant guidelines and funding agreements.	Met	120

Outcome 1: Transport Connectivity (Infrastructure)

Outcome Statement
Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure

Performance snapshot

Program	Met	Substantially met	Partially met	Not met	Unable to be assessed
1.1 Infrastructure Investment	2	1	-	-	-
Total	**2**	**1**	**-**	**-**	**-**

Key achievements

Infrastructure Investment Program (IIP)

Continued partnerships with states and territories to deliver land transport infrastructure projects.

Program 1.1

Western Sydney International Airport (WSI Airport)

Significant progress towards the opening of the WSI Airport to commuters and cargo in western Sydney.

Program 1.1

Delivery of Inland Rail

Commenced construction of the Beveridge Intermodal Precinct to improve the national freight network.

Program 1.1

Program 1.1: Infrastructure Investment

Program objective

The Infrastructure Investment Program (the Program) supports economic growth, makes travel safer, increases transport access and supports regional development. It increases the efficiency, productivity, sustainability and safety of Australia's land transport infrastructure through programs and policy to improve connectivity for communities and freight. The Program is delivered in partnership with states, territories, and stakeholders to support nationally significant projects that improve productivity, resilience, liveability and sustainability.

Key activities	Performance measure(s)
Advise on, deliver and manage the Infrastructure Investment Program (IIP)	1 and 2
Support of Government Business Enterprises and portfolio entities	3

Performance results

Performance measure 1	Provide policy advice on IIP Project Proposal Report(s)
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 37. DITRDCSA Corporate Plan 2025–26, pg 51.
2025–26 result	**Substantially met.** 92% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Met. **2023–24 result:** Met (result not comparable due to change in methodology).
Owner	Land Transport Infrastructure Division.
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 67 pieces of policy advice relating to this performance measure. Using an 85% confidence interval, the panel sampled and assessed 26 pieces of advice. Of the 26 sampled, 24 pieces of policy advice were assessed as high quality, timely and evidence based resulting in a performance measure result of 92%.

While 2 briefs did not meet the assessment threshold, the result should be considered in the context of the department's Policy Advice Assessment Methodology and the nature of policy advice.

The assessment was undertaken by an independent internal panel against the methodology criteria, which provided a consistent assessment of the sampled briefs. To preserve independence, panel members were not involved in developing the advice. This means the assessment reflected the panel's independent judgement against the stated criteria, while recognising that it was made without the full operational and contextual knowledge available to the areas that prepared the advice.

The IIP is guided by the Infrastructure Policy Statement. The Australian Government has identified 3 strategic themes to help guide its infrastructure investment; Productivity and Resilience, Liveability, and Sustainability, which encapsulate the benefits intended for the Australian community.

Collaborative partnerships with state, territory and local governments assist the Australia Government to deliver the IIP, as project planning and delivery for IIP projects is undertaken by jurisdictions who submit project proposal reports to the department for assessment. The department provides policy advice to the Minister for Infrastructure, Transport, Regional Development and Local Government, enabling funding and project approval decisions that are consistent with the *National Land Transport Act 2014* (NLT Act), *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and *Federal Financial Relations Act 2009*.

The department's policy advice to the minister allows the Australian Government to make timely funding decisions on project approvals in line with the Infrastructure Policy Statement, NLT Act and the PGPA Act – ensuring all projects proposed and approved are efficient, effective, economical and ethical. All briefs were cleared by the department and provided to the minister, fulfilling their intended purpose within the context and timing of delivering the IIP.

The department will continue to provide high quality, timely and evidence-based policy advice to the minister.



Spotlight



Further Funding Released for Bruce Highway Targeted Safety Program

In 2025–26, the division prepared policy advice to the Minister for Infrastructure, Transport, Regional Development and Local Government, allowing the Australian Government to release a further $950 million for the Bruce Highway Targeted Safety Program (the Program), bringing the total approved Australian Government funding to $1.19 billion.

This complements the delivery of the Australian Government's $7.2 billion commitment to the $9 billion Program, which is improving safety on priority sections of the Bruce Highway north of Gympie. Work types include safety barriers, wide centre lines, audio tactile line marking, shoulder widening, increasing run off areas and removing roadside hazards, resealing and rehabilitating pavement, constructing new overtaking lanes and rest areas and upgrading narrow bridges, intersections, signage, sight lines and drainage.

The Bruce Highway is Queensland's primary north-south corridor, connecting coastal population centres between Brisbane and Cairns. The 1,673 km highway forms part of the National Land Transport Network and is a Key Freight Route, servicing 62% of Queensland's population and carrying around 20 million tonnes of freight each year. High traffic volumes, mixed vehicle use, variable weather and unfamiliar driving conditions contribute to significant safety challenges along the corridor, with some sections recording higher crash rates than comparable highways elsewhere in Australia.

The Program is expected to improve safety, equity and connectivity along the Bruce Highway across South, Central and North Queensland. It is also expected to boost productivity by reducing travel and freight delays, lowering vehicle operating costs and improving the efficiency of people, goods and freight movement, while supporting over 3,000 jobs over its life.

Over 100 projects have been publicly announced, with more to be announced over the life of the Program.

Image top left: Curra Rest Area.
Image top right: One of various pavement strengthening sites between Innisfail and Cairns.

Performance measure 2	Assessment of milestone claims for payments on IIP projects listed in the relevant tables in the Federation Funding Agreement Schedule (FFAS)
Target	100% of milestone claims received by the department have been assessed, with accurate and complete claims authorised for payment.
How we measure this	The FFAS established the requirements for assessing and scheduling milestones with funding recipients. The result will be determined by first calculating the percentage of claims assessed to the number of claims submitted. This is followed by calculating the percentage of claims authorised for payment to the number of claims that were assessed as accurate and complete.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 37. DITRDCSA Corporate Plan 2025–26, pg 52.
2025–26 result	**Met.** 100% of milestone claims received by the department were assessed, with 100% of the accurate and complete milestone claims authorised for payment.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Land Transport Infrastructure Division. Commonwealth Infrastructure Projects Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

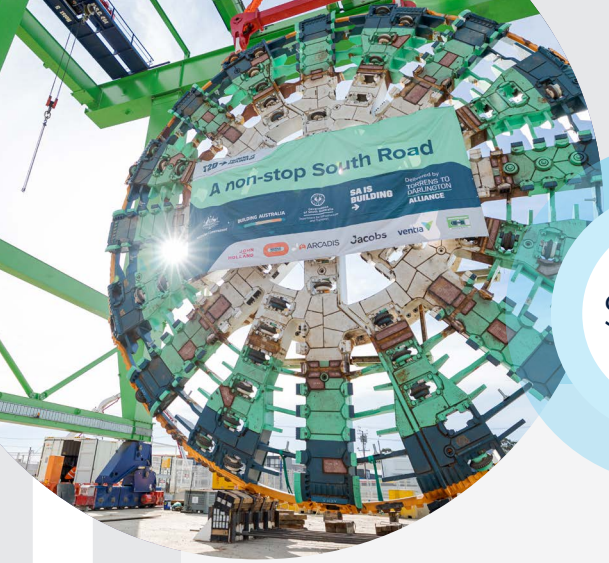
The IIP is guided by the Infrastructure Policy Statement. The Australian Government has identified 3 strategic themes to help guide its infrastructure investment; Productivity and Resilience, Liveability, and Sustainability, which encapsulate the benefits intended for the Australian community.

In accordance with the *National Land Transport Act 2014* and the *Public Governance, Performance and Accountability Act 2013*, IIP funds are released to state and territory governments through milestone claims, allowing for the delivery of nationally significant land transport projects, and ensuring all milestones submitted are assessed and approved as efficient, effective, economical and ethical.

Throughout the 2025–26 financial year, the department received 912 milestone claims from jurisdictions relating to IIP projects listed on the relevant Funding Tables, under the Federation Funding Agreement Schedule on Land Transport Infrastructure Projects (2024–2029). Of the 912 milestone claims assessed by the department, 912 were found to be accurate and complete, with 100% of these authorised for payment, resulting in the target being met.

The Australian Government releases funding based on the achievement of jointly agreed project milestones. State, territory and local governments must certify that the milestone has been achieved by providing the department with accurate and complete evidence accompanied by a signed cover letter from a senior official. The department is responsible for ensuring sufficient evidence has been provided to support the claim. Funding is authorised for payment if the evidence is accepted by the department.

The department will continue to assess claims, ensuring they are accurate and complete.



Spotlight

North-South Corridor – Torrens to Darlington Project

The Torrens to Darlington (T2D) project is the final 10.5 km section of Adelaide's North-South Corridor. It will complete 78 km of non-stop, traffic light-free motorway between Gawler and Old Noarlunga. The Australian and South Australian Governments have each committed $7.7 billion towards the $15.4 billion project.
Major construction commenced in mid-2025 and is expected to be completed by 2031.

The project includes 2 sets of twin 3-lane tunnels connected by an open motorway: the 4.5 km Southern Tunnels and the almost 2.2 km Northern Tunnels. It also includes surrounding network upgrades to improve east-west connectivity, with several intersection upgrades already delivered.

Together, these works are expected to deliver:

> productivity benefits by improving access to Adelaide Airport, the Port of Adelaide and the national highway network, increasing capacity, easing congestion and reducing travel times
> stronger network resilience through a managed motorway that can identify hazards, respond rapidly to incidents and provide real-time traveller information
> improved road safety by addressing crash factors, including stop-start traffic flow
> enhanced liveability through the urban renewal being delivered as part of the project.

In 2025–26, the department made 3 milestone payments totalling over $1.17 billion for T2D. These milestones related mainly to the 4 tunnel portals used by the tunnel boring machines and included payments in:

> December 2025, with $260 million paid primarily for works at the Southern Tunnel Portal at Clovelly Park and the Northern Tunnel Portal at Richmond
> April 2026, with $260 million paid primarily for works at the Southern Tunnel Portal at Glandore
> June 2026, with $652 million paid for works at the Northern Tunnel Portal at Torrensville and completion of 2 intersection upgrades, including James Congdon Drive and Sir Donald Bradman Drive.

Building on progress to date, the project will move into tunnel boring machine operations in the coming year, while continuing tunnel portal works and surrounding network upgrades.

Image: Tunnel boring machine cutter head at the Southern Tunnel Portal at Clovelly Park.

Spotlight

METRONET Program

The $10.8 billion METRONET Program is Perth's largest public transport investment, with the Australian Government and the Western Australian Government each committing $5.4 billion to the program.

In 2025–26, the department made 13 milestone payments totalling over $773 million on the METRONET Program. The most recent milestone payments of over $529 million were made on 9 June 2026 across 6 projects following additional funding being agreed in the May 2026 Federal Budget.

The METRONET Program includes the construction of new rail lines, new and upgraded stations, bus interchanges and level crossing removals. Delivering approximately 72 km of new passenger rail and 23 new stations, the program has significantly improved transport connectivity across Perth's metropolitan area.

The program reached several significant milestones in 2025–26, with major projects progressing to completion and opening to the public. The Byford Rail Extension opened on 12 October 2025, extending passenger rail services to Perth's growing south-eastern corridor. The new Midland Station opened on 22 February 2026, improving public transport services and supporting the continued revitalisation of the Midland town centre.

The project has:

- **supported approximately 10,400 jobs during construction**, creating opportunities for workers, businesses and local communities
- **reduced reliance on private vehicles** with stations serving as multi-modal hubs, integrating train, bus, pedestrian and cycling
- **supported housing and economic development** by aligning transport infrastructure with land-use planning and unlocking opportunities around new and upgraded station precincts
- **enhanced the capacity, resilience and accessibility** of Perth's transport network, while driving urban renewal and increasing public transport patronage across the metropolitan area
- **celebrated First Nations culture** through close collaboration with Aboriginal artists whose installations celebrate Country, tell place-specific stories and enrich the travel experience.

Performance measure 3	Provide advice and oversight for the delivery of Commonwealth infrastructure projects
Target	95% of advice to government is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 37. DITRDCSA Corporate Plan 2025–26, pg 53.
2025–26 result	**Met.** 100% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Substantially met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Commonwealth Infrastructure Projects Division.
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 16 pieces of policy advice for this performance measure. Using a 90% confidence interval, the panel sampled and assessed 13 pieces of advice. All of these were assessed as high quality, timely and evidence based, resulting in a performance measure result of 100%.

The department, in partnership with the Department of Finance, oversees the Government Business Enterprises (GBEs), including Australian Rail Track Corporation Ltd and its wholly owned subsidiary Inland Rail Pty Ltd, WSA Co Limited and National Intermodal Corporation Limited, and the High Speed Rail Authority, a statutory agency. Through its oversight, stewardship and policy functions, the department supports the planning and delivery of nationally significant infrastructure and transport investments that enhance national connectivity, improve productivity and contribute to Australia's long-term economic growth.

The department provides high-quality advice on governance, performance, project delivery, funding proposals and strategic priorities, with briefs supporting informed decision-making, effective oversight and alignment with the government's infrastructure and transport priorities.

The department continues to maintain strong partnerships across government, including close collaboration with the Department of Finance in its joint shareholder oversight role, and engagement with other Commonwealth agencies, state and territory governments, and statutory bodies. These relationships facilitate the exchange of information and advice necessary to support informed decision making and effective governance of nationally significant infrastructure investments.

Strengthened internal governance, oversight and reporting processes continue to be implemented, improving visibility of project, program and policy delivery across the portfolio, supporting the identification and management of risks, improving assurance over delivery performance, and strengthening accountability for meeting government commitments.

The delivery of nationally significant infrastructure investments by GBEs, has generated substantial community benefits by supporting economic growth, creating jobs, improving connectivity and productivity and strengthening Australia's transport and freight networks. Progress towards the opening of Western Sydney International (Nancy-Bird Walton) Airport is helping to unlock economic opportunities across western Sydney, including for local small and medium enterprises and First Nations businesses, while providing long-term aviation capacity for Sydney.

Continued delivery of Inland Rail between Beveridge, Victoria and Parkes, NSW and the commencement of construction of the Beveridge Intermodal Precinct are enhancing freight capacity, improving network resilience and supporting productivity through more efficient movement of goods across the national freight network. This work will support regional and economic development, improve supply chain efficiency, and deliver the infrastructure needed to meet Australia's future transport and freight demands.



Outcome 2: Transport Connectivity (Transport)

Outcome Statement
An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations

Performance snapshot

Program	Met	Substantially met	Partially met	Not met	Unable to be assessed
2.1 Surface Transport	2	-	1	-	-
2.2 Road Safety	-	2	-	-	-
2.3 Air Transport	3	1	-	1	-
Total	**5**	**3**	**1**	**1**	**-**

Key achievements



Established the New Vehicle Efficiency Standard Regulator

Established the systems, processes, guidance and online portal needed to administer reporting, compliance and unit trading under the New Vehicle Efficiency Standard.

Program 2.1



Supported community road safety outcomes

Supported 24 non-infrastructure road safety projects completed across community education, vulnerable road users and other priority areas under the National Road Safety Action Plan 2023–25.

Program 2.2



Supported timely aviation regulatory decisions

Decided 100% of complete commercial RPA noise approval applications within 21 days and assessed 100% of airport Master Plans and Major Development Plans within statutory timeframes.

Program 2.3

Program 2.1: Surface Transport

Program objective

The Surface Transport Program supports economic growth, makes travel safer and increases transport access through delivering programs, policies and regulation for efficient, sustainable, safer and better-connected road, rail and maritime sectors.

Key activities	Performance measure(s)
Support surface transport decarbonisation, productivity and safety through policy advice	4
Administer regulatory functions to drive compliance across the surface transport emissions, productivity and maritime safety environments	5
Administer and monitor the delivery of surface transport programs	6

Performance results

Performance measure 4	Provide policy advice relating to surface transport productivity, safety and emissions reduction
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 43. DITRDCSA Corporate Plan 2025–26, pg 58.
2025–26 result	**Partially met.** 71% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Surface Transport Emissions and Policy Division.
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 22 pieces of policy advice for this performance measure. Using an 88% confidence interval, the panel sampled and assessed 17 pieces of advice. Of these, 12 were assessed as high quality, timely and evidence based, resulting in a performance measure result of 71%.

While some briefs did not meet the assessment threshold, the result should be considered in the context of the department's Policy Advice Assessment Methodology and the nature of policy advice. All briefs were cleared by the department and provided to the minister's office, fulfilling their intended purpose within the context and timing of delivery.

The assessment was undertaken by an independent internal panel against the methodology criteria, which provided a consistent assessment of the sampled briefs. To preserve independence, panel members were not involved in developing the advice. This means the assessment reflected the panel's independent judgement against the stated criteria, while recognising that it was made without the full operational and contextual knowledge available to the areas that prepared the advice.

Heavy vehicle

The department's policy advice on heavy vehicle safety contributed to delivering on the intent of heavy vehicle reforms agreed by ministers in 2022. The department's policy advice reflects the status of negotiations with the states and territories who manage roads and relevant laws and licensing.

Reforms to heavy vehicle safety laws and practices are led by the National Transport Commission (NTC), while the National Heavy Vehicle Regulator (NHVR) and Austroads play significant roles in leading streams of reform work. The department needs to understand, support and advocate for policy and reforms that maximise national outcomes, and are also able to be agreed collectively by all Australian governments. This means policy advice is informed by the positions of jurisdictional governments, negotiating strategies, industry perspective, risks, costs and benefits to industry and governments. Our policy advice reflects the Commonwealth's important role promoting outcomes in the national interest. An example of this being working with the NTC, NHVR and states and territories to finalise the package of amendments to the Heavy Vehicle National Law (HVNL) to commence 1 August 2026.

The amended HVNL is designed to increase safety and productivity for both the heavy vehicle industry and all road users. The Commonwealth will continue to work with all HVNL jurisdictions, NHVR and the NTC on further updates and maintenance to ensure the law remains fit-for-purpose.

Maritime

The department's maritime policy advice supports the safe and efficient movement of goods and passengers, in line with national interests. It considers a range of factors, including geopolitical developments, such as fuel crises, state and territory planning and commercial decisions, and international maritime obligations.

Collaboration across transport modes and with central agencies, as well as state and territory governments, ensured the transport sector remained informed throughout the fuel crisis.

The Strategic Fleet Pilot Program Deed of Standing Offer was established, and the first vessel was secured to participate in the Strategic Fleet Pilot Program. This will support maritime sovereign capability and assist in securing an Australian maritime workforce.

Work continued with the Department of the Treasury, state and territory agencies, and the National Transport Commission (through the Infrastructure and Transport Senior Officials' Committee) to improve transparency and freight productivity in Australian ports by updating the National Voluntary Guidelines for landside stevedore charges and influencing pricing behaviours.

Collaboration with the national regulator, the Australian Maritime Safety Authority, continued to support maritime safety reforms. As many of Australia's maritime obligations stem from International Maritime Organization conventions, collaboration also occurred with the Department of Foreign Affairs and Trade, the Office of International Law within the Attorney-General's Department, the Department of Employment and Workplace Relations, as well as other relevant agencies.

Freight

The department's freight policy advice provides a national perspective on freight and supply chain issues, including consideration of issues affecting the efficiency and resilience of Australia's freight network. Advice has been provided to support the implementation of the refreshed National Freight and Supply Chain Strategy (the Strategy), released in August 2025. The refreshed Strategy sets a new direction for a collaborative approach among Australian governments on actions to support the freight and supply chain sector.

Freight and supply chains are critical to the Australian economy. The National Action Plan, under the Strategy, includes 14 nationally significant actions that will help boost productivity, improve resilience, support decarbonisation, and address the data needs of the freight and supply chain sector, to ensure it meets the needs of Australian communities. The department continues to work closely with state and territory governments and the Australian Local Government Association in implementing actions under the Strategy.

Rail

The department provides policy advice to support the continued progress of national rail reform, including the progression of reform and policies that seek to improve interoperability of Australia's rail networks and increase productivity of the rail sector.

During 2025–26, the department oversaw completion of the Research and Innovation and Data Improvement pillars of the Regional Australia Level Crossing Safety Program, which provided grants to trial low-cost technologies and capture better data to improve level crossing safety outcomes.

Policy advice contributed to the national agreement that future digital train control technology on the National Network for Interoperability must be consistent with the European Train Control System. This will mitigate the risk of a digital 'break of gauge' across networks. Support was also provided for work that enabled a national decision to reform the way rail standards are developed in Australia. This reform, which led to the evolution of the Australian Rail Industry Standards Organisation (ARISO, formerly the Rail Industry Safety and Standards Board), is expected to decrease fragmentation across rail networks, and lift productivity in the rail sector.

The department will continue to work closely with the NTC which leads a range of rail policy reforms on behalf of governments. The department also works closely with the Office of the National Rail Safety Regulator, the ARISO, Australian Rail Track Corporation, and state and territory governments, to progress rail reform initiatives. The department provides Commonwealth positions where relevant and liaises and coordinates with stakeholders to promote outcomes of national interest.

Surface transport decarbonisation

The department provides policy advice on surface transport decarbonisation. During 2025–26, policy advice focused on keeping Australia moving and building long-term resilience to future oil shocks in response to the conflict in the Middle East and the pressure this created on Australia's passenger and freight transport sectors.

This included supporting the government's response to fuel supply risks through the development and launch of the $55 million Transport Resilience And Capacity Kickstart (TRACK) pilot program to maximise the amount of diesel conserved by shifting freight from road to more fuel-efficient modes (rail or coastal shipping), while incentivising mode shift and encouraging productivity enhancements across rail and maritime.

Transport decarbonisation programs have large community benefits associated with them, particularly in relation to health benefits, fuel security and local jobs. The department continues to focus on the policy provision in this area through the implementation of the Transport and Infrastructure Net Zero Roadmap and Action Plan, including the New Vehicle Efficiency Standard and development of a domestic low carbon liquid fuel industry.

The department works closely with central agencies – the Department of the Prime Minister and Cabinet, the Department of the Treasury and the Department of Finance – as well as the Department of Climate Change, Energy, Environment and Water, and other agencies such as the Australian Renewable Energy Agency (ARENA), the Clean Energy Finance Corporation (CEFC) and the National Reconstruction Fund Corporation.

Performance measure 5	**Administration of regulatory functions for:** **a. Maritime regulation** **b. New Vehicle Efficiency Standard (NVES) Regulator**
Target	a. Rates of non-compliance of maritime regulation are reduced and/or maintained compared to the previous year. b. Development of regulatory functions for the NVES.
How we measure this	a. A quantitative assessment of performance against legislative requirements and government objectives. All appropriate compliance actions are taken and recorded in line with supporting legislation. b. A qualitative assessment of whether the NVES Regulator's core regulatory functions are established and operating.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 43. DITRDCSA Corporate Plan 2025–26, pg 59.
2025–26 result	**Met.** **a. Met.** Rates of non-compliance of maritime regulation are reduced compared to the previous year. **b. Met.** Regulatory functions for the NVES were established and are operating.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	a. Surface Transport Emissions and Policy Division. b. Road Vehicle Regulation Division.

Performance measure 5	Administration of regulatory functions for: a. Maritime regulation b. New Vehicle Efficiency Standard (NVES) Regulator
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to correct the program name previously referred to as the 'New Vehicle Emissions Standard (NVES) Regulator' to the correct title, 'New Vehicle Efficiency Standard (NVES) Regulator'.

Analysis of performance

Maritime regulation

Compliance rates remained high across maritime regulation in 2025–26. Australia's maritime sector is a critical component of the nation's interconnected supply chain, which crosses state and international borders.

Engagement with regulated entities will continue to support education, resolve issues and improve compliance rates across these long-established programs. With 99% of Australia's imports and exports transported by sea, effective maritime regulation supports the safe and efficient movement of goods and passengers that meet the national interest.

Coastal trading

The *Coastal Trading (Revitalising Australian Shipping) Act 2012* regulates coastal trade by granting licences to authorise vessels to carry passengers or cargo between ports in Australia. Compliance measures for Coastal Trading were exercised monthly, with results consistently demonstrating that voyage reporting compliance targets were met throughout 2025–26.

Part X of the *Competition and Consumer Act 2010*

Compliance for Part X of the *Competition and Consumer Act 2010* is assessed through notifications from shipping lines and analysing bi-annual and annual reports.

In 2025–26, the rate of compliance was 98.55%, which was an increase compared to the 2024–25 compliance rate of 98.47%. This result reflects that the target has been met as rates of non-compliance of maritime regulation were reduced compared to the previous year. Annual sailings compliance data for 2025–26 is provided by the Bureau of Infrastructure and Transport Research Economics (BITRE) shortly after the end of the financial year. Final Part X compliance assessment is subject to departmental review and, if required, response by liner shipping companies.

Part X of the *Competition and Consumer Act 2010* regulates international liner shipping of cargo to and from Australia. The department administers Part X, while the Australian Competition and Consumer Commission is responsible for enforcement, including investigating complaints and conduct under Part X. The Department of the Treasury contributes to broader whole-of-government competition policy.

Tax incentives for Australian Shipping

Measures assessing compliance for tax incentives for Australian shipping are undertaken during the application process for regulated entities and vessels, with results consistently demonstrating that compliance targets were met throughout 2025–26.

The department is responsible for issuing a range of tax incentive notices and certificates under the *Shipping Reform (Tax Incentives) Act 2012* that may be available in relation to operations associated with the Australian shipping industry. Once a certificate is issued, the relevant tax incentives can be claimed through a company tax return submitted to the Australian Taxation Office.

Maritime regulation data is verified by a third-party or other endorsed evidence, where available. Building on processes developed in 2024–25, further improvements were made in 2025–26 to strengthen the evidence base for compliance activities. A quantitative assessment of performance against legislative requirements and government objectives was undertaken in 2025–26, with all appropriate compliance actions taken and recorded in line with supporting legislation. The department will continue to review and improve its processes, and to explore ways to improve data sources to ensure it builds on its work in future reporting years.

New Vehicle Efficiency Standard (NVES) Regulator

The performance measure was met in 2025–26 through the successful establishment and operation of the NVES Regulator's core regulatory functions. During the reporting period, the NVES Regulator operationalised its core regulatory functions – informing, responding, detecting, verifying, reporting, deterring and collecting – supported by regulatory systems, published guidance, delegated authorities and established governance arrangements.

The department worked closely with regulated entities, industry representatives and government partners to support implementation of the NVES. Industry participants contributed through testing, workshops and webinars, while the department developed regulatory processes, guidance materials and digital capability necessary to administer the scheme. The department also partnered with the Clean Energy Regulator to support development of registry and trading capability.

The NVES Regulator provides the capability required to administer Australia's vehicle emissions standard and supports implementation of the government's transport emissions reduction agenda. During 2025–26, the regulator established the systems, processes and oversight mechanisms necessary to administer reporting, compliance and unit trading arrangements, contributing to the longer-term policy objective of reducing emissions from new vehicles supplied to the Australian market. From 1 July 2025, the NVES Regulator began collecting mandatory data. Regulated entities were provided access to an online portal to monitor and manage their obligations under the NVES. The portal also provides functionality for the Regulator to issue NVES Units[4], and for regulated entities to trade and manage NVES units.

Further guidance will assist entities to understand the use of powers when necessary and documentation describing what elements may elevate a response from the regulator will further mature this capability.

4 Available at: https://www.nvesregulator.gov.au/complying-nves/calculating-ievs-fevs-and-issuing-units

Performance measure 6	**Provide effective administration of surface transport and emissions program functions:** **a. Tasmanian Shipping Programs (TFES and BSPVES)** **b. Heavy Vehicle Safety Initiative** **c. Strategic Local Government Asset Assessment Project**
Target	a. Tasmanian Shipping Programs (TFES and BSPVES) are administered in accordance with ministerial directions. b. Heavy Vehicle Safety Initiative is administered in accordance with grant funding agreement and grant guidelines. c. Strategic Local Government Asset Assessment Project is administered in accordance with grant agreements and grant guidelines.
How we measure this	Each function's administration will be assessed using a checklist composed of activities which must occur in line with the relevant documents as outlined in the target. The outcome of the checklist assessment is used to inform whether the functions are being administered effectively.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 43. DITRDCSA Corporate Plan 2025–26, pg 60.
2025–26 result	**Met.** **a. Met.** Tasmanian Shipping Programs (TFES and BSPVES) were administered in accordance with ministerial directions. **b. Met.** The Heavy Vehicle Safety Initiative was administered in accordance with grant funding agreement and grant guidelines. **c. Met.** The Strategic Local Government Asset Assessment Project was administered in accordance with grant agreements and grant guidelines.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Surface Transport Emissions and Policy Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

Tasmanian Shipping Programs (TFES and BSPVES)

The Tasmanian Shipping Programs – the Tasmanian Freight Equalisation Scheme (TFES) and the Bass Strait Passenger Vehicle Equalisation Scheme (BSPVES) – were administered in accordance with the ministerial directions with a final checklist score of 100%.

In 2025–26, 4 quarterly reports (covering the period from July 2025 to June 2026) were provided to the department by Services Australia and accepted by the delegate. Information from these reports was published on the department's TFES website.[5] Services Australia provides delivery services for the administration and operation of TFES and BSPVES on behalf of the department. Ongoing engagement between the department and Services Australia supported the timely resolution of issues and the review of program reporting.

Highlights from the administration of the program in 2025–26 that contributed to this result included:

> 2 Reviews of Decision undertaken and responded to within documented timeframes.

> 149 Extension of Time claims processed.

> All Self-assessed Claimant Audits completed, accepted by Services Australia and provided to the department for noting.

> The TFES Ministerial Directions were amended to extend existing timeframes for charitable organisations donating fodder and stockfeed to King Island until 30 June 2027.

> The BSPVES Ministerial Directions were amended to increase the rate of assistance by 3.2% (in line with the Consumer Price Index increase for 2025–26) and published on the department's BSPVES website.[6]

On 7 October 2025, the government appointed co-chairs to the Independent Review into the TFES and BSPVES. The review investigated whether the schemes remain fit-for-purpose and whether changes to their design or administration are required to better achieve their objectives. The review aimed to ensure that the schemes remain fit-for-purpose and deliver for Tasmanians into the future while supporting fair and sustainable access to mainland markets. The final report on the review was presented to government on 6 July 2026.

Following the final report, the department will be responsible for supporting the Australian Government's response to the review recommendations, including the development of revised ministerial directions, where appropriate, and the publication of updated information and guidelines.

TFES provides Tasmanian industries with opportunities to compete in other markets by providing financial assistance for costs incurred by shippers of eligible non-bulk goods moved by sea across the Bass Strait. The BSPVES aims to reduce the cost of seagoing travel between the mainland and Tasmania by providing a rebate for the transportation of an eligible passenger vehicle across the Bass Strait.

Heavy Vehicle Safety Initiative

The Heavy Vehicle Safety initiative (HVSI) was administered in accordance with the requirements of the grant funding agreement and grant guidelines, with a final checklist score of 100%.

5 Available at: https://www.infrastructure.gov.au/infrastructure-transport-vehicles/maritime/tasmanian-freight-equalisation-scheme#monitoring

6 Available at: https://www.infrastructure.gov.au/infrastructure-transport-vehicles/maritime/bass-strait-passenger-vehicle-equalisation-scheme#anc_Rebate

In 2025–26, the department obtained ministerial approval for Round 10 of the HVSI to continue to deliver outcomes aimed at making Australia's roads safer for all users. Annual HVSI payments were made to the National Heavy Vehicle Regulator (NHVR) in accordance with the 2016 grant funding agreement and associated deeds of variation. The department also monitored NHVR reporting on any variations to HVSI projects throughout 2025–26 through regular reviews of NHVR reporting.

The HVSI supports industry-led projects that deliver tangible improvements to heavy vehicle safety. The HVSI has funded projects including education, awareness and training initiatives.

The NHVR is the delivery partner for the HVSI and has delivered the initiative on behalf of the department since 2016. The NHVR runs the competitive grant process, including assessment of project proposals on their merits and proposes suggested successful projects to the Commonwealth. The department is responsible for obtaining ministerial agreement for each project and oversees the NHVR's management of contracts with proponents and the provision of an annual payment to the NHVR.

The department will continue to collaborate with the NHVR to clarify and rectify issues where they arise and to review program reporting. Collaboration with the minister and the NHVR will also continue to inform the design of future funding rounds for HVSI, ensuring they remain targeted to industry needs.

Strategic Local Government Asset Assessment Project

The Strategic Local Government Asset Assessment Project (SLGAAP) was administered in accordance with grant agreements and grant guidelines, with a final checklist score of 100%.

In 2025–26, Phase 3 of the SLGAAP continued to be delivered. The department worked closely with the 3 Phase 3 grantees to clarify and rectify issues where they arose and to review reporting for the program. The department's management of SLGAAP is supported by the Business Grants Hub, which provides grant program expertise and administers all payments.

Phase 3 of the SLGAAP is delivered through grant funding agreements with the National Heavy Vehicle Regulator, Transport for NSW, and the Queensland Department of Transport and Main Roads. These delivery partners work with local councils and engineering suppliers to capture the road asset data needed for the National Automated Access System (NAAS), and to build the capability of local councils to make informed road access decisions. The department met regularly with each stakeholder to monitor progress and validate expenditure claims.

The SLGAAP optimises heavy vehicle access on the local road networks across Australia. The project assists local government road managers to undertake capacity assessments of bridges and culverts on key routes for heavy vehicles. This provides information on safe operating limits of road infrastructure and facilitates safe access for heavy vehicles, as appropriate. The information will feed into the NAAS as it is gradually rolled out across Australia, reducing the need for manual road access permits and boosting road network management capability.

Activity under Phase 3 of SLGAAP is scheduled to cease in November 2027. Work is already underway to prepare local road managers for using SLGAAP data as they participate in the NAAS. Extensive online training materials were developed to explain bridge assessments to local road managers and demonstrate how this information can be used to inform road access decision-making.

Phase 3 of the SLGAAP is a terminating measure, with final reports due in 2028. Evaluation of the program outcomes will be undertaken as part of the closure of the project.

Program 2.2: Road Safety

Program objective

The Road Safety Program makes travel safer through coordinating a national strategic approach to improving road safety and working to make vehicles safer for all road users.

Key activities	Performance measure(s)
Support road safety in Australia	7 and 8
Administration of the Road Vehicle Standards (RVS) legislation	7
Advise on and deliver better road safety	8

Performance results

Performance measure 7	Administration of the Road Vehicle Standards (RVS) legislation
Target	a. 100% of applications are decided within legislative timeframes. b. 75% of voluntary recalls are published within the service level agreement of 7 business days.
How we measure this	Reports are extracted directly from the data source. ROVER is used to generate monthly reports for recalls submitted and published.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 45. DITRDCSA Corporate Plan 2025–26, pg 63.
2025–26 result	**Substantially met.** **a. Substantially met.** 99.9% of applications decided within legislative timeframes. **b. Met.** 89.5% of voluntary recalls were published within the service level agreement of 7 business days.
Previous results	**2024–25 result:** Met. **2023–24 result:** Substantially met.
Owner	Road Vehicle Regulation Division.
Additional information	The 7-business day service level agreement for recalls is not a legislative requirement.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

Performance in 2025–26 was supported by continued internal reporting and monitoring, improved presentation of information, and ongoing awareness of the importance of timely decision-making and recall publication.

Administration of the RVS legislation ensures the continued supply of safe vehicles to the Australian market. Assessing applications within a legislated timeframe ensures operational requirements can be met. Publishing recalls as soon as practicable ensures the Australian public can access vehicle safety information from a centralised government website, ultimately improving safety outcomes.

For target a, the additional internal reporting and monitoring implemented in the 2024–25 reporting year continued to provide oversight and support departmental assessors to manage applications within legislated timeframes. In 2025–26, internal reports were updated to present the information in a more user-friendly format, improving accessibility and usability for both assessors and managers. One of the 44,833 applications was completed outside legislative timeframes.

For target b, the increased awareness generated in 2024–25 regarding the importance of timely recall publication continued to support the performance in 2025–26. Additionally, the Service Level Agreement data was included in the weekly report presented to recalls officers and senior executives.

The reporting year demonstrated that early escalation of ageing applications and regular visibility of recall publication performance supported timely intervention and improved compliance with operational timeframes. Targeted emails were sent directly to managers when reports identified applications with a 'Request for Information' response that had been unactioned for more than 3 business days to support timely action. For target b, the department will continue to provide continuous feedback to suppliers on the requirement of timely responses for publication of recalls.

To build on this result in future years, the department will continue to present information in easy-to-digest visual formats with more data incorporated to assist in monitoring application status. The department will continue to work with industry and raise awareness of the importance of publishing recalls promptly and improve responsiveness.

Performance measure 8	**Delivery of non-infrastructure road safety grants programs to support the implementation of the National Road Safety Action Plan 2023–25**
Target	a. Completed non-infrastructure road safety projects deliver their intended outcomes to support the implementation of the National Road Safety Action Plan 2023–25 (Action Plan). b. All completed non-infrastructure road safety projects are administered in accordance with the grant agreements.
How we measure this	a. Review and verification of evaluation reports by the proponent in line with an evaluation matrix and framework, program guidelines, grant agreements and priorities of the Action Plan. b. Review of project report assessments and grant payments by the Community Grants Hub.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 45. DITRDCSA Corporate Plan 2025–26, pg 64.

Performance measure 8	Delivery of non-infrastructure road safety grants programs to support the implementation of the National Road Safety Action Plan 2023–25
2025–26 result	**Substantially met.** **a. Met.** All completed non-infrastructure road safety projects delivered their intended outcomes to support the implementation of the National Road Safety Action Plan 2023–25 (Action Plan). **b. Substantially met.** 96% of completed non-infrastructure road safety projects were administered in accordance with the grant agreements.
Previous results	**2024–25 result:** Met. **2023–24 result:** Substantially met.
Owner	Commonwealth Infrastructure Projects Division.
Additional information	The grant programs align with the initiatives of the National Road Safety Action Plan 2023–25. The parameters of the grant program mean that some projects will continue to be delivered beyond the end date of the action plan.
Changes	The methodology has been updated from the 2025–26 Corporate Plan to more accurately reflect the program delivery arrangements and documents used to assess this measure.

Analysis of performance

The National Road Safety Action Grants Program supports projects that aim to improve road safety outcomes in communities through partnership with community organisations. Projects are being delivered across 5 areas identified as critical to the delivery of improved road safety outcomes in line with the National Road Safety Action Plan 2023–25:

> Community education and awareness (CEA)
> Vulnerable road users (VRU)
> First Nations road safety (FNRS)
> Technology and innovation (T&I)
> Research and data (R&D).

In 2025–26, 24 of the 81 approved projects were successfully completed. Through self-evaluation reports 100% of these projects delivered their intended outcomes in accordance with their grant agreements. Of these, 23 (96%) were delivered in line with their grant agreements, with payments made based on progress reports and expenditure, and all grant funding acquitted. This is slightly lower than last year's performance against this measure, with a *Substantially met* result achieved this year.

In early 2025–26, the program transitioned from an in-house delivery model to the Community Grants Hub. The Hub now manages the grant agreements and is the first point of contact for grantees. Following the change in program administration arrangements, initial transition challenges resulted in a final payment being released before a final evaluation report had been formally accepted. A revised process requiring departmental confirmation of report acceptance before final payments are released has since been implemented to address this risk.

The projects completed in 2025–26 were primarily across the community education and awareness, and vulnerable road user streams. The community education and awareness stream delivered road safety related campaigns, programs and initiatives to increase

awareness, understanding and skills amongst different target populations, reduce risky behaviours, improve workplace road safety and improve education among young and disadvantaged drivers. The vulnerable road user stream delivered initiatives aimed at reducing the number of vulnerable road user deaths and serious injuries on our roads and a national approach to vulnerable road user education.

In 2026–27, the department will continue delivery of the National Road Safety Action Grants Program, with the remaining projects scheduled for completion prior to the program end date of 30 June 2027.

Program 2.3: Air Transport

Program objective

The Air Transport Program facilitates investment in aviation infrastructure, ensures the aviation industry operates within a clear and robust regulatory framework, and ensures Australian businesses and consumers have access to competitive international and domestic air services, and access to regional and remote areas.

Key activities	Performance measure(s)
Support the implementation of key Aviation White Paper Initiatives[7]	9 and 13
Manage aviation programs and regulations	9, 10 and 11
Support a safe and accessible transport system	11 and 13
Administer effective aviation safety, accessibility for people with disability, and new and emerging aviation technologies policy	9, 12 and 13

Performance results

Performance measure 9	Administer the regulation of noise from remotely piloted aircraft (RPA) under the *Air Navigation (Aircraft Noise) Regulations 2018*
Target	100% of accurate and complete applications for a commercial RPA noise approval are decided within 21 days.
How we measure this	Assessment of applications lodged and finalised within the set timeframe.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 46. DITRDCSA Corporate Plan 2025–26, pg 66.
2025–26 result	**Met.** 100% of accurate and complete applications for a commercial RPA noise approval were decided within 21 days.
Previous results	**2024–25 result:** Not applicable; new performance measure for 2025–26.
Owner	International Aviation Technology and Services Division.

7 This key activity has been updated from the department's 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements to replace 'outcomes' with 'initiatives' in accordance with the initiatives of the White Paper.

Performance measure 9	Administer the regulation of noise from remotely piloted aircraft (RPA) under the *Air Navigation (Aircraft Noise) Regulations 2018*
Additional information	The 21-day decision timeframe does not include periods where the department is waiting on further information requested from the applicant. RPA are commonly referred to as drones. This is a new performance measure for 2025–26.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

The department processed 100% of applications for a commercial RPA noise approval within the required timeframe. Factors that contributed to the positive performance result in 2025–26 included improved internal processes and the development of the drone noise application form for applicants. Improved internal workflows and clearer guidance materials supported a more consistent and efficient assessment process.

Lessons learned during the reporting period informed refinements of standard operating procedures and enhancements to the drone noise applications tracker. These improvements increased visibility of application status and supported the management of assessment timeframes. The department continues to seek feedback from applicants and update guidance materials as required.

This activity is delivered internally by the department. While no formal partnerships are in place, engagement with applicants and other stakeholders supports the effective administration of the process.

Regulation supports community confidence in the management of drone noise impacts by providing a mechanism to manage commercial drone noise operations, including a clear and accessible mechanism for feedback and complaint resolution. This contributes to regulatory oversight that aligns with community expectations and supports the department's objectives to responsibly manage emerging aviation technologies.

Future efforts will focus on further refining assessment processes, enhancing guidance materials and data capabilities to support ongoing timeliness and consistency in application processing. Performance outcomes should be considered in the context of a dynamic operating environment, including emerging technologies and evolving stakeholder expectations. Ongoing refinements to processes and tools demonstrate a commitment to continuous improvement in regulatory administration.

Performance measure 10	Percentage of Master Plans and Major Development Plans (MDP) processed for leased federal airports within statutory timeframes
Target	100% of Master Plans and MDP are assessed and submitted to the minister with sufficient time for consideration and decision within statutory timeframes in each financial year.
How we measure this	The department maintains a detailed and accurate record of statutory timelines for each Master Plan and MDP submitted. Records are assessed to determine the percentage of plans the department has submitted within statutory timeframes for the current financial year.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 46. DITRDCSA Corporate Plan 2025–26, pg 67.

Performance measure 10	Percentage of Master Plans and Major Development Plans (MDP) processed for leased federal airports within statutory timeframes
2025–26 result	**Met.** 100% of Master Plans and MDPs were assessed and submitted to the minister within statutory timeframes.
Previous results	**2024–25 result:** Met. **2023–24 result:** Met.
Owner	Domestic Aviation and Reform Division. International Aviation Technology and Services Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

In 2025–26, 100% of relevant Master Plans and MDPs submitted to the minister with sufficient time for consideration (at least 10 business days) and decision within statutory timeframes. Performance was consistent with previous years, with the target continuing to be achieved at 100%, reflecting established processes for tracking statutory deadlines and preparing timely advice.

The result was supported by established tracking arrangements, immediate referral of draft plans to relevant agencies, use of detailed assessment templates, and close monitoring of statutory deadlines and agency responses. While some plans required extensions or involved complex proposals, these were managed within the statutory framework and did not affect the overall result. Lessons from this year suggest current processes remain effective. The department will continue to apply its existing processes, including use of the performance measure tracker, standard templates, and close monitoring of statutory timeframes, to support future reporting.

The delivery of this measure involves collaboration with a range of government agencies and internal stakeholders. The department prepares advice to the minister on whether to approve or refuse draft plans, drawing on advice from other government agencies and stakeholders such as Airservices Australia, the Civil Aviation Safety Authority, the Department of Home Affairs, the Department of Climate Change, Energy, the Environment and Water and the Department of Agriculture, Fisheries and Forestry. These agencies contribute subject-matter expertise and advice relevant to the proposal, while the department coordinates the assessment, integrates advice and manages statutory timeframes.

Timely processing of airport Master Plans and MDPs supports the community by enabling safe, orderly and transparent airport development, while considering land-use compatibility, community amenity, and environmental and cultural values. This work supports regulatory certainty for nationally significant aviation infrastructure and helps maintain an efficient, sustainable and safe air transport system.

The department will continue to maintain accurate statutory tracking, apply consistent assessment templates, and monitor agency responses and decision-making timeframes to support ongoing achievement of the measure. Future work will focus on sustaining the current approach and ensuring evidence remains complete and readily verifiable for annual reporting.

Performance measure 11	**The number of per- and poly-fluoroalkyl substances (PFAS) investigations completed at civilian airports**
Target	Delivery of PFAS management plans for 25% of airports participating in the PFAS Airports Investigation Program.
How we measure this	Review of the document version table in each PFAS management plan that has been prepared, to confirm the plan/s are marked as final. Review of correspondence provided by the department (or its consultants) confirming finalisation of a PFAS management plan.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 46. DITRDCSA Corporate Plan 2025–26, pg 68.
2025–26 result	**Not met.** No PFAS management plans were finalised during 2025–26.
Previous results	**2024–25 result:** Not met. **2023–24 result:** Met.
Owner	Domestic Aviation and Reform Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

In 2025–26, no PFAS Management Plans were finalised. The department finalised the PFAS Management Plan template in May 2026, following an extensive stakeholder engagement process in 2025. Drafting of PFAS Management Plans has commenced for some airports, with Plans for remaining airports scheduled for 2026–27.

Stakeholders consulted in developing the PFAS Management Plan template include Airport Lessee Companies, aviation industry bodies, other Commonwealth agencies, jurisdictional environmental regulators and contaminated land industry specialists. The various responsibilities of these stakeholder groups that collectively support PFAS management at Australian airports ensured that the department received a wide range of feedback that was considered before finalising the templates. Despite the performance result for 2025–26, negotiation of the PFAS Management Plan template was a complex process and the finalisation of this represents a significant milestone for the program.

The department is undertaking the PFAS investigation process in consultation with a range of key stakeholders including, but not limited to, federal, state and local government entities, environmental regulators, and the airports and their tenants. Stakeholders will be regularly consulted and engaged in the delivery of the PFAS investigation process, while the department remains solely responsible for project-managing PFAS investigations undertaken by expert contaminated land consultants.

The department has committed to preparing a PFAS Management Plan for each airport participating in the PFAS Program. The PFAS Management Plan will summarise the findings of the investigations to develop a tailored approach to monitoring contamination and managing any identified risks to the community or environment.

The department will continue to work collaboratively with participating airports and other stakeholders to finalise PFAS Management Plans for participating airports by 30 June 2027.

Performance measure 12	**Contribute to maintain or reduce the number of aviation fatalities per 100,000 people for the current year's 10-year average**
Target	The 10-year average of annual aviation fatalities per 100,000 people is maintained or reduced.
How we measure this	The Australian Transport Safety Bureau (ATSB) consistently categorise and code aviation safety data from which the department determines the 10-year average in line with the International Civil Aviation Organization's Accident/Incident Data Reporting 2000 model.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 46. DITRDCSA Corporate Plan 2025–26, pg 69.
2025–26 result	**Met.** The number of fatalities in 2025 was 33, meaning the 10-year average of annual aviation fatalities per 100,000 people reduced by 0.9%, from 0.115 over the 10 years to 2024 to 0.114 over the 10 years to 2025.
Previous results	**2024–25 result:** Met. **2023–24 result:** Met.
Owner	International Aviation, Technology and Services Division.
Additional information	Not applicable.
Changes	The methodology has been updated from the 2025–26 Corporate Plan to more accurately reflect the roles of the ATSB and the department.

Analysis of performance

There was a 0.9% reduction in the 10-year average annual aviation fatality rate per 100,000 people, from 0.115 (10 years to 2024) to 0.114 (10 years to 2025). This change reflects a slightly lower fatality rate in 2025 (33 fatalities and a population of 27.6 million) compared with 2015 (31 fatalities and a population of 23.8 million), noting that only the 2015 and 2025 data affect the change in the rolling 10-year average.

The availability of safe, efficient and sustainable air services within Australia and internationally is critical to our national interest, and Australia has worked hard to develop and maintain an internationally respected and mature aviation safety system.

In early 2026, the department, in consultation with other aviation agencies and industry stakeholders, published the inaugural annual safety performance report against Australia's National Aviation Safety Plan (NASP). Being the first such report, this represents a significant step in Australia's State Safety Program (SSP) maturity, providing an initial public update on actions being taken by our agencies to enhance aviation safety.

The SSP describes how Australia identifies, monitors and maintains the effectiveness of all aspects of Australia's aviation safety system. It establishes our key safety principles, structures and processes that underpin the effective management of our aviation safety objectives. Australia's NASP supports the SSP by setting out clear strategies on how we will manage our aviation safety risks and meet our aviation safety objectives.

The department continues to play an important role in enhancing aviation safety by providing policy advice to support our key aviation safety agencies. We engage regularly with the Civil Aviation Safety Authority, Airservices Australia, and the Australian Transport Safety Bureau and other government agencies in this regard. The department also oversees Australia's engagement with the International Civil Aviation Organization, the international organisation responsible for the development of global aviation standards and recommended practices.

Performance measure 13	**Provide policy advice supporting aviation safety, accessibility for people with disability, and new and emerging aviation technologies**
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 46. DITRDCSA Corporate Plan 2025–26, pg 70.
2025–26 result	**Substantially met.** 79% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	International Aviation, Technology and Services Division.
Additional information	The 2024–25 target was more limited in scope, focusing on the provision of policy advice to support aviation safety.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 34 pieces of policy advice for this performance measure. Using an 85% confidence interval, the panel sampled and assessed 19 pieces of advice. Of these, 15 were assessed as high quality, timely and evidence based, resulting in a performance measure result of 79%.

While some briefs did not meet the assessment threshold, the result should be considered in the context of the department's Policy Advice Assessment Methodology and the nature of policy advice. All briefs were cleared by the department and provided to the minister's office, fulfilling their intended purpose within the context and timing of delivery.

The assessment was undertaken by an independent internal panel against the methodology criteria, which provided a consistent assessment of the sampled briefs. To preserve independence, panel members were not involved in developing the advice. This means the assessment reflected the panel's independent judgement against the stated criteria, while recognising that it was made without the full operational and contextual knowledge available to the areas that prepared the advice.

The result decreased from 100% in 2024–25 to 79% in 2025–26 due to a larger volume of policy advice and a broader assessment sample. While 4 sampled briefs did not meet the assessment threshold, all advice was cleared by the department and actioned by the minister's office, demonstrating that it remained fit for purpose and supported decision-making on complex aviation policy issues.

The result was affected by a number of administrative and process-related factors, including compressed timeframes, incorrect critical dates recorded in the Parliamentary Document Management System, and documentation gaps regarding agreed extensions. In several cases, the assessment outcome reflected data entry or procedural issues rather than the quality or timeliness of the advice. Importantly, submissions met statutory requirements, agreed timeframes with the minister's office, and supported timely ministerial decision-making.

Lessons learned reinforced the value of strong collaboration across government and agencies, while highlighting the need for stronger record-keeping and quality assurance processes. Improved documentation of critical dates and agreed timeframes will support more accurate performance assessments and ongoing improvements to aviation safety policy development.

The department works closely with Airservices Australia, the Civil Aviation Safety Authority and the Australian Transport Safety Bureau. The department provides policy leadership and coordination, while partner agencies contribute operational expertise, safety regulation, air traffic management and safety investigation capabilities.

The department's work helps maintain Australia's high aviation safety standards, ensuring safe and reliable air travel for passengers and industry. This supports economic growth, improves connectivity, enhances accessibility and aligns with government priorities outlined in the Aviation White Paper.

The department will continue working with aviation agencies and stakeholders to strengthen the aviation safety system. Future efforts will focus on emerging technologies, emissions reduction, workforce sustainability, accessibility improvements and implementation of Aviation White Paper initiatives.



Outcome 3: Regional and Urban Development, Local Government, and Northern Australia

Outcome Statement
Strengthening the sustainability, capacity and diversity of Australia's urban and regional areas including northern Australia, including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance

Performance snapshot

Program	Met	Substantially met	Partially met	Not met	Unable to be assessed
3.1 Regional Development	2	2	-	-	-
3.2 Local Government	1	-	-	-	-
3.3 Urban Development	2	1	-	-	1
3.4 Growing a Stronger Northern Australia Economy	1	1	-	-	-
Total	**6**	**4**	**-**	**-**	**1**

Key achievements

Supported regional development and local leadership

Delivered regional programs and the Regional Development Australia network, with 98% of committees rated satisfactory or above.

Program 3.1

Strengthened local government capacity

Provided $4.6 billion in untied Financial Assistance Grants to local governments, including an 80% bring forward payment to support council services.

Program 3.2

Advanced urban programs and Northern Australia priorities

Supported urban programs and Northern Australia investment, with 100% of Northern Australia Infrastructure Facility proposal notices processed for ministerial consideration within statutory timeframes.

Programs 3.3 and 3.4

Program 3.1: Regional Development

Program objective

The Regional Development Program supports local communities through regionally-focused stakeholder consultation and engagement, research, policy development and program delivery activities to create jobs, drive regional economic growth and build stronger regional communities.

Key activity	Performance measure(s)
Advise on and deliver programs to support regional development and local governments	14, 15, 16 and 17

Performance results

Performance measure 14	Delivery of the regional Precincts and Partnerships Program (rPPP) within agreed timeframes
Target	Payments to states and territories are authorised in alignment with the schedule to the Federation Funding Agreement – Infrastructure.
How we measure this	Monthly meetings are scheduled to review project progress, address issues and identify risks. Meeting records are maintained in departmental systems. Monthly and post-completion reports from states and territories are reviewed, recorded and securely stored.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 52. DITRDCSA Corporate Plan 2025–26, pg 75.
2025–26 result	**Met.** All payments to states and territories were authorised in alignment with the schedule to the Federation Funding Agreement – Infrastructure.
Previous results	**2024–25 result:** Met. **2023–24 result:** Partially met (result not comparable due to change in basis of measurement).
Owner	Regional Development, Northern Australia and Local Government Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

In 2025–26, 6 payments to states and territories were made in accordance with the relevant Federation Funding Agreement (FFA) schedules. In each case, the payment milestone was the execution of the FFA schedule, and payments proceeded from the receipt of the signed FFA schedule. Execution of FFA Schedules and subsequent payments depend on the timing of tranche approvals and terms of milestones set out in the schedules.

This result is consistent with last year's result, demonstrating stable program delivery and governance processes. Clear payment schedules under FFAs and timely engagement with state and territory counterparts supported delivery. Established governance, monitoring and reporting arrangements also contributed to a positive result.

The rPPP supports delivery of regional precinct projects that enhance infrastructure, support economic activity and improve community liveability. This contributes to the government's regional development priorities. The rPPP is delivered in partnership with state and territory governments. The department issues and maintains program guidelines, undertakes application assessments, facilitates major variation requests to the program delegate and oversees delivery performance. Delivery partners (state and territories) are responsible for establishing agreements with successful project proponents and monitoring project implementation, reporting, achieving milestones and making payments to proponents under the agreements. Projects may be co-funded by state and territory governments and local governments.

As at 30 June 2026, no projects had yet reached full completion. Post-completion reports are required following project completion and, as a result, the full community impact of the program cannot yet be measured.

The department will continue to monitor project delivery and maintain established governance arrangements to ensure payments remain aligned with funding agreements. Existing processes will be maintained, with continued focus on early risk identification, milestone tracking and timely engagement with delivery partners. Program impact assessments will be strengthened as projects reach completion and post completion reporting becomes available.

On 29 June 2026, the rPPP was extended to 30 June 2028, supporting the continued delivery of regional precinct projects across Australia. Approval was also provided to amend the delivery arrangements for the final tranche of projects, transitioning from a Federation Funding Agreement model to a direct grants model.

Performance measure 15	**Provide effective administration of the Growing Regions Program**
Target	The Growing Regions Program is administered in accordance with the Federation Funding Agreements – Infrastructure.
How we measure this	Monthly meetings are scheduled to review project progress, address issues and identify risks. Meeting records are maintained in departmental systems. Monthly and post-completion reports from states and territories are reviewed, recorded and securely stored.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 52. DITRDCSA Corporate Plan 2025–26, pg 76.
2025–26 result	**Substantially met.** The Growing Regions Program was administered in accordance with the Federation Funding Agreements – Infrastructure with a target score of 98%.

Performance measure 15	Provide effective administration of the Growing Regions Program
Previous results	**2024–25 result:** Not applicable; new performance measure for 2025–26.
Owner	Regional Development, Northern Australia and Local Government Division.
Additional information	This is a new performance measure for 2025–26.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

In 2025–26, program administration requirements were largely achieved, noting a small number of scheduled monthly meetings with relevant state departments, who administer the program on behalf of the department, were deferred where there were limited matters for discussion or IT issues affected delivery.

The Growing Regions Program funds community infrastructure, with a focus on delivering projects that improve liveability and respond to community needs and priorities. The program has funded 110 projects worth a total of $582.8 million. While most projects under the program had not reached completion in 2025–26, funded projects are expected to support significant community use and deliver wellbeing outcomes for communities once completed.

Effective administration supports the program's objectives by maintaining oversight of state delivery partners, helping funded projects progress in line with agreed requirements so they can ultimately deliver community infrastructure, liveability and wellbeing outcomes.

Administration activities include the provision of policy guidance, project variation management and reporting to enable transparency of project progress and outcomes. The department partners with 7 state agencies who deliver the Growing Regions Program under a schedule to the Federation Funding Agreement – Infrastructure. The agreement sets out the roles and responsibilities of the department, with the department retaining policy ownership and state agencies undertaking program administration activities, including the management of funding agreements.

Program administration processes are supporting effective administration of the program in accordance with the Federation Funding Agreement – Infrastructure. As funded projects progress through their development cycle, the department will continue to support delivery through program administration consistent with the agreement.

Performance measure 16	Percentage of Regional Development Australia (RDA) Committees achieving agreed outcomes as demonstrated by: a. stakeholders satisfied with the performance of their RDA b. departmental review of RDA reporting
Target	≥90% of RDAs rated satisfactory or above.
How we measure this	Stakeholder surveys assess satisfaction with RDA service delivery, informing overall network performance. RDA reports are reviewed to verify whether required outcomes have been delivered.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 52. DITRDCSA Corporate Plan 2025–26, pg 77.
2025–26 result	**Met.** 98% of RDAs rated satisfactory or above.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Regional Development, Northern Australia and Local Government Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

RDA Committee performance was assessed by analysing reports submitted by RDAs to the department to determine whether outcomes had been achieved. Stakeholder surveys are conducted every second year with the next survey scheduled for 2026–27. The results from the 2024–25 survey have been used in the calculation of the 2025–26 result.

The strong performance of RDAs supported the department's objective of fostering sustainable regional development through local leadership, stakeholder collaboration and regional economic opportunities. The result was supported by the department's established performance monitoring arrangements and ongoing engagement with RDAs.

The department's evaluation of RDA performance demonstrated that the network continued to undertake important work supporting economic growth, innovation and entrepreneurship in regions through facilitating investment in community, industry and the environment.

The RDAs worked closely with a broad range of stakeholders across government and industry sectors to support the delivery of the Australian Government's strategic priorities, as outlined in the Regional Investment Framework, and address local economic development needs, as demonstrated through their activities in areas including:

> workforce skills and community leadership development
> supporting communities in regions that are being significantly impacted by industry transition
> facilitating collaboration between local stakeholders to establish common strategies and eliminate duplication of effort
> supporting decarbonisation and net zero initiatives and helping communities to take up opportunities provided through clean energy transition

- promoting Commonwealth and state government grant opportunities and assisting stakeholders with applications
- providing submissions to government enquiries and requests for input on policy development.

The department will continue to work closely with RDAs to support their activities, and apply lessons learned from 2025–26 to strengthen future management and support arrangements for the RDA network. Management processes are continuously reviewed and updated where needed to further support the network and its performance, including through:

- the department providing support to RDAs to enable committee members and staff to undertake professional development to build their capability
- updating of better practice guidance that is provided to the committees
- updating the material used by the department to review RDA performance.

Performance measure 17	**Provide policy advice on regional development and local government**
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 52. DITRDCSA Corporate Plan 2025–26, pg 78.
2025–26 result	**Substantially met.** 75% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Substantially met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Regional Development, Northern Australia and Local Government Division.
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 9 pieces of policy advice for this performance measure. Using a 90% confidence interval, the panel sampled and assessed 8 pieces of advice. Of these, 6 were assessed as high quality, timely and evidence based, resulting in a performance measure result of 75%.

While some briefs did not meet the assessment threshold, and these shortfalls will be addressed in the 2026–27 policy briefs, the result should be considered in the context of the department's Policy Advice Assessment Methodology and the nature of policy advice. All briefs were cleared by the department and provided to the minister's office, fulfilling their intended purpose within the context and timing of delivery.

The assessment was undertaken by an independent internal panel against the methodology criteria, which provided a consistent assessment of the sampled briefs. To preserve independence, panel members were not involved in developing the advice. This means the assessment reflected the panel's independent judgement against the stated criteria, while recognising that it was made without the full operational and contextual knowledge available to the areas that prepared the advice.

The department's policy advice on regional development continues to be guided by the Regional Investment Framework (Framework).[8] This ensures our policy advice incorporates local knowledge and experience, considers regional strengths and challenges, is based on contemporary evidence, and is coordinated across governments. As the Framework covers all departments across the Australian Government – recognising that all departments contribute to strong and sustainable regional communities and economies – our engagement with other government departments and agencies is central to informing our policy advice.

The department also maintains and nurtures professional relationships with colleagues at the state, and territory and local government levels, to help amplify and leverage work across levels of government. This ensures that activity across government is coordinated, supports efficiency, and delivers optimal outcomes in regions.

The department continues to strengthen its engagement and relationships with Regional Development Australia committees,[9] ensuring that policy advice responds to the diversity of opportunities and challenges across regional Australia's unique places. This supports our ability to communicate, including through our policy advice, local voices to government decision-makers. The department also maintains research and data capabilities, and cultivates information sharing, to ensure regional data and trend analysis inform evidence-based policy advice.

8 Available at: https://www.infrastructure.gov.au/department/media/publications/regional-investment-framework-australian-governments-approach-supporting-strong-and-sustainable

9 Available at: https://www.rda.gov.au/

Program 3.2: Local Government

Program objective

The Local Government Program supports regional development and local communities through delivery of policy advice to the Australian Government and financial assistance to local governments to strengthen local government capacity and better support local communities.

Key activity	Performance measure(s)
Advise on and deliver programs to support regional development and local governments	18

Performance results

Performance measure 18	**Financial assistance is provided to local government in accordance with the *Local Government (Financial Assistance) Act 1995* consisting of:** **a. a general-purpose component which is distributed between the states and territories according to population (i.e. on a per capita basis)** **b. an identified local road component which is distributed between the states and territories according to fixed historical shares**
Target	Funding is provided on time and aligned with the budget appropriation.
How we measure this	Local Government Grants Commissions in each state and the Northern Territory recommend the distribution of funding to local governing bodies under the Financial Assistance Grant Program in accordance with the Financial Assistance Act and the National Principles for allocating grants. Review and analysis of payment records from departmental systems to assess timelines of payment and alignment with the Financial Assistance Act.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 54. DITRDCSA Corporate Plan 2025–26, pg 80.
2025–26 result	**Met.** Funding was provided on time and aligned with the budget appropriation.
Previous results	**2024–25 result:** Met. **2023–24 result:** Met.
Owner	Regional Development, Northern Australia and Local Government Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

In the 2026–27 Budget, the Australian Government announced an 80% bring forward payment of the estimated 2026–27 Financial Assistance Grant entitlement be made to assist councils to deliver services.

In 2025–26, the Australian Government provided $4.6 billion in untied funds under the Financial Assistance Grant Program. This included the 80% bring forward payment of the estimated 2026–27 Financial Assistance Grant entitlement ($2.9 billion of the $3.6 billion entitlement) to assist councils to deliver services. The bring forward payment was made to states and territories on 19 June 2026.

Overall funding was allocated to the states and territories in accordance with sections 4(2), 4A, 9 and 12 of the *Local Government (Financial Assistance) Act 1995* being a proportional per-capita allocation of the general-purpose component drawn from population data from the Australian Bureau of Statistics, and a fixed proportional allocation of the roads component as agreed by the Commonwealth, states and territories at the Special Premiers Conference in 1990. Further information on the allocation of grants is available in the *National Principles for the Allocation of Grants under the Local Government (Financial Assistance) Act 1995*.[10]

The Financial Assistance Grant Program supports the Australian Government's objective of providing financial assistance to local governments to strengthen local government capacity and better support local communities.

10 Available at: https://www.infrastructure.gov.au/territories-regions-cities/local-government/financial-assistance-grant-local-government/national-principles-allocation-grants

Program 3.3: Urban Development

Program objective

The Urban Development Program supports the development of more liveable and productive urban areas through programs and policies that support jobs and economic growth, manage population pressures and reduce congestion.

Key activities	Performance measure(s)
Work with Queensland to deliver venue infrastructure for the Brisbane 2032 Olympic and Paralympic Games[11]	19 and 20
Deliver commitments to enhance community level infrastructure in Australia's cities and towns	21 and 22

Performance results

Performance measure 19	Provide policy advice on Brisbane 2032 Olympic and Paralympic venue infrastructure projects
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 55. DITRDCSA Corporate Plan 2025–26, pg 82.
2025–26 result	**Met.** 100% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Substantially met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Land Transport Infrastructure Division.
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

11 The key activity has been updated from the department's 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements to include the word 'venue' to clarify that the department's role is to support delivery of venue infrastructure for the Brisbane 2032 Olympic and Paralympic Games.

Analysis of performance

In 2025–26, the department prepared 6 pieces of policy advice for this performance measure. Using a 90% confidence interval, the panel sampled and assessed 5 pieces of advice. Of these, 5 were assessed as high quality, timely and evidence based, resulting in a performance measure result of 100%.

Building on the 2024–25 results, the department continued its efforts to provide briefs to the minister with additional time for consideration where possible. The 2025–26 result was supported by strong and trusted relationships across the Australian and Queensland Governments, enabling the timely and accurate exchange of information.

Policy advice provided over the reporting period successfully led to the signing of the updated Intergovernmental Agreement on the Brisbane 2032 Olympic and Paralympic Games, agreement to an updated Federation Funding Agreement (FFA), and a positive investment decision being made on the Redland Whitewater Centre.

Clear policy advice and strong relationships with Queensland Government officials ensured the minister and the Australian Government remained informed of complex and sensitive issues and were able to respond when required. These outcomes provided community confidence in the Australian Government's commitment to the Games, and in the delivery of sporting and community venues that reflect the needs of staging a global event, while providing the lasting outcomes for communities.

In developing policy advice that is high-quality and evidence based, the department consults with teams across the Australian and Queensland Governments. This ensures our policy advice is well informed and that we can achieve economic, social and environmental outcomes through our infrastructure investment, consistent with the Australian Government Infrastructure Policy Statement. This includes consulting with:

> Department of Climate Change, Energy, the Environment and Water on processes and approvals under relevant legislation, including on the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* and the *Environment Protection and Biodiversity Conservation Act 1999*

> Department of the Prime Minister and Cabinet, Department of the Treasury and Department of Finance on processes and approvals, including on the renegotiation of the Intergovernmental Agreement on the Brisbane 2032 Olympic and Paralympic Games and the related Games Venues Infrastructure Program FFA

> Office for Sport (internal to the department, Office for Sport hold responsibility for the Australian Government's overarching involvement in the Brisbane 2032 Olympic and Paralympic Games) on ensuring consistent positions are being communicated to our respective ministers through both joint and separate briefing processes

> Department of State Development, Infrastructure and Planning (Queensland Government), responsible for oversighting the joint investment and approval of Games venues

> Games Independent Infrastructure and Coordination Authority (Queensland Government) responsible for the delivery of the Games venues

> Brisbane 2032 (Queensland Government) responsible for the Brisbane 2032 Olympic and Paralympic Games.

The 2025–26 result was also supported by proactive engagement undertaken following the change of government in Queensland in 2024. This ensured we were well positioned to understand the position of the new Queensland Government during the negotiation of both the Intergovernmental Agreement on the Brisbane 2032 Olympic and Paralympic Games, and the FFA.

The department will continue to maintain and build on its strong relationships across the Australian and Queensland Governments to support the provision of high-quality, timely and evidence-based advice to the minister on Brisbane 2032 Olympic and Paralympic Games venue infrastructure projects.

Performance measure 20	Approval of Brisbane 2032 Olympic and Paralympic venue infrastructure project milestones in line with the Federation Funding Agreement Schedule (FFAS)
Target	≥90% of compliant project milestones submitted by Queensland are approved within the FFA timeframe.
How we measure this	Analysis of evidence provided by Queensland to assess delivery against milestones in accordance with the FFAS.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 55. DITRDCSA Corporate Plan 2025–26, pg 82.
2025–26 result	**Unable to be assessed.** Project milestones could not be submitted by Queensland due to the renegotiation of the FFAS.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Land Transport Infrastructure Division.
Additional information	Not applicable.
Changes	This target was updated in the 2026–27 Portfolio Budget Statements to include the word 'project'.

Analysis of performance

Changes to the Games Venues Infrastructure Program arising from the updated Intergovernmental Agreement on the Brisbane 2032 Olympic and Paralympic Games (Games), signed in August 2025, required the Federation Funding Agreement (FFA) Schedule to be renegotiated to align with the revised program arrangements.

Due to the FFA renegotiation process taking place over the 2025–26 reporting period, Queensland were unable to submit project milestones for approval by the department. Consequently, no FFA project milestones were approved during the 2025–26 reporting period and the target was unable to be assessed. From 2026–27, performance is expected to return to business-as-usual arrangements, with project milestone payments assessed and approved in accordance with the FFA.

The Intergovernmental Agreement outlines the framework for how the Australian and Queensland Governments collaborate on delivering the Brisbane 2032 Olympic and Paralympic Games. The revised agreement outlines the conditions under which the Australian Government's contribution can be spent by the Queensland Government, as they work to deliver the Games.

Performance measure 21	Delivery of the urban Precincts and Partnerships Program (uPPP) within agreed timeframes
Target	Payments to states and territories are authorised in alignment with the schedule to the Federation Funding Agreement – Infrastructure.
How we measure this	Monthly meetings are scheduled to review project progress, address issues and identify risks. Meeting records are maintained in departmental systems. Monthly and post-completion reports from states and territories are reviewed, recorded and securely stored.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 55. DITRDCSA Corporate Plan 2025–26, pg 83.
2025–26 result	**Met.** Payments to states and territories were authorised in alignment with the schedule to the Federation Funding Agreement – Infrastructure.
Previous results	**2024–25 result:** Met. **2023–24 result:** Met (result not comparable due to change in basis of measurement).
Owner	Regional Development, Northern Australia and Local Government Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

In 2025–26, 3 payments were made in accordance with the Federation Funding Agreement (FFA) schedules. In each case, the payment milestone was the execution of the FFA schedule, and payments proceeded from the receipt of the signed FFA schedule. Execution of FFA schedules and subsequent payments depend on timing of tranche approvals and terms of milestones set out in the schedules.

This result is consistent with the previous years' results, demonstrating stable program delivery and governance processes. Timely payments enabled continued delivery of urban precinct projects, contributing to improved infrastructure and local economic outcomes. Clear payment schedules under FFAs and timely engagement with state and territory counterparts supported delivery. Established governance, monitoring and reporting arrangements also contributed to a positive result of the performance measure.

The uPPP supports the government's priority to invest in place based development and strengthen partnerships across jurisdictions. The program is delivered in partnership with state and territory governments. The department issues and maintains guidelines, undertakes application assessment, facilitates major variation requests to the program delegate and oversees delivery performance. Delivery partners (state and territories) are responsible for establishing agreements with successful project proponents and monitor project implementation, reporting, achieving milestones and making payments to proponents under the agreements.

As at 30 June 2026, no projects had reached full completion. Post-completion reports are required following project completion and, as a result, the full community impact of the program cannot yet be measured.

The department will continue to monitor project delivery and maintain established governance arrangements to ensure payments remain aligned with funding agreements. Existing processes will be maintained, with continued focus on early risk identification, milestone tracking and timely engagement with delivery partners. Program impact assessments will be strengthened as projects reach completion and post completion reporting becomes available.

On 29 June 2026, the uPPP was extended to 30 June 2028, supporting the continued delivery of urban precinct projects across Australia. Approval was also provided to amend the delivery arrangements for the final tranche of projects, transitioning from a FFA model to a direct grants model.

Performance measure 22	**Provide effective administration of the Thriving Suburbs Program**
Target	The Thriving Suburbs Program is administered in accordance with the Federation Funding Agreements – Infrastructure.
How we measure this	Monthly meetings are scheduled to review project progress, address issues and identify risks. Meeting records are maintained in departmental systems. Monthly and post-completion reports from states and territories are reviewed, recorded and securely stored.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 55. DITRDCSA Corporate Plan 2025–26, pg 84.
2025–26 result	**Substantially met.** The Thriving Suburbs Program was administered in accordance with 98% of the requirements under the Federation Funding Agreements – Infrastructure.
Previous results	**2024–25 result:** Met (result not comparable due to change in basis of measurement). **2023–24 result:** Not met (result not comparable due to change in basis of measurement).
Owner	Regional Development, Northern Australia and Local Government Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

The Thriving Suburbs Program was administered in accordance with 98% of the requirements under the Federation Funding Agreements – Infrastructure resulting in the measure being substantially met. The result reflects that program administration requirements were largely achieved, noting a small number of scheduled monthly meetings with relevant state departments, who administer the program on behalf of the department, were deferred where there were limited matters for discussion or IT issues affected delivery.

The Thriving Suburbs Program funds community infrastructure, with a focus on delivering projects that improve liveability and respond to community needs and priorities. The program has funded 70 projects worth a total of $317.6 million. While most projects under the program had not reached completion in 2025–26, funded projects are expected to support significant community use and deliver wellbeing outcomes for communities once completed.

Effective administration supports the program's objectives by maintaining oversight of state delivery partners, helping funded projects progress in line with agreed requirements so they can ultimately deliver community infrastructure, liveability and wellbeing outcomes.

Administration activities include the provision of policy guidance, project variation management and reporting to enable transparency of project progress and outcomes. The department partners with 6 state agencies who deliver the Thriving Suburbs Program under a schedule to the Federation Funding Agreement – Infrastructure. The agreement sets out the roles and responsibilities of the department, with the department retaining policy ownership and state agencies undertaking program administration activities, including the management of funding agreements.

Program administration processes are supporting effective administration of the program in accordance with the Federation Funding Agreement – Infrastructure. As funded projects progress through their development cycle, the department will continue to support delivery through program administration consistent with the agreement.

Program 3.4: Growing a Stronger Northern Australian Economy

Program objective

The Northern Australia Program supports the sustainable development of Northern Australia through informing policies and initiatives that promote investment, economic growth and liveability. This is achieved through the oversight of the *Northern Australia Action Plan 2024–2029*, the whole of government's 5-year strategic roadmap for unlocking the region's potential and driving the next phase of growth. This includes support for enabling infrastructure through the Northern Australia Infrastructure Facility.

Key activity	Performance measure(s)
Progress key initiatives and support whole-of-government implementation of the Northern Australia agenda[12]	23 and 24

Performance results

Performance measure 23	Percentage of Northern Australia Infrastructure Facility (NAIF) proposal notices received within the financial year processed for ministerial consideration within statutory timeframes
Target	100% of proposal notices received within the financial year are processed within statutory timeframes.
How we measure this	Data is validated and reviewed to determine what percentage of assessments were processed by the department within statutory timeframes.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 56. DITRDCSA Corporate Plan 2025–26, pg 86.
2025–26 result	**Met.** 100% of proposal notices received within the financial year were processed within statutory timeframes.

12 This key activity has been updated from the department's 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements to clarify the role of the Northern Australia Infrastructure Facility (NAIF) in supporting the implementation of the Northern Australia agenda.

Performance measure 23	Percentage of Northern Australia Infrastructure Facility (NAIF) proposal notices received within the financial year processed for ministerial consideration within statutory timeframes
Previous results	**2024–25 result:** Met. **2023–24 result:** Met.
Owner	Regional Development, Northern Australia and Local Government Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

In 2025–26, the department received 4 NAIF proposal notices and processed 100% of these within the statutory timeframes, thereby assisting consideration by the Minister for Northern Australia of the investment decisions taken by NAIF during the year.

NAIF is a Corporate Commonwealth Entity (CCE) that provides concessional financing for the development of economic infrastructure in Northern Australia. NAIF is governed by an independent Board, who are responsible for making investment decisions, with the department's Secretary (or delegate) serving as a Board member. Following each investment decision by the Board, NAIF issues a proposal notice to the department. The department then provides the notice and supporting briefing material to the Minister for Northern Australia for consideration.

The department continued to support the Australian Government's commitment to ensuring NAIF's investments benefit local communities and create new jobs across Northern Australia. In 2025–26, the department achieved a number of key milestones, including:

> Supporting NAIF to reach a milestone of $3 billion in funds delivered to proponents through loan drawdowns for construction of projects across Northern Australia.

> Developing the Northern Australia Infrastructure Facility Amendment Bill 2026, which makes several key amendments to NAIF's legislation in response to the recommendations of the 2024 Independent Statutory Review of the *Northern Australia Infrastructure Facility Act 2016*.

> Facilitating ministerial consideration of proposal notices to the value of $188.1 million.

> Supporting NAIF to commit more than $4.5 billion of its $7 billion appropriation to finance 35 projects – expected to generate over 18,700 jobs in Northern Australia and $33.4 billion in public benefit.

The department will seek to ensure NAIF proposal notices continue to be processed within statutory timeframes, supporting timely ministerial consideration of investment decisions.

Performance results

Performance measure 24	Provide policy advice on Northern Australia
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.

Performance measure 24	Provide policy advice on Northern Australia
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 56. DITRDCSA Corporate Plan 2025–26, pg 86.
2025–26 result	**Substantially met.** 85% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Not applicable; new performance measure for 2025–26.
Owner	Regional Development, Northern Australia and Local Government Division.
Additional information	This is a new performance measure for 2025–26.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 16 pieces of policy advice for this performance measure. Using a 90% confidence interval, the panel sampled and assessed 13 pieces of advice. Of these, 11 were assessed as high quality, timely and evidence based, resulting in a performance measure result of 85%.

While some briefs did not meet the assessment threshold, the result should be considered in the context of the department's Policy Advice Assessment Methodology and the nature of policy advice. All briefs were cleared by the department and provided to the minister's office, fulfilling their intended purpose within the context and timing of delivery.

The assessment was undertaken by an independent internal panel against the methodology criteria, which provided a consistent assessment of the sampled briefs. To preserve independence, panel members were not involved in developing the advice. This means the assessment reflected the panel's independent judgement against the stated criteria, while recognising that it was made without the full operational and contextual knowledge available to the areas that prepared the advice.

The Office of Northern Australia (ONA) provides policy advice to the Minister for Northern Australia and the Assistant Minister for Northern Australia on the Australian Government's Northern Australia policy agenda, with a view to achieving sustainable and resilient economic and social development across the north. It also ensures that Northern Australia issues are appropriately reflected across the broader work of the Australian Government. To support this, the ONA engages regularly with other departments and key stakeholder groups to inform Northern Australia-focused policy as it relates to the Northern Australia Infrastructure Facility, the implementation of the Northern Australia Action Plan as well as the workplans of the Northern Australia Ministerial Forum and Northern Australia Indigenous Reference Group.

The ONA acts as a conduit between local, state and federal governments, ensuring community perspectives inform national policy. This coordination enables more effective, place-based outcomes that support sustainable economic and social development, in line with Australian Government priorities for regional and community outcomes.

The ONA will continue to coordinate and implement the Northern Australia Action Plan 2024–29, supported by annual progress reporting that highlights achievements across economic and social priorities and demonstrates progress for Northern Australian communities.



Outcome 4: Territories

Outcome Statement
Good governance and service delivery in the Australian territories including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories

Performance snapshot

Program	Met	Substantially met	Partially met	Not met	Unable to be assessed
4.1 Services to Territories	-	1	1	-	-
Total	**-**	**1**	**1**	**-**	**-**

Key achievements



Maintained essential services in non-self-governing territories

The department worked with partners to maintain health, education and corrections services across non-self-governing territories, with no disruption to affected communities.

Program 4.1



Strengthened Jervis Bay Territory water security

Completed an 11 km water pipeline connecting the Jervis Bay Territory to the Shoalhaven water network, providing a more resilient and sustainable drinking water supply for residents and visitors.

Program 4.1



Supported Commonwealth representation in the territories

Supported continuity of Commonwealth representation in the territories through the reappointment of the Indian Ocean Territories Administrator and appointment of a new Norfolk Island Administrator.

Program 4.1

Program 4.1: Services to Territories

Program objective

The Services to Territories Program provides good governance and service delivery in the Australian territories, including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories.

Key activities	Performance measure(s)
Ensuring governance and legislative arrangements are fit for purpose to: a. support delivery of services and programs to Australia's non-self-governing territories b. facilitate our national interests in the Australian Capital Territory and the Northern Territory	25
Provide essential infrastructure, fund and deliver services to residents of the external territories (Norfolk Island and the Indian Ocean Territories) and the Jervis Bay Territory	26

Performance results

Performance measure 25	Provide policy advice on governance and legislative arrangements in Australia's territories
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 60. DITRDCSA Corporate Plan 2025–26, pg 90.
2025–26 result	**Partially met.** 70% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Substantially met. **2023–24 result:** Met (result not comparable due to change in methodology).
Owner	Territories Division.
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 12 pieces of policy advice for this performance measure. Using a 90% confidence interval, the panel sampled and assessed 10 pieces of advice. Of these, 7 were assessed as high quality, timely and evidence based, resulting in a performance measure result of 70%.

While some briefs did not meet the assessment threshold, the result should be considered in the context of the department's Policy Advice Assessment Methodology and the nature of policy advice. All briefs were cleared by the department and provided to the minister's office, fulfilling their intended purpose within the context and timing of delivery.

The assessment was undertaken by an independent internal panel against the methodology criteria, which provided a consistent assessment of the sampled briefs. To preserve independence, panel members were not involved in developing the advice. This means the assessment reflected the panel's independent judgement against the stated criteria, while recognising that it was made without the full operational and contextual knowledge available to the areas that prepared the advice.

While most of the policy advice assessed in 2025–26 met the department's standards for quality, evidence base and timeliness, 3 briefs did not meet the required threshold. Compared with 2024–25, results indicate an improvement in the use of evidence to inform advice, stable performance in overall quality, and a decline in timeliness. Overall, a greater proportion of assessed briefs did not meet the required standard than in the previous year.

The results highlight opportunities to strengthen the consistency and timeliness of policy advice across the department. In response, the department will continue to reinforce relevant policies and expectations through targeted guidance, capability development and awareness activities, with a particular focus on supporting timely advice to ministers and decision-makers.

The work of the department in 2025–26 progressed several issues of particular importance to territory communities, such as:

> reappointment of the Administrator of the Indian Ocean Territories and appointment of a new Administrator on Norfolk Island to represent the minister and advocate for the community
> provided briefing and advice to support ministerial decision-making on matters relating to governance, service delivery, infrastructure, connectivity and community wellbeing in the territories.

The department partners with other government entities and stakeholders to assist us in providing advice on governance and legislative arrangements in Australia's territories. These include:

> Department of the Prime Minister and Cabinet on implications for insurance markets in the external territories from current work in the Department of the Treasury and the National Emergency Management Agency
> Office of Parliamentary Council who drafted regulations for the department.
> Australian Electoral Commission and Department of Finance to explore options for delivering the inaugural Norfolk Island Assembly election
> Australian Government Solicitor on preferred policy approaches and impact of changes on various Commonwealth legislation
> Department of Employment and Workplace Relations and Australian Government Solicitor on the potential implications of a national workers' compensation framework for the Norfolk Island Workers' Compensation Scheme.

The department will continue to improve how it develops policy advice regarding governance and legislative arrangements to territories in 2026–27.

Performance measure 26	Availability of key services in the non-self-governing territories
Target	Health, education, and corrections service agreements are being delivered in the non-self-governing territories.
How we measure this	Assessment of services delivered in accordance with relevant agreements. Assessment of provision of essential infrastructure that allows delivery of key services.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 60. DITRDCSA Corporate Plan 2025–26, pg 91.
2025–26 result	**Substantially met.** 39 out of 40 health, education and corrections service agreements were in place for the full financial year.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Territories Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

In 2025–26, the department supported the delivery of essential services to Australia's non-self-governing territories through service delivery agreements and contracts with state, local and private partners. Most agreements were in place for the full financial year. Where relevant, the department also supported the infrastructure required to deliver these services. Services were delivered in accordance with the relevant agreements. One service agreement was renewed one month late; however, the relevant partner continued to provide the previously agreed services at its own cost during this period, avoiding disruption to the affected community.

The delay occurred because the provider's legal clearance process for the new 2025–26 agreement took longer than expected. To reduce the risk of similar delays occurring in the future, the department will engage service providers earlier in the financial year so both parties have sufficient time to complete negotiations and internal clearance processes before agreements expire.

Key partnerships with state government agencies such as Queensland, New South Wales, Australian Capital Territory (ACT) and Western Australia (WA) enabled the delivery of critical services across our non-self-governing territories. Examples include:

> delivery of ACT services to the Jervis Bay Territory to provide public school services, home education, 3-year-old education program and early childhood care regulation and quality assurance.

> delivery of QLD services to Norfolk Island to provide corrective services, school-based education and health support services.

> delivery of WA services to the Indian Ocean Territories such as breast screening, child protection and family support, public health services, school-based education and corrective services.

This performance measure focuses on the delivery of health, education and corrections services, as these services have the greatest impact on community wellbeing. Examples of the services within these respective categories include ambulance, school buses and community policing services. All services are demand driven and reflect the department's ongoing role in supporting the Indian Ocean Territories, Norfolk Island and Jervis Bay Territory.

The department will continue to monitor and review service delivery agreements to allow for planning of extensions or new agreements to ensure seamless provision of essential services.

Spotlight

Jervis Bay Territory water pipeline

A new water pipeline to the Jervis Bay Territory (the Territory), delivered in partnership with the Shoalhaven City Council, was completed in April 2026. The pipeline replaces the Australian Government-owned water treatment plant, which sourced water from Lake Windemere. The Territory is now connected to the broader Shoalhaven water network, providing a more resilient and sustainable drinking water supply for residents, including members of the Wreck Bay Aboriginal Community, and visitors. It also provides modern infrastructure that can meet current and future demand.

The 11 km pipeline connects the Shoalhaven City Council reservoir at Vincentia with the Stoney Creek reservoir in the Territory. It forms part of the Australian Government's $15.8 million investment in the Territory's water security and wastewater treatment services.

Connecting the Territory to Shoalhaven's water network is intended to:

> support more reliable and serviceable Territory-side water infrastructure
> ensure water continues to meet Australian Drinking Water Guidelines
> allow services to scale with increases in demand.

This investment provides a modern, resilient and scalable water supply solution that strengthens long-term water security for the Jervis Bay Territory and supports the needs of its community into the future.



Outcome 5: Communications Connectivity

Outcome Statement
Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services

Performance snapshot

Program	Met	Substantially met	Partially met	Not met	Unable to be assessed
5.1 Digital Technologies and Communications Services	4	2	-	-	-
Total	**4**	**2**	**-**	**-**	**-**

Key achievements



Expanded regional connectivity

Delivered over 38,000 km² of new and improved mobile and broadband coverage through the Mobile Black Spot Program, Peri-Urban Mobile Program and Regional Connectivity Program.

Program 5.1



Connected remote First Nations communities

Delivered free community Wi-Fi services to 23 remote First Nations communities across the Northern Territory, Queensland, South Australia and Western Australia.

Program 5.1



Supported public interest journalism

Supported the employment of more than 2,000 journalists through the Journalism Assistance Fund.

Program 5.1

Program 5.1: Digital Technologies and Communications Services

Program objective

To provide an environment in which all Australians can access and benefit from digital technologies and communications services, supporting inclusiveness and sustainable economic growth.

Key activities	Performance measure(s)
Deliver communications programs, including in regional and remote Australia	27 and 28
Provide effective and inclusive communications services and technologies	29
Advise on the regulatory and legislative framework for spectrum management, broadband and other telecommunications	30
Advise on the news, broadcasting and media industry	31
Advise on harmful online and digital content, and activities	32

Performance results

Performance measure 27	Total amount of new and improved mobile coverage delivered through the Mobile Black Spot Program and the Peri-Urban Mobile Program
Target	For each program, ≥90% of total contracted coverage (i.e. the combined total of new and improved handheld coverage) is delivered by assets for which asset completion reports are received and approved in the financial year.
How we measure this	An asset completion report (ACR) is submitted by the funding recipients following completion of each contracted base station. The department undertakes an analysis to compare contracted coverage against as-built coverage detailed in each ACR. This then provides the percentage of total contracted coverage delivered.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 66. DITRDCSA Corporate Plan 2025–26, pg 95.
2025–26 result	**Met.** Mobile Black Spot Program: 115% of total contracted coverage was delivered through 20 base stations. Peri-Urban Mobile Program: 134% of total contracted coverage was delivered through 16 base stations.
Previous results	**2024–25 result:** Met. **2023–24 result:** Met.
Owner	Consumer Safeguards, Media and Connectivity Division.

Performance measure 27	Total amount of new and improved mobile coverage delivered through the Mobile Black Spot Program and the Peri-Urban Mobile Program
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

During 2025–26, a total of 1,503 km^2 of new and improved handheld coverage was delivered from 20 Mobile Black Spot Program (MBSP) funded base stations for which ACRs were received and approved. The Peri Urban Mobile Program (PUMP) delivered 174 km^2 of new and improved handheld coverage from 16 funded base stations for which ACRs were received and approved. Most base stations built in 2025–26 exceeded the contracted coverage metrics, resulting in an overall increase in total MBSP coverage relative to the previous year (115% in 2025–26 compared to 101% of overall contracted coverage in 2024–25).

The result of this measure is impacted by the final location and design of the base station. The department has funding agreements with each grantee which require approval of any changes that would reduce coverage below 90% of contracted metrics, such as when a base station cannot be built at the contracted location for reasons outside the direct control of grantees.

The department partners with grantees that deliver the funded base stations under the MBSP and PUMP, and with state and territory governments which provide co-funding for projects.

The increase in mobile coverage benefits people who live, work and travel in regional, rural and remote parts of Australia. An increase in coverage provides connectivity for Australians allowing them to keep in contact with family and friends, supporting e-commerce that contributes to economic growth and sustainability, and ensuring access to emergency services and information during natural disasters and emergency situations.

The department will continue to closely manage the implementation of projects funded under the MBSP and PUMP to maximise outcomes from the government's investment.

Performance measure 28	The total amount of new or improved contracted outcomes delivered through the Regional Connectivity Program
Target	≥90% of total contracted outcomes (i.e. new and improved coverage, or relevant key service improvement metric) are delivered by assets for which completion reports are received and approved in the financial year.
How we measure this	An asset completion report (ACR)/project completion report (PCR) is submitted by the funding recipients following completion of each contracted work. The department undertakes an analysis to compare grant agreements, ACRs and PCRs to assess contracted coverage against delivered coverage. This then provides the percentage of total contracted outcomes delivered.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 66. DITRDCSA Corporate Plan 2025–26, pg 96.
2025–26 result	**Met.** 110% of total contracted outcomes were delivered through 90 assets.

Performance measure 28	The total amount of new or improved contracted outcomes delivered through the Regional Connectivity Program
Previous results	**2024–25 result:** Met. **2023–24 result:** Met.
Owner	Consumer Safeguards, Media and Connectivity Division.
Additional information	Not applicable.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

During 2025–26, over 37,000 km^2 of broadband and mobile coverage was delivered from 90 assets for which asset or project completion reports were received and approved. 110% of total contracted outcomes were delivered in 2025–26 compared to 116% in 2024–25, however the outcomes are not comparable year to year as they relate to the specific assets and projects completed in the given period. The target was exceeded in both the current and previous financial years.

Funding recipients delivered assets that largely exceeded their contracted coverage outcomes. Challenges in obtaining approvals, power supply issues and weather impacts were faced, delaying progress against the contracted timeframes, however extensions were granted to funding recipients where requested to enable delivery to continue.

The department partners with funding recipients to deliver this program by monitoring delivery progress and making payment for achievement of associated milestones. The department also works with state and territory governments which provide co-funding of some projects. Funding recipients are responsible for obtaining approvals and construction of communications infrastructure to meet contracted requirements.

The broadband and mobile coverage outcomes delivered through the Regional Connectivity Program improved connectivity and access to communications services in rural, regional and remote Australia. These outcomes help communities stay connected and support e-commerce contributing to economic growth and sustainability. They also strengthen regional connectivity in areas where commercial investment alone is not sufficient.

The Regional Connectivity Program supports improved digital connectivity across regional, rural and remote Australia by providing regional communities with significant upgrades to voice and data services. These upgrades help ensure all Australians can access and benefit from digital technologies and communications services, supporting inclusion and sustainable economic growth.

The continued monitoring of delivery against contracted outcomes is essential, while working with funding recipients to ensure that delays in delivery can be identified and addressed promptly.

Performance measure 29	Accessible communication services for Australians, through: a. National Relay Service (NRS) b. Audio description services c. Broadcaster captioning compliance
Target	a. Provider meets or exceeds contractual service levels. b. National broadcasters provide more than 30 hours per week, on average, of audio described content. c. Broadcasters meet or exceed statutory captioning obligations.
How we measure this	a. Monthly service level requirements. The service provider provides monthly performance statements against service levels. The data is automatically recorded via the service providers platforms and collated into the performance statements against the contracted service levels. b. Hours of programming broadcast with audio description as reported by the national broadcasters at the end of each financial year. c. Percentage of programming broadcast with captions. Licensed broadcasters are required under legislation to keep records and report to the Australian Communications and Media Authority (ACMA) on the percentage of content captioned in the previous year.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 66. DITRDCSA Corporate Plan 2025–26, pg 97.
2025–26 result	**Substantially met.** **a. Substantially met.** The NRS provider met 90% of its performance targets. **b. Met.** National broadcasters' hours of programming broadcast with audio description exceeded 30 hours per week, on average. **c. Met.** Broadcasters met statutory captioning compliance obligations.
Previous results	**2024–25 result:** Substantially met. **2023–24 result:** Met.
Owner	Consumer Safeguards, Media and Connectivity Division.
Additional information	Audio description services are narrated soundtracks provided by the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service (SBS) for specific television shows to provide accessibility to blind or vision impaired people. Broadcaster captioning compliance is a legislative requirement for licensed broadcasters for deaf and hearing-impaired people. There are different obligations for free to air broadcasters and pay television. ACMA is the regulator for these obligations and releases compliance data every year.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

National Relay Service

The National Relay Service provider, Concentrix, is required under its service contract to meet 10 service level performance indicators each month.

Six of the 10 service levels relate to call answering. Five were met in every month of the year: 2 for emergency services call answer times, and one each for abandoned call rates, video relay call answer times and helpdesk call answer times. The remaining call answering metric for services other than video relay was met in 10 months of the year. The 2 months it was not met were partly due to high levels of scam traffic early in the financial year. System changes have rectified this issue after October 2025 to allow scam calls to be terminated during the call. This protects genuine users of the service and allows legitimate call traffic to operate more effectively. The other 4 performance metrics relate to the help desk. All were met, except for helpdesk complaint resolution timeframes in August 2025.

Audio description services

ABC and SBS are funded through their funding agreements to provide audio description services. In 2025–26, the ABC reported an average of 112 hours per week of audio described content, while SBS reported an average of 190 hours per week. Both national broadcasters exceeded the target of 30 hours per week.

Broadcaster captioning compliance

ACMA annual captioning compliance reports are published each December for the prior financial year. Therefore, captioning data from 2024–25 is reported in this performance measure.

Free-to-air TV broadcasters are required to caption 100% of all programs on their main channels between 6am and midnight under section 130ZR of the *Broadcasting Services Act 1992* (the Act).

In 2024–25, all free-to-air TV broadcasters provided captions on at least 99.95% of programs. All failures to deliver 100% captioning levels were attributable to unforeseen technical difficulty and explained in accordance with the requirements at section 130ZZAB of the Act. This continued the very high level of compliance recorded in 2023–24.

The 3 subscription TV licensees (Foxtel Cable Television, Optus Content and Telstra TV) reported that they met or exceeded captioning requirements in the Act in all programming categories in 2024–25.

The Foxtel and Telstra TV channels that failed to meet all requirements (BoxSets: 99.96%, Foxtel One: 99.98% and Aurora: 46% against a target of 75%) were attributable to unexpected technical difficulties, which is grounds for breaches to be disregarded under section 130ZZAB of the Act.

The department has removed the captioning compliance target from this performance measure in 2026–27 as the department does not regulate or enforce these obligations. Captioning compliance information is reported separately by ACMA and published on its website.[13]

13 Available at: https://www.acma.gov.au/broadcaster-compliance-tv-captioning-obligations

Performance measure 30	Provide policy advice on the regulatory and legislative framework for spectrum management, broadband and other telecommunications matters
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 66. DITRDCSA Corporate Plan 2025–26, pg 98.
2025–26 result	**Met.** 96% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Substantially met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Communications Services and Systems Division.
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 59 pieces of policy advice for this performance measure. Using an 85% confidence interval, the panel sampled and assessed 24 pieces of advice. Of these, 23 were assessed as high quality, timely and evidence based, resulting in a performance measure result of 96%.

While one brief did not meet the assessment threshold, the result should be considered in the context of the department's Policy Advice Assessment Methodology and the nature of policy advice. All briefs were cleared by the department and provided to the minister's office, fulfilling their intended purpose within the context and timing of delivery.

The assessment was undertaken by an independent internal panel against the methodology criteria, which provided a consistent assessment of the sampled briefs. To preserve independence, panel members were not involved in developing the advice. This means the assessment reflected the panel's independent judgement against the stated criteria, while recognising that it was made without the full operational and contextual knowledge available to the areas that prepared the advice.

An example of policy advice provided under this measure was advice to the Minister for Communications on the issuance of a Government Policy Project Notice under NBN Co Limited's Special Access Undertaking (SAU) with the Australian Competition and Consumer Commission (ACCC). In line with SAU requirements, the ACCC and NBN Co were consulted before the notice was issued. Both parties supported the SAU (NBN Transformation Projects) Government Policy Project Notice 2025. The issuance of this notice meant the ACCC's regulatory decision would be aligned with government policy priorities and enabled NBN Co to have the opportunity to realise forecast revenue from network upgrades while managing potential long-term price impacts on retailers and consumers.

The department partners with other government agencies including the Department of Finance and relevant telecommunication providers such as NBN Co and Australia Post, on information relevant to the delivery of policy advice to inform the market.

Policy settings, regulatory and legislative requirements ensure an environment in which all Australians can realise the full potential of digital technologies and communications services, supporting inclusiveness and sustainable economic growth.

The department will continue to provide policy advice on the key activities surrounding our work for the policy, regulatory and legislative frameworks for spectrum management, broadband and other telecommunications issues.

Spotlight

NBN Community Wi-Fi Program

In February 2024, the Prime Minister announced $20 million in funding to NBN Co to support Target 17 of the National Agreement on Closing the Gap, to deliver free community Wi-Fi services in remote First Nations communities.

By July 2025, the NBN Community Wi-Fi Program connected 23 remote First Nations communities across the Northern Territory (NT), Queensland (Qld), South Australia (SA) and Western Australia (WA) with free services running until 30 June 2028.

The Wi-Fi services were designed and implemented directly with community leaders which ensured the services provided were tailored to individual community needs. The Wi-Fi services are delivered using NBN Co's SkyMuster service and are supported by Digital Champions in communities, who are paid community members, serving a dual role in assisting community members to connect, but also to perform basic troubleshooting and maintenance of infrastructure.

Anecdotal feedback from communities demonstrates the impact of the program on their lives. For example, in Gan Gan, NT, the Wi-Fi service enabled residents to participate in the Laynhapuy Homelands Aboriginal Corporation Annual General Meeting remotely, saving them a 398 km round trip on difficult roads. In Fitzroy Crossing, WA, school attendance has increased by 20% since the service was introduced.

In November 2025, the Minister for Communications announced a further 53 communities will be connected under the $20 million contestable First Nations Community Wi-Fi Program across the NT, Qld, SA, Tasmania and WA. As of 30 June 2026, 3 of these communities have been connected. Once connected, services in these communities will be provided for 5 years from activation.

Performance measure 31	Provide policy advice about the news, broadcasting and media industry
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 67. DITRDCSA Corporate Plan 2025–26, pg 98.
2025–26 result	**Substantially met.** 94% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Consumer Safeguards, Media and Connectivity Division.
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 20 pieces of policy advice for this performance measure. Using a 90% confidence interval, the panel sampled and assessed 16 pieces of advice. Of these, 15 were assessed as high quality, timely and evidence based, resulting in a performance measure result of 94%.

While one brief did not meet the assessment threshold, the result should be considered in the context of the department's Policy Advice Assessment Methodology and the nature of policy advice. All briefs were cleared by the department and provided to the minister's office, fulfilling their intended purpose within the context and timing of delivery.

The assessment was undertaken by an independent internal panel against the methodology criteria, which provided a consistent assessment of the sampled briefs. To preserve independence, panel members were not involved in developing the advice. This means the assessment reflected the panel's independent judgement against the stated criteria, while recognising that it was made without the full operational and contextual knowledge available to the areas that prepared the advice.

The department works closely with relevant regulators and departments in developing high-quality policy advice for government, while respecting and upholding the independence of these entities.

The department supports a sustainable media and broadcasting industry, enabling Australians across the country to have access to a range of high-quality media content. The department also works to enhance the delivery of quality public interest journalism, ensuring Australians have access to a diverse range of news voices vital for a healthy democracy and social cohesion.

Spotlight

Journalism Assistance Fund

Australia's news media sector is facing significant pressure driven by rapid technological advancements, changing readership habits and the movement of advertising revenue away from traditional news outlets.

Through the Journalism Assistance Fund (JAF), the Australian Government is supporting the sustainability of public interest journalism. The JAF helps ensure Australians can access news on issues of public significance that supports informed public debate and democratic participation at local, regional, state and national levels.

Announced on 21 November 2025, the JAF provides $67.6 million to assist Australian news publishers by subsidising a proportion of wages for journalists producing core digital news content. The JAF forms part of the News Media Assistance Program.

Under the JAF, successful grantees receive $39,000 per eligible journalist over the 3-year grant period (2025–26 to 2027–28).

The JAF funding is supporting the employment of more than 2,000 journalists across a diverse range of publishers, including 93 regional, 23 culturally and linguistically diverse, 22 suburban, and 2 First Nations news organisations.

The delivery of the JAF builds on the department's experience administering similar initiatives, including the News Media Relief Program, which provided over $12 million to Australian news publishers in 2024–25. The News and Journalism Branch partnered with the Business Grants Hub at the Department of Industry, Science and Resources, to deliver the grant.

The JAF will continue to provide greater certainty for publishers to continue producing core news content.

Performance measure 32	Provide policy advice about harmful online and digital content and activities
Target	95% of policy advice is assessed as high quality, timely and evidence based.
How we measure this	Policy advice is assessed and scored by an internal independent panel, against criteria outlined in the departmental policy advice assessment methodology, to determine if it is high quality, timely and evidence based.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 67. DITRDCSA Corporate Plan 2025–26, pg 99.
2025–26 result	**Met.** 100% of policy advice was assessed as high quality, timely and evidence based.
Previous results	**2024–25 result:** Substantially met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Digital Policy, Online Safety and Classification Division.
Additional information	Not applicable.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a percentage.

Analysis of performance

In 2025–26, the department prepared 14 pieces of policy advice for this performance measure. Using a 90% confidence interval, the panel sampled and assessed 12 pieces of advice. All were assessed as high quality, timely and evidence based, resulting in a performance measure result of 100%. This is an improvement on last year, supported by enhanced processes, stronger oversight and proactive management.

The department developed policy advice in close consultation with other Commonwealth and state government entities.

In 2025–26, the department continued to provide policy advice to the Minister for Communications on a broad range of issues relating to online and digital risks and harms, Australian culture and community identity, and emerging digital platform market issues. For example, the department advised on implementing the social media minimum age requirement, supporting the review of the *Online Safety Act 2021* and progressing stage 2 classification reforms.

The focus of our policy efforts is directed at ensuring Australians are safe and free from harm when they interact in online environments and that they have the information and awareness to be informed consumers of online and media content. This in turn promotes social engagement, robust civic discourse and economic participation.

The department will continue to provide high quality, timely and evidence-based policy advice about harmful online and digital content and activities.

Outcome 6: Creativity and Culture

Outcome Statement
Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression

Performance snapshot

Program	Met	Substantially met	Partially met	Not met	Unable to be assessed
6.1 Arts and Cultural Development	2	-	-	-	-
Total	**2**	**-**	**-**	**-**	**-**

Key achievements

Supported Australian stories on streaming platforms

Delivered a *Revive* commitment by establishing Australian screen content obligations for major streaming platforms, supporting access to Australian stories and content.

Program 6.1

Supported live music businesses

Delivered $11.6 million through Revive Live to support 109 live music businesses, including 58 music festival-based activities and 51 live music venues.

Program 6.1

Delivered timely support to the arts sector

Paid 99% of administered grant payments within 20 days, supporting grant recipients to manage cashflow and deliver funded cultural and creative activities.

Program 6.1

Program 6.1: Arts and Cultural Development

Program objective

To provide an environment in which all Australians can access and benefit from creative experiences and culture, supporting inclusiveness and growth in Australia's creative sector, and protecting and promoting Australian content and culture.

Key activities	Performance measure(s)
Protecting and promoting Australian content	33
Deliver policies and programs that support the cultural and creative sectors and enable all people in Australia to access and participate in cultural and creative activities	33 and 34
Deliver policies and programs to support Australian cultural heritage, including Indigenous cultural heritage, arts, languages and repatriation	33

Performance results

Performance measure 33	Contribute to the delivery of actions within *Revive*, the National Cultural Policy 2023–2027
Target	85% of the department's 65 *Revive* actions and components are delivered.
How we measure this	Information on completion of each *Revive* action or action component is extracted from program monitoring reports and centralised for review and analysis in a departmental tracking document.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 71. DITRDCSA Corporate Plan 2025–26, pg 103.
2025–26 result	**Met.** 85% of the department's 65 *Revive* actions and components were delivered.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Creative Economy and the Arts Group.
Additional information	This is *Revive*'s final reporting year. A new national cultural policy is in development and will replace this measure in forward years.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

Progress against *Revive* actions was regularly monitored throughout the reporting period, enabling early identification and management of risks, dependencies and implementation complexities.

Revive comprises 85 whole-of-government actions and components (65 within the department) spanning legislation, policy, program delivery, research, and the establishment and improvement of cultural institutions and infrastructure. Delivery is coordinated in partnership with Arts portfolio agencies, other Commonwealth entities and state and territory governments.

In 2024–25, the department was responsible for 66 *Revive* actions and components. In 2025–26, this number was revised to 65 following a machinery of government that transferred one action to another department. Completed actions are published on the department's website.[14]

Revive provides the overarching framework for delivering the Australian Government's cultural policy commitments. Implementation of its actions supports a more sustainable, inclusive and resilient arts and cultural sector, with direct benefits for Australian communities.

A coordinated, whole-of-government approach has strengthened connections across portfolios and with diverse stakeholders, improving policy coherence and delivery outcomes. Through its actions, *Revive* has:

> strengthened respect for First Nations cultural expression through First Nations-led and centred approaches
> supported trust in cultural institutions by stabilising and enhancing funding and regulatory settings
> encouraged innovation to address gaps in cultural access, participation and experience
> advanced equity by expanding opportunities for inclusion and participation across diverse communities.

Remaining actions are affected by delivery constraints, including complex legislative processes, extended project planning timeframes, and revised government priorities or agreements, which may delay completion or make some actions unachievable.

This is the final reporting year for this performance measure. The department will continue to progress remaining *Revive* actions where possible, noting that some actions may extend beyond the life of the policy. Future efforts will focus on developing and implementing the next National Cultural Policy.

14 Available at: https://www.arts.gov.au/what-we-do/national-cultural-policy/progress-under-revive-place-every-story-story-every-place



Spotlight

Revive: A place for every story, a story for every place

On 30 January 2023, the Australian Government released *Revive: a place for every story, a story for every place*, Australia's first National Cultural Policy in more than a decade. Supported by more than $286 million in investment over 5 years, *Revive* provides a whole-of-government framework to renew and strengthen Australia's arts, entertainment, cultural and heritage sectors.

By 30 June 2026, 75 of *Revive*'s 85 actions had been delivered. The department worked with the Arts portfolio and Commonwealth agencies, state and territory governments and sector partners to deliver legislative, policy, funding, infrastructure and research initiatives across a diverse program of work.

Revive has supported artists and cultural workers, strengthened national cultural institutions, increased access to Australian stories and cultural experiences, advanced First Nations arts, languages and cultural expression, and improved the evidence base for future cultural policy.

Key achievements over the life of the policy include:

- establishing Creative Australia as the government's principal arts investment and advisory body, including the creation of Music Australia, Creative Workplaces, First Nations Arts and Writing Australia
- placing First Nations stories, languages and cultural expression at the centre of Australia's cultural landscape, including through the establishment of the First Nations Languages Partnership
- launching Sharing the National Collection to support long-term loans from the National Gallery of Australia to regional and suburban cultural institutions
- developing *Equity: the Arts and Disability Associated Plan* to improve access and participation in arts and cultural life for people with disability
- introducing the Digital Games Tax Offset and increasing the Location Offset to attract investment and support growth in Australia's screen and digital games industries

- establishing Australian screen content obligations for streaming platforms to support the availability of Australian stories and content
- modernising and extending the Public and Educational Lending Right schemes to compensate eligible creators and publishers when their work is made freely available through public and educational libraries in Australia
- supporting live music venues and festivals through Revive Live, creating more opportunities for Australian artists to perform and engage with audiences.

Some actions will continue into 2026–27, reflecting the scale of the policy and the number of delivery partners. During 2025–26 the department began developing the next National Cultural Policy, building on the foundations established through *Revive* to support a resilient, sustainable and thriving cultural sector.

Photo credit: Silver Salt Photography.
Opening event. Mikala Dwyer [wall painting] 2020, collection National Gallery of Australia.
On display at Goulburn Regional Art Gallery from January 2026.

Performance measure 34	Administered grants are paid within a timely manner
Target	90% of payments are paid within 20 days.
How we measure this	Analysis of reports generated from the department's payment processing system.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 71. DITRDCSA Corporate Plan 2025–26, pg 104.
2025–26 result	**Met.** 99% of payments were paid within 20 days from the receipt of a correctly rendered invoice.
Previous results	**2024–25 result:** Met. **2023–24 result:** Not applicable; new performance measure for 2024–25.
Owner	Creative Economy and the Arts Group.
Additional information	The 20 days is calculated from the date of receipt of a correctly rendered invoice entered into the department's accounts payable system.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

99% of administered grant payments were paid within 20 days from receipt of a correctly rendered invoice, exceeding the 90% target.

This result reflects strong internal processes, clear guidance to staff on finance requirements and deadlines, regular monitoring and early issue resolution. Communication between line areas, Financial Management Branch and approvers supported timely submissions and approvals, while forward planning helped manage higher volumes during peak periods. Where delays arose, including from documentation requirements or peak workloads, these were managed through established processes.

Administered grants are a key mechanism for delivering support to Australia's arts and cultural sector. Timely payment supports grant recipients to plan, manage cashflow and deliver funded cultural and creative activities in accordance with relevant program guidelines.

For example, Revive Live delivered $11.6 million to support 109 live music businesses, including 58 music festival-based activities and 51 live music venues. This funding supported established live music venues and festivals, with a focus on activities that improve accessibility, create participation opportunities for audiences, and support career pathways for musicians and music workers with disability.

The department will continue to administer grant payments in a timely manner.

Outcome 7: Sport and Physical Activity

Outcome Statement
Contribute to healthy, active communities and a sustainable sport system through policy development, coordination and targeted support

Performance snapshot

Program	Met	Substantially met	Partially met	Not met	Unable to be assessed
7.1 Sport and Physical Activity	3	-	-	-	-
Total	**3**	**-**	**-**	**-**	**-**

Key achievements

Supported event owners to deliver 4 major international sporting events

Supported delivery of 4 major international sporting events hosted in Australia, including the ICF Slalom World Championships 2025, Virtus World Athletics Championships 2025, World Boccia Challenger 2025 and AFC Women's Asian Cup 2026.

Program 7.1

Supported safer sport and recreation

Completed 100% of Water and Snow Safety Program assurance activities, supporting national bodies to deliver initiatives that help reduce preventable water and snow-related injuries and deaths.

Program 7.1

Established Sport Horizon reporting arrangements

Endorsed the Sport Horizon Monitoring, Reporting and Learning Framework in March 2026, setting the approach for monitoring and reporting progress against the National Sport Strategy.

Program 7.1

Program 7.1: Sport and Physical Activity

Program objective

Develop national sport policy, design and implement programs and support major sporting events to provide social, health and economic benefits for Australia.

Key activity	Performance measure(s)
Provide national policy advice and governance support, deliver on sport programs and projects, and provide strategic coordination and support on major international sporting events	35, 36 and 37

Performance results

Performance measure 35	Contribute to the implementation, monitoring and reporting of the National Sport Strategy 2024–2034 (the Strategy)
Target	a. Establish governance arrangements for the Strategy. b. An approach for the Strategy's monitoring and reporting framework is endorsed.
How we measure this	Review of departmental records is undertaken to determine whether the Strategy's governance arrangements are established, and an approach to its monitoring and reporting framework is endorsed.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 75. DITRDCSA Corporate Plan 2025–26, pg 108.
2025–26 result	**Met.** **a. Met.** Governance arrangements for the Strategy remained in place. **b. Met.** An approach for the Strategy's monitoring and reporting framework was endorsed.
Previous results	Not applicable; new performance measure for 2025–26.
Owner	Office for Sport Division.
Additional information	This is a new performance measure for 2025–26.
Changes	No changes have been made to this performance measure since the 2025–26 Corporate Plan and 2026–27 Portfolio Budget Statements.

Analysis of performance

Two governance groups supported the implementation, monitoring and reporting of Sport Horizon during 2025–26: the Sport Horizon Implementation Oversight Committee and the Sport Horizon Expert Advisory Group. Governance arrangements, including committee membership and Terms of Reference, were established prior to the commencement of the reporting period and remained in place throughout 2025–26.

During the reporting period, both governance committees met to support implementation of the Strategy and consider its monitoring and reporting arrangements. The Sport Horizon Monitoring, Reporting and Learning Framework was developed in collaboration with, and endorsed by, the Sport Horizon Expert Advisory Group and Sport Horizon Implementation Oversight Committee in February and March 2026 respectively. The framework established the approach for monitoring and reporting on progress against the Strategy.

Interagency collaboration, through the governance committees, positively contributed to the development of the Monitoring and Reporting Framework. Members of the Expert Advisory Group provided valuable input and feedback to develop and refine the Framework, which supported endorsement of the final product.

Australian Government agencies activate Sport Horizon's priorities through strategies and activities specific to their areas of responsibility and influence in the sport sector. Agencies have responsibility for the design, implementation, monitoring and evaluation of their respective sport-related strategies and programs, and for the timing of these strategies.

The department's role is limited to providing oversight and governance to support implementation and reporting of Sport Horizon. This includes stakeholder engagement, coordination, and developing Implementation Plans and reporting documentation that is endorsed via the Sport Horizon governance committees (comprising representatives from a number of agencies).

Sport Horizon, Australia's National Sport Strategy 2024–34, sets the long-term strategic vision and priorities for sport in Australia. It provides the framework and priorities for sport in Australia to support healthy, active, connected communities and a thriving sport system.

Australian Government agencies have shared responsibility to deliver activities/strategies to achieve the collectively agreed outcomes of the Strategy. The Strategy highlights existing work and future opportunities to align efforts and resources around a strategic approach to investment in sport.

The next steps for this performance measure include coordinating inputs from relevant Australian Government agencies, developing documentation and seeking endorsement through governance processes for Sport Horizon reporting, in accordance with the Monitoring and Reporting Framework, and implementation planning.

Performance measure 36	Strategic coordination of the planning and delivery of major international sporting events hosted in Australia
Target	Event-specific grant and funding agreements, inclusive of deliverables and project plans, are in place within 12 months of funding announcement.
How we measure this	Grant and funding agreements are developed to ensure government priorities are clearly defined, appropriately managed and milestones are achieved. Review of project management plans and post-evaluation reports to determine effective delivery and planning of events.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 75. DITRDCSA Corporate Plan 2025–26, pg 109.
2025–26 result	**Met.** Event-specific grant and funding agreements, inclusive of deliverables and project plans, were in place within 12 months of funding announcement.
Previous results	**2024–25 result:** Met. **2023–24 result:** Substantially met.
Owner	Office for Sport Division.
Additional information	This measure comprises: > Event planning for the Women's Softball World Cup 2027, Netball World Cup 2027, Men's Rugby World Cup 2027, Women's Rugby World Cup 2029, World Masters Games 2029, Brisbane 2032 Olympic and Paralympic Games. > Event delivery support for the Virtus Athletics World Championships 2025, International Canoe Federation Slalom World Championships 2025, Boccia World Challenger 2025, and the Asian Football Confederation Women's Asian Cup 2026. The 2023–24 result was reported under the Department of Health and Aged Care prior to a machinery of government change on 13 May 2025.
Changes	This target was amended in the 2026–27 Portfolio Budget Statements to include a timeframe.

Analysis of performance

The department is responsible for coordinating Commonwealth involvement in major sporting events supported by the Australian Government. However, the department is not directly responsible for event delivery, this is the responsibility of the Local Organising Committee. Work is undertaken with a range of stakeholders (listed below) to ensure both immediate and long-term government priority outcomes are delivered through events.

The department collaborated with a range of stakeholders to successfully:

> develop and finalise the grant agreement for the Women's Softball World Cup 2027
> support planning and delivery of the 2025–26 Commonwealth-supported major sporting events.

Key stakeholders include:

> Community Grants Hub for development and processing of the grant agreements
> Local Organising Committees for planning and delivery of events
> State host governments for planning and delivery coordination
> Commonwealth agencies for operational services for events.

The department employs a strategic approach to ensure Commonwealth support is coordinated effectively, and events deliver lasting social, economic, and health benefits for Australians in line with the National Sport Strategy, Sport Horizon,[15] and the Major Sporting Event Legacy Framework.[16]

On 20 August 2025, the Australian Government announced investment in the 2027 Women's Softball World Cup. The funding agreement (inclusive of grant agreement, deliverables and project plans) was executed on 8 June 2026 (within 12 months of funding announcement).

In 2025–26, the following major sporting events were successfully delivered:

> International Canoe Federation (ICF) Slalom World Championships 2025 (29 September – 4 October 2025)
> Virtus World Athletics Championships 2025 (8–15 October 2025)
> World Boccia Challenger 2025 (3–11 November 2025)
> Asian Football Confederation (AFC) Women's Asian Cup 2026 (1–21 March 2026).

Funding agreement milestones were achieved for the events in the planning phase including Netball World Cup 2027, Men's Rugby World Cup 2027, Women's Rugby World Cup 2029, Women's Softball World Cup 2027 and World Masters Games 2029. Foundational planning is underway for the 2032 Olympic and Paralympic Games.

The department continued to review event-specific project management plans and supporting documentation to ensure appropriate arrangements are in place for events.

The successful delivery of major sporting events by the event owner is due in large part to effective collaboration with a range of stakeholders. Strong relationships with stakeholders and well-established governance forums continued to support collaboration and escalation/remediation of risks/issues.

In June 2025, an internal audit was conducted at the Department of Health, Disability and Ageing on the Brisbane 2032 Olympic and Paralympic Games project. The audit proposed 2 recommendations that were to review governance arrangements, and key project management artefacts for the future management of the project. These recommendations were met and closed by the end of 2025–26.

Event impact reports that outline the community impacts for the events completed in 2025 have been finalised. The event impact report for the AFC Women's Asian Cup 2026 is under development and will be finalised in the first half of 2026–27. A spotlight highlighting impacts of the World Boccia Challenger 2025 is available on page 118.

The department will continue to conduct and review lessons learned from events as they are delivered. Lessons learned will be fed into future processes to ensure the department effectively and strategically coordinates Commonwealth involvement in the planning and delivery of major international sporting events hosted in Australia.

The department regularly reviews internal processes and how we engage with stakeholders to ensure grant agreements and funding agreements are developed and executed within 12 months from funding announcements.

15 Available at: https://www.infrastructure.gov.au/sport/national-sport-strategy

16 Available at: https://www.infrastructure.gov.au/department/media/publications/major-sporting-events-legacy-framework

Spotlight

Everyone Has a Place in Sport: the World Boccia Challenger

Reflecting the National Sport Strategy: Sport Horizon's vision that 'everyone has a place in sport', the department implemented a grant to support the delivery of an international Boccia competition at the Australian Institute of Sport (AIS) Arena in Canberra from 3 to 11 November 2025, working with Boccia Australia, the Australian Sports Commission and Paralympics Australia. This work demonstrated Australia's ability to deliver inclusive, world-class events and provided opportunities for athletes with significant physical impairment to participate and compete at the highest level.

Boccia is a Paralympic target sport renowned for its inclusivity and strategic depth. Played by individuals, teams, or pairs on a purpose-marked court, the aim is for sitting athletes to roll or throw small leather balls as close as possible to a white target ball, the jack. Unique among Paralympic sports, Boccia is one of only 2 sports that does not derive from an Olympic counterpart. It was designed specifically for athletes with severe physical impairments, though anyone can play at the community level. At international competitions, athletes undergo classification to ensure fairness, divided into 4 distinct classes based on ability.

The World Boccia Challenger event brought together athletes and officials from 12 countries, delivering a high-quality competition aligned with international standards. Hosting the event in Australia reduced the significant cost and barriers to international travel with wheelchairs, enabling local athletes to compete against leading international players. The Australian team delivered standout results, securing 3 gold medals, one silver, personal best performances and national debuts.

The event strengthened Australia's high-performance pathway by providing classification opportunities for athletes, expanding the future talent pool and training for new classifiers. Workforce capability was further enhanced with strong volunteer engagement – many of whom expressed interest in contributing to future events in the lead-up to Brisbane 2032 Olympic and Paralympic Games.

Strong collaboration was critical to success. Partnerships with the Australian Sports Commission, AIS and Paralympics Australia supported efficient event delivery, workforce development and increased awareness of inclusive sport across the sector. Delivery support occurred within a compressed timeframe, requiring coordinated, flexible and risk-based approaches to funding and implementation.

Australian Government investment improved accessible infrastructure at the AIS Arena, including Paralympic-standard flooring and adult change tables. This enhanced the athlete experience and strengthened capability for future events.

Building on these outcomes, the event has reinforced Australia's reputation as a destination for inclusive international sport and created momentum to grow participation, capability and global engagement ahead of future paralympic events.

Performance measure 37	Sport programs and projects are delivered in accordance with grant guidelines and funding agreements
Target	≥85% of program and project assurance activities are completed.
How we measure this	Data is provided by funding recipients and delivery partners in line with grant guidelines and funding arrangements. The department undertakes assurance activities to determine whether delivery partners have met requirements outlined in grant guidelines and funding arrangements for the specified programs and projects. Additional engagement and collaboration with delivery partners to ensure requirements under grant guidelines and funding arrangements are met.
Source	ITRDCSA Portfolio Budget Statements 2026–27, pg 75. DITRDCSA Corporate Plan 2025–26, pg 110.
2025–26 result	**Met.** 98% of program and project assurance activities were completed.
Previous results	Not applicable; new performance measure for 2025–26.
Owner	Office for Sport Division.
Additional information	For 2025–26, this measure comprises the Play Our Way Program, Water and Snow Safety Program, and AIS Podium Project. > The Play Our Way Program will promote equitable access, build suitable facilities, and support grassroots initiatives to engage women and girls in sport and physical activity. > The Water and Snow Safety Program will provide funding to specified leading water and snow safety organisations for prevention and intervention measures to address incidents of water and snow-related injuries and deaths. > The AIS Podium Project will fund the Australian Sports Commission for construction of new athlete accommodation and sporting facilities for use by high performance athletes and para-athletes. This is a new performance measure for 2025–26.
Changes	This measure was amended in the 2026–27 Portfolio Budget Statements to include the word ‘sport’.

Analysis of performance

Play Our Way Program and Water and Snow Safety Program

In 2025–26, 95% of activities were completed for the Play Our Way Program and 100% were completed for the Water and Snow Safety Program.

The department undertook assurance activities to assess whether delivery partners met the requirements in grant guidelines and funding arrangements for the Play Our Way Program and the Water and Snow Safety Program. Additional engagement and collaboration with delivery partners was conducted as needed.

For both programs, the department worked closely with grantees from the outset to build strong relationships and support understanding of planning and reporting obligations. This reinforced the value of reporting in helping the department support outcomes for beneficiaries.

The department also maintained a strong partnership with the Community Grants Hub. This supported grantee engagement and timely access to key performance data, contributing to the positive performance result. The Community Grants Hub assesses data provided by grantees and makes recommendations to the department. The department then undertakes further assurance activities, such as stakeholder meetings and financial acquittals, to verify data accuracy.

Performance was also supported by external factors, including timely milestone submissions and no delivery partner processing delays.

The Play Our Way Program benefits communities by making sport and physical activity more accessible, inclusive and equitable for women and girls. It supports better local facilities, equipment and participation opportunities, helping to remove barriers, strengthen community connection and enable lifelong involvement in sport, particularly for those facing additional disadvantage.

The Water and Snow Safety Program enables peak national bodies to deliver initiatives supporting participation in safe aquatic and alpine environments. This benefits communities by supporting safer participation in aquatic and alpine environments and helping to reduce preventable injuries and deaths.

The department will continue to work with the Community Grants Hub to manage grant milestones in accordance with funding agreements, with incremental improvements demonstrated through strengthened assurance and reporting processes over time.

AIS Podium Project

The department completed all contract management and assurance activities for each of the 5 reporting milestones under the funding agreement in 2025–26, including varying the funding agreement schedule to defer one project milestone. Reporting milestones relate to the department's oversight of the funding agreement and are distinct from project delivery milestones. While the associated construction milestone was deferred, the reporting milestone was achieved through the approved variation to the funding agreement schedule.

Performance was supported by the partnership with the department's Land Transport Infrastructure Branch, which managed the Market Readiness Review process and engaged an independent commercial advisor to undertake the Review. The Review found the project to be 'highly progressed and substantially ready', providing assurance that it was appropriately scoped, costed and prepared to proceed to the Request for Tender stage.

An ongoing and productive relationship with the Australian Sports Commission (ASC) also supported the provision of the relevant documents for each assurance activity under the reporting milestones.

The department partners with the ASC as the delivery entity for the AIS Podium Project. The partnership is formalised through a Memorandum of Understanding (MoU), which sets out milestones, reporting requirements and assurance arrangements. The ASC provides biannual progress reports, and the department undertakes assurance activities to assess delivery against the MoU and funding requirements.

Under this arrangement, the department provides funding linked to agreed milestones, sets governance and assurance requirements (including reviewing reports and milestones), and provides updates to the Minister for Sport. The ASC is responsible for delivery of the project, including planning, procurement and construction of facilities, as well as contractors, procurement processes and project risk management. The ASC also provides reporting to support departmental assurance and compliance with funding agreements.

The AIS Podium Project will deliver modern, accessible training and accommodation facilities that directly support high performance athletes and para athletes. This investment is expected to improve athlete preparation, performance outcomes and wellbeing, particularly in the lead up to major international competition.

The project also supports broader community outcomes by enhancing national sport infrastructure, promoting inclusive design (including para-accessible accommodation), and strengthening Australia's capacity to host and compete at major events, including the Brisbane 2032 Olympic and Paralympic Games. This aligns with Australian Government priorities, including the National Sport Strategy, Sport Horizon. It invests in strategic sport infrastructure, strengthens high performance systems, and supports long-term economic and social benefits through major event readiness and improved national facilities.

The department will continue to work with the ASC to align MoU milestones, funding arrangements and project timeframes while also maintaining assurance activities.

Summary of changes in 2025–26

The department updated its performance results matrix to strengthen the alignment between results reported and target achievement (see Table 2.1). Under the revised approach, a result was only assessed as 'met' where the target is fully achieved (100%), compared to the previous threshold of ≥95%. Correspondingly, the 'substantially met' category now captures results between 75% and 99%. While the underlying performance results remain comparable to prior years, the categorisation of reporting outcomes may differ due to the revised thresholds, providing a clearer distinction between full and partial achievement of targets.

Changes to the department's performance information are outlined in Table 2.3. Consistent with the department's continuous improvement approach, targeted refinements have been made to 2025–26 performance information, most of which were reflected in the 2026–27 Portfolio Budget Statements. These changes primarily strengthen the clarity and specificity of performance measures and targets, including the introduction of explicit target achievement percentages for policy advice measures, clearer definitions of scope, and minor wording updates to improve interpretation and alignment with departmental activities.

Table 2.3 Table of changes

Program	Measure number	Change to	Rationale for change	2025–26 Corporate Plan page number
1.1	1	Target	Amended to specify the percentage required to achieve the target.	51
1.1	3	Target	Amended to specify the percentage required to achieve the target.	53
2.1	4	Target	Amended to specify the percentage required to achieve the target.	58
2.1	5	Measure	The measure title was corrected from 'New Vehicle Emissions Standard (NVES) Regulator' to 'New Vehicle Efficiency Standard (NVES) Regulator' to reflect the correct name of the program.	59
2.2	8	Methodology	Updated to more accurately reflect the types of documents used to assess the measure.	64
2.3	N/A	Key activity	Updated to replace 'outcomes' with 'initiatives' in accordance with the initiatives of the White Paper.	65
2.3	12	Methodology	Updated to more accurately reflect the roles of the ATSB and the department.	69
2.3	13	Target	Amended to specify the percentage required to achieve the target.	70
3.1	17	Target	Amended to specify the percentage required to achieve the target.	78

Program	Measure number	Change to	Rationale for change	2025–26 Corporate Plan page number
3.3	N/A	Key activity	Amended to clarify that the activity relates specifically to venue infrastructure.	81
3.3	19	Target	Amended to specify the percentage required to achieve the target.	82
3.3	20	Target	Amended to clarify that the target relates specifically to project milestones.	82
3.4	N/A	Key activity	Amended to clarify the role of the Northern Australia Infrastructure Facility (NAIF) in supporting the implementation of the Northern Australia agenda.	85
3.4	24	Target	Amended to specify the percentage required to achieve the target.	86
4.1	25	Target	Amended to specify the percentage required to achieve the target.	90
5.1	30	Target	Amended to specify the percentage required to achieve the target.	98
5.1	31	Target	Amended to specify the percentage required to achieve the target.	98
5.1	32	Target	Amended to specify the percentage required to achieve the target.	99
6.1	N/A	Key activity	Amended to use more inclusive language.	102
7.1	36	Target	Amended to specify the required elements and timeframe for event-specific grant and funding agreements.	109
7.1	37	Measure	Amended to clarify that the measure relates specifically to sport programs and projects.	110





Part 3
Management and Accountability

Part 3.1: Corporate governance 126

Part 3.2: People management 135

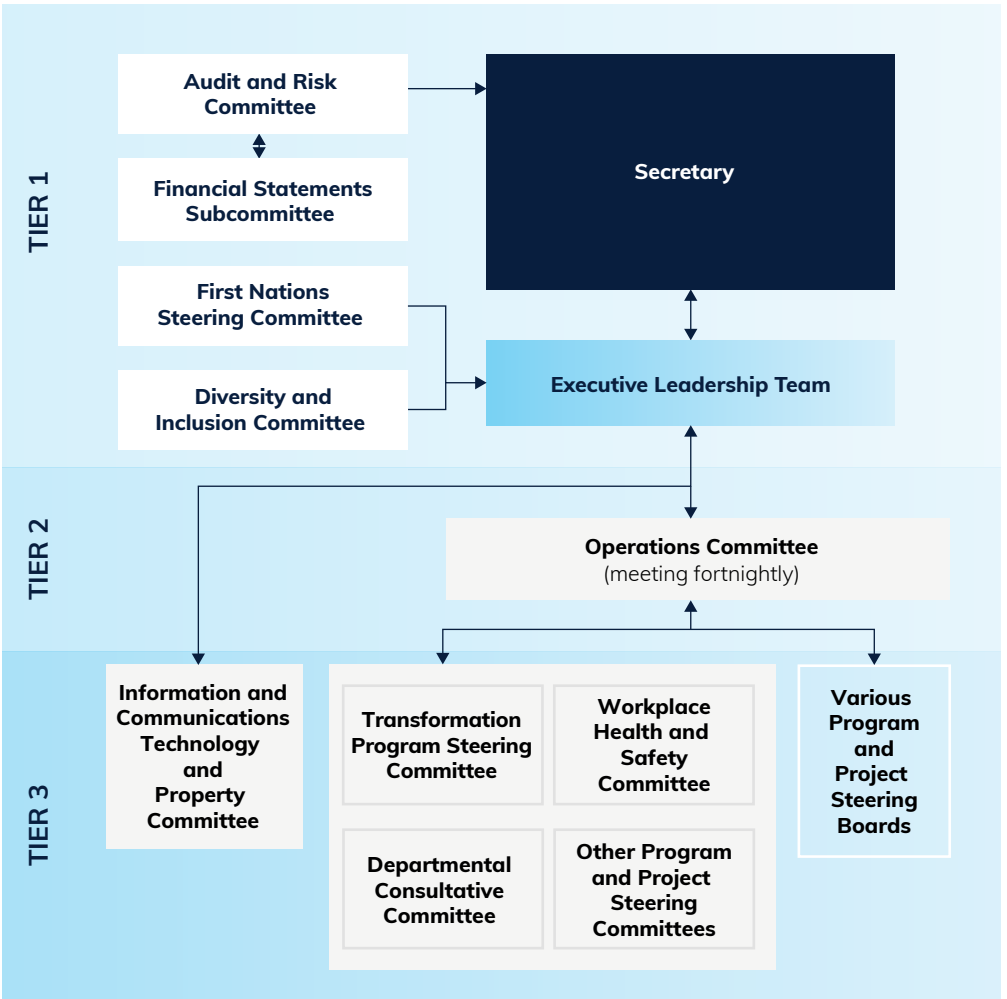
Part 3.3: Financial management 140

Part 3.4: External scrutiny 145

Part 3.1: Corporate governance

During 2025–26, the department continued to strengthen its governance arrangements through a Governance Framework that supports effective decision-making, accountability, transparency and performance in line with Australian Government and departmental priorities. Integrated with key departmental frameworks, including risk management, integrity and financial stewardship, the framework provides the foundation for organisational oversight and governance across the department.

Figure 3.1.1: Governance Committee structure to 30 June 2026



Governance committees

The department's governance committee structure supports the Secretary as the accountable authority and provides oversight of strategic, operational and enterprise-wide matters.

Executive Leadership Team

The Executive Leadership Team (ELT) is the department's primary decision-making body. It comprises the Secretary, all Deputy Secretaries and the First Assistant Secretary, First Nations Partnerships Division. ELT is responsible for setting strategic direction, allocating resources, overseeing organisational performance and addressing significant issues affecting the department.

Operations Committee

During 2025–26, the Operations Committee was the department's principal governance committee for operational and corporate matters. It provided oversight of the department's day-to-day business operations, supported corporate decision-making, considered matters requiring Secretary approval, and acted as a forum for sharing information on significant departmental programs and projects.

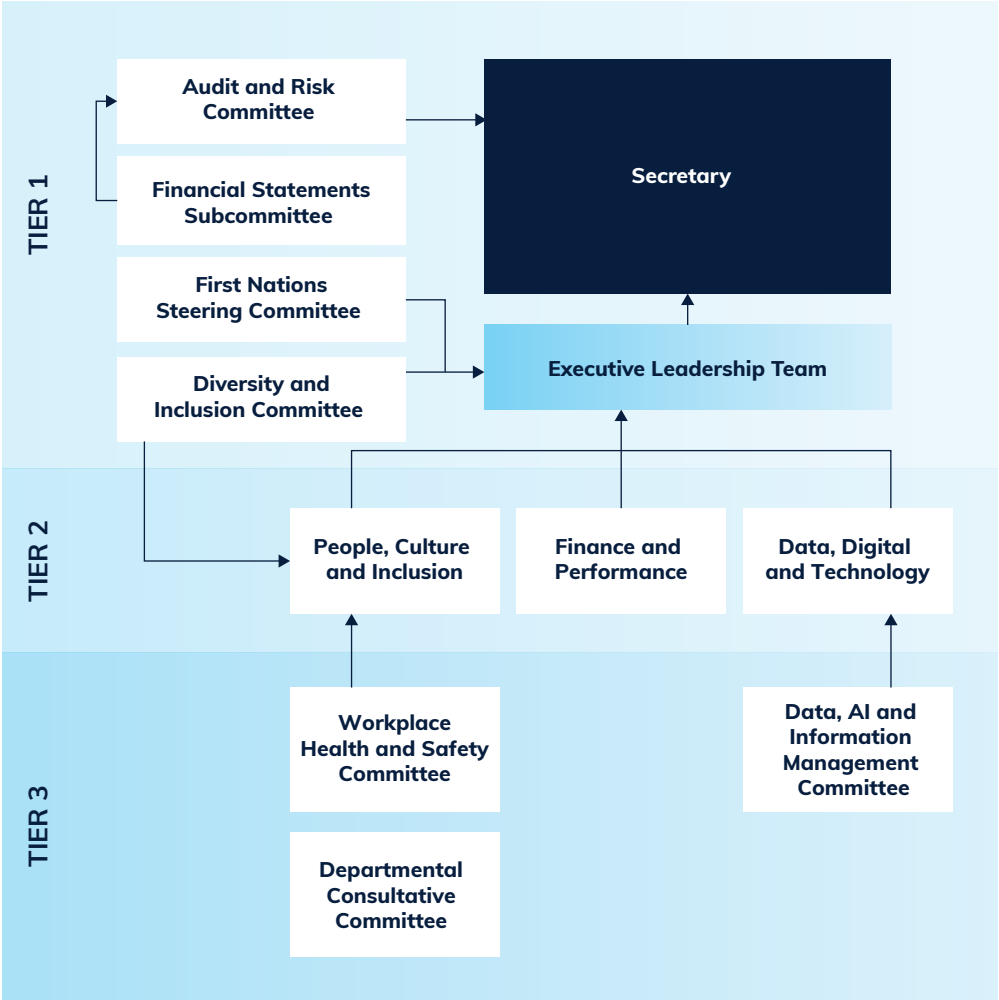
Membership comprised all Deputy Secretaries and the First Assistant Secretary, First Nations Partnerships Division. The committee focused on driving the corporate agenda, strengthening organisational capability, fostering collaboration across the department's functions, and supporting the effective management of departmental priorities. Decisions were generally reached by consensus, with unresolved matters escalated to the Secretary for consideration.

The Operations Committee ceased on 30 June 2026 as part of the implementation of the department's new Governance Framework.

New governance arrangements from 1 July 2026

From 1 July 2026, the new governance structure introduces a three-tier committee model to strengthen strategic oversight, coordination and assurance across the department. The structure supports clearer accountabilities, improved management of enterprise risks and priorities, and more effective escalation of significant or cross-cutting issues to ELT.

Figure 3.1.2: Governance Committee structure from 1 July 2026



Under the new arrangements:

> **Tier 1 Executive Leadership Team (ELT):** Provides enterprise-wide leadership and oversight, including strategic direction, resource allocation, risk appetite and organisational performance.

> **Tier 2 Committees:** Provides strategic advice and oversight within their areas of responsibility, monitors performance, supports the management of risks and issues, and escalates significant matters to ELT.

> **Tier 3 Committees:** Supports the work of Tier 2 committees and provides more detailed oversight of specific functions, programs or initiatives.

The new Tier 2 committee structure comprises:

> **People, Culture and Inclusion Committee** – provides oversight of workforce strategy, organisational culture, inclusion, workplace wellbeing and people-related priorities.

> **Finance and Performance Committee** – provides oversight of financial stewardship, organisational performance, resource management and delivery against departmental priorities.

> **Data, Digital and Technology Committee** – provides oversight of the department's data, digital and technology strategies, capabilities, investments and risks.

Together, these committees will provide focused oversight within their respective areas while supporting coordinated decision-making and assurance across the department.

Audit and Risk Committee

The Secretary has established the Audit and Risk Committee (ARC) in compliance with section 45 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The ARC provides independent advice to the Secretary on the department's financial and performance reporting, system of risk oversight and management, and system of internal control. The ARC is supported by the Financial Statements Subcommittee (FSSC). More information on the ARC's functions, roles, responsibilities and administrative arrangements can be found in the ARC Charter, updated in February 2026, available on the department's website.[17]

Members of the Audit and Risk Committee of the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

Mr Ian McPhee AO PSM

Mr McPhee was Auditor-General for Australia from 2005 to 2015 and former Deputy Secretary of the Financial Management Group at the Department of Finance. Mr McPhee's roles include being a Council member of Central Queensland University and Distinguished Honorary Professor at the Research School of Accounting at the Australian National University. Mr McPhee also has experience on other audit and risk committees. Mr McPhee holds a Bachelor of Business (Accountancy) and Bachelor of Arts (Computing Studies).

Mr McPhee is a Fellow (and Life Member) of CPA Australia and a graduate of the Australian Institute of Company Directors.

Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information
ARC 6	ARC 6	$60,000	Committee Chair
FSSC 5	FSSC 5		

17 Available at: www.infrastructure.gov.au/about-us/corporate-reporting/audit-and-risk-committee-charter

Dr David Bryant

Dr Bryant is a Senior Australian Computer Society Certified Professional and former Australian Institute of Project Management Certified Practising Project Director; he specialises in IT governance and projects. Dr Bryant also has experience on other audit and risk committees.

Dr Bryant holds a PhD (Information Management Systems), Master of Business Administration (Technology Management) and Bachelor of Information Technology.

Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information
ARC 6	ARC 6	$29,625	Committee Member
FSSC 1[a]	FSSC 5		

Ms Karen Williams

Ms Williams is an experienced audit and risk committee member and has held senior executive positions across various areas, including financial, human services and governance environments in the public sector.

Ms Williams holds a Bachelor of Commerce (Accounting), is a Fellow of CPA Australia, a graduate of the Australian Institute of Company Directors and a member of the Institute of Internal Auditors Australia.

Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information
ARC 6	ARC 6	$29,625	Committee Member
FSSC 1[a]	FSSC 5		

Mr Tim Youngberry

Mr Youngberry is an experienced public financial management expert and has held senior executive positions in the Department of Finance and the Department of Social Services, including chief financial officer roles in major Commonwealth entities. He has extensive experience in governance, financial management and public sector reform, and serves on a number of audit and risk committees across the Australian Government.

Mr Youngberry holds a Bachelor of Business, is a Fellow of CPA Australia, a Fellow of Chartered Accountants ANZ and a member of the Chartered Institute of Public Finance and Accountancy.

Number of meetings attended	Total number of meetings held	Total annual remuneration (GST inc.)	Additional information
ARC 6	ARC 6	$40,000	Committee Member
FSSC 5	FSSC 5		

Note:

a. Dr David Bryant and Ms Karen Williams were only required to attend one FSSC meeting held on 5 September 2025.

Our values, integrity and ethical behaviour

All of our people are required to uphold the Australian Public Service (APS) Values, Employment Principles and Code of Conduct in all we do.

The department is fully aligned to the APS Values:

Impartial – The APS is apolitical and provides the government with advice that is frank, honest, timely and based on the best available evidence.

Committed to service – The APS is professional, objective, innovative and efficient, and works collaboratively to achieve the best results for the Australian community and the government.

Accountable – The APS is open and accountable to the Australian community under the law and within the framework of ministerial responsibility.

Respectful – The APS respects all people, including their rights and their heritage.

Ethical – The APS demonstrates leadership, is trustworthy, and acts with integrity, in all that it does.

Stewardship – The APS builds its capability and institutional knowledge and supports the public interest now and into the future, by understanding the long-term impacts of what it does.

We are also aligned to the Secretaries' Charter of Leadership Behaviours – DRIVE Charter (be Dynamic, be Respectful, have Integrity, Value others, Empower people). The DRIVE Charter sets out the behaviours Secretaries expect of themselves and Senior Executive Service (SES) officers, and what they want to see in leaders at all levels in the APS.

Integrity is fundamental to earning and maintaining public trust and is central to effectively delivering departmental objectives that positively enrich the lives of Australians.

We continue to invest in, and promote, a reputable pro-integrity culture that exemplifies the highest professional and ethical standards. This includes ongoing work to develop and maintain a psychologically safe culture that contributes towards improved performance, transparency and accountability.

We are committed to ensuring all staff, at all levels, feel equipped and supported to manage integrity risks, and unethical matters, free from fear as they arise. In achieving this, we support pillar one of the APS Reform agenda – *an APS that embodies integrity in everything it does*.

Following the release of the Australian Government's Integrity Strategy[18] in December 2025, the department commenced development of a new Integrity Strategy 2026–2030. The strategy will provide the department's overarching framework for integrity, setting out how integrity will be embedded into our culture, systems, decision-making and leadership practices. Informed by the department's first assessment against the Commonwealth Integrity Maturity Framework, the strategy will support a more mature, measurable and proactive approach to integrity across the organisation.

In conjunction with the development of new departmental integrity guidance, we will continue to finalise action items relevant to the department in the Louder than Words: An APS Integrity Action Plan, to ensure we are playing our role in uplifting integrity across the public service.

18 Available at: www.ag.gov.au/integrity/publications/commonwealth-integrity-strategy

We will also continue to contribute our integrity knowledge and experience to the wider public service through participation in SES-level working groups, including through the APS Integrity Community of Practice.

In 2025–26, we conducted our annual formal declaration of conflicts of interest process. This year a total of 1,134 staff, or 48.2% of all employees were identified to participate in this process. This included the mandatory SES and Executive Level 2 cohorts as well as identified positions across the Executive Level 1 and APS cohorts.

In addition to the annual process, we also required declarations for specific activity-based work undertaken by our staff including involvement in grants, procurements, committees, recruitment activities, regulatory responsibilities and full disclosure of all gifts and benefits received in relation to their work. Throughout the year, employees were regularly reminded to consider their personal circumstances and update or complete declarations as necessary.

The Integrity and Risk Champion at the deputy secretary level leads the ongoing enhancement of the department's positive integrity culture and is supported by the Chief Integrity and Risk Officer.

Fraud and corruption control

The department maintains a zero-tolerance attitude towards fraud and corruption, and it is the responsibility of all officers, including those engaged by the department, to resist, prevent, detect and respond to fraud and corrupt conduct.

During 2025–26, the department continued to strengthen its approach to fraud and corruption control through education, prevention, detection, response and assurance activities. Our Fraud and Corruption Control Plan 2024–26 has continued to guide our fraud and corruption control activities, guide our people on how to resist, detect and report fraud and corruption and outline the department's role in managing, investigating and pursuing appropriate remedies in response to fraud and corruption.

We remain focused on fostering a culture of integrity, supporting staff to understand their responsibilities including through training and awareness activities, and maintaining effective mechanisms to identify and respond to fraud and corruption risks. Fraud and corruption can undermine public trust, damage organisational culture and reputation, and impact the department's ability to deliver outcomes for the Australian community. The department therefore continued to invest in measures to strengthen its capability to prevent, detect and respond to these risks.

We encourage staff and members of the public to report suspected fraud and corruption by contacting us via our Reporting Fraud and Corruption webpage, emailing us at fraud_control@infrastructure.gov.au or by writing to the Assistant Secretary of the Financial Management Branch.

Internal audit

Internal audit supports the department in achieving its objectives by assessing and identifying improvements to the department's governance, risk management and control processes.

An internal audit work program is developed annually using a risk-based approach. The work program is reviewed and endorsed by the department's Audit and Risk Committee, reviewed by the Operations Committee, and approved by the Secretary.

Internal audits were delivered through an outsourced model with 3 external service providers.

The Audit and Risk Committee monitors the progress of the internal audit work program throughout the year. This includes endorsing the 'closure' of agreed recommendations from completed audits once the underlying risks have been appropriately mitigated.

Risk management

The department has an integrated approach to risk, which is managed through monitoring and reporting, with different risks considered and managed at the appropriate level. Enterprise and high-level program risks are reviewed regularly by the Executive and/or monitored by the appropriate committee.

The department's Risk Management Policy and Framework (the framework) provides guidance to staff on engaging with risk. The framework, including risk appetite and tolerance statements, provides guidance on the level of risk the department is willing to accept or retain to achieve our purposes, outcomes and responsibilities. The framework was reviewed in 2025–26.

The Integrity and Risk Champion at the deputy secretary level leads the ongoing enhancement of the department's positive risk culture and is supported by the Chief Integrity and Risk Officer. All our people are required to undertake an introduction to risk management training annually via e-learning.

Corporate Plan

The Corporate Plan is the department's primary planning document (required to cover a minimum of 4 reporting periods and updated annually), which sets out the strategies for achieving the department's purpose and how our success is measured. The Corporate Plan sets out the department's purpose and significant activities, explains the environment and context in which we operate as well as our planned performance, risk management and capability. It is designed to complement the Portfolio Budget Statements and provide more detailed performance measures. The Corporate Plan provides a clear link between the program objectives, the key activities that will assist the department in achieving the objectives and the performance information that will be used to measure and assess performance. Our current and previous corporate plans are published on the department's website.[19]

19 Available at: https://www.infrastructure.gov.au/about-us/corporate-reporting/corporate-plan

Business planning

Business planning is the process by which the department operationalises our Corporate Plan. This is done through divisional planning. Business planning provides a clear line of sight between the department's purpose and the work of each group in contributing to achieving it.

Divisional business plans are developed following publication of the Corporate Plan each year and form part of the department's integrated planning approach, where areas undertake all business, workforce and risk planning processes at the same time.

Compliance Reporting

Significant non-compliance with finance law

There were no significant issues reported to ministers under section 19(1)(e) of the PGPA Act that relates to non-compliance with finance law and action taken to remedy non-compliance in 2025–26.

Commonwealth Child Safe Framework

Refer to Appendix G: Report under the Commonwealth Child Safe Framework.

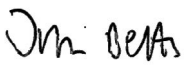
Certification of the departmental fraud control arrangements

In accordance with sections 10 and 17AG of the Public Governance, Performance and Accountability Rule 2014, I, Jim Betts, certify that the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts has:

> prepared fraud risk assessments and fraud and corruption control plans

> in place appropriate fraud and corruption prevention, detection, investigation, and reporting mechanisms that meet the specific needs of the department

> taken all reasonable measures to appropriately deal with fraud and corruption relating to the department.



Jim Betts

25 September 2026

Part 3.2: People management

Our staffing profile

2,235 Ongoing employees

2,283 in 2024–25 | **2,152** in 2023–24

1,358 Ongoing female employees

1,381 in 2024–25 | **1,300** in 2023–24

873 Ongoing male employees

897 in 2024–25 | **848** in 2023–24

77 Ongoing First Nations employees

73 in 2024–25 | **68** in 2023–24

4 Ongoing non-binary employees

5 in 2024–25 | **4** in 2023–24

Refer to Appendix D: Workforce statistics for detailed information on our staff.

Developing our people

Throughout 2025–26, we maintained focus on staff development to continue strengthening our high-performing workforce. The department's Learning Strategy outlines a culture of continuous development while encouraging staff to take ownership over their own learning. Our learning and development offerings enabled staff to access opportunities relevant to their individual needs and development goals, supporting staff to perform effectively in their roles. This is harmoniously delivered by centralised learning focused on core public service skills and capability uplift programs, with business areas focusing on technical or vocationally specific learning.

In 2025–26, the department:

- offered 101 formal training opportunities across 31 different courses to APS and executive level staff
- offered 33 formal training opportunities for SES officers to attend SES-specific courses
- organised for 2,896 staff to participate in formal learning opportunities, covering topics such as leadership, data and AI literacy, diversity, and health and wellbeing
- supported 3 staff to participate in the Jawun APS Secondment Program
- supported one staff member to continue a PhD through the Sir Roland Wilson Scholarship Program.

We adopted a targeted approach to uplifting capability across the department, focusing foremost on core capability requirements and uplifting the capability of our executive level managers and leaders. Uplifting these capabilities is a key component of our *Strategic Workforce Plan 2024–2027*, our 2025 APS Census Action Plan and the department's response to the 2023 Australian Public Service Commission's (APSC) Capability Review.

We offered opportunities for core APS capability uplift through training programs such as:

> Essential Writing Skills
> Policy Essentials Program
> Evaluation Skills for Australian Public Servants
> Legislation Process
> Administrative Decision Making
> The Professional Regulator – Foundation Course
> Procurement Training Suite
> Project Management in Practice.

Formal management and leadership training offerings increased in 2025–26, with an aim to expand the range of opportunities further in 2026–27 as our managers continue to develop and adapt to ever changing environmental factors. The department offered a range of learning opportunities aimed at developing leadership and management skills to ensure that our managers and leaders evolve their capability to effectively manage teams. These included programs such as:

> Leadership Excellence and Applied Practice (LEAP) program
> Management in Action
> Strengthening People Leadership pilot program
> Managing Hybrid and Remote Teams
> Management Edge
> Managing Difficult Conversations
> Supervisor Essentials
> Managing Challenging Interactions
> Mental Health First Aid
> Psychosocial Risk Management Training
> Workplace Respect and Courtesy.

More specifically, the department has continued to invest in uplifting the inclusive leadership capabilities of our middle and senior managers. In April 2026, the department made it a mandatory requirement for all staff to complete cultural competency training, with options for face-to-face or e-learning completion. The department has also offered and delivered training designed to support inclusive leadership through courses such as:

> Disability confidence training for managers
> Neuro-inclusion in the workplace
> Building and Leading High Performing Teams
> Leading Behaviour and Performance Conversations.

To support managers in building leadership and managerial capability and capacity within their teams, we have workforce and succession planning resources and guidance in place. These resources include job sizing and role evaluation guidance to help managers to understand and effectively address the specific strengths and capability gaps within their teams.

These target areas remain a priority to achieve sustained progress and growth, recognising that there is always room and opportunity for development. We will continue to work within our budgetary constraints to develop and deliver fit-for-purpose, targeted training to develop our managers and future leaders.

People performance framework

THRIVE@Work is the department's performance management framework focused on strengths and evolving our capabilities to achieve personal, team and departmental goals. In 2025–26, we achieved a 92.6% completion rate, a slight decrease from the completion rate in 2024–25 of 94%.

In 2023, the APSC released the mandatory Senior Executive Service (SES) Performance Leadership Framework (the Framework) in response to Priority One of the APS Reform Agenda. The department has implemented all aspects of the Framework requiring completion by 2025. This includes seeking formal and informal feedback from others, use of a talent management tool, and performance of SES being considered equally against behaviours and outcomes.

In 2025, the APSC released the non-SES Performance Framework to ensure the APS embodies integrity in everything it does. The department has commenced implementation of the Framework, with full implementation to be completed by the end of 2028.

Diversity, equity and inclusion

We continued to foster a workplace where all employees feel respected, connected and supported to contribute, develop and succeed.

Throughout 2025–26, we strengthened the systems, leadership capability and support mechanisms that help embed diversity, equity and inclusion across the department. By fostering a workplace where diverse perspectives are valued and employees are supported to participate equitably, we continue to strengthen our ability to deliver outcomes for the communities we serve.

A key focus during the year was strengthening engagement with employees, diversity champions, employee networks and the Diversity, Equity and Inclusion (DEI) Committee to better understand employee experiences and inform future priorities. This included consultation to inform our annual Diversity, Equity and Inclusion Roadmap and continued implementation of the Our Stories on Country Agreement. The roadmap translates our strategic priorities into practical actions and measurable outcomes.

We continued to improve employee experiences by reducing barriers to participation and strengthening inclusion in everyday work. This included ongoing implementation of our Accessibility Project, continued improvements to the workplace adjustments process, and enhanced monitoring of workforce outcomes through departmental governance arrangements and APS-wide reporting mechanisms. Disability workforce outcomes are monitored through APS-wide reporting mechanisms, including the Australian Public Service Commission's State of the Service Report and APS Statistical bulletin, with further information available at: www.apsc.gov.au

We introduced First Nations cultural capability requirements into recruitment processes and made cultural competency training a mandatory component of our learning and development offerings. These initiatives align with Priority Reform Three of Closing the Gap and establish clearer expectations for cultural capability across the workforce, supporting ongoing capability uplift and helping create the conditions for more respectful workplace relationships and a more inclusive workplace culture.

During the year, we also strengthened workplace policies and supports to improve inclusion, safety and wellbeing for employees, including enhancements to our Workplace Gender Affirmation Policy and Family and Domestic Violence Employment Policy. We also launched the Mental Health Strategy and Psychosocial Risk Management Action Plan 2025–2028, providing a coordinated approach to promoting mentally healthy workplaces, preventing psychosocial hazards and supporting employee wellbeing across the department.

Our staff continued to be supported through diversity champions, employee-led networks, the DEI Committee and specialist diversity, equity and inclusion advice, helping to strengthen employee connection, participation and inclusion across the department.

In 2025–26, we were proud to be recognised by Diversity Council Australia as an Inclusive Employer and retain bronze tier status in the Australian Workplace Equality Index. These achievements reflect our ongoing commitment to embedding diversity, equity and inclusion into our systems, leadership and workplace culture, and to creating a workplace where all employees are supported to contribute, progress and succeed.

We published our Workplace Gender Equality Agency Employer Statement, committing to sustained, evidence-based action to improve gender equality outcomes and reduce the gender pay gap over time. This recognises that closing the gender pay gap requires ongoing leadership, transparency and continuous improvement. The department remains focused on accountability and practical action to further narrow the gender pay gap and strengthen gender equality across the workplace.

Employment arrangements

The department's employment arrangement practices are consistent with the Public Sector Workplace Relations Policy 2023, the *Fair Work Act 2009* and the *Public Service Act 1999*. Information on employment arrangements are outlined below.

Enterprise agreement

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts Enterprise Agreement – 2024 (the Agreement) has been in effect since 3 April 2024 and has a nominal expiry date of 28 February 2027.

The Agreement covers all employees in the department employed under the *Public Service Act 1999*, other than SES employees or equivalent, and provides the remuneration and other conditions for employees.

The Agreement allows for individual flexibility arrangements to be entered into between the department and an employee in respect of arrangements when work is performed, overtime and penalty rates, allowances, remuneration, leave and leave loading.

Non-salary benefits provided to employees

The department provides employees with a range of non-salary benefits, including those targeting health and wellbeing, support for professional and personal development, access to flexible work arrangements and paid and unpaid leave entitlements.

Additionally, the opportunities we offer across a diverse portfolio provide our employees with meaningful, impactful and rewarding work. Our policies and programs have a tangible impact and touch the lives of Australians, which is a key motivator for employees and why they continue to work with us.

Refer to Appendix D: Workforce statistics (Table D.15) for more information on non-salary benefits.

Executive remuneration

The Secretary's remuneration is determined by the Remuneration Tribunal. All other SES staff are covered by determinations made by the Secretary under subsection 24(1) of the *Public Service Act 1999*.

The department's Senior Executive Remuneration and Performance Policy is designed to position the department competitively in the labour market while remaining consistent with the objectives of the government's Public Sector Workplace Relations Policy 2023. The department monitors and evaluates the competitiveness of SES remuneration annually through the results of the Australian Public Service Remuneration Report.

An annual wage increase was provided to SES employees on 12 March 2026. SES Band 1 and Band 2 employees received a 2.9% increase, and SES Band 3 employees received 2.4% increase.

Refer to Appendix D: Workforce statistics (Tables D12–D14) for remuneration information for key management personnel, senior executives and other highly paid employees.

Strategic Commissioning Framework

In 2025–26, the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts continued to bring core work in-house in line with the APS Strategic Commissioning Framework. Our targets for 2025–26 focused on the continued capability uplift of our people and recruiting relevant expertise where genuinely required, while maintaining a contractor workforce of 7.75% or less as a percentage of the department's budgeted average staffing level. The department outperformed this target.

Part 3.3: Financial management

Financial Capability

The department supports financial management through the on-going uplift of financial capability in all staff. Financial capability is supported through the development and delivery of a financial literacy program that focuses on core financial management skills, knowledge and behaviours. The financial literacy program includes e-learn modules, face-to-face and face-to-screen sessions and an annual focus on Finance event. In 2025–26, the department included the APS Foundations: Money and Resources e-learn as a mandatory e-learn to be completed every 2 years.

In 2025–26, the department delivered its annual Finance Week. This year's program included a range of thought-provoking sessions that aimed to build staff financial capability. These sessions provided the opportunity for staff to link current trends across the industry to their work, whilst others broke down finance concepts (including staff obligations and requirements) in a way that was clear, practical and easy to follow.

Assets

The department is responsible for managing $1.29 billion in non-financial assets, including right-of-use assets recognised under the Australian Accounting Standard for Leases, and assets recognised in the departmental financial statements and Administered Schedule of Assets and Liabilities.

The department administers a diverse range of assets, including but not limited to:

- right-of-use assets and fit-out for office accommodation
- buildings and infrastructure used to deliver essential services in the Indian Ocean Territories, Jervis Bay Territory and Norfolk Island
- artworks held by Artbank
- a collection of artworks by Sir Sidney Nolan
- Regional Backbone Blackspot Program communications equipment
- the National Institute of Dramatic Arts building
- buildings, ruins, reserves and collections of cultural and historical significance on Norfolk Island
- memorials, reserves and temples on Christmas Island
- historic aircraft
- phosphate mining lease rights on Christmas Island.

In line with the department's asset accounting policy and revaluation schedule, an independent valuer undertook a revaluation of administered land and all departmental assets excluding artbank artworks during the 2025–26 financial year.

During the 2025–26 financial year, the department conducted a risk-based annual stocktake to ensure assets owned and controlled by the department were accurately recorded in the asset register. The department's assets management processes were effective in 2025–26.

Purchasing

The department's procurement policies and processes during 2025–26 were consistent with the principles of the Commonwealth Procurement Rules and PGPA Act. Appropriate controls are in place to ensure procurement activities are carried out in accordance with the rules and with legislative requirements.

The department undertakes competitive, non-discriminatory procurement processes, uses resources efficiently, effectively, economically and ethically, and makes decisions in an accountable manner. All procurement is undertaken in accordance with the core principle of value for money.

Information about significant procurement activities expected in 2025–26 is published on AusTender through the department's annual procurement plan.[20] The plan is updated on an ongoing basis, when circumstances change.

Reportable Consultancy Contracts

The department engages consultants when specialist expertise or independent research, review or assessment is required. Decisions to engage consultants during 2025–26 were made in accordance with the PGPA Act and related regulations, including the Commonwealth Procurement Rules and relevant internal policies. Before engaging consultants, we consider the skills and resources needed for the task, the skills available internally and the cost-effectiveness of engaging external expertise.

Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.

During 2025–26, 64 new reportable consultancy contracts were entered into involving total actual expenditure of $6.8 million. In addition, 90 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of $35.0 million.

The main categories under which consultants were engaged, are:

> auditing and accounting services
> independent reviews, audits and investigations
> economic services
> other professional services, including in relation to engineering, broadcasting, telecommunications and the arts.

Table 3.3.1: Expenditure on reportable consultancy contracts (2025–26)

Reportable consultancy contracts	Number	Expenditure $,000 (GST inc.)
New contracts entered into during the reporting period	64	6,883
Ongoing contracts entered into during a previous reporting period	90	35,034
Total	**154**	**41,917**

20 Available at: www.tenders.gov.au/app/list

Table 3.3.2: Organisations receiving a share of reportable consultancy contract expenditure (2025–26)

Name of organisation	Organisation ABN	Expenditure $,000 (GST inc.)	Proportion of 2025–26 total spend (%)
Jacobs Group (Australia) Pty Ltd	3700 102 4095	8,612	20.5%
Aurecon Australasia Pty Ltd	5400 513 9873	8,370	20.0%
Environmental Resources Management Australia	1200 277 3248	3,320	7.9%
McGrath Nicol Advisory Partnership	3482 477 6937	2,327	5.6%
Scyne Advisory Pty Ltd	2060 777 3295	1,729	4.1%

Reportable Non-Consultancy Contracts

Decisions to enter into arrangements for the purchase of goods and services during 2025–26 were made in accordance with the PGPA Act and related regulations, including the Commonwealth Procurement Rules and relevant internal policies.

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website.

During 2025–26, 646 new non-consultancy contracts were entered into involving total actual expenditure of $128.6 million. In addition, 375 ongoing non-consultancy contracts were active during the period, involving total actual expenditure of $221.1 million.

Table 3.3.3: Expenditure on reportable non-consultancy contracts (2025–26)

Reportable Non-Consultancy Contract	Number	Expenditure $,000 (GST inc.)
New contracts entered into during the reporting period	646	128,751
Ongoing contracts entered into during a previous reporting period	375	221,191
Total	**1,021**	**349,942**

Table 3.3.4: Organisations receiving a share of reportable non-consultancy contract expenditure (2025–26)

Name of organisation	Organisation ABN	Expenditure $,000 (GST inc.)	Proportion of 2025–26 total spend (%)
Mediabrands Australia Pty Ltd (Trading as Universal Mccann)	1900 296 6001	26,116	7.5%
FDC Construction & Fitout (Act) Pty	6360 860 9392	22,267	6.4%

Name of organisation	Organisation ABN	Expenditure $,000 (GST inc.)	Proportion of 2025–26 total spend (%)
Concentrix Services Pty Ltd	6316 617 1991	20,467	5.8%
Data#3 Ltd	3101 054 5267	18,431	5.3%
Linx Stevedoring Pty Ltd	440 742 7652	15,217	4.3%

Initiatives to support small and medium enterprise and Aboriginal and/or Torres Strait Islander business

The department supports small business participation in the Commonwealth Government procurement market. Small and medium enterprises and small enterprise participation statistics are available on the Department of Finance's website.[21]

We continue to meet government policy requirements in terms of supporting small and medium enterprises in the following ways:

> we advocate and comply with the Commonwealth Procurement Framework.

> where procurements are considered low risk and their value is below the procurement threshold of $80,000 (GST inclusive), a streamlined process is followed.

> our approach-to-market documents are clear and straightforward so as to help potential suppliers to produce a response that does not require extensive time and effort.

> for procurements valued under $10,000 (GST inclusive), we encourage the use of payment by credit card.

> we use the Commonwealth Contracting Suite (CCS) for eligible procurements

> we encourage the engagement of Indigenous businesses under the Indigenous Procurement Policy, noting many Aboriginal and/or Torres Strait Islander businesses are small or medium enterprises.

21 Available at: www.finance.gov.au/government/procurement/statistics-australian-government-procurement-contracts-

We recognise the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Department of the Treasury's website.[22]

We support the goals of the Indigenous Procurement Policy, and we raise awareness of the policy with our portfolio entities, many of which are not bound by the policy.

We have exceeded our 2025–26 portfolio target for supporting Aboriginal and/or Torres Strait Islander businesses. Further details are available on the National Indigenous Australians Agency website.[23]

Australian National Audit Office Access Clauses

No contracts of $100,000 or more (inclusive of GST) were entered into during 2025–26 that did not provide for the Auditor-General to have access to the contractor's premises.

Exempt contracts

In 2025–26, the Secretary (as the Accountable Authority) exempted 2 contracts with a total value of $85.1 million (GST inclusive) from publication on AusTender on the basis that they would disclose exempt matters under the *Freedom of Information Act 1982* (FOI Act). These contracts were exempted under section 47 (Trade secrets or commercially viable information) of the FOI Act.

Grants

Information on grants awarded by the department during 2025–26 is available at www.grants.gov.au

Legal services expenditure

Sub-section 109(1) of the *Legal Services Directions 2025* requires the accountable authority of the department to appropriately record and monitor legal services expenditure and by 30 October each year make a record of the legal services expenditure for the previous financial year publicly available.

The expenditure reported below is the total legal services expenditure by the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts.

For 2025–26, our legal expenditure was:

$12,118,587 for total external legal services expenditure

$8,539,000 for total internal legal services expenditure.

22 Available at: www.treasury.gov.au/small-business/pay-time-survey-performance-reports

23 Available at: www.niaa.gov.au/our-work/employment-and-economic-development/indigenous-procurement-policy-ipp#ipp-dataresults

Part 3.4: External scrutiny

Parliamentary scrutiny

During 2025–26, the department contributed to over 18 parliamentary inquiry committees through submissions and attending public hearings, including:

- Senate Standing Committees on Rural and Regional Affairs and Transport Legislation Committee Inquiry into the Aviation Consumer Protection Bill 2026 and 3 related bills
- Standing Committee on Communications, The Arts and Sport Inquiry into Arts and Cultural Philanthropy
- Senate Standing Committees on Environment and Communications Legislation Committee Inquiry into the Telecommunications Legislation Amendment (Universal Outdoor Mobile Obligation) Bill 2025
- Senate Standing Committee on Environment and Communications References Committee Inquiry into Triple Zero service outages
- Joint Standing Committee on Northern Australia Inquiry into preparing for emerging industries across Northern Australia
- Senate Standing Committee on Rural and Regional Affairs and Transport Inquiry into the state of Australia's aviation sector and its ability to deliver reliable and affordable services to rural, regional and remote communities
- Joint Standing Committee on Treaties Inquiry into the Council of Europe Convention on the Manipulation of Sports Competitions
- Senate Standing Committees on Environment and Communications References Committee Inquiry into the Internet Search Engine Services Online Safety Code.

The department responded to 64 inquiry questions on notice, 78 parliamentary questions on notice and responded to and processed 1,844 Senate Estimates questions on notice.

The department attended Senate Estimates hearings of the Environment and Communications Legislation Committee and the Rural and Regional Affairs and Transport Legislation Committee.

Parliamentary inquiry details and Senate Estimates transcripts are available at www.aph.gov.au

Judicial decisions, decisions of administrative tribunals and decisions by the Australian Information Commissioner.

There were no judicial decisions, decisions of administrative tribunals or decisions of the Australian Information Commissioner that had a significant effect on the operations of the department in 2025–26.

Australian National Audit Office

In 2025–26, the Australian National Audit Office (ANAO) published 5 audit reports that involved the department:

> Management of Service Delivery Arrangements for Australia's External Territories (December 2025)
> Performance Statements of Major Australian Government Entities – Outcomes from the 2024–25 Audit Program (February 2026)
> Safer Local Roads and Infrastructure Program (March 2026)
> Administration of the *Freedom of Information Act 1982* by Selected Entities (May 2026)
> Interim Report on Key Financial Controls of Major Entities (June 2026).

These reports are available on the ANAO's website.[24]

Reports by the Commonwealth Ombudsman

There were no reports from the Commonwealth Ombudsman during 2025–26 that reported on the operations of the department.

Freedom of Information

In 2025–26, the department received 347 requests for access to documents under the *Freedom of Information Act 1982* (FOI Act).

Information Publication Scheme

Under Part II of the FOI Act, we are required to publish information as part of the Information Publication Scheme (IPS). Details of the department's IPS can be found on our website at: www.infrastructure.gov.au/about-us/corporate-reporting/information-publication-scheme. This includes our IPS Plan, which shows the information we publish in accordance with IPS requirements. We also publish information accessed through FOI requests on our FOI Disclosure Log at: www.infrastructure.gov.au/about-us/freedom-information/freedom-information-disclosure-log

24 Available at: www.anao.gov.au

APSC Capability Review

In 2025–26, the department continued to deliver against the commitments we made in the Agency Action Plan: Capability Review Response (the Response).[25] We are progressing an ambitious capability improvement agenda to ensure the department can deliver effectively, by transforming the way we work.

Underpinning this work are the 5 themes, outlined in the Response, that address the priorities identified in the APSC Capability Review Report (the Review).[26] These themes are:

- we operate as one enterprise greater than the sum of its parts, guided by a strong purpose, positive culture, high integrity standards, and appropriate resourcing.
- our corporate and enabling functions provide a strong centre, delivering efficient and effective services that enhance accountability, governance, decision-making, and strategic workforce planning.
- staff have access to modern digital and data systems and tools, with increased digital and data literacy through training and communication.
- collaboration is an expected, valued and celebrated behaviour across all levels. We'll engage meaningfully to leverage collective knowledge and co-design solutions.
- we will confidently steward strategic policy advice across the portfolio and be recognised as an employer of choice for aspiring and experienced policy professionals.

The remaining actions under the Capability Review have been incorporated into the department's Integrated Work Program, providing a single, coordinated framework to drive improvement across the department. Progress is reported quarterly to the department's Finance and Performance Committee, where ongoing validation and prioritisation of actions ensure capability improvements continue to be progressed now and into the future.

25 Available at: www.apsc.gov.au/initiatives-and-programs/workforce-information/research-analysis-and-publications/capability-review-program/capability-review-department-infrastructure-transport-regional-development-communications-and-arts

26 Available at: www.apsc.gov.au/initiatives-and-programs/workforce-information/research-analysis-and-publications/capability-review-program/capability-review-department-infrastructure-transport-regional-development-communications-and-arts







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Financial Statements

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2025–26 Financial Statements Preparation and Assurance Process

The department is required to prepare annual financial statements in accordance with section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). The financial statements must comply with the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR) and Australian Accounting Standards.

To support the preparation of quality financial statements, the department maintains good financial reporting practices throughout the year. This includes: the preparation of monthly accrual-based financial reporting; monthly key account reconciliations with anomalies investigated and rectified as they are identified; monthly reporting to the Secretary and the Executive Leadership Team that includes an analysis of the financial position and the projected financial outcome at year-end; and a detailed mid-year budget review that provides an opportunity to revise the internal budget based on year-to-date actual performance.

Where the department is required to develop accounting estimates that require the exercise of professional judgement, the department has an established process to develop and produce reliable accounting estimates. The process includes assessing the risks of material misstatement, analysing the effect of uncertainty, engaging internal and/or external expertise as required, and documenting the estimation approach and key judgments in an accounting position paper that is reviewed and endorsed at the appropriate level of management.

The 2025–26 financial statements have been prepared to align with the format outlined in the Department of Finance's Primary Reporting Information Management Aid (PRIMA). The department's Audit and Risk Committee (ARC), as required under the PGPA Rule, has provided the Secretary, as the accountable authority, with independent advice on the preparation and review of the financial statements. The department's Financial Statements Subcommittee, as a review and advisory committee, reported to the ARC on the planning, preparation and finalisation of the annual financial statements.

The 2025–26 financial statements have been audited by the Australian National Audit Office (ANAO) in accordance with the ANAO Auditing Standards, which incorporate the Australian Auditing Standards made by the Australian Auditing and Assurance Standards Board.

For reference, the financial statements include colour coding:

- grey shading – administered items (items managed by the department on behalf of the government)
- green shading – administered accounting policy
- no shading – departmental items (resources controlled by the department) and accounting policy.

Australian National Audit Office

INDEPENDENT AUDITOR'S REPORT

To the Minister for Infrastructure, Transport, Regional Development and Local Government

Opinion

In my opinion, the financial statements of the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the Entity) for the year ended 30 June 2026:

(a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and

(b) present fairly the financial position of the Entity as at 30 June 2026 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2026 and for the year then ended:

- Statement by the Secretary and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement;
- Administered Schedule of Comprehensive Income;
- Administered Schedule of Assets and Liabilities;
- Administered Reconciliation Schedule;
- Administered Cash Flow Statement; and
- Notes to and forming part of the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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Key audit matter

Valuation of Administered Advances and Loans

Refer to Note 4.1B 'Administered – Trade and other receivables' and Note 7.3 'Administered – Financial Instruments'

I focused on this balance due to its significance to the financial statements and the complexity of the accounting treatment required for the measurement and valuation of advances and loans. The Entity administers a number of advances and loans.

Advances and loans are complex as they are required to be assessed by the Entity for impairment based on an expected credit loss model. This model requires the Entity to make judgements and assumptions about the likelihood that advances and loans will not be recovered, resulting in a credit loss. These judgements are predominantly based on expected cash flow forecasts, credit ratings and probabilities of default events occurring.

As at 30 June 2026, the value of administered trade and other receivables for advances and loans was $4,315 million.

How the audit addressed the matter

To audit the valuation of advances and loans, I performed the following procedures:

- evaluated the methodology adopted by the Entity to assess outstanding advances and loans for expected credit losses and impairment at 30 June 2026;
- assessed the reasonableness of key assumptions made by the Entity in the expected credit loss model by comparing them to:
  - publicly available information for comparable instruments relating to credit quality of loan counter parties, such as credit ratings and cash flow forecasts, where such information was available;
  - entity or industry benchmarks with appropriate adjustment for the specific loan arrangements; and
  - calculation and measurement of concessional loan discounts applied.
- tested the accuracy of calculations performed by the Entity within the expected credit loss model; and
- tested, on a sample basis, loans advanced and repayments receipted during the year to loan contracts to assess the accuracy of the amounts and actual interest rates applied.

Key audit matter

Valuation of Administered Investments measured using discounted cash flow models

Refer to Note 4.1D 'Administered - Investments'

I focused on this balance given the significant value of these investments to the financial statements and the judgement and estimation applied by the Entity in determining the fair value of these investments.

The discounted cash flow models used to determine the fair value of these investments requires a high level of judgement and estimation by the Entity. This is because the primary inputs into these models, particularly estimated future cash flows, discount rates, taxation assumptions, terminal values and weighted average cost of capital applied, are not based on observable market data.

The complexity in determining the estimated fair value include the following inputs which have a significant impact on the estimation of the fair value of the investments:

- the estimated future cash flow of the investments. This primarily relates to revenue, capital and operating expenditure forecasts. The complexity of estimating these cash flows is increased for NBN Co

How the audit addressed the matter

To address the key audit matter I have:

- assessed the competence and objectivity of management's valuation experts who performed the valuation for the Entity;
- tested the mathematical accuracy of the discounted cash flow model used to determine the investment value;
- assessed the appropriateness of the Entity's assumptions and inputs used in the valuation model, including cash flow, growth forecasts and the discount rate applied. This involved:
  - evaluating management's assessment of prior period evidence and the difference between estimates and current year actuals to assess the reliability of inputs used in the valuation process;
  - assessing the reasonableness of assumptions underpinning future cash flows, particularly future revenue and cost assumptions applied in the valuation model against estimates contained within corporate plans produced by each entity;
  - assessing the reasonableness of assumptions

Limited due to further upgrade of the NBN network which will connect additional premises to fibre to the node technology and is estimated by the Entity to contribute to increased revenue growth;

- the estimation of the terminal value, including estimates of the amount of debt, gearing structure and associated financing assumptions included in the calculation;
- assumptions relating to the whether the use of accumulated tax losses of investments should be included in the cash flow forecast, given there is uncertainty as to whether these losses would be available to a hypothetical purchaser;
- the determination of a discount rate and weighted average cost of capital, particularly whether the rate has been appropriately adjusted to reflect any specific risk and market premiums; and
- the level of complexity related to the preparation and presentation of financial statements disclosures relating to these financial instruments because the valuation models are based on unobservable market data.

As at 30 June 2026 the value of the investments recognised on the basis of discounted cashflows was:

- NBN Co Limited was $23.4 billion;
- Australian Rail Track Corporation was $0.8 billion; and
- Airservices Australia was $0.1 billion.

underpinning future cash flows, particularly future revenue and cost assumptions applied in the valuation model against estimates contained within corporate plans produced by each entity; and

- assessing the reasonableness of assumptions underpinning the selection of an appropriate discount rate, particularly specific risk and market premiums influencing the rate calculated.

- assessed the Entity's comparison of key inputs used in the valuation model against available market information. This included comparing each company's earnings before income tax, depreciation and amortisation as a proportion of the investment value to similar listed companies with comparable business activities to confirm that they fall within a consistent range;
- considered the sensitivity of the valuation by adjusting the discount rate, terminal value growth rate, probabilities attached to future scenarios to other outcomes that I considered reasonably foreseeable to confirm the value of the investment calculated by the Entity was within a reasonable range; and
- assessed the adequacy of disclosures made in note 4.1D to the financial statements to determine whether the notes contained sufficient information relating to significant judgements and the impact of these in relation to the financial instruments.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Secretary is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Secretary is also responsible for such internal control as the Secretary determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Secretary is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Accountable Authority, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Australian National Audit Office



Rahul Tejani
Executive Director
Delegate of the Auditor-General

Canberra
28 September 2026

Statement by the Secretary and Chief Financial Officer

In our opinion, the attached financial statements for the period ended 30 June 2026 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts will be able to pay its debts as and when they fall due.



Jim Betts
Secretary

25 September 2026



Philip Smith
Chief Financial Officer

25 September 2026

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget 2026 $'000
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	**355,056**	349,087	318,879
Suppliers	1.1B	**161,192**	170,773	185,634
Grants and contributions	1.1C	**1,669**	1,038	-
Depreciation and amortisation	3.2A	**49,021**	47,392	28,156
Finance costs	1.1D	**1,405**	1,184	1,890
Write-down and impairment of assets	1.1E	**1,550**	2,488	-
Foreign exchange losses	1.1F	**1**	16	-
Total expenses		**569,894**	571,978	534,559
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	**4,970**	6,084	7,135
Rental income	1.2B	**6,203**	5,870	400
Other revenue	1.2C	**5,107**	2,724	7,877
Total own-source revenue		**16,280**	14,678	15,412
Gains				
Other gains	1.2D	**529**	56	-
Total gains		**529**	56	-
Total own-source income		**16,809**	14,734	15,412
Net cost of services		**553,085**	557,244	519,147
Revenue from Government	1.2E	**553,007**	567,311	510,986
Surplus/(Deficit) on continuing operations		**(78)**	10,067	(8,161)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		**7,120**	3,872	-
Total other comprehensive income		**7,120**	3,872	-
Total comprehensive income/(loss)		**7,042**	13,939	(8,161)

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget 2026 $'000
ASSETS				
Financial assets				
Cash and cash equivalents	3.1A	**15,487**	16,661	13,074
Trade and other receivables	3.1B	**233,742**	220,636	153,081
Accrued revenue		**1,329**	1,321	1,027
Total financial assets		**250,558**	238,618	167,182
Non-financial assets[1]				
Buildings	3.2A	**125,224**	59,323	57,573
Heritage and cultural	3.2A	**48,001**	47,668	43,406
Property, plant and equipment	3.2A	**17,120**	14,813	11,725
Intangibles	3.2A	**30,229**	38,814	67,657
Other non-financial assets	3.2B	**14,272**	11,716	13,631
Total non-financial assets		**234,846**	172,334	193,992
Total assets		**485,404**	410,952	361,174
LIABILITIES				
Payables				
Suppliers	3.3A	**28,071**	26,103	28,096
Other payables	3.3B	**20,208**	15,975	11,773
Total payables		**48,279**	42,078	39,869
Interest bearing liabilities				
Leases	3.4	**112,417**	53,366	34,543
Total interest bearing liabilities		**112,417**	53,366	34,543
Provisions				
Employee provisions	6.1A	**102,338**	97,066	83,240
Other provisions	3.5	**555**	1,057	725
Total provisions		**102,893**	98,123	83,965
Total liabilities		**263,589**	193,567	158,377
Net assets		**221,815**	217,385	202,797
EQUITY				
Contributed equity		**88,135**	90,747	107,267
Retained surplus		**65,253**	65,331	57,435
Reserves		**68,427**	61,307	38,095
Total equity		**221,815**	217,385	202,797

[1] Right-of-use assets are included in buildings and property, plant and equipment.

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June 2026

	2026	2025	Original Budget 2026
	$'000	$'000	$'000
CONTRIBUTED EQUITY			
Opening balance as at 1 July	**90,747**	67,943	90,726
Transactions with owners			
Distributions to owners			
Return of contributed equity[1]	(18,765)	-	-
Contributions by owners			
Departmental capital budget	16,153	22,804	16,541
Total transactions with owners	**(2,612)**	22,804	16,541
Closing balance as at 30 June	**88,135**	90,747	107,267
RETAINED EARNINGS			
Opening balance as at 1 July	**65,331**	55,264	46,256
Comprehensive income			
(Deficit)/Surplus for the period	**(78)**	10,067	(8,161)
Total comprehensive income/(loss)	**(78)**	10,067	(8,161)
Closing balance as at 30 June	**65,253**	65,331	38,095
ASSET REVALUATION RESERVE			
Opening balance as at 1 July	**61,307**	57,435	57,435
Comprehensive income			
Other comprehensive income	**7,120**	3,872	-
Total comprehensive income	**7,120**	3,872	-
Closing balance as at 30 June	**68,427**	61,307	57,435

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June 2026

	2026	2025	Original Budget 2026
	$'000	$'000	$'000
TOTAL EQUITY			
Opening balance as at 1 July	**217,385**	180,642	194,417
Comprehensive income			
(Deficit)/Surplus for the period	**(78)**	10,067	(8,161)
Other comprehensive income	**7,120**	3,872	-
Total comprehensive income/(loss)	**7,042**	13,939	(8,161)
Transactions with owners			
Distributions to owners			
Return of contributed equity[1]	**(18,765)**	-	-
Contributions by owners			
Departmental capital budget	**16,153**	22,804	16,541
Total transactions with owners	**(2,612)**	22,804	16,541
Closing balance as at 30 June	**221,815**	217,385	202,797

[1] Return of contributed equity relates to the repeal of Departmental Capital Budget – Appropriation Act (No. 1) and Appropriation Act (No. 3) 2023–24 of $5.3 million and $1.5 million respectively and section 51 – Departmental Capital Budget – Appropriation Act (No. 1) 2024–25 of $12.0 million.

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Equity Injections
Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budget (DCB) are recognised directly in contributed equity in that year.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
CASH FLOW STATEMENT
For the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget 2026 $'000
OPERATING ACTIVITIES				
Cash received				
Appropriations[1]		**579,585**	567,571	511,007
Revenue from contracts with customers		**5,572**	6,226	7,535
Net GST received		**15,971**	16,003	16,110
Other		**37,057**	7,351	6,207
Total cash received		**638,185**	597,151	540,859
Cash used				
Employees		**346,723**	330,724	318,879
Suppliers and grants		**207,593**	185,041	200,140
Interest payments on lease liabilities		**1,402**	1,166	1,824
Section 74 receipts transferred to Official Public Account[1]		**62,971**	42,738	-
Total cash used		**618,689**	559,669	520,843
Net cash from operating activities		**19,496**	37,482	20,016
INVESTING ACTIVITIES				
Cash used				
Purchase of buildings		**5,831**	84	-
Purchase of property, plant and equipment		**7,162**	3,406	3,900
Purchase of intangibles		**3,270**	4,551	12,641
Purchase of heritage and cultural assets		**509**	-	-
Total cash used		**16,772**	8,041	16,541
Net cash (used by) investing activities		**(16,772)**	(8,041)	(16,541)
FINANCING ACTIVITIES				
Cash received				
Departmental capital budget[1]		**23,107**	1,196	16,541
Total cash received		**23,107**	1,196	16,541
Cash used				
Principal payments of lease liabilities		**27,005**	27,050	19,995
Total cash used		**27,005**	27,050	19,995
Net cash (used by) financing activities		**(3,898)**	(25,854)	(3,454)
Net increase/(decrease) in cash held		**(1,174)**	3,587	21
Cash and cash equivalents at the beginning of the reporting period		**16,661**	13,074	13,053
Cash and cash equivalents at the end of the reporting period	3.1A	**15,487**	16,661	13,074

[1] During the preparation of the 2025-26 financial statements, the department identified two prior period errors. Refer to the overview section of the financial statements for further details.

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
DEPARTMENTAL BUDGET VARIANCE COMMENTARY
For the period ended 30 June 2026

Explanations of Major Departmental Budget Variances

The table below provides explanations for significant variances between the departmental budget estimates, as published in the 2025–26 Portfolio Budget Statements, and the actual financial performance and position for the year. The budget is not audited. Variances are treated as significant when it is considered important for a reader's understanding or is relevant to an assessment of the discharge of accountability and for the analysis of the department's performance. The nature and timing of the Australian Government budget process can also contribute to the variances.

Affected line items	Explanation of major variances
Employee Benefits (Statement of Comprehensive Income) Employee provisions (Statement of Financial Position)	The increase of $36.2 million in employee benefits and $19.1 million in employee provisions is primarily due to salary increases in line with the 2024 Enterprise Agreement.
Suppliers (Statement of Comprehensive Income)	The decrease of $24.4 million in supplier expenses largely attributable to lower than forecast expenditure on consultancies and contractors across several programs. Changes to the delivery of some grant programs and the associated reduction in administrative costs also contributed to the decrease in expenses.
Depreciation and amortisation (Statement of Comprehensive Income)	The increase of $20.9 million in depreciation and amortisation expense is due to right-of-use assets.
Buildings (Statement of Financial Position)	The increase of $67.7 million in buildings is primarily due to the recognition of the right-of-use assets for the new accommodation leases for London Circuit Canberra and Lonsdale Street Melbourne.
Revenue from contracts with customers (Statement of Comprehensive Income) Revenue from contracts with customers (Cash Flow Statement)	The decrease of $2.2 million in revenue from contracts with customers and $2.0 million in cash payments is due to lower-than-expected revenue collections from cost recovered activities.
Rental Income (Statement of Comprehensive Income)	The increase of $5.8 million in rental income is due to higher-than-expected income from Artbank rental activities.
Other revenue (Statement of Comprehensive Income)	The decrease of $2.8 million in other revenue is due to lower-than-expected annual contributions into special accounts.
Other (Cash Flow Statement)	The increase of $30.9 million in other cash received is mainly due to higher-than-expected goods and services tax, Artbank receipts and other receipts.
Cash and cash equivalents (Statement of Financial Position)	The increase of $2.4 million is due to the maintenance of the cash float of the main bank account for working capital purposes and the timing of cash payments.
Trade and other receivables (Statement of Financial Position) Appropriations (Cash Flow Statement)	The increase of $80.7 million in trade and other receivables and $68.6 million in appropriations received is due to the timing of the drawdowns and recognition of the appropriations receivable.
Heritage and Cultural (Statement of Financial Position)	The increase of $4.6 million is mainly due to the re-valuation increment of artworks in 2024–25.
Property Plant and Equipment (Statement of Financial Position) Purchase of property, plant and	The increase of $5.4 million in property plant and equipment and $3.3 million in cash payments is primarily due to the purchase of laptops and associated IT equipment as part of the department's IT systems modernisation program. This included IT equipment purchased for premises in Canberra, Townsville, Perth, Melbourne and Adelaide.

equipment (Cash Flow Statement)	
Intangibles (Statement of Financial Position) Purchase of intangibles (Cash Flow Statement)	The decrease of $37.4 million in intangibles and $9.4 million in cash payments is primarily due to changes to the department's IT systems modernisation program, including a shift towards cloud-based solutions. As a result, expenditure originally budgeted as capital expenditure was incurred as operating expenditure, reducing capital acquisitions and related cash payments.
Other payables (Statement of Financial Position)	The increase of $8.4 million in other payables is primarily due to increases in accrued workdays increasing employee payables. Payables for separations and redundancies also contributed to the increase.
Leases (Statement of Financial Position) Principal payments of lease liabilities (Cash Flow Statement)	The increase of $77.9 million in lease liability and $7.0 million in cash payments is primarily due to the recognition of new leases for accommodation including London Circuit Canberra and Lonsdale Street Melbourne. Renewals of existing leases also contributed to the increase.
Departmental Capital Budget (Cash Flow Statement)	The increase of $6.6 million in departmental capital budget is due to the timing of the drawdowns.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
ADMINISTERED SCHEDULE OF COMPREHENSIVE INCOME
For the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget 2026 $'000
NET COST OF SERVICES				
Expenses				
Employee benefits	2.1A	**21,650**	20,207	16,856
Suppliers	2.1B	**700,483**	639,493	670,289
Subsidies	2.1C	**552,293**	1,128,641	1,198,226
Grants	2.1D	**7,114,757**	4,685,593	6,415,371
Depreciation and amortisation	4.2A	**69,018**	59,035	47,173
Impairment loss on financial instruments	4.1C	**6,836**	100,772	129,685
Write-down and impairment of assets	2.1E	**44,988**	6,963	-
Payments to corporate Commonwealth entities	2.1F	**2,918,869**	2,420,340	2,462,801
Concessional loans		**99,271**	88,900	208,358
Other expenses	2.1G	**94,089**	9,365	5,034
Total expenses		**11,622,254**	9,159,309	11,153,793
Income				
Revenue				
Taxation revenue				
Taxes	2.2A	**45,750**	33,069	27,307
Total taxation revenue		**45,750**	33,069	27,307
Non-taxation revenue				
Revenue from contracts with customers	2.2B	**49,225**	50,249	56,449
Levies, fees and fines	2.2C	**144,074**	153,521	205,070
Interest	2.2D	**266,653**	202,152	320,914
Dividends	2.2E	**9,500**	-	-
Rental income	2.2F	**4,455**	4,349	6,186
Other revenue	2.2G	**33,321**	22,600	39,390
Total non-taxation revenue		**507,228**	432,871	628,009
Total revenue		**552,978**	465,940	655,316
Gains				
Gains from sale of assets		**9**	-	-
Other gains	2.2H	**55,634**	-	-
Total gains		**55,643**	-	-
Total income		**608,621**	465,940	655,316
Net (cost of) services		**(11,013,633)**	(8,693,369)	(10,498,477)
(Deficit)		**(11,013,633)**	(8,693,369)	(10,498,477)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		**8,166**	140,376	-
Gains/(Losses) on financial assets measured through other comprehensive income		**(1,806,592)**	(638,852)	-
Total other comprehensive gain/(loss)		**(1,798,426)**	(498,476)	-
Total comprehensive (loss)		**(12,812,059)**	(9,191,845)	(10,498,477)

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
ADMINISTERED SCHEDULE OF ASSETS AND LIABILITIES
For the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000	Original Budget 2026 $'000
ASSETS				
Financial assets				
Cash and cash equivalents	4.1A	**42,205**	49,095	57,251
Trade and other receivables	4.1B	**4,365,924**	3,809,647	4,752,696
Investments	4.1D	**45,059,660**	44,314,039	48,854,025
Total financial assets		**49,467,789**	48,172,781	53,663,972
Non-financial assets				
Land	4.2A	**88,893**	80,729	-
Buildings	4.2A	**238,651**	244,112	228,072
Heritage and cultural	4.2A	**198,677**	201,869	189,596
Property, plant and equipment	4.2A	**471,506**	479,802	618,457
Intangibles	4.2A	**75,020**	79,235	70,313
Inventories	4.2B	**4,832**	3,677	3,097
Prepayments		**3,813**	3,688	3,605
Total non-financial assets		**1,081,392**	1,093,112	1,113,140
Total assets administered on behalf of Government		**50,549,181**	49,265,893	54,777,112
LIABILITIES				
Payables				
Suppliers	4.3A	**365,452**	354,297	359,990
Subsidies	4.3B	**42,083**	15,989	17,858
Grants	4.3C	**59,610**	28,260	147,917
Other payables	4.3D	**1,806**	3,408	5,245
Total payables		**468,951**	401,954	531,010
Provisions				
Employee provisions	6.1B	**4,459**	4,632	3,934
Loan commitment provision		**20,065**	46,241	46,241
Other provisions	4.4	**311,994**	957,014	974,341
Total provisions		**336,518**	1,007,887	1,024,516
Total liabilities administered on behalf of Government		**805,469**	1,409,841	1,555,526
Net assets		**49,743,712**	47,856,052	53,221,586

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
ADMINISTERED RECONCILIATION SCHEDULE
For the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Opening assets less liabilities as at 1 July		**47,856,052**	44,759,690
Net (cost of)/contribution by services			
Income		**608,621**	465,940
Expenses			
Payments to entities other than corporate Commonwealth entities		**(8,703,385)**	(6,738,969)
Payments to corporate Commonwealth entities		**(2,918,869)**	(2,420,340)
Other comprehensive income			
Revaluations and impairments transferred to/(from) reserves -non-financial assets		**8,166**	140,376
Revaluations transferred to/(from) reserves - investments		**(1,806,592)**	(638,852)
Transfers (to)/from Australian Government			
Appropriation transfers from Official Public Account			
Administered assets and liabilities appropriations		**2,736,900**	3,060,043
Annual appropriations			
Payments to entities other than corporate Commonwealth entities		**2,990,746**	3,036,008
Payments to corporate Commonwealth entities		**2,918,869**	2,420,340
GST		**105,994**	105,726
Special appropriations (limited)			
Northern Australia Infrastructure Facility		**489,180**	537,182
Special appropriations (unlimited)			
Payments to corporate Commonwealth entities		**263,855**	266,327
Refund of administered receipts - section 77 PGPA Act		**582**	287
Protection of the Sea Pollution Compensation Fund		**524**	798
Special appropriations - Financial Assistance Grants		**4,614,981**	2,233,176
Funds provided from related entity to the Public Interest Telecommunications Services Special Account		**217,298**	218,336
Regional Broadband Scheme			
Funds provided from related entity to the Regional Broadband Scheme Special Account		**25,357**	25,479
Settlement of provision[1]		**837,007**	812,180
Funds provided from related entity to the Sport and Recreation Special Account		**182**	-
Appropriation transfers to Official Public Account			
Transfers to Official Public Account		**(420,638)**	(401,113)
Transfers to Official Public Account non-cash		**(524)**	(798)
Repayments of loans		**(80,594)**	(385,247)
Other transfers			
Restructuring	8.3B	**-**	359,483
Closing assets less liabilities as at 30 June		**49,743,712**	47,856,052

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
ADMINISTERED RECONCILIATION SCHEDULE
For the period ended 30 June 2026

[1]As at 30 June 2026, NBN Co was the only eligible funding recipient for the Regional Broadband Scheme (RBS). For the period 1 July 2024 to 30 June 2025, NBN Co's entitlement under the RBS was $862.4 million (2025: $837.4 million) in eligible funds. In March 2026, NBN Co applied for a charge offset certificate for the period 1 July 2024 to 30 June 2025 under section 98 of the *Telecommunications (Consumer Protection and Services Standards) Act 1999*. The charge offset certificate allows NBN Co to offset its entitlement under the RBS against its charge liability for the same period. A total of $25.4 million (2025: $25.2 million) remained owing to NBN Co and was paid in May 2026. Refer to Note 4.4 further details on RBS Provision.

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Administered cash transfers from and to the Official Public Account
Revenue collected by the department for use by the Government rather than the department is administered revenue. Collections are transferred to the Official Public Account maintained by the Department of Finance. Conversely, cash is drawn from the Official Public Account to make payments under Parliamentary appropriation on behalf of the Government. These transfers to and from the Official Public Account are adjustments to the administered cash held by the department on behalf of the Government and reported as such in the Schedule of Administered Cash Flows and the Administered Reconciliation Schedule.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
ADMINISTERED CASH FLOW STATEMENT
For the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000
OPERATING ACTIVITIES			
Cash received			
Revenue from contracts with customers		**48,849**	48,096
Fees and fines		**154,484**	139,292
Interest		**198**	197
Dividends		**9,500**	-
Rental income		**2,924**	2,822
Royalties		**1,668**	1,638
Net GST received		**105,634**	104,218
Other taxes		**45,226**	33,069
Other revenue		**21,330**	20,945
Total cash received		**389,813**	350,277
Cash used			
Employees		**21,717**	19,356
Grants		**7,078,958**	4,809,603
Subsidies		**323,522**	288,880
Suppliers		**795,360**	752,242
Payments to corporate Commonwealth entities		**2,918,869**	2,420,340
Other expenses		**93,748**	8,920
Total cash used		**11,232,174**	8,299,341
Net cash (used by) operating activities		**(10,842,361)**	(7,949,064)
INVESTING ACTIVITIES			
Cash received			
Repayments of loans		**80,594**	385,247
Interest		**57,924**	55,531
Total cash received		**138,518**	440,778
Cash used			
Advances and loans made		**561,217**	627,108
Investments		**2,552,213**	2,952,724
Purchase of property, plant and equipment		**41,802**	28,068
Purchase of buildings		**8,139**	3,299
Purchase of heritage and cultural assets		**2,206**	2,340
Purchase of intangibles - Biodiversity offset credits		**-**	2,874
Total cash used		**3,165,577**	3,616,413
Net cash (used by) investing activities		**(3,027,059)**	(3,175,635)

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
ADMINISTERED CASH FLOW STATEMENT
For the period ended 30 June 2026

	Notes	2026 $'000	2025 $'000
FINANCING ACTIVITIES			
Cash received			
Funds provided from related entity to the Public Interest Telecommunications Services Special Account		**217,298**	218,336
Funds provided from related entity to the Regional Broadband Scheme Special Account		**25,357**	25,479
Total cash received		**242,655**	243,815
Net cash from financing activities		**242,655**	243,815
Cash and cash equivalents at the beginning of the reporting period		**49,095**	57,250
Cash from Official Public Account			
Appropriations		**13,559,890**	11,031,981
Advances and loans made		**561,217**	627,108
Total cash from Official Public Account		**14,121,107**	11,659,089
Cash to Official Public Account			
Appropriations		**(420,638)**	(401,113)
Repayments of loans		**(80,594)**	(385,247)
Total cash to Official Public Account		**(501,232)**	(786,360)
Net (decrease) in cash held		**(13,626,765)**	(10,880,884)
Cash and cash equivalents at the end of the reporting period	4.1A	**42,205**	49,095

The above statement should be read in conjunction with the accompanying notes.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
ADMINISTERED BUDGET VARIANCE COMMENTARY
For the period ended 30 June 2026

Explanations of Major Administered Budget Variances

The table below provides explanations for significant variances between the administered budget estimates, as published in the 2025–26 Portfolio Budget Statements, and the actual financial performance and position for the year. The budget is not audited. Variances are treated as significant when it is considered important for a reader's understanding or is relevant to an assessment of the discharge of accountability and for the analysis of the department's performance. The nature and timing of the Australian Government budget process can also contribute to the variances.

Affected line items	Explanation of major variances
Other Provisions (Administered Schedule of Assets and Liabilities) Subsidies (Administered Schedule of Comprehensive Income)	The decrease of $0.64 billion largely relates to a significant reduction in the provision under the Regional Broadband Scheme (RBS) following a reduction in the monthly charge component. In 2025–26, the amount that carriers were required to pay for the base component, covering NBN Co's net losses, decreased to $2.17 per month (2025: $8.46 per month) for each chargeable premise on their network with an active high speed superfast broadband service provided over a local access line. The monthly charge was amended by the responsible Minister based on advice from the Australian Competition and Consumer Commission.
Grants (Administered Schedule of Comprehensive Income)	The increase of $0.7 billion primarily relates to Government decisions to bring forward significant payments under the Financial Assistance Grants program over multiple years ($1.2 billion). An additional contributing factor was the transfer of sport and physical activity policy and functions from the Department of Health, Disability and Ageing following the Administrative Arrangements Order on 13 May 2025 ($0.2 billion). This was partially offset as a result of budget reductions and savings measures, together with project delivery delays, most notably under programs including the Priority Community Infrastructure Program and the Roads to Recovery Program (-$0.3 billion).
Impairment loss on financial instruments (Administered Schedule of Comprehensive Income)	The net impairment variance of $129.7 million was due to a change on the impairment calculation of expected credit losses (ECL) for the Northern Australia Infrastructure Facility (NAIF). This was partially offset by a $6.2 million impairment loss recognised on Rex loans.
Payments to Corporate Commonwealth Entities (Administered Schedule of Comprehensive Income)	Payments to corporate Commonwealth entities increased primarily due to higher administered funding provided to portfolio corporate Commonwealth entities. This included a $0.5 billion payment to the Australian Sports Commission following the transfer of sport and physical activity policy and functions from the Department of Health, Disability and Ageing following the Administrative Arrangements Order on 13 May 2025.
Concessional Loans (Administered Schedule of Comprehensive Income)	The variance is primarily due to less NAIF loan commitments than originally anticipated.
Gains/(Losses) on Investments at fair value through other comprehensive income (Administered Schedule of Comprehensive Income)	The $1.8 billion decrease reflects the fair value adjustment for administered investments in portfolio agencies. The decrease is primarily driven by the $2.2 billion impairment adjustment for ARTC, the main drivers being: 1. reduction in the net asset value of the National Network, as a result of the Government's decision in the 2026–27 Budget to invest $1.8 billion of equity into the Network Investment Program; 2. impairment of Inland Rail assets consistent with prior year treatment; and 3. reduction in the net asset value of the NSW Heavy Haul network, driven by increased costs of maintaining the network.
Buildings and Property, Plant and Equipment (Administered Schedule of Assets and Liabilities)	The variance of $34.8 million is mainly due to the valuation of administered non-financial assets in 2024–25 and timing of budget estimates updates.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
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Overview

The Basis of Preparation of the Financial Statements
The financial statements are required by section 42 of the PGPA Act.

The financial statements have been prepared in accordance with:

a) the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR)
b) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

As required by the FRR, administered financial assets, administered financial instruments and administered fair value measurements are reported in accordance with Tier 1 disclosures under *AASB 1053 Application of Tiers of Australian Accounting Standards*. All other notes and schedules are reported in accordance with Reduced Disclosure Requirements (Tier 2) under *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified. Transactions denominated in foreign currency are converted at the exchange rate at the date of the transaction. Foreign exchange gains and losses are reported in the Statement of Comprehensive Income.

Machinery of Government Changes
In 2024–25, the department assumed responsibility for sport and physical activity policy and functions from the Department of Health, Disability and Ageing and relinquished responsibility for land and planning, and cities and urban policy functions to the Department of the Treasury, as a result of amendments to the Administrative Arrangements Order (AAO) on 13 May 2025.

Under the AAO the department was renamed the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts.

These changes resulted in a transfer of balances for both the prior and current financial years.

On 1 September 2025, the department recognised the Sport and Recreation Special Account 2016, which transferred from the Department of Health, Disability and Ageing. The department has also recognised adjustments to its appropriation receivable and employee provisions as a result of the amendments to the AAO on 13 May 2025. Refer to note 8.3 Restructuring.

New Australian Accounting Standards

Standard	Nature of change in accounting policy, transitional provisions, and adjustment to financial statements
AASB 2026-1 -Amendments to Australian Accounting Standards – Disclosures about Uncertainties in the Financial Statements	AASB 2026-1 – Disclosures about Uncertainties in the Financial Statements amends AASB 136 and AASB 137. The amendments introduce illustrative examples to clarify the application of existing disclosure requirements in relation to uncertainties affecting amounts recognised in the financial statements, including those relating to impairment of assets and provisions. The amendments do not introduce any new recognition or measurement requirements. AASB 2026-1 applies to annual periods beginning on or after 1 July 2025 that end on or after 28 February 2026. The department is expected to increase the importance of robust technical assessments and documentation, particularly in judgemental areas such as provisions and contingent liabilities.

Taxation
The department is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Reporting of administered activities
Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the administered schedules and related notes.

Except where otherwise stated, administered items are accounted for on the same basis and using the same policies as for departmental items, including the application of Australian Accounting Standards.

Events after the Reporting Period
There were no subsequent events between balance date and signing of the financial statements that had the potential to significantly affect the ongoing structure and financial activities of the department.

Prior Period Error

1. In 2024-25, $21.6 million of appropriations receipts within operating activities were incorrectly presented as departmental capital budget appropriations within financing activities. The comparative cash flow statement has been restated to correct the classification.
2. During 2025-26, the department revised the presentation of appropriations and section 74 receipts to include GST amounts retained under section 74 of the PGPA Act, consistent with updated guidance issued by the Department of Finance. Comparative information for 2024-25 has been restated to present GST amounts on the same basis.

The above matters relate only to the presentation of the cash flow statement and do not affect the department's net assets, financial position, or operating result. The line items impacted for the year ended 30 June 2025 are set out below and have been restated in the cash flow statement included in the department's financial statements.

	Period ended 30 June 2025 as reported $'000	Adjustment 1 $'000	Adjustment 2 $'000	Period ended 30 June 2025 restated $'000
OPERATING ACTIVITIES				
Cash received				
Appropriations	531,071	21,608	14,892	567,571
Total cash received	**560,651**	**21,608**	**14,892**	**597,151**
Cash used				
Section 74 receipts transferred to Official Public Account	27,846	-	14,892	42,738
Total cash used	**544,777**	**-**	**14,892**	**559,669**
Net cash from operating activities	**15,874**	**21,608**	**-**	**37,482**
FINANCING ACTIVITIES				
Cash received				
Departmental capital budget	22,804	(21,608)	-	1,196
Total cash received	**22,804**	**(21,608)**	**-**	**1,196**

1. Departmental Financial Performance

This section analyses the financial performance of the department for the period ended 30 June 2026.

1.1 Expenses

	2026 $'000	2025 $'000
1.1A: Employee benefits		
Wages and salaries	**266,683**	259,810
Superannuation		
Defined contribution plans	**32,963**	31,633
Defined benefit plans	**15,207**	15,556
Leave and other entitlements	**33,622**	37,557
Separation and redundancies	**5,392**	3,050
Other employee expenses	**1,189**	1,481
Total employee benefits	**355,056**	349,087
1.1B: Suppliers		
Goods and services supplied or rendered		
Communications	**4,779**	4,288
Consultants	**11,179**	19,450
Contracted services	**58,250**	51,103
Contractors	**18,439**	27,428
Information technology services	**23,195**	22,129
Legal	**10,821**	10,404
Property costs	**13,283**	11,868
Training and conferences	**3,504**	4,032
Travel and accommodation	**5,497**	7,357
Other goods and services	**10,004**	11,113
Total goods and services supplied or rendered	**158,951**	169,172
Goods supplied	**20,653**	19,991
Services rendered	**138,298**	149,181
Total goods and services supplied or rendered	**158,951**	169,172
Other suppliers		
Short-term leases	**85**	85
Low value leases	**85**	77
Workers compensation expenses	**2,071**	1,439
Total other suppliers	**2,241**	1,601
Total suppliers	**161,192**	170,773

The department has one short-term lease commitment as at 30 June 2026 (2025: one).

Lease disclosures should be read in conjunction with the accompanying Notes 1.1D, 1.2B, 3.2A and 3.4.

1.1C: Grants and Contributions		
State and Territory Governments	**531**	219
Contributions to special accounts	**997**	819
Other	**141**	-
Total grants and contributions	**1,669**	1,038
1.1D: Finance costs		
Interest on lease liabilities	**1,402**	1,166
Unwinding of provision for restoration	**3**	18
Total finance costs	**1,405**	1,184

	2026 $'000	2025 $'000
1.1E: Write-down and impairment of assets		
Leasehold improvements	**180**	20
Heritage and cultural assets	**1**	1
Property, plant and equipment	**1,256**	650
Intangible assets	**-**	1,792
Financial assets	**113**	25
Total write-down and impairment of assets	**1,550**	2,488
1.1F: Foreign exchange losses		
Non-speculative	**1**	16
Total foreign exchange losses	**1**	16

Accounting Policy

Employee Benefits
Accounting policies for employee related expenses are contained in the People and Relationships section (Note 6.1).

Short-term leases and leases of low value assets
The department has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low value assets (less than $10,000 per asset). The department recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Grants and Subsidies
The department administers a number of grant and subsidy schemes on behalf of the Government. Grant and subsidy liabilities are recognised to the extent that (i) the services required to be performed by the applicant have been performed; or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made.

Finance costs
All borrowing costs are treated as an expense in the period in which they are incurred.

Foreign exchange losses
The department recognises a gain or loss on foreign exchange at the date of the transaction. Exchange gains and losses are reported in the Statement of Comprehensive Income. The department does not enter into hedging arrangements for its foreign currency transactions and all foreign exchange gains and losses are considered non-speculative in nature. Foreign exchange losses relate to the cash balance held in a bank account in Montreal, Canada.

1.2 Own-Source Revenue and Gains

	2026 $'000	2025 $'000
Own-Source Revenue		
1.2A: Revenue from contracts with customers		
Rendering of services	**4,970**	6,084
Total revenue from contracts with customers	**4,970**	6,084
Disaggregation of revenue from contracts with customers		
Corporate services	**765**	688
Cost recovery	**1,630**	2,943
Overseas projects	**2,575**	2,453
Total revenue from contracts with customers	**4,970**	6,084
1.2B: Rental Income		
Operating lease		
Lease income	**1,978**	1,989
Artwork	**4,225**	3,881
Total rental income	**6,203**	5,870
Operating Leases		
Maturity analysis of operating lease receivables		
Within 1 year	**2,303**	2,225
One to two years	**1,083**	2,303
Two to three years	**-**	1,083
Total undiscounted lease payments receivable	**3,386**	5,611
1.2C: Other revenue		
Resources received free of charge		
Remuneration of auditors	**951**	930
Seconded employees	**57**	246
Assets received free of charge	**-**	64
Special account contributions	**3,674**	1,155
Other	**425**	329
Total other revenue	**5,107**	2,724

	2026	2025
	$'000	$'000
1.2D: Other gains		
Sale of assets	**11**	3
Other	**518**	53
Total other gains	**529**	56
1.2E: Revenue from Government		
Appropriations		
Departmental appropriations	**553,007**	567,311
Total revenue from Government	**553,007**	567,311

Accounting Policy

Revenue from contracts with customers

The majority of departmental revenue sources have specific performance obligations and the contract is enforceable through legal or equivalent means. Contracts are considered to be enforceable through equivalent means where there are specific rights documented in the agreement, the parties can reasonably be expected to act on their obligations, there are consequences for non-performance and/or unspent funds must be refunded.

Revenue from contracts with customers is recognised when the performance obligation has been met, either:

1. at a point in time where the ownership or control of the goods or services is passed to the customer at a specific time, or
2. over time where the services are provided and the benefits are simultaneously consumed by the customer.

The department requires customers to pay in accordance with its payment terms. Trade receivables are due for settlement within 30 days.

Corporate services

The department's performance obligation is the provision of information technology and corporate services to other Australian Government entities in accordance with a Memorandum of Understanding. Revenue is recognised over time where the services are provided and consumed simultaneously.

Cost recovery

The department's performance obligation is the undertaking of functions or incurring of costs on behalf of other Australian Government entities in accordance with a Memorandum of Understanding. Revenue is recognised over time as costs are incurred where there is an expectation they will be recovered.

Delivery of overseas transport projects

The department's performance obligation is the delivery of overseas transport projects in Papua New Guinea and Indonesia. The projects are undertaken under a Record of Understanding that outlines specific activities and the budgeted amount of each activity. Revenue is recognised as activities are completed or over time.

Other revenue

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Other Gains

Sale of assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the entity gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

2. Income and Expenses Administered on Behalf of Government

This section analyses the activities that the department does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

2.1 Administered – Expenses

	2026 $'000	2025 $'000
2.1A: Employee benefits		
Wages and salaries	**16,296**	14,585
Superannuation		
Defined contribution plans	**2,258**	2,104
Defined benefit plans	**170**	155
Leave and other entitlements	**2,374**	2,918
Separation and redundancies	**3**	-
Other employee expenses	**549**	445
Total employee benefits	**21,650**	20,207
2.1B: Suppliers		
Goods and services supplied or rendered		
Advertising campaigns	**31,682**	10,999
Fuel and oil	**16,703**	16,904
Information, communication and technology	**2,773**	6,198
Medical supplies	**6,008**	6,530
Property and operating costs	**6,093**	6,603
Rail and road research	**10,399**	5,050
Repairs and maintenance	**16,020**	14,159
Royalty payments	**28,696**	28,139
Service delivery arrangements	**144,370**	135,612
Service fees	**401,538**	377,168
Travel and accommodation	**714**	433
Other goods and services	**34,811**	31,166
Total goods and services supplied or rendered	**699,807**	638,961
Goods supplied	**22,711**	23,434
Services rendered	**677,096**	615,527
Total goods and services supplied or rendered	**699,807**	638,961
Other suppliers		
Short-term leases	**137**	87
Workers compensation expenses	**540**	445
Total other suppliers	**677**	532
Total suppliers	**700,484**	639,493

The department has short-term lease commitments for residential and storage leases. There were no material commitments for these leases at 30 June 2026 (2025: nil).

Lease disclosures should be read in conjunction with the accompanying notes 2.2F and 4.3D.

Accounting Policy

Employee Benefits

Accounting policies for employee related expenses are contained in the People and Relationships section (Note 6.1).

Short-term leases and leases of low value assets

The department has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low value assets (less than $10,000 per asset). The department recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2026	2025
	$'000	$'000
2.1C: Subsidies		
Subsidies in connection with		
Tasmanian Freight Equalisation Scheme	**232,663**	183,731
Bass Strait Passenger Vehicle Equalisation Scheme	**65,235**	53,889
Regional Broadband Scheme	**228,034**	864,035
Other subsidies	**26,361**	26,986
Total subsidies	**552,293**	1,128,641
2.1D: Grants		
Public sector		
Australian Government entities (related parties)	**385,453**	395,089
State and Territory Governments	**4,735,437**	2,290,193
Local Governments	**1,200,775**	1,089,894
Private sector		
Not-for-profit organisations	**491,006**	522,528
Commercial entities	**299,435**	385,114
Overseas	**2,651**	2,775
Total grants	**7,114,757**	4,685,593

Grants to State and Territory Governments include $4.6 billion (2025: $2.2 billion) paid to local government bodies through State and Territory Governments, under the Financial Assistance Grant program payments.

2.1E: Write-down and impairment of assets		
Land	**1**	2,160
Buildings	**1,231**	14
Property, plant and equipment	**3,887**	4,789
Write-down of loans	**39,869**	-
Total write-down and impairment of assets	**44,988**	6,963

	2026 $'000	2025 $'000
2.1F: Payments to corporate Commonwealth entities		
Australian Broadcasting Corporation	**1,229,214**	1,196,101
Australian Film, Television and Radio School	**28,310**	27,944
Australian Maritime Safety Authority	**100,763**	86,218
Australian National Maritime Museum	**24,959**	24,882
Australian Sports Commission[1]	**450,064**	-
Civil Aviation Safety Authority	**53,072**	41,494
Creative Australia	**311,790**	289,649
High Speed Rail Authority	**7,505**	55,102
Infrastructure Australia	**13,221**	13,247
National Film and Sound Archive of Australia	**41,822**	40,839
National Gallery of Australia	**81,789**	69,917
National Library of Australia	**77,021**	86,219
National Museum of Australia	**55,362**	55,192
National Portrait Gallery of Australia	**19,466**	19,181
National Transport Commission	**6,423**	6,746
Northern Australia Infrastructure Facility	**21,987**	21,782
Old Parliament House	**22,846**	22,290
Screen Australia	**13,287**	13,226
Special Broadcasting Service Corporation	**359,968**	350,311
Total payments to corporate Commonwealth entities	**2,918,869**	2,420,340

[1]Amendments to the Administrative Arrangements Order on 13 May 2025 transferred responsibility for reporting of the Australian Sports Commission (ASC) from the Department of Health, Disability and Ageing. There was no unspent ASC funding in 2024–25 to transfer.

Accounting Policy

Grants and Subsidies
The department administers a number of grant and subsidy schemes on behalf of the Government. Grant and subsidy liabilities are recognised to the extent that (i) the services required to be performed by the applicant have been performed; or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made.

Payments to corporate Commonwealth entities
Payments to corporate Commonwealth entities from amounts appropriated for that purpose are classified as administered expenses, equity injections or loans of the relevant portfolio department. The appropriation to the department is disclosed under the Funding section – Appropriations (Note 5.1A).

The department applies the provisions of *AASB 1004 - Contributions* and *AASB Interpretation 1038 - Contributions by owners made to wholly-owned public sector entities* when assessing its accounting treatment for payments made to its Commonwealth entities. Payments are recognised by the department as a contribution by owners when (a) there is a corresponding issuance of equity instruments by the portfolio entity; (b) there is a formal agreement establishing a financial interest in the net assets of the portfolio entity; or (c) these transfers have been formally designated as forming part of the portfolio entity's contributed equity.

Further, if the Commonwealth entities classify such a payment as a contribution by owners, the department will consider that payment as an acquisition of an ownership interest in the portfolio entity and classify it as an equity payment.

2.1G: Other expenses		
International membership fees	**7,791**	7,604
Contributions	**85,649**	963
Protection of the sea levy payment	**524**	798
Other expenses	**125**	-
Total other expenses	**94,089**	9,365

Accounting Policy

Biodiversity Offset Credits
Accounting policies for biodiversity offset credits payments are contained in the Other Provisions section (Note 4.4).

Contributions
Contributions are payments made to eligible recipients to assist them in undertaking activities consistent with the objectives of the relevant program. Contribution expenses are recognised when the department has a present obligation to make the payment and the amount can be reliably measured.

2.2 Administered – Income

	2026 $'000	2025 $'000
2.2A: Taxes		
Taxation Levies	**2,070**	2,339
Land tax equivalents	**40,093**	27,070
Other tax equivalents	**3,587**	3,660
Total taxes	**45,750**	33,069
2.2B: Revenue from contracts with customers		
Rendering of services	**15,722**	16,117
Regulatory and other fees	**33,503**	34,132
Total revenue from contracts with customers	**49,225**	50,249
Disaggregation of revenue from contracts with customers		
Major product / service line:		
Classification fees	**1,245**	1,337
Electricity services	**8,268**	8,743
Health services	**390**	168
Marine shipping and wharfage services	**720**	648
Plant and equipment hire	**616**	588
Water and sewerage services	**4,483**	4,633
Rendering of services	**15,722**	16,117
Airport Building Controllers	**12,160**	11,935
Airport Environment Officers	**2,674**	2,465
Road Vehicle Standards	**15,838**	16,770
Other fees	**2,831**	2,962
Regulatory and other fees	**33,503**	34,132
Total revenue from contracts with customers	**49,225**	50,249
2.2C: Levies, fees and fines		
Drone levies	**983**	837
Marine Navigation levies	**96,795**	93,830
Protection of the Sea levies	**38,992**	37,825
Non-taxation Levies from regulatory services	**136,770**	132,492
Loan fees	**6,387**	20,545
Fines	**917**	484
Total levies, fees and fines	**144,074**	153,521
2.2D: Interest		
Other loans	**185,513**	141,135
Unwinding of discount - concessional loans	**80,942**	60,820
Other interest	**198**	197
Total interest	**266,653**	202,152

Accounting Policy

Interest revenue is recognised using the effective interest method.

	2026 $'000	2025 $'000
2.2E: Dividends		
Australian Postal Corporation	**9,500**	-
Total dividends	**9,500**	-
2.2F: Rental income		
Indefeasible Rights of Use	**1,529**	1,529
Other rental income	**2,926**	2,820
Total rental income	**4,455**	4,349

Lease disclosures should be read in conjunction with the accompanying Notes 2.1B and 4.3D.

Accounting Policy

Dividends

Dividend revenue form Government Business Enterprises is recognised when the department's right to receive the dividend is established. Dividend revenue is measured at the amount of dividend declared and receivable by the department.

Rental income

Rental Income is recognised over the term of the Indefeasible Rights of Use granted by the Commonwealth to external parties for use of Regional Backbone Blackspot Program infrastructure.

Other rental income is mainly associated with residential and commercial properties in the Indian Ocean Territories and Jervis Bay Territory. Residential lease agreements are cancellable by either the lessor or the lessee by giving the required notice.

2.2G: Other revenue		
Return of unspent funding from prior year	**16,476**	14,264
Phosphate mine royalties	**1,668**	1,638
Contributions	**997**	819
Other revenue	**12,914**	4,259
Insurance recoveries	**1,266**	1,620
Total other revenue	**33,321**	22,600
2.2H: Other gains		
Reversal of impairment of financial assets	**55,634**	-
Total other gains	**55,634**	-

Reversal of impairment of financial assets should be read in conjunction with the accompanying Notes 4.1B and 4.1C.

Accounting Policy

Revenue

The majority of administered revenue sources have specific performance obligations and the contract is enforceable through legal or equivalent means. Contracts are considered to be enforceable through equivalent means where there are specific rights documented in the agreement, the parties can reasonably be expected to act on their obligations, there are consequences for non-performance and/or unspent funds must be refunded.

Revenue from contracts with customers is recognised when the performance obligation has been met, either:

1. at a point in time where the ownership or control of the goods or services is passed to the customer at a specific time, or
2. over time where the services are provided and the benefits are simultaneously consumed by the customer.

The department requires customers to pay in accordance with its payment terms. Trade receivables are due for settlement within 30 days.

The main sources of administered revenue are:

Taxes

a) Conservation levies payments for phosphate extraction Christmas Island

b) land tax and similar equivalency payments for commercial use of Commonwealth owned land (mainly at regulated airports)

c) other tax equivalency payments applied in the Indian Ocean Territories and Jervis Bay Territory

Revenue from contracts with customers

Provision of goods and services in the Indian Ocean Territories and Jervis Bay Territory including electricity supply, water and sewerage and medical fees.

Supply of electricity and water in the Indian Ocean Territories and Jervis Bay Territory have agreements in place with consumers. Revenue is recognised over time based on a fixed fee for network connection and a variable fee for actual use.

Other services provided in the territories include marine wharfage, medical and dental services and short-term hire of equipment.

The department charges application and licence fees under the *Road Vehicle Standards Act 2018*, *Airports Act 1996*, *Coastal Trading (Revitalising Australian Shipping) Act 2012* and the *Classification (Public, Films and Computer Games) Act 1995*. These charges are recognised under *AASB 15 Revenue from Contracts with Customers* irrespective of whether there is a written contract with a customer.

The costs of monitoring environmental conditions at regulated airports is recovered from airport lessees in accordance with the lease agreements.

Levies, fees and fines

Levies are collected for regulatory functions including Marine Navigation and Protection of the Seas levies which are remitted to the Commonwealth by the Australian Maritime Safety Authority (AMSA) who collect the levies from commercial shipping operators. An equivalent amount is paid to AMSA from a special appropriation administered by the department (refer Note 5.1C).

Loan fees revenue relates to the NAIF loans.

Fines revenue relates to infringement notices for parking violations at leased airports and court-imposed penalties.

3. Departmental Financial Position

This section analyses the department's assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

3.1 Financial Assets

	2026 $'000	2025 $'000
3.1A: Cash and cash equivalents		
Cash on hand or on deposit	**8,700**	9,159
Cash held in the Official Public Account (special accounts)	**6,143**	7,069
Cash in special accounts	**130**	27
Other	**514**	406
Total cash and cash equivalents	**15,487**	16,661
3.1B: Trade and other receivables		
Goods and services receivables		
Contract assets	**510**	1,032
Total goods and services receivables	**510**	1,032

Contract assets are associated with the provision of information technology and corporate services to other Australian Government entities, recovery of costs from other entities, transfer of leave entitlements and Artbank rental agreements.

Appropriations receivable		
Existing programs	**228,737**	215,511
Total appropriations receivable	**228,737**	215,511
Other receivables		
GST receivable from the Australian Taxation Office	**4,481**	4,078
Other	**97**	110
Total other receivables	**4,578**	4,188
Total trade and other receivables (gross)	**233,825**	220,731
Less impairment loss allowance		
Contract assets	**(83)**	(95)
Total impairment loss allowance	**(83)**	(95)
Total trade and other receivables (net)	**233,742**	220,636

Credit terms for goods and services were within 30 days (2025: 30 days).

Accounting Policy

Cash and Cash Equivalents
Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand and cash in special accounts.

Financial assets
Trade receivables and other receivables are held for the purpose of collecting contractual cash flows, where the cash flows are solely payments of principal and interest that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

Impairment
All financial assets are assessed for impairment at the end of each reporting period based on expected credit losses. Impairment of trade receivables is assessed on lifetime credit losses. The loss is recognised in the Statement of Comprehensive Income.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3.2 Non-Financial Assets

3.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

Reconciliation of the opening and closing balances of property, plant and equipment and intangibles for 2026

				Intangibles		
	Buildings[1] $'000	Heritage and cultural[1,2] $'000	Property, Plant and Equipment[1] $'000	Computer Software Internally Developed $'000	Computer Software Purchased $'000	Total $'000
As at 1 July 2025						
Gross book value	204,223	47,668	23,906	77,987	4,459	358,243
Accumulated depreciation, amortisation and impairment	(144,900)	-	(9,093)	(39,207)	(4,425)	(197,625)
Total as at 1 July 2025	59,323	47,668	14,813	38,780	34	160,618
Additions						
Purchase	8,070	397	7,274	-	-	15,741
Internally developed	-	-	-	3,082	-	3,082
Right-of-use assets	85,053	-	67	-	-	85,120
Revaluation recognised in other comprehensive income	6,026	(40)	1,134	-	-	7,120
Remeasurement of right-of-use assets	1,113	-	-	-	-	1,113
Impairments and write downs recognised in net cost of services	-	-	(7)	-	-	(7)
Depreciation and amortisation	(6,866)	(111)	(4,739)	(11,640)	(27)	(23,383)
Depreciation on right-of-use assets	(25,581)	-	(57)	-	-	(25,638)
Reclassifications	13	99	(112)	(317)	317	-
Other movements of right-of-use assets	(1,747)	-	(4)	-	-	(1,751)
Disposals	(180)	(1)	(1,249)	-	-	(1,430)
Assets sold	-	(11)	-	-	-	(11)
Total as at 30 June 2026	125,224	48,001	17,120	29,905	324	220,574
Total as at 30 June 2026 represented by						
Gross book value	194,627	48,112	17,808	70,668	14,137	345,352
Accumulated depreciation, amortisation and impairment	(69,403)	(111)	(688)	(40,763)	(13,813)	(124,778)
Total as at 30 June 2026	125,224	48,001	17,120	29,905	324	220,574
Carrying amounts of right-of-use assets	106,817	-	101	-	-	106,918

[1] These classes of assets are held at fair value except for those classified as right-of-use assets under AASB 16 *Leases* which are carried at cost.
[2] Buildings and property, plant and equipment that met the definition of a heritage and cultural item are disclosed in the heritage and cultural asset class.

Revaluations of non-financial assets
All revaluations were conducted in accordance with the revaluation policy stated below. In 2025–26, in line with the department's asset revaluation schedule, an independent valuer undertook the revaluation of departmental buildings and property, plant and equipment assets, and conducted a materiality review of asset classes not subject to revaluation to confirm there were no material differences between carrying values and fair values.

Contractual commitments for the acquisition of property, plant, equipment and intangibles
As at 30 June 2026, the department had contractual capital expenditure commitments of $0.8 million (GST exclusive) relating to property, plant and equipment and intangible assets recognised as assets under construction (AUC).

Impairment and write down of non-financial assets
An impairment and write down expense of $1.4 million (excluding $0.1 million relating to the write-off of bad debts for financial assets as disclosed in Note 1.1E) was recognised across all asset classes as at 30 June 2026 (2025: $2.5 million), comprising impairment losses of $0.01 million relating to property, plant and equipment and write-downs of $1.4 million relating to asset disposals. Recognition of impairment and write down adjustments are in accordance with the asset policy stated below.

Accounting Policy
Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor entity's accounts immediately prior to the restructuring.

Asset Recognition Threshold
Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than $5,000, which are expensed in the year of acquisition (other than laptops, which are capitalised regardless of their acquisition costs).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'makegood' provisions in property leases taken up by the department where there exists an obligation to restore the property to its original condition. These costs are included in the value of the department's leasehold improvements with a corresponding provision for the 'makegood' recognised.

Leased Right of Use (ROU) Assets
Leased ROU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are recognised as separate asset classes but disclosed in the same column as similar assets owned by the department.

An impairment review is undertaken for any ROU asset that shows indicators of impairment and an impairment loss is recognised. The impairment of ROU assets includes instances where the department has entered into leases for office accommodation that are surplus to requirements at the reporting date. ROU assets continue to be measured at cost after initial recognition by the department.

Revaluations
Following initial recognition at cost, property, plant and equipment assets (excluding ROU assets) are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure the carrying amount does not differ materially from the asset's fair value as at the reporting date. The regularity of valuations depends on the volatility of movements in market values for the relevant assets. Revaluations are conducted at least once every three years.

Revaluation adjustments are made on a class basis. Any revaluation increment is recognised in other comprehensive income and accumulated in equity under the heading of asset revaluation surplus, except to the extent it reverses a previous revaluation decrement of the same asset class previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent they reverse a previous revaluation increment for the class.

Any accumulated depreciation at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation and amortisation
Depreciable property, plant and equipment assets are written-off to their estimated residual value over their estimated useful life to the department using, in all cases, the straight-line method.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset, covering both departmental and administered assets, are based on the following useful lives:

- Buildings on freehold land – up to 60 years
- Leasehold improvements – shorter of lease term or useful life
- Property, plant and equipment excluding infrastructure – up to 30 years
- Infrastructure – up to 100 years
- Computer software – up to 9 years
- Heritage and cultural – up to 480 years
- Phosphate mining lease – lease term

The department has items of property, plant and equipment that are heritage and cultural assets that have limited useful lives and are depreciated.

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment and write down of non-financial assets
All assets held at cost, including assets under construction (AUC), intangibles and ROU assets, were assessed for impairment at 30 June 2026. Where indications of impairment exist, the asset's recoverable amount is estimated, and an impairment adjustment is made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the department were deprived of the asset, its value in use is taken to be its current replacement cost.

Impairments are recorded as an expense unless assets are carried at a revalued amount. The impairment loss on a revalued asset is recorded as a revaluation decrement and recorded against the asset revaluation surplus up to the value of the reserve with any excess impairment loss recorded in the net cost of services as a loss.

Derecognition
An item of property, plant and equipment is derecognised upon disposal when no further future economic benefits are expected from its use.

Heritage and Cultural
Artworks managed by Artbank are considered heritage and cultural items of national, historical or cultural significance. Artbank maintains separate curatorial and preservation policies for heritage and cultural assets: (https://www.artbank.gov.au/policy-information). The department holds other artwork that is not material to the asset class.

Intangibles
The department's intangibles comprise internally developed software over $50,000 and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life.

All software assets were assessed for indicators of impairment as at 30 June 2026.

Accounting Judgements and Estimates

Buildings
The fair value of buildings has been taken to be the current replacement cost of leasehold improvements in office leases and the related makegood requirements as determined by an independent valuer as at 30 June 2026.

Property, plant and equipment
The fair value of property, plant and equipment has been taken to be the market value or current replacement cost as determined by an independent valuer as at 30 June 2026.

Heritage and cultural assets
The fair value of heritage and cultural assets have been taken to be the market value or current replacement cost as determined by an independent valuer as at 30 June 2025. In 2025–26, the valuer confirmed there were no material differences between the carrying value and fair value as at 30 June 2026. The next full comprehensive valuation will be undertaken during 2027–28.

	2026	2025
	$'000	$'000
3.2B: Other non-financial assets		
Prepayments	**13,711**	10,872
Operating lease rentals - sublease	**459**	672
Lease incentive - sublease	**102**	172
Total other non-financial assets	**14,272**	11,716

No indicators of impairment were found for other non-financial assets.

3.3 Payables

	2026	2025
	$'000	$'000
3.3A: Suppliers		
Trade creditors	**2,525**	2,549
Accrued expenses	**25,546**	23,554
Total suppliers	**28,071**	26,103

Suppliers are generally settled within 20 days (2025: 20 days).
Electronic invoices are generally settled within 5 days (2025: 5 days).

3.3B: Other payables		
Unearned revenue	**2,653**	2,553
Salaries and wages	**10,164**	8,860
Superannuation	**1,639**	1,428
Separations and redundancies	**3,914**	2,490
Other	**1,838**	644
Total other payables	**20,208**	15,975

Accounting Policy

Other Payables

Unearned revenue is primarily associated from contracts with customers on leased artworks. Timeframes for the satisfaction of performance obligations range from 1 to 12 months.

All other payables are expected to be settled within 12 months of the balance date.

3.4 Interest Bearing Liabilities

	2026 $'000	2025 $'000
3.4: Leases		
Lease liabilities[1]	**112,417**	53,366
Total lease liabilities	**112,417**	53,366

Total cash outflow for leases for the period ended 30 June 2026 was $28.6 million (2025: $28.4 million).

Maturity analysis - contractual undiscounted cash flows		
Within 1 year	**19,983**	26,989
Between 1 to 5 years	**41,354**	23,622
More than 5 years	**91,183**	5,366
Total leases	**152,520**	55,977

[1]The department, in its capacity as lessee, has leasing arrangements for office accommodation in Canberra, other States and Territories, and internationally, and leasing arrangements for motor vehicles.

The above lease disclosures should be read in conjunction with the accompanying Notes 1.1B, 1.1D, 1.2B and 3.2A.

Accounting Policy

For all new contracts entered into, the department considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if the rate is readily determinable, or the department's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the ROU asset or profit and loss depending on the nature of the reassessment or modification.

3.5 Other Provisions

	Provision for restoration $'000	Other Provisions $'000	Total $'000
Opening balance as at 1 July 2025	667	390	**1,057**
Additional provisions made	-	7	**7**
Amounts used	(212)	-	**(212)**
Reversal and other movements		(300)	**(300)**
Unwinding of discount or change in discount rate	3	-	**3**
Total as at 30 June 2026	**458**	**97**	**555**

The department has 4 agreements at 30 June 2026 (2025: 5) for the lease of office premises which have provisions requiring the department to restore the premises to their original condition at the conclusion of the lease. The department has made a provision to reflect the present value of these obligations.

Other provisions relate to locally engaged staff employed (through the Department of Foreign Affairs and Trade) at overseas posts entitled to separation benefits under local labour laws.

Accounting Policy

Provision for Restoration Obligation

Where the department has a contractual obligation to undertake remedial work upon vacating leased properties, the estimated cost of that work is recognised as a liability. An equal value asset is created at the same time and amortised over the life of the lease of the underlying leasehold property.

4. Assets and Liabilities Administered on Behalf of Government

This section analyses assets and liabilities that the department does not control but administers on behalf of the Government. Unless otherwise noted, the accounting policies adopted are consistent with those applied for departmental reporting.

4.1 Administered – Financial Assets

	2026	2025
	$'000	$'000
4.1A: Cash and cash equivalents		
Cash in special accounts	**42,062**	48,118
Cash on hand or on deposit	**1**	777
Other	**142**	200
Total cash and cash equivalents	**42,205**	49,095

The closing balance of cash in special accounts does not include amounts held in trust $0.04 million (2025: $0.04 million). See Notes 5.2 Special Accounts and 8.2 Assets Held in Trust for more information.

4.1B: Trade and other receivables		
Advances and loans		
NAIF loans	**2,260,875**	1,774,931
Commercial entities	**2,463,844**	2,420,262
State and Territory Governments	**23,715**	27,824
Total advances and loans	**4,748,434**	4,223,017
Other receivables		
Contract assets	**9,467**	21,380
GST receivable	**41,805**	43,648
Grants receivable	**-**	4,449
Other revenue	**25**	15
Total other receivables	**51,297**	69,492
Total trade and other receivables (gross)	**4,799,731**	4,292,509
Less impairment allowance		
NAIF loans	**(425,779)**	(481,413)
Commercial entities	**(7,885)**	(1,280)
Other receivables	**(143)**	(169)
Total impairment allowance	**(433,807)**	(482,862)
Total trade and other receivables (net)	**4,365,924**	3,809,647

Credit terms for goods and services were within 30 days (2025: 30 days).

Reconciliation of the impairment allowance

Movements in relation to 2026

	NAIF loans $'000	Loans to commercial entities $'000	Trade receivables $'000	Total $'000
Opening balance as at 1 July 2025	**481,413**	**1,280**	**169**	**482,862**
Amounts written off	-	-	(257)	**(257)**
Increase/(Decrease) recognised in net cost of services	(55,634)	6,605	231	**(48,798)**
Total as at 30 June 2026	**425,779**	**7,885**	**143**	**433,807**

	2026 $'000	2025 $'000
4.1C: Impairment loss on financial instruments		
Impairment on NAIF loans	**-**	100,870
Impairment on loans to commercial entities	**6,605**	(60)
Impairment on trade receivables	**231**	(38)
Total impairment on financial instruments	**6,836**	100,772

NAIF impairment disclosures should be read in conjunction with the accompanying Notes 2.2H and 4.1B.

	2026	2025
	$'000	$'000
4.1D: Investments		
Investments accounted for using the net assets method		
Australian Government authorities		
Australian Broadcasting Corporation	**1,259,750**	1,167,942
Australian Film, Television and Radio School	**9,461**	9,983
Australian Maritime Safety Authority	**204,440**	207,787
Australian National Maritime Museum	**330,997**	335,031
Australian Postal Corporation	**2,399,100**	2,530,700
Australian Sports Commission	**371,138**	349,585
Civil Aviation Safety Authority	**94,926**	107,663
Creative Australia	**33,238**	33,373
High Speed Rail Authority	**10,756**	14,653
Infrastructure Australia	**3,389**	3,324
National Film and Sound Archive of Australia	**469,975**	460,184
National Gallery of Australia	**8,158,033**	8,100,803
National Library of Australia	**1,483,895**	1,477,822
National Museum of Australia	**516,722**	519,451
National Portrait Gallery of Australia	**173,753**	169,060
National Transport Commission	**1,778**	1,809
Northern Australia Infrastructure Facility	**29,748**	25,871
Old Parliament House	**142,735**	135,550
Screen Australia	**14,466**	14,258
Special Broadcasting Service Corporation	**257,194**	260,314
Total Australian Government authorities	**15,965,494**	15,925,163
Australian Government companies		
Australian Sports Foundation Limited	**5,391**	5,335
Bundanon Trust	**104,767**	102,905
National Intermodal Corporation Limited	**1,225,391**	976,598
WSA Co Limited	**3,454,553**	3,395,237
Total Australian Government companies	**4,790,102**	4,480,075
Australian Government controlled entities		
Norfolk Island Health and Residential Aged Care Service	**1,364**	701
Total Investments accounted for using the net assets method	**20,756,960**	20,405,939
Investments accounted for using the discounted cash flow method		
Australia Government authorities		
Airservices Australia	**131,900**	395,800
Australian Government companies		
Australian Rail Track Corporation Limited	**770,800**	1,712,300
NBN Co Limited	**23,400,000**	21,800,000
Total Investments accounted for using the discounted cash flow method	**24,302,700**	23,908,100
Total Investments	**45,059,660**	44,314,039

Accounting Policy

Loans and Receivables

Loans have been provided to States and Territories, and Commercial Entities. The loans are made for a period ranging from 1 to 118 years. No security is generally required. Interest rates are fixed on most loans. Interest payment arrangements vary in each loan agreement, with some agreements allowing for capitalisation of interest for specified periods.

Loans and receivables are carried at amortised cost using the effective interest rate. Gains and losses due to impairment, derecognition and amortisation are recognised in the Administered Schedule of Comprehensive Income.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Administered Investments

Administered investments in subsidiaries, joint ventures and associates are not consolidated because their consolidation is relevant only at the Whole of Australian Government level.

Administered investments, other than those held for sale, are classified as fair value through other comprehensive income (FVOCI) and are measured at their fair value as at 30 June 2026. Fair value has been determined using the Australian Government's proportional interest in the net assets of the entities at the end of the reporting period or a discounted cash flow valuation.

The Australian Government has a 100 per cent interest in the following entities, except the National Transport Commission (35 per cent). The principal activities of entities are:

1. Airservices Australia — Airservices Australia is a corporate Commonwealth entity, responsible for providing facilities and services for the safety, regularity and efficiency of air navigation within Australian-administered airspace. This includes providing air traffic services, aviation rescue fire-fighting services, aeronautical information, radio navigation and telecommunications services.
2. Australian Broadcasting Corporation (ABC) — The ABC is a national broadcaster and digital media provider. It is an integral part of the Australian media, providing radio, television and digital media services to all Australians, including independent news and information services. It offers programming that informs, educates and entertains, and contributes to and reflects Australia's national identity, including delivering such programming to overseas audiences. The ABC encourages cultural diversity, fosters public debate, engages directly with local communities, and nurtures and promotes the creative industries, music and the arts. In addition to its legislated obligations, the ABC also delivers emergency broadcasting services.
3. Australian Film, Television and Radio School (AFTRS) — AFTRS is the national institution for specialist education, training and research for screen and audio industries. AFTRS works hand-in-hand with the screen and audio industries to provide Australians with the highest level of education, training and research so that Australian stories and culture thrive at home and around the world.
4. Australian Maritime Safety Authority (AMSA) — AMSA is responsible for the maritime safety of international shipping and domestic commercial vessels, protection of the marine environment from ship-sourced pollution and other environmental damage caused by shipping, and search and rescue nationally.
5. Australian National Maritime Museum (ANMM) — The ANMM is responsible for leading the promotion and conservation of Australia's maritime heritage and culture. This is done through: developing and sharing its collections, knowledge and expertise; motivating learning through research, educational programs and products; supporting community participation to retain Australia's maritime heritage; and exploring contemporary issues of public interest and maritime relevance.
6. Australian Postal Corporation (Australia Post) — Australia Post is a Government Business Enterprise, wholly owned by the Australian Government. It provides a letter delivery service to all people in Australia, and a range of parcel, logistics and other services.
7. Australian Rail Track Corporation Limited (ARTC) — The ARTC is a Government Business Enterprise, wholly owned by the Australian Government. It was established in 1998, and manages and operates more than 9,600 kilometres of the national rail network across five states.
8. Australian Sports Commission (ASC) — The ASC works to implement Australian Government sport policy and has primary responsibility for key initiatives. In particular, the ASC is responsible for increasing involvement in sport and enabling continued international sporting success through leadership and development of the sports sector, targeted financial support, and the operation of the Australian Institute of Sport.
9. Australian Sports Foundation Limited (ASF) — ASF is a Commonwealth company and was established to raise money for the development of Australian sport. It is Australia's leading sports fundraiser and charity.

10. Bundanon Trust — Bundanon Trust cares for the Boyd art collection and supports arts practice and engagement with the arts through its Art Museum and its residency, learning, research, live arts and performance programs. In preserving the natural and cultural heritage of its site, Bundanon Trust promotes the value of landscape in all our lives.
11. Civil Aviation Safety Authority (CASA) — CASA has the function of conducting the safety regulation of the civil air operations in Australian territory and the operation of Australian aircraft outside Australian territory. While safety regulation of civil aviation remains its primary role, CASA also performs other safety-related and associated functions. CASA also has responsibility for airspace regulation.
12. Creative Australia — Creative Australia is the Australian Government's principal arts investment, development, funding and advisory body with a purpose to champion and invest in arts and creativity for a dynamic and creative Australia. Creative Australia has a national leadership role in supporting and building Australia's cultural infrastructure by ensuring local and global audiences enjoy the benefits of thriving, dynamic and sustainable cultural and creative industries.
13. High Speed Rail Authority (HSRA) — HSRA is a Corporate Commonwealth Entity established under the *High Speed Rail Authority Act 2022*. The HSRA will oversee the development of a High Speed Rail (HSR) network and advise on Australia's current and future HSR needs.
14. Infrastructure Australia (IA) — IA's primary role is to be the Commonwealth Government's independent adviser on nationally significant infrastructure investment planning and project prioritisation.
15. National Film and Sound Archive of Australia (NFSA) — The NFSA is Australia's premier audiovisual archive. It collects and preserves significant Australian film, recorded sound, broadcast works and new media, and shares the collection with audiences across Australia and overseas.
16. National Gallery of Australia (the National Gallery) — The purpose of the National Gallery is to: develop and maintain a national collection of works of art; exhibit, or make available for exhibition by others, in Australia or elsewhere, works of art from the national collection or works of art that are otherwise in the possession of the National Gallery; and to use every endeavour to make the most advantageous use of the national collection in the national interest.
17. National Intermodal Corporation Limited (National Intermodal) — National Intermodal is a Government Business Enterprise wholly owned by the Australian Government. Our principal activity is to facilitate the development and operation of a national network of modern, state-of-the-art, open access intermodal precincts.
18. National Library of Australia (Library) —The Library ensures that documentary resources of national significance relating to Australia and the Australian people, as well as significant non-Australian library materials, are collected, preserved and made accessible either through the Library or through collaborative arrangements with other libraries.
19. National Museum of Australia (NMA) — The NMA brings to life the rich and diverse stories of the nation through researching, developing, preserving, digitising and exhibiting a significant national collection, and creating programs and partnerships for national and international audiences.
20. National Portrait Gallery of Australia (NPGA) — The purpose of the NPGA is to develop, preserve, maintain and promote a national collection of portraits and other works of art. It also develops and engages a national audience for the collection, exhibitions, education, research, publications, and public and online programs.
21. National Transport Commission (NTC) — The NTC leads national land transport reform in support of Australian governments to improve safety, productivity, environmental outcomes and regulatory efficiency relating to road, rail and intermodal transport.
22. NBN Co Limited (NBN Co) — NBN Co is a Government Business Enterprise, wholly owned by the Australian Government. It is supporting the transition of Australia to a digital future by operating the National Broadband Network, a high-speed, wholesale local access broadband network. NBN Co's purpose is to lift the digital capacity of Australia, allowing all Australians to have access to fast and reliable broadband.
23. Norfolk Island Health and Residential Aged Care Service (NIHRACS) — A body corporate established under the Norfolk Island Health and Residential Aged Care Service Act 1986 that provides health and residential aged care services to the Norfolk Island community. NIHRACS is not subject to the PGPA Act but is considered to be controlled by the Australian Government for financial reporting purposes. NIHRACS receives the majority of its funding through a Service Delivery Agreement with the Australian Government.
24. Northern Australia Infrastructure Facility (NAIF) — NAIF provides financial assistance by way of debt or alternative financing mechanisms to infrastructure projects that will support economic growth and stimulate population growth in Northern Australia. NAIF is able to finance a wide range of infrastructure assets that facilitate the establishment or enhancement of business activity or increase economic activity in the region.

25. Old Parliament House (OPH) — OPH is a Corporate Commonwealth Entity. It was the home of the Federal Parliament from 1927 to 1988 and is an icon of national significance. It now houses the Museum of Australian Democracy, which provides dynamic exhibitions, events, engagement and education programs, to explore Australia's democratic traditions and the factors and people that shaped that journey and improve understanding of democracy and the skills required to participate in it.
26. Screen Australia (SA) — Screen Australia supports a vibrant, viable screen industry, reflecting the depth and diversity of Australian storytelling.
27. Special Broadcasting Service Corporation (SBS) — SBS is a national broadcaster. It provides multicultural and multilingual services that inform, educate and entertain all Australians. Its mission is to contribute to a more cohesive, equitable and harmonious Australia through its television, radio and digital media services.
28. WSA Co Limited (WSA Co) — WSA Co is an unlisted public company limited by shares, and a Government Business Enterprise, wholly owned by the Australian Government. It was established in 2017 to develop and operate the Western Sydney International (Nancy-Bird Walton) Airport at Badgerys Creek. WSA Co is required to execute its responsibilities with the Commonwealth in order to achieve operational readiness of the Airport by the end of 2026.

Accounting Judgements and Estimates

Loans and Receivables

Loans are initially recognised at their fair value. If the rate of interest charged is lower than the counterparty's borrowing rate and/or the loan agreement includes terms that are more favourable than those available in the market, the difference between the amount advanced and the fair value of the loan is treated as an expense. The expense is recognised at the inception of the loan agreement and a provision is recognised for the concessional cost of loan advances that have been committed, but not paid, at the reporting date.

WestConnex Stage 2 concessional loan

Advances and loans to commercial entities comprise of a concessional loan facility provided to a subsidiary of the Sydney Motorway Corporation for construction of Stage 2 of the WestConnex Motorway in Sydney. The loan facility comprised multiple advances totalling $2.0 billion between 22 July 2016 and 2 January 2020.

As the loan facility was the first made by the Australian Government for a major road project, no comparable products were identified in the market and the prevailing market interest rate was determined based on external valuation advice.

The loan facility includes mandatory repayment of principal and/or interest in certain circumstances from the 2020-21 financial year. An impairment allowance of $1.7 million for these repayments has been made at 30 June 2026 (2025: $1.3 million).

NAIF loans

The department records concessional loans issued by the NAIF corporate Commonwealth entity on behalf of the Commonwealth. The concessional element for each loan is tailored to the specific needs of each investment, with varying rates of interest and terms, consistent with the *Northern Australia Infrastructure Facility Investment Mandate Direction 2023.*

Regional Express Airlines (Rex) – Commonwealth support package

Rex operates one of Australia's largest regional air networks on 41 routes to regional and remote communities, including 21 routes that are only serviced by Rex.

The government provided a loan facility of up to $110 million to the Administrators of Rex and acquired $50 million of debt from Rex's principal secured creditor, PAGAC Regulus Holdings Limited (PAG), to ensure regional services could continue to operate during the voluntary administration period. Both loans were provided on commercial terms.

On 4 November 2025, the government announced a package of support for the market sale of Rex to Air T. This included restructuring Rex's existing debt, with $107.7 million being carried forward on concessional terms under a perpetual note, and a new commercial loan facility of up to $60 million to complete the engine care and maintenance program with a portion available for general liquidity. On 18 December 2025, Air T completed the sale transaction and took ownership of the remaining regional business.

As the perpetual note being carried forward on concessional terms has no comparable products identified in the market, the prevailing market interest rate was determined based on external valuation advice.

No repayment on the loan balance was required or made to the department. An impairment allowance of $6.2 million for the Rex loans has been recognised at 30 June 2026.

Other loans

The Australian Government has also provided loans to the Northern Territory Government on concessional terms.

Administered Investments

In the absence of an observable market value for administered investments, the department is required to use an appropriate valuation technique to determine their fair value. The use of discounted cash flows is the preferred valuation method for those entities that generate significant non-government cash inflows if the cash flows can be reliably predicted.

A review of administered investments is performed on an annual basis to ensure the appropriate valuation method is used. Apart from Airservices Australia, Australian Rail Track Corporation Limited and NBN Co Limited, fair value has been taken to be the Australian Government's proportional interest in the net assets of the entities as at the end of the reporting period.

Airservices Australia (Airservices)

Airservices generates significant non-government cash inflows from the aviation sector.

The department engaged an independent valuation expert to provide advice on the valuation of Airservices as at 30 June 2026. The discounted cash flow valuation incorporates Airservices' cash flow forecasts over 10 years to 30 June 2036. A terminal value was assumed for cashflows beyond 30 June 2036. The cash flows are discounted using a Weighted Average Cost of Capital (WACC). In determining the value the independent valuation expert considered the low to mid of the value range to be more appropriate, which implied a discount rate of 10.62% (2025: 7.50 percent). The discount rate was determined with reference to entities that operate in similar industries with monopoly characteristics and a specific risk premium (SRP). The increase in the WACC is primarily driven by an increase in the independent valuation expert's SRP for additional estimation risks in the forecast cash flows. The terminal value is supported by applying the Gordon Growth model terminal growth rate of 2.5 percent (2025: 2.5 percent) and applied to aggregate forecast Earnings Before Interest Tax Depreciation and Amortisation (EBITDA) at year 10. The cash flow forecasts are estimated with reference to probability weighted projections of aeronautical revenue, operating cost forecasts and the resulting EBITDA margins. The revenue growth is dependent on the increase of revenues achieved through forecasted growth in air traffic volumes, commissioning of projects, as well as higher cost recovery through industry charges. The fair value is considered reasonable in the context of comparable EBITDA multiples of airline and airport businesses, albeit noting there are few similar companies to Airservices, as well as considering the net asset value of Airservices.

A sensitivity analysis was also performed by the independent valuation expert over the key assumptions used in the valuation. The sensitivity analysis is outlined in the below table:

Assumption	Selection	Sensitivity	Value ($m)	
			Low[1]	High
WACC	10.62%	+/- 0.25%	0.0	390.6
Terminal growth rate	2.50%	-/+ 0.50%	0.0	483.7

[1] The low value has been capped at 0.

Australian Postal Corporation (Australia Post)

The fair value for Australia Post at 30 June 2026 has been determined based on a net assets method. A discounted cash flow method was not used because Australia Post's forecast cash flows were not considered to be reliably measurable, resulting in significant measurement uncertainty.

The department engaged an external valuation expert to provide advice on the valuation methodology at 30 June 2026. The net assets valuation of $2,399.1 million is based on Australia Post's net assets at fair value as at 30 June 2026 ($3,804.2 million), less intangible assets, net superannuation assets and realisation costs (total of $1,405.1 million).

Australian Rail Track Corporation Limited (ARTC)

ARTC generates significant non-government cash flows. Due to the nature of its operations and assets, there are no readily comparable market examples for fair value determination purposes. The department has estimated the fair value using a discounted cash flow method with reference to ARTC's valuation of its National and NSW Heavy Haul rail network assets, modified where necessary for cash flows associated with its other asset and liability categories. As ARTC's rail network assets represent a substantial portion of its total assets

and are valued based on external expert advice using discounted cash flows and the ARTC weighted average cost of capital, the method provides a reasonable basis for the determination of fair value.

ARTC measures assets arising from construction of the Inland Rail project at cost, with subsequent impairment using multiple valuation methods, including market assessments and discounted cash flow calculations. At 30 June 2026, the future capital cost and incremental benefits associated with the Inland Rail project has been ring fenced from the fair value assessment of ARTC's National network assets, and existing expenditure has been impaired. These assets will be integrated into the valuation of ARTC's National network assets once the project is substantially complete. The department and ARTC consider that a hypothetical market owner would take into account the impairment of these assets as part of their price for the National rail network.

Sensitivity analysis was performed over the key assumptions used in the valuation. Selected sensitivity analysis is outlined in the below table:

Assumption	Selection	Sensitivity	Value ($bn)	
			Low	High
Discount rate	7.1% - 8.3%	+/-0.99%	0.5	1.2

NBN Co Limited (NBN Co)

The department has estimated the fair value of the investment in NBN Co using the discounted cash flow valuation method, with modelling input prepared by NBN Co with assistance from external experts. The department engaged an independent expert to provide advice on the valuation and underpinning assumptions.

The discounted cash flow valuation calculates the equity value using the free cash flows forecast in NBN Co's Board endorsed Integrated Operating Plan from 2027-30 (IOP27), with detailed management assumptions used across a 20-year rolling model until 2046. The cash flow forecasts were adjusted, where appropriate, for assumptions relating to financing and other decisions that would be adopted by a hypothetical market owner, including the calculation of a terminal value. The forecast cash flows available to equity holders were discounted using an assumed required rate of return on equity of 10.2 per cent (2025: 9.8 per cent). The discount rate reflects current market conditions as well as an assessment of the risks in the cash flow forecast underpinning the discounted cash flow calculation. The assumptions used in the valuation are based on circumstances that a hypothetical market owner would consider in an acquisition of the equity in NBN Co as at 30 June 2026 in an arm's length transaction.

The National Broadband Network Companies Amendment (Commitment to Public Ownership) Bill 2024 was passed in March 2025 and sets out the intention that NBN Co will be wholly owned by the Commonwealth. The repealed provisions in the *National Broadband Network Companies Act 2011* related to privatising NBN Co. The assumptions adopted within the valuation do not seek to pre-empt the Australian Government's approach to a future sale of NBN Co.

The department has adopted a fair value estimate of $23.4 billion (2025: $21.8 billion), which considers the sensitivity of the valuation to changes in key assumptions. Expert advice indicated the fair value was supported by cross-checks against valuation multiples of entities operating in similar industries.

Key financing assumptions

The valuation assumes a hypothetical market owner would provide an equity injection on 30 June 2026, such that the level of debt held by NBN Co reflected an amount which could be supported by a standalone investment grade credit rating as at 30 June 2026.

The financing assumptions underpinning the fair value are considered to be in line with the assumptions that a market participant would make if valuing the equity in NBN Co at 30 June 2026.

The sensitivity to the key assumptions in the valuation are set out below:

Assumption	Selection	Sensitivity	Value ($bn)	
			Low	High
Discount rate	10.20%	+/-0.5%	21.5	25.6
Forecast total revenue	Per valuation model	-/+5% in each year	18.9	27.9
Forecast operating expenditure	Per valuation model	+/-10% in each year	21.6	25.2
Forecast capital expenditure	Per valuation model	+/-2.5% of revenue after IOP	21.6	25.3
Debt interest	Per valuation model	+/-0.5%	21.7	25.5
Terminal growth rate	2.50%	+/-0.5%	22.9	24.0

We note that the value of NBN Co's historical tax losses and franking credits have been included in the valuation at respective values of $(0.5) billion and $0.9 billion.

National Intermodal Corporation Limited and WSA Co Limited have not generated significant non-government cash flows to date and have been reliant on equity funding from the Australian Government. The department has determined the net assets method remains the most appropriate estimate of fair value for these entities at 30 June 2026. For WSA Co Limited, the department continued to adopt the net assets methodology excluding land as the accounting estimate while WSA Co Limited is still in the construction phase.

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

4.2 Administered – Non-Financial Assets

4.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

Reconciliation of the opening and closing balances of property, plant and equipment and intangibles for 2026

					Intangibles[1]		
	Land[1]	Buildings[1]	Heritage and cultural[1,2]	Property, plant & equipment[1]	Phosphate mine leases	Biodiversity offset credits	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
As at 1 July 2025							
Gross book value	80,729	244,112	201,869	480,520	8,430	70,805	1,086,465
Accumulated depreciation, amortisation and impairment	-	-	-	(718)	-	-	(718)
Total as at 1 July 2025	80,729	244,112	201,869	479,802	8,430	70,805	1,085,747
Additions							
Purchase		7,334	2,301	43,335	-		52,970
Revaluations and impairments recognised in other comprehensive income	8,166	-	-	-	-	-	8,166
Impairments and write downs recognised in net cost of services	-	(965)	-	(3,370)	-	-	(4,335)
Depreciation and amortisation	-	(11,137)	(5,711)	(47,955)	(4,215)	-	(69,018)
Reclassifications	-	(428)	218	210	-	-	-
Disposals	(2)	(265)	-	(516)	-	-	(783)
Total as at 30 June 2026	88,893	238,651	198,677	471,506	4,215	70,805	1,072,747
Total as at 30 June 2026 represented by							
Gross book value	88,893	249,779	204,388	520,082	8,430	70,805	1,142,377
Accumulated depreciation, amortisation and impairment	-	(11,128)	(5,711)	(48,576)	(4,215)	-	(69,630)
Total as at 30 June 2026	88,893	238,651	198,677	471,506	4,215	70,805	1,072,747
Carrying amounts of right-of-use assets	-		-	1,476	-	-	1,476

[1]These classes of assets are held at fair value except for the biodiversity offset credits which are carried at cost and the Regional Backbone Blackspot Program right-of-use asset which is carried at cost less amortisation.

[2]Land, buildings and other property, plant and equipment that met the definition of a heritage and cultural item are disclosed in the heritage and cultural asset class.

Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated below. In 2025–26, in line with the department's asset revaluation schedule, an independent valuer undertook the revaluation of the administered land asset. The next full comprehensive valuation of all other administered asset classes will be undertaken during 2027-28.

Contractual commitments for the acquisition of buildings, property, plant and equipment, and heritage and cultural assets

As at 30 June 2026, the department had significant contractual capital commitments of $31.1 million (GST exclusive) relating to buildings, property, plant and equipment, and heritage and cultural assets recognised as assets under construction (AUC).

Accounting Policy

Administered artworks and other heritage and cultural assets

The administered artworks asset class comprises paintings and other artworks by Sir Sidney Nolan (Nolan collection) with an aggregated value of $38.3 million (2025: $38.8 million), along with artworks held on Norfolk Island. The Nolan collection is maintained by the Canberra Museum and Gallery (CMAG), an ACT Government entity, on behalf of the Commonwealth. Curatorial and preservation arrangements are managed in accordance with a Collection Management Agreement between CMAG and the department.

The heritage and cultural assets class comprises assets held and/or used primarily for purposes relating to their historical or cultural significance. They include:

a) buildings, ruins, reserves and collections on Norfolk Island of historical significance with an aggregated value of $100.4 million (2025: $101.6 million). The conservation and preservation of these assets are managed in accordance with the Kingston and Arthur's Vale Historic Area Heritage Management Plan 2023,
b) memorials, reserves and temples on Christmas Island with an aggregated value of $1.2 million (2025: $1.3 million)
c) historic aircraft with an aggregated value of $7.4 million (2025: $7.5 million) on display at Brisbane Airport and Adelaide Airport. The conservation and preservation of each aircraft is managed through an agreement with the relevant entity.

The National Institute of Dramatic Arts (NIDA) building is recognised as a heritage and cultural asset due to its cultural significance. The building is located on land leased from the University of New South Wales. The building is sub-let to NIDA for nominal consideration but is classified as an operating lease from the perspective of the department, as the lessor, as the department funds maintenance and capital upgrades to the building.

All assets in the class are deemed to have a definite useful life, except the Vickers Vimy Aircraft which has an indefinite useful life. Indefinite useful lives are assigned where curatorial and preservation policies and arrangements are in place. The policies are developed and monitored by qualified personnel and include the following:

a) a clearly stated objective about the holding and preservation of items
b) a well-developed plan to achieve the objective, including demonstration of how the policy will be implemented based on advice by appropriately qualified experts
c) monitoring procedures
d) periodic reviews.

Impairment and write down of non-financial assets

An impairment and write down expense of $5.1 million was recognised for all asset classes as at 30 June 2026 (2025: $7.0 million). Recognition of impairment and write down adjustments are in accordance with the asset policy stated below.

Impairments are recorded as an expense unless assets are carried at a revalued amount. The impairment loss on a revalued asset is recorded as a revaluation decrement and recorded against the asset revaluation surplus up to the value of the reserve with any excess impairment loss recorded in the net cost of services as a loss.

Administered Intangibles

Administered intangibles include phosphate mining lease rights on Christmas Island. The useful lives of administered intangibles are 1 to 9 years or the lease term.

Administered Intangibles – Biodiversity offset credits

The department holds biodiversity offset credits on behalf of the Australian Government to offset the environmental impact of development at Western Sydney Airport.

Biodiversity offset credits are registered with the NSW Office of Environment and Heritage under the Biodiversity Conservation Act 2016 (NSW) for specific ecosystems and species. Biodiversity offset credits are recognised as intangible assets in accordance with AASB 138 Intangible Assets (AASB 138) when the department purchase these credits, as they are identifiable and it is probable that future economic benefits flow to the department. Biodiversity offset credits are initially measured at cost which includes the purchase price and any costs directly attributable to the acquisition. They are subsequently measured at cost less any accumulated amortisation and impairment losses. An annual impairment assessment is performed by the department. Where biodiversity offset credits do not meet the recognition criteria, the related payments are expensed as incurred. The department also recognises a corresponding provision for the obligation to use biodiversity offset credits to offset the impact of development in accordance with the relevant environment management plans (Note 4.4).

Accounting Judgements and Estimates

Revaluations

Following initial recognition at cost, property, plant and equipment are carried at fair value less subsequent accumulated depreciation, amortisation, and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure the carrying amount does not differ materially from the asset's fair values as at the reporting date. The regularity of valuations depends upon the volatility of movements in market values for the relevant assets. Each asset class carried at fair value is revalued at least every three years.

Revaluation adjustments are made on a class basis. Any revaluation increment is recognised in other comprehensive income and credited to equity under the heading of asset revaluation surplus, except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly as a surplus/deficit except to the extent they reverse a previous revaluation increment for that class.

Any accumulated depreciation at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Land

The fair value of land assets administered on behalf of the Australian Government has been taken to be the market value of similar assets as determined by an independent valuer at 30 June 2026.

Buildings and property, plant and equipment

The fair value of buildings and infrastructure assets administered on behalf of the Australian Government has been taken to be the market value of similar assets as determined by an independent valuer as at 30 June 2025. In 2025–26, the valuer confirmed there were no material differences between the carrying value and fair value at 30 June 2026. The next comprehensive valuation will be undertaken during 2027-28.

The fair value of other assets administered on behalf of the Australian Government has been taken to be either the market value or current replacement cost of similar assets as determined by an independent valuer as at 30 June 2025. In 2025–26, the valuer confirmed there were no material differences between the carrying value and fair value at 30 June 2026.The next comprehensive valuation will be undertaken during 2027-28.

Property plant and equipment includes infrastructure used to provide essential services in the Territories and Regional Backbone Blackspot Program (RBBP) network infrastructure assets. The fair value of RBBP assets is taken to be the current replacement cost for each identified component of the assets. Components include fibre optic cable, Controlled Environment Vault Shelters and Backbone Point of Interconnect cabinets.

Artwork, museum collections and other heritage and cultural assets

The fair value of heritage assets administered on behalf of the Australian Government have been taken to be the market value of similar assets as determined by an independent valuer at 30 June 2025. In 2025–26, the valuer confirmed there were no material differences between the carrying value and fair value at 30 June 2026. The next comprehensive valuation will be undertaken during 2027-28.

Intangible assets

The fair value of phosphate mining lease rights was determined by an independent valuer as at 30 June 2025, measured as the present value of expected royalties on the estimated phosphate reserves remaining. In 2025–26, the valuer confirmed there were no material differences between the carrying value and fair value at 30 June 2026. The next comprehensive valuation will be undertaken during 2027-28.

Land and structures at Australian Government owned airports and the Moorebank Logistics Park

The land and structures at 21 civilian airports owned by the Australian Government and leased to private sector interests are subject to lease arrangements with an initial lease term of 50 years and a 49-year extension option exercisable by the lessees. Consideration consisted of upfront payments by the lessees, without any subsequent lease payments being payable, including in the event of the exercise of the lease extension option. These leases have been assessed as having no reportable fair value because of the extended period before any future revenue stream will accrue.

Land at the Western Sydney Airport site was leased to WSA Co on 17 May 2018 for no consideration at an initial term of 50 years and is also reported at nil value. In addition, 5 parcels of land at Western Sydney Airport were leased to WSA Co effective 23 August 2024. The lease term for these parcels is aligned with the original 2018 lease end date.

Land owned by the Australian Government at Moorebank NSW has been leased to a subsidiary of National Intermodal Corporation Ltd for 99 years for a nominal annual rental to develop an intermodal freight terminal. The lease has been assessed as having no reportable fair value as the present value of minimum lease payments is negligible.

	2026	2025
	$'000	$'000
4.2B: Inventories		
Inventories held for distribution[1]	**4,832**	3,677
Total inventories	**4,832**	3,677

[1] During 2026, $10.2 million (2025: $9.9 million) of inventory held for distribution was recognised as an expense.

Accounting Policy

Inventories

All inventories are expected to be distributed in the next 12 months. Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

4.3 Administered – Payables

	2026	2025
	$'000	$'000
4.3A: Suppliers		
Trade creditors and accruals	**365,452**	354,297
Total suppliers	**365,452**	354,297

Suppliers are generally settled within 20 days (2025: 20 days).
Electronic invoices are generally settled within 5 days (2025: 5 days).

4.3B: Subsidies		
Subsidies in connection with		
Aviation subsidies	**1,636**	1,466
Bass Strait Passenger Vehicle Equalisation Scheme	**4,129**	-
Tasmanian Freight Equalisation Scheme	**30,788**	11,516
Other subsidies	**5,530**	3,007
Total subsidies	**42,083**	15,989

	2026	2025
	$'000	$'000
4.3C: Grants		
Australian Government entities	**6,321**	2,598
State and Territory Governments	**18,977**	2,769
Local Governments	**18,499**	460
Non-profit organisations	**13,118**	15,252
Commercial entities	**2,695**	7,181
Total grants	**59,610**	28,260

Settlement was due according to the terms and conditions of each grant within 30 days of performance eligibility.

4.3D: Other payables		
Lease income received in advance	**643**	2,172
Classification fees received in advance	**355**	341
Salaries and wages	**572**	479
Superannuation	**79**	66
Other	**157**	350
Total other payables	**1,806**	3,408

4.4 Administered – Other Provisions

	Biodiversity Offset Credits	Regional Broadband Scheme	Other Provisions	Total
	$'000	$'000	$'000	$'000
As at 1 July 2025	**87,770**	**866,567**	**2,677**	**957,014**
Additional provisions made	**-**	**232,237**	**1,551**	**233,788**
Amounts used	**-**	**(862,364)**	**(1,937)**	**(864,301)**
Remeasurement	**-**	**(4,203)**	**-**	**(4,203)**
Amounts reversed	**(10,304)**	**-**	**-**	**(10,304)**
Total as at 30 June 2026	**77,466**	**232,237**	**2,291**	**311,994**

Accounting Policy

Biodiversity offset credits

There are statutory obligations to use biodiversity credits to offset the environmental impact of development at Western Sydney Airport. The biodiversity offset obligations are derived from the Western Sydney Airport Biodiversity Offset Delivery Plan. The department may apply to voluntarily retire these credits under relevant NSW legislation at the completion of the implementation of the biodiversity offset delivery plan. At this time, credits will no longer be available in the market for further transfer. It is at this point that the provision for offset and the related intangible will be derecognised. The provision is measured based on the cost of biodiversity credits already acquired and the best estimate of expenditure required to settle the present obligation, based on the number of biodiversity credits required and their estimated acquisition cost. Estimates are reviewed at each reporting date.

Regional Broadband Scheme

The Regional Broadband Scheme (RBS) reflects the constructive obligation to provide financial assistance to eligible funding recipients. The financial assistance obligation is derived from the *Telecommunications (Regional Broadband Scheme) Charge Act 2020* and *Telecommunications (Consumer Protection and Protection and Service Standards) Act 1999.*

Other Provisions

Other provisions comprise of the phosphate mine rehabilitation provision, the asbestos remediation provision and legal provision. The phosphate mine rehabilitation reflects the Australian Government's obligation to rehabilitate land on Christmas Island affected by phosphate mining. The asbestos remediation provision reflects an obligation to remediate asbestos in buildings or structures owned by the Commonwealth where there is a present obligation and the cost of remediation can be reliably measured. The legal provision represents estimated costs to settle legal claims made against the department where settlement is considered probable. These provisions are measured at the best estimate of expenditure required to settle the present obligations at the reporting date. Rehabilitation and asbestos remediation provisions are based on engineering assessments, remediation plans and estimated contractor costs, while the legal provision is based on legal advice and management's assessment of the likely settlement amount.

Accounting Judgements and Estimates

Biodiversity offset credits

Biodiversity offset credits are required to offset the environmental impact of the development at Western Sydney Airport. The provision represents management's best estimate of the expenditure required to settle the present obligation at the reporting date. The estimate is based on assumptions regarding the number of biodiversity offset credits expected to be required under the approved Biodiversity Offset Delivery Plan, the anticipated timing of the retirement of those credits, and the estimated market price of biodiversity credits at 30 June 2026.

The estimated credit price is determined using a combination of historical transaction prices and available market data. Given the limited availability of an active market for certain biodiversity credits and uncertainty over future pricing, management has applied the upper end of the estimated price range as a prudent estimate at the reporting date. Changes in the number of credits required, the timing of retirement, market prices, or regulatory requirements may result in material adjustments to the provision in future reporting periods.

Regional Broadband Scheme (RBS)

The RBS started on 1 January 2021, with an aim to ensure transparent and sustainable funding for essential broadband services supplied to regional, rural and remote Australians, and specifically to cover the net losses of NBN fixed wireless and satellite networks. In 2025–26, the amount that carriers were required to pay for the base component, covering NBN Co's net losses, decreased to $2.17 per month (2025: $8.46 per month) for each chargeable premise on their network with an active high speed superfast broadband service provided over a local access line. The monthly charge was amended by the Minister based on advice from the Australian Competition and Consumer Commission.

All carriers must report to the Australian Communications and Media Authority (ACMA) with details of their chargeable premises for the previous financial year by 31 October. Carriers receive their charge notices (covering both the base component and administrative cost component) by 31 December and are required to pay their charges to ACMA by the standard due date of 28 February of the following year, unless they are an eligible funding recipient. As the only currently eligible funding recipient under the scheme, NBN Co can offset its base component charge liability against the amount owed to it by the Commonwealth (its nominal funding entitlement), through the application of a Charge Offset Certificate (COC). This prevents NBN Co from having to raise funds to pay its base component charge liability, only to receive that money back from the Commonwealth months later.

ACMA is responsible for assessing and collecting charges from carriers and the department is responsible for entering into contracts or making grants of financial assistance to eligible funding recipients. As at 30 June 2026, NBN Co is the only eligible funding recipient and will receive a total of $224.0 million (2025: $866.6 million) in funds for the period 1 July 2025 to 30 June 2026.

Other provisions

The provision for phosphate mine rehabilitation represents the department's best estimate of the expenditure required to rehabilitate phosphate mining areas on Christmas Island in accordance with the relevant rehabilitation obligations. The provision is measured with reference to the balance of the Christmas Island Phosphate Mining Rehabilitation Special Account, adjusted for accrued expenditure and revenue at reporting date. In determining the provision, management applies significant judgement regarding the expected scope of rehabilitation activities, the timing of remediation works, estimated future rehabilitation costs and cost escalation assumptions. These estimates are reviewed annually and revised where new information becomes available.

The asbestos remediation provision represents the department's best estimate of the expenditure required to settle its present obligation at reporting date, including removal, remediation and associated costs. The provision is measured using estimates of the extent of remediation activities required, the expected remediation methodology, the timing of remediation works and forecast remediation costs. Management reviews these assumptions annually and updates the provision to reflect changes in circumstances or new information.

The legal provision is recognised for claims against the department where settlement is probable and the amount of the obligation can be reliably estimated. The provision is measured at the best estimate of the expenditure required to settle the present obligation at reporting date, taking into account available legal advice, the status of proceedings, the likelihood of settlement and expected settlement amounts. The provision is reviewed at each reporting date and revised as additional information becomes available.

5. Funding

This section identifies the department's funding structure.

5.1 Appropriations

5.1A: Annual Appropriations

Annual Appropriations for 2025–26

	Annual Appropriation[1]	Adjustments to appropriation[2]	Total appropriation	Appropriation applied in 2025–26 (current and prior years)	Variance[3]
	$'000	$'000	$'000	$'000	$'000
Departmental					
Ordinary annual services[2 5]	**547,606**	**68,719**	**616,325**	**(579,936)**	**36,389**
Capital Budget[1 2 4]	**16,671**	**92**	**16,763**	**(23,107)**	**(6,344)**
Total departmental	**564,277**	**68,811**	**633,088**	**(603,043)**	**30,045**
Administered					
Ordinary annual services					
Capital Budget[1 4]	**39,608**	**-**	**39,608**	**(21,510)**	**18,098**
Administered items[1 2 3 5]	**2,186,331**	**67,020**	**2,253,351**	**(1,901,730)**	**351,621**
Payments to corporate Commonwealth entities[2]	**2,731,770**	**187,099**	**2,918,869**	**(2,918,869)**	**-**
Other services					
States, ACT, NT and Local government[3]	**1,091,398**	**-**	**1,091,398**	**(1,067,505)**	**23,893**
Administered assets and liabilities[1 2 3]	**3,247,759**	**68,370**	**3,316,129**	**(2,690,418)**	**625,711**
Payments to corporate Commonwealth entities[2]	**46,186**	**296**	**46,482**	**(46,482)**	**-**
Total administered	**9,343,052**	**322,785**	**9,665,837**	**(8,646,514)**	**1,019,323**

1. Current year departmental appropriations withheld under section 51 of the PGPA Act are: Appropriation Act (No. 1) 2024–25 $12.0 million; Appropriation Act (No. 1) 2025–26 $0.9 million. Current year administered appropriations withheld under section 51 of the PGPA Act are: Appropriation Act (No. 3) 2023–24 $13.8 million; Appropriation Act (No. 1) 2024–25 $81.3 million; Appropriation Act (No. 3) 2024–25 $4.0 million; Appropriation Act (No. 2) 2024–25 - Administered Assets and Liabilities $730.7 million; Appropriation Act (No.1) 2025–26 $107.9 million; Appropriation Act (No. 2) 2025–26 - Administered Assets and Liabilities $9.0 million.
2. Adjustments to appropriations includes adjustments to current year annual appropriations including PGPA Act section 74 receipts and PGPA Act section 75 transfers. Adjustments to appropriations include GST related receipts retained under section 74 of the PGPA Act. In 2025–26, the entity changed the presentation of appropriations disclosed in the appropriation note to include GST amounts retained under section 74 of the PGPA Act. In prior years, retainable GST under section 74 of the PGPA Act was excluded from the appropriation note.
3. Funding use from prior year appropriations and undrawn current year appropriations primarily contribute to the variances. Other factors are attributed to the timing for movement of funds and program delays.
4. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No.1, 3, 5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.
5. In 2025–26, the presentation of appropriation applied for departmental and administered ordinary annual services was revised to include net cash movements, in accordance with section 43.3 of the FRR. Comparative information for 2024–25 excluded net cash movements from the appropriation note.

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5.1A: Annual Appropriations (continued)

Annual Appropriations for 2024–25

	Annual Appropriation[1]	Adjustments to appropriation[2]	Total appropriation	Appropriation applied in 2024–25 (current and prior years)	Variance[3]
	$'000	$'000	$'000	$'000	$'000
Departmental					
Ordinary annual services[1 2]	567,311	27,846	595,157	(552,677)	42,480
Capital Budget[1 4]	23,922	-	23,922	(1,197)	22,725
Total departmental	591,233	27,846	619,079	(553,874)	65,205
Administered					
Ordinary annual services					
Capital Budget[4]	30,328	-	30,328	(16,313)	14,015
Administered items[1 3]	2,552,633	-	2,552,633	(2,047,999)	504,634
Payments to corporate Commonwealth entities	2,420,340	-	2,420,340	(2,420,340)	-
Other services					
States, ACT, NT and Local government	919,237	-	919,237	(971,696)	(52,459)
Administered assets and liabilities	4,027,666	-	4,027,666	(2,961,807)	1,065,859
Payments to corporate Commonwealth entities	98,236	-	98,236	(98,236)	-
Total administered	10,048,440	-	10,048,440	(8,516,391)	1,532,049

1. Current year departmental appropriations withheld under section 51 of the PGPA Act are: Appropriation Act (No. 1) - DCB 2024–25 $1.1 million. Administered appropriations withheld under section 51 of the PGPA Act are: Appropriation Act (No. 1) 2023–24 $211.0 million; Appropriation Act (No. 1) 2024–25 $505.9 million; Appropriation Act (No. 1) - DCB 2023–24 $0.538 million; Appropriation Act (No. 1) - DCB 2024–25 $0.408 million; Appropriation Act (No. 2) 2023–24 - Administered Assets and Liabilities $202.6 million; Appropriation Act (No. 4) 2023–24 - Administered Assets and Liabilities $159.2 million; Appropriation Act (No. 2) 2024–25 - Administered Assets and Liabilities $53.7 million.
2. Adjustments to appropriations include adjustments to current year annual appropriations including PGPA Act section 74 receipts and PGPA Act section 75 transfers.
3. Funding use from prior year appropriations and undrawn current year appropriations primarily contribute to the administered variances. Other factors are attributed to the timing for movement of funds and program delays.
4. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts.

5.1B: Unspent Appropriations

	2026	2025
	$'000	$'000
Departmental		
Supply Act (No. 3) 2022–23[1]	**-**	1,836
Appropriation Act (No. 1) 2023–24[2 6]	**6,026**	6,026
Appropriation Act (No. 3) 2023–24[2]	**4,966**	4,966
Appropriation Act (No.1) 2024–25[2]	**13,091**	182,086
Appropriation Act (No.3) 2024–25[6]	**-**	37,316
Appropriation Act (No.1) 2025–26[2 3 5]	**202,840**	-
Appropriation Act (No.3) 2025–26[3]	**36,068**	-
Total departmental	**262,991**	232,230
Administered		
Supply Act (No. 1) 2022–23[1]	**-**	3,696
Appropriation Act (No. 1) 2022–23[1]	**-**	870
Supply Act (No. 3) 2022–23[1]	**-**	507,922
Appropriation Act (No. 1) 2023–24[4 6]	**370,409**	875,075
Appropriation Act (No. 2) 2023–24 - Payments to States, ACT, NT and local government	**-**	76,090
Appropriation Act (No. 2) 2023–24 - Administered Assets and Liabilities[4]	**209,866**	1,032,431
Appropriation Act (No. 3) 2023–24[4 6]	**64,096**	62,433
Appropriation Act (No. 4) 2023–24 - Payments to States, ACT, NT and local government	**5,736**	5,736
Appropriation Act (No. 4) 2023–24 - Administered Assets and Liabilities[4]	**159,834**	159,834
Appropriation Act (No. 1) 2024–25[4 6]	**1,266,329**	1,710,492
Appropriation Act (No. 2) 2024–25 - Payments to States, ACT, NT and local government	**-**	418,893
Appropriation Act (No. 2) 2024–25 - Administered Assets and Liabilities[4]	**981,428**	1,891,358
Appropriation Act (No. 3) 2024–25[4 6]	**37,776**	112,464
Appropriation Act (No. 4) 2024–25 - Administered Assets and Liabilities	**186,080**	373,488
Supply Act (No. 1) 2025–26[6]	**379,977**	-
Supply Act (No. 2) 2025–26 - Payments to States, ACT, NT and local government	**333,117**	-
Supply Act (No. 2) 2025–26 - Administered Assets and Liabilities[6]	**699,189**	-
Appropriation Act (No. 1) 2025–26[4 5]	**884,961**	-
Appropriation Act (No. 2) 2025–26 - Payments to States, ACT, NT and local government	**185,758**	-
Appropriation Act (No. 2) 2025–26 - Administered Assets and Liabilities[4]	**1,581,551**	-
Appropriation Act (No. 3) 2025–26	**217,029**	-
Appropriation Act (No. 4) 2025–26 - Payments to States, ACT, NT and local government	**1**	-
Appropriation Act (No. 3) 2025–26		
Appropriation Act (No. 4) 2025–26 - Administered Assets and Liabilities	**60,675**	-
Appropriation Act (No. 5) 2025–26	**21,565**	
Appropriation Act (No. 4) 2025–26 - Administered Assets and Liabilities	**204,200**	
Total administered	**7,849,577**	7,230,782

1. 2022–23 appropriations lapsed on 1 July 2025 in accordance with the provisions in the appropriation acts.
2. Includes departmental amount held under section 51 - Appropriation Act (No.1) 2023–24: $0.700 million; Appropriation Act (No.3) 2023–24: $3.5 million; Appropriation Act (No.1) 2024–25: $11.9 million; Appropriation Act (No.1) 2025–26: $0.957 million.
3. Includes departmental receipts retained under s74 of the PGPA Act.
4. Includes administered amounts held under section 51 of the PGPA Act - Appropriation Act (No. 1) 2023–24: $338.7 million; Appropriation Act (No. 2) 2023–24 - Administered Assets and Liabilities: $202.6 million; Appropriation Act (No. 3) 2023–24: $13.8 million; Appropriation Act (No. 4) 2023–24 - Administered Assets and Liabilities: $159.2 million; Appropriation Act (No. 1) 2024–25: $632.1 million; Appropriation Act (No. 2) 2024–25 - Administered Assets and Liabilities: $785.3 million; Appropriation Act (No. 3) 2024–25: $4.0 million; Appropriation Act (No. 1) 2025–26: $107.9 million; Appropriation Act (No. 2) 2025–26 - Administered Assets and Liabilities: $9.0 million.
5. Cash held amounts are included in Appropriation Act (No. 1) for the relevant year. Departmental $9.214 million (2025: $9.565 million) and administered $0.001 million (2025: $0.777 million).
6. The unspent annual appropriation is shown inclusive of current and prior year PGPA Act section 75 transfers that relate to machinery of government changes.

5.1C: Special Appropriations ('Recoverable GST exclusive')

		Appropriation applied	
		2026	2025
Authority	**Type**	**$'000**	$'000
Australian Maritime Safety Authority Act 1990, section 48(2)	Unlimited in nature	**132,218**	131,800
Aviation Fuel Revenues (Special Appropriation) Act 1988, section 4(4)	Unlimited in nature	**130,660**	133,491
Civil Aviation Act 1988, section 46A(4)	Unlimited in nature	**977**	1,036
Local Government (Financial Assistance) Act 1995, section 19	Unlimited in nature	**4,614,981**	2,233,176
Northern Australia Infrastructure Facility Act 2016, section 41	Limited in nature	**489,180**	537,182
Protection of the Sea (Oil Pollution Compensation Fund) Act 1993, sections 40(4), 46N(4)	Unlimited in nature	**524**	798
Public Governance, Performance and Accountability Act 2013, section 77	Unlimited in nature	**582**	286
Total special appropriations applied		**5,369,122**	3,037,769

1. *Northern Australia Infrastructure Facility Act 2016 – section 41:* The Consolidated Revenue Fund is appropriated to the extent of $7 billion for the purposes of providing financial assistance to the States and Territories and other entities for the development of Northern Australia economic infrastructure. The $7 billion is the current authorised limit over the life of the Act.

The following special appropriations were not drawn upon in the current or prior year:

- *ACT Self-Government (Consequential Provisions) Act 1988*, s.30
- *AusLink (National Land Transport — Consequential and Transitional Provisions) Act 2005*, s.3
- *Australian National Railways Commission Sale Act 1997*, ss.67AH(4)*, 67AW
- *Classification (Publications, Films and Computer Games) Act 1995*, s.90(2)
- *Infrastructure Australia Amendment Act 2014*, s.9(3)
- *National Portrait Gallery of Australia (Consequential and Transitional Provisions) Act 2012*, s.12(3)
- *Sydney Airport Demand Management Act 1997*, s.27(4)
- *Telstra Corporation Act 1991*, s.8BA(3)

5.2 Special Accounts

	Art Rental Special Account[1]		Christmas Island Phosphate Mining Rehabilitation Special Account [2]		Indian Ocean, Jervis Bay and Norfolk Island Special Account [3]		Indigenous Repatriation Special Account [4]		Melbourne Airport New Runway Land Acquisition Special Account [5]	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Balance brought forward from previous period	**3,363**	3,584	**2,224**	2,549	**917**	2,197	**2,592**	3,105	**47**	47
Increases										
Departmental										
Appropriation credited to special account	**-**	-	**-**	-	**-**	-	**115**	201	**-**	-
Other receipts	**5,038**	4,860	**-**	-	**-**	-	**784**	785	**-**	-
Total departmental	**5,038**	4,860	**-**	-	**-**	-	**899**	986	**-**	-
Administered										
Other receipts	**-**	-	**1,537**	1,482	**18,697**	19,388	**-**	-	-	50
Total Administered	**-**	-	**1,537**	1,482	**18,697**	19,388	**-**	-	-	50
Total increases	**5,038**	4,860	**1,537**	1,482	**18,697**	19,388	**899**	986	-	50
Available for payments	**8,401**	8,444	**3,761**	4,031	**19,614**	21,585	**3,491**	4,091	47	97
Decreases										
Departmental										
Payments made to suppliers	**(5,007)**	(5,081)	**-**	-	**-**	-	**(1,118)**	(1,499)	**-**	-
Total Departmental	**(5,007)**	(5,081)	**-**	-	**-**	-	**(1,118)**	(1,499)	**-**	-
Administered										
Payments made to suppliers	**-**	-	**(1,936)**	(1,807)	**(17,810)**	(20,668)	**-**	-	**(47)**	(50)
Total Administered	**-**	-	**(1,936)**	(1,807)	**(17,810)**	(20,668)	**-**	-	(47)	(50)
Total decreases	**(5,007)**	(5,081)	**(1,936)**	(1,807)	**(17,810)**	(20,668)	**(1,118)**	(1,499)	**(47)**	(50)
Total balance carried to the next period	**3,394**	3,363	**1,825**	2,224	**1,804**	917	**2,373**	2,592	**-**	47
Balance represented by										
Cash held in bank account	**130**	27	**-**	-	**36**	36	**-**	-	-	-
Cash held in the Official Public Account	**3,264**	3,336	**1,825**	2,224	**1,768**	881	**2,373**	2,592	**-**	47
Total balance carried to the next period	**3,394**	3,363	**1,825**	2,224	**1,804**	917	**2,373**	2,592	**-**	47

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5.2A: Special Accounts (continued)

	Public Interest Telecommunications Services Special Account [6]		Regional Broadband Scheme Special Account [7]		Services for Other Entities and Trust Moneys [8]		National Cultural Heritage Special Account [9]		Sport and Recreation Special Account [10]	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Balance brought forward from previous period	**44,633**	43,595	**333**	59	**1,226**	870	**-**	184	**-**	-
Increases										
Departmental										
Appropriation credited to special account	**4,046**	4,046	**-**	-	**-**	-	**-**	-	**-**	-
Contribution received	**2,500**	-	**-**	-	**-**	-	**-**	-	**-**	-
Other receipts	**-**	-	**-**	-	**392**	388	**-**	-	**-**	-
Total departmental	**6,546**	4,046	**-**	-	**392**	388	**-**	-	**-**	-
Administered										
Contribution received	**-**	-	**-**	-	**-**	-	**500**	316	**-**	-
Adjustments to special account	**-**	-	**-**	-	**-**	-	**-**	-	**182**	-
Telecommunication Industry Levy receipts	**217,298**	218,336	**25,357**	25,479	**-**	-	**-**	-	**-**	-
Appropriation credited to special account	**95,954**	95,954	**-**	-	**-**	-	**-**	-	**-**	-
Other receipts	**997**	819	**-**	-	**-**	-	**-**	-	**-**	-
Total Administered	**314,249**	315,109	**25,357**	25,479	**-**	-	500	316	**182**	-
Total increases	**320,795**	319,155	**25,357**	25,479	**392**	388	500	316	**182**	-
Available for payments	**365,428**	362,750	**25,690**	25,538	**1,618**	1,258	500	500	**182**	-
Decreases										
Departmental										
Payments made to suppliers	**(5,549)**	(3,227)	**-**	-	**(1,027)**	(32)	**-**	-	**-**	-
Contribution made	**(997)**	(819)	**-**	-	**-**	-	**-**	-	**-**	-
Amounts returned to Official Public Account	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Total Departmental	**(6,546)**	(4,046)	**-**	-	**(1,027)**	(32)	**-**	-	**-**	-
Administered										
Payments made to suppliers	**(318,400)**	(313,585)	**(25,357)**	(25,205)	**-**	-	**(500)**	(500)	**-**	-
Payments made to others	**(28)**	(486)	**-**	-	**-**	-	**-**	-	**-**	-
Contribution made	**(2,500)**	-	**-**	-	**-**	-	**-**	-	**-**	-
Total Administered	**(320,928)**	(314,071)	**(25,357)**	(25,205)	**-**	-	**(500)**	(500)	**-**	-
Total decreases	**(327,474)**	(318,117)	**(25,357)**	(25,205)	**(1,027)**	(32)	**(500)**	(500)	-	-
Total balance carried to the next period	**37,954**	44,633	**333**	333	**591**	1,226	**-**	-	**182**	-
Balance represented by										
Cash held in bank account	**-**	-	**-**	-	**85**	85	-	-	-	-
Cash held in the Official Public Account	**37,954**	44,633	**333**	333	**506**	1,141	**-**	-	**182**	-
Total balance carried to the next period	**37,954**	44,633	**333**	333	**591**	1,226	**-**	-	**182**	-

1 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing Instrument: *PGPA Act Determination (Art Rental Special Account 2016)*. Purpose: Acquire, deaccession, lease, promote, develop, exhibit, lend, conserve and undertake any other activities in relation to managing an art rental collection for the Commonwealth.

2 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument: *PGPA Act Determination (Christmas Island Phosphate Mining Rehabilitation Special Account 2016)*. Purpose: To manage the funding provided for the rehabilitation of phosphate mine sites on Christmas Island in accordance with the requirements of the lease between Phosphate Resources Ltd and the Australian Government.

3 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument: *PGPA Act (Indian Ocean, Jervis Bay and Norfolk Island Territories Special Account 2023)*. Purpose: To combine regional territories special accounts for the delivery of essential services and infrastructure within the Indian Ocean, Jervis Bay and Norfolk Island. Additional management activities for Norfolk Island also support tourism operations and the Commonwealth's heritage site obligations.

4 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing Instrument: *PGPA Act Determination (Indigenous Repatriation Special Account 2016)*. Purpose: Developing and conducting projects, programs and strategies associated with the repatriation of Indigenous ancestral remains and secret sacred objects.

5 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument*: PGPA Act (Melbourne Airport New Runway Land Acquisition Special Account – Establishment)* Determination 2015/10. Purpose: Payments associated with the acquisition of land in connection with the Melbourne (Tullamarine) Airport. Sunset provision repealed this special account on 1 October 2025.

6 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 80. Establishing Instrument: *Telecommunications (Consumer Protection and Service Standards) Act 1999*, Division 5, section 37. Purpose: Support the delivery of Universal Service Obligation, National Relay Service and other public interest telecommunications services for all Australians. The Australian Communications and Media Authority collects a levy imposed on carriers under the Telecommunications (Industry Levy) Act 2012 and the Telecommunications (Consumer Protection and Service Standards) Act 1999. These levy receipts are credited to the special account, and along with Government funding, are used to pay contractors and grant recipients and to contribute to administrative costs.

7 Appropriation: *Public Governance, Performance and Accountability Act 2013;* section 80. Establishing Instrument: *Telecommunications (Consumer Protection and Services Standards) Act 1999*, Division 3, section 89. Purpose: To ensure transparency in use of the funding raised by the Regional Broadband Scheme. The special account quarantines proceeds raised by the charge to pay eligible recipients for providing fixed wireless and satellite broadband services to regional, rural and remote Australians, and to contribute to administrative costs.

8 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument: *PGPA Act Determination (Infrastructure, Transport, Regional Development and Communications SOETM Special Account 2021).* Purpose: Expenditure of money temporarily held in trust or otherwise for the benefit of a person other than the Commonwealth.

9 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 80. Establishing Instrument: *Protection of Moveable Cultural Heritage Act 1986*, section 25. Purpose: Amounts standing to the credit of the National Cultural Heritage Account may be expended for the purpose of facilitating the acquisition of the Australian protected objects for display or self-keeping.

10 Appropriation: *Public Governance, Performance and Accountability Act 2013*; section 78. Establishing instrument: *PGPA Act Determination (Sport and Recreation Special Account 2016)* — Establishment. Purpose: Payments in relation to undertaking sport and recreation related projects and agreed activities of common interest to the Meeting of Sport and Recreation Ministers.

5.3 Regulatory Charging Summary

	2026 **$'000**	2025 $'000
Amounts applied		
Departmental		
Annual appropriations	**26,585**	25,630
Administered		
Special appropriations (including special accounts)	**132,218**	131,800
Total amounts applied	**158,803**	157,430
Expenses		
Departmental	**27,038**	25,682
Administered	**135,787**	131,655
Total expenses	**162,825**	157,337
External Revenue		
Administered	**155,883**	152,116
Total external revenue	**155,883**	152,116

Regulatory charging activities:

- Environmental protection and building control at leased federal airports
- Coastal trading licences
- Road vehicle standards
- Australian Maritime Safety Authority levies
- Classification fees

Documentation (Cost Recovery Implementation Statement) for Environmental Protection at Leased Federal Airports and Coastal Trade Licences is available at https://www.infrastructure.gov.au/sites/default/files/migrated/department/cost-recovery-implementation-statements/files/2005-CRIS-Minor-Arrangements.pdf

Documentation (Cost Recovery Implementation Statement) for Road Vehicle Standards is available at https://www.infrastructure.gov.au/sites/default/files/documents/cris-rvsa-26-march-2020_0.pdf

Documentation (Cost Recovery Implementation Statement) for Australian Maritime Safety Authority Levies is available at https://www.amsa.gov.au/sites/default/files/cost-recovery-implementation-statement-for-2025-26-budget-30-june-2025_0.pdf

Documentation (Cost Recovery Implementation Statement) for Classification Fees is available at https://www.classification.gov.au/sites/default/files/documents/cris_classification_regulatory_activities_2025-26.pdf

5.4 Net Cash Appropriation Arrangements

	2026 $'000	2025 $'000
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	**7,042**	13,939
Plus: depreciation/amortisation of assets funded through appropriations (Departmental Capital Budget funding and/or equity injections)[1]	**23,383**	23,255
Plus: depreciation of right-of-use assets[2]	**25,638**	24,137
Less: lease principal repayments[2]	**(27,005)**	(27,050)
Net Cash Operating Surplus	**29,058**	34,281

1 From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expense of non-corporate Commonwealth entities and selected corporate Commonwealth entities were replaced with a separate Capital Budget provided through equity injections. Capital Budgets are to be appropriated in the period when cash payment for capital expenditure is required.

2 The inclusion of depreciation/amortisation expenses related to ROU leased assets and the lease liability principal repayment amount reflects the cash impact on implementation of AASB 16 *Leases*, it does not directly reflect a change in appropriation arrangements.

6. People and Relationships

This section describes a range of employment and post-employment benefits provided to our people and our relationships with other key people.

6.1 Employee Provisions

	2026	2025
	$'000	$'000
6.1A: Employee provisions		
Leave	**102,338**	97,066
Total employee provisions	**102,338**	97,066
6.1B: Administered - Employee provisions		
Leave	**4,459**	4,632
Total employee provisions	**4,459**	4,632

Accounting Policy

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected to be wholly settled within 12 months of the end of the reporting period are measured at their nominal amounts.

Annual leave and long service leave provisions are classified as 'other long-term employee benefits' under AASB 119 as they are not expected to be wholly settled within the next 12 months. Other long-term employee benefits are measured as the present value of the expected cash flows.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting.

Leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the department's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

Superannuation

The department's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The department makes employer contributions to the employees' defined benefit superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government. The department accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final pay fortnight of the reporting period.

Accounting Judgements and Estimates

The liability for other long-term benefits has been determined with reference to the department specific probability factors determined by the Australian Government Actuary (AGA) as at 31 January 2025. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

6.2 Key Management Personnel Remuneration

Key management personnel (KMP) are those persons having authority for planning, directing and controlling the activities of the department, directly or indirectly. The department has determined KMP to be Portfolio Ministers[2], the Secretary and members of the department's Executive Leadership Team.

During 2025–26, KMP for the department comprised the Secretary, Deputy Secretaries and identified First Assistant Secretaries. KMP remuneration is reported in the table below:

	2026	2025
	$'000	$'000
Short-term employee benefits	**4,619**	4,383
Post-employment benefits	**621**	582
Other long-term employee benefits	**92**	225
Termination benefits[3]	**451**	-
Total key management personnel remuneration expenses[4]	**5,783**	5,190

The total number of KMP included in the above table are 15 (2025: 11).[1]

1. The department had 8 KMP positions at 30 June 2026 (2025: 10) comprising of the Secretary, six Deputy Secretaries and one First Assistant Secretary being for the First Nations Partnership division. The total number of KMP staff (15) includes substantive and acting occupants of KMP positions during the reporting period, including the temporary Financial Sustainability Deputy Secretary and Enterprise Resource Planning Deputy Secretary positions. The Chief People Officer position ceased to be a KMP position with effect from 31 March 2026.
2. Remuneration reported in this note excludes the remuneration and other benefits of Portfolio Ministers. Portfolio Ministers' remuneration and other benefits are set by the Remuneration Tribunal.
3. Termination benefits comprise payments made under an incentive to retire package to an eligible KMP SES staff member under section 37 of the Public Service Act 1999 and consistent with Australian Public Service Commission guidance.
4. Remuneration is reported on an accrual basis and excludes short-term acting arrangements.

6.3 Related Party Disclosures

Related party relationships:
The department is an Australian Government controlled entity. Related parties to the department are KMP (refer Note 6.2), other Australian Government entities and the Norfolk Island Health and Residential Aged Care Service (refer Note 4.1D).

Transactions with related parties:
Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. These transactions have not been separately disclosed in this note.

During 2025–26, significant transactions with related parties included:

- payment to NBN Co Limited under the Regional Broadband Scheme
- equity payments to portfolio entities (Australian National Maritime Museum, Australian Rail Track Corporation Limited, National Film and Sound Archive of Australia, National Gallery of Australia, National Intermodal Corporation Limited, National Library of Australia, National Museum of Australia, National Portrait Gallery of Australia, NBN Co Limited, Old Parliament House and WSA Co Limited)
- Telecommunications Industry Levy receipts from the Australian Communications and Media Authority
- payments for grants administration to the Department of Industry, Science and Resources and to the Department of Social Services.

Considering relationships with related entities, and transactions entered into during the reporting period by the department, it has been determined that there are no other related party transactions to be separately disclosed.

7. Managing Uncertainties

This section analyses how the department manages financial risks within its operating environment.

7.1 Contingent Assets and Liabilities

7.1A: Contingent Assets and Liabilities

	Claims for damages or costs		Total	
	2026	2025	**2026**	2025
	$'000	$'000	**$'000**	$'000
Contingent assets				
Balance from previous period	**-**	-	**-**	-
Rights expired	**-**	-	**-**	-
Total contingent assets	**-**	-	**-**	-
Contingent liabilities				
Balance from previous period	**-**	103	**-**	103
New contingent liabilities recorded	**-**	-	**-**	-
Liabilities realised	**-**	(103)	**-**	(103)
Total contingent liabilities	**-**	-	**-**	-
Net contingent assets/(liabilities)	**-**	-	**-**	-

Quantifiable Contingencies

The department's insurance coverage is provided through Comcover, the Australian Government's self-managed insurance fund. The department is generally not required to make payments in relation to claims submitted under this arrangement, other than the payment of the annual insurance premium and any applicable excess. At the reporting date, the department had no insurance claims that gave rise to contingent assets or liabilities requiring disclosure.

Unquantifiable Contingencies

Legal matters
The department, on behalf of the Commonwealth, is party to matters before various courts and tribunals. Costs may be awarded to or against the Commonwealth for these matters, subject to the Court's decisions. The potential costs or gains cannot be reliably estimated.

7.1B: Administered - Contingent Assets and Liabilities

	Claims for damages or costs		Total	
	2026	2025	**2026**	2025
	$'000	$'000	**$'000**	$'000
Contingent assets				
Balance from previous period	-	10,111	-	10,111
New contingent assets recognised	-	-	-	-
Re-measurement	-	-	-	-
Assets realised	-	(10,111)	-	(10,111)
Total contingent assets	-	-	-	-
Net contingent assets	-	-	-	-

Quantifiable Contingencies
The department's insurance coverage is provided through Comcover, the Australian Government's self-managed insurance fund. The department is generally not required to make payments in relation to claims submitted under this arrangement, other than the payment of the annual insurance premium and any applicable excess. There are no known outstanding claims where the department may be liable for an excess or other uninsured amount for the period 2025-26.

Unquantifiable Administered Contingent Liabilities

Asbestos Remediation Costs
The Australian Government owns properties in the Indian Ocean Territories, Jervis Bay Territory and Norfolk Island where materials containing asbestos have been identified. Asbestos management plans are in place for these properties that include ongoing monitoring and removal or encapsulation of materials containing asbestos where necessary. The department may incur remediation costs in the future if conditions change, such as through damage or renovation. There is uncertainty around the timing of any future cash outflows if such remediation is undertaken.

Remote Quantifiable Contingent Liabilities

Aviation rescue and firefighting services potential per-and poly-fluoroalkyl substances (PFAS) contamination
The department has identified a number of sites in Australia potentially contaminated with per- and poly-fluoroalkyl substances (PFAS), which were contained in firefighting foams.

PFAS contaminants do not naturally break down in the environment and several have been listed on the Stockholm Convention as persistent contaminants. Australian health and environmental agencies have set a range of standards for environmental protection and precautionary health measures.

Sites on up to 37 civilian airports are potentially contaminated with PFAS (20 federally-leased airports and 17 regional airports), which relate to the Australian Government's historic provision of firefighting services. DITRDCSA is undertaking the PFAS Airports Investigation Program at these airports to understand the risks and develop management plans for any identified PFAS contamination.

For Commonwealth-owned airports that are leased on a long-term basis, Airport Lessee Companies are responsible for environmental management of their airport sites. Airport leases indemnify the Commonwealth in relation to damages or injury to the environment occurring prior to the Airport leases being signed, including in respect of costs and claims arising due to such damages or injury.

The Commonwealth is not indemnified for 16 airports (which are privately or local government owned) in the PFAS Airport Investigation Program's scope. The potential costs are uncertain and remote.

There are currently no quantified costs for management and remediation of sites as the Program is still underway. The cost of managing PFAS could be up to $60 million per airport, for relevant parties, depending on site specific requirements. Any remediation and ongoing costs are currently unknown and expected to be informed by management planning following completion of the Program, that will consider whether any remediation is necessary at each site.

Remote Unquantifiable Contingent Liabilities
The Australian Government has entered into the following indemnities and arrangements which are considered significant in nature and were disclosed in the 2026–27 Budget Paper No. 1. The probability the department will

incur costs as a result of these arrangements is considered remote and no claims have been identified at 30 June 2026.

Australian Maritime Safety Authority Incident Costs

In the normal course of operations, shipowners are liable for clean up costs arising from ship sourced marine pollution incidents. The Australian Maritime Safety Authority (AMSA) is responsible for ensuring that clean up operations commence immediately and, in all circumstances, seeks to recover these costs from ship owners.

AMSA maintains a pollution response financial capability to support clean up expenditure. This capability recognises that response costs are incurred immediately, while recoveries typically occur over a longer period. The capability is supported by liquid investment reserves of $10 million.

Where costs exceed AMSA's pollution response financial capability, additional Australian Government funding may be required. Given the unpredictable nature, scale, and timing of ship-sourced pollution incidents, it is not possible to estimate the amounts of any payments that may be required.

National Intermodal Corporation – Indemnities

Indemnities have been provided in connection with the development of the Moorebank Intermodal Terminal, including:

a) costs and liabilities that may be incurred by the State of NSW arising under *the Native Title Act 1993 (Cth)* associated with the construction of a rail bridge over the Georges River to the Moorebank Intermodal Terminal.
b) costs that may be incurred by National Intermodal Corporation Limited in the event the Commonwealth terminates the funding agreement between the Commonwealth and National Intermodal Corporation Limited for reasons other than a breach by National Intermodal Corporation Limited.
c) costs and liabilities incurred by the private sector owner of the Glenfield Waste Site for any easement for the rail spur across the Glenfield Waste Site, to the extent such costs or liabilities are caused, or contributed to, by the Commonwealth or its agents.

WSA Co Limited – Indemnities

Indemnities have been provided in connection with the establishment of WSA Co, including:

a) protection for Directors of WSA Co Limited against certain claims relating to their employment as Directors. Unless the indemnity agreements are varied or brought to an end, they cease to apply from the date the Commonwealth has fully satisfied its obligations to subscribe for equity to WSA Co pursuant to the WSA Co Equity Subscription Agreement.
b) liabilities that may be incurred by WSA Co Limited related to the integration of the Sydney Metro Western Sydney Airport project (delivered by the New South Wales Government) with the Western Sydney International (Nancy-Bird Walton) Airport, to the extent such liabilities are established in the Airport Rail Integration Deed.
c) liabilities and costs that may be incurred by WSA Co in the event the Commonwealth terminates the Equity Subscription Agreement between WSA Co and the Commonwealth.

Telstra Financial Guarantee

The Australian Government has provided Telstra Corporation Limited (Telstra) a guarantee in respect of NBN Co's financial obligations under the Definitive Agreements. The Agreements were amended on 14 December 2014. The Guarantee was not amended at that time and it continues in force in accordance with its terms in respect of the amended Definitive Agreements. The liabilities under the Definitive Agreements between Telstra and NBN Co arise progressively during the roll-out of the National Broadband Network as Telstra's infrastructure is accessed and Telstra's customers are disconnected from its copper and Hybrid Fibre Coaxial cable networks. The Government is only liable in the event NBN Co does not pay an amount when due under the Definitive Agreements. As at 30 June 2026, NBN Co had liabilities covered by the Guarantee estimated at $11.5 billion.

The Guarantee will terminate when:

a) NBN Co achieves specified credit ratings for a period of 2 continuous years;
b) the company is capitalised by the Commonwealth to the agreed amount; and
c) the Communications Minister declares, under the *National Broadband Network Companies Act 2011*, that, in his or her opinion, the National Broadband Network should be treated as built and fully operational. This declaration was made on 11 December 2020.

Inland Rail – Termination of the Equity Financing Agreement

The Government will provide sufficient funding to cover all costs and liabilities incurred by the Australian Rail Track Corporation (ARTC) and Inland Rail Pty Ltd for delivery of Inland Rail to Parkes in the event the Commonwealth terminates the Equity Financing Agreement between the Commonwealth and the ARTC.

New South Wales Rural Fire Fighting Service - Indemnity

The New South Wales Rural Fire Service (NSW RFS) provides fire-fighting services in the Jervis Bay Territory (JBT). Due to the cross-border delivery of fire services from NSW to the JBT, the NSW RFS requires the Australian Government to provide an uncapped indemnity whereby the Australian Government would be liable for

any damages, arising in good faith, from the provision of the agreed scope of fire management services. The likelihood of an event occurring that may result in a liability for the Australian Government has been assessed as unlikely. The risk of a liability is mitigated through a range of risk management measures, including the Jervis Bay Territory Rural Fires Ordinance 2014, the establishment of a JBT Fire Management Committee (FMC), a fire management plan prepared and implemented by the FMC, NSW RFS staff training and professional qualifications and the department actively managing the Service Level Agreement with the NSW RFS.

Service Delivery Arrangement Indemnities — Indian Ocean Territories and Jervis Bay Territory

The Australian Government has been entering into Service Delivery Arrangements with the Western Australian (WA) Government for the provision of services to the Indian Ocean Territories of Christmas Island and the Cocos (Keeling) Islands since 1992. The Australian Government has provided certain indemnities for the WA Government, their respective officers, agents, contractors and employees against civil claims relating to their employment and conduct as officers.

The Australian Capital Territory (ACT) Government provides a number of services to the Jervis Bay Territory under Memoranda of Understanding. The Australian Government has provided certain indemnities for the ACT Government authorities and officials in respect of the delivery of services to the Jervis Bay Territory.

The likelihood of an event occurring that may result in a liability for the Australian Government has been assessed as remote and the risks are currently mitigated through the training and professional qualifications of the staff of these entities, and the existence of systems, processes and standards for the delivery of services.

Tripartite deeds relating to the sale of federal leased airports

The tripartite deeds between the Government, the airport lessee company and financiers, amend airport head leases to provide for limited step in rights for financiers in circumstances where the Government terminates the head lease to enable the financiers to correct the circumstances that triggered such a termination event. The tripartite deeds may require the Government to pay financiers compensation as a result of terminating the head lease, once all Government costs have been recovered. The Government's contingent liabilities are considered to be unquantifiable and remote.

Brisbane 2032 Olympic and Paralympic Games

On 21 July 2021, the International Olympic Committee selected Brisbane to host the 2032 Olympic and Paralympic Games. On 19 August 2025, the Australian Government and the Queensland Government signed a revised bilateral agreement on matters of shared interest, including a capped capital contribution towards the Games venue infrastructure by the Australian Government. The Australian Government has also committed to provide a range of guarantees to the International Olympic Committee for provision of government services in support of Brisbane hosting the Games. The financial implications of this support are not quantifiable at this time.

2027 Rugby World Cup and 2029 Women's Rugby World Cup

On 12 May 2022, World Rugby selected Australia as the host of the 2027 Rugby World Cup and the 2029 Women's Rugby World Cup. In addition to the financial assistance provided in the 2022–23 March Budget to support event delivery and legacy programs, the Government has committed to provide services and support (such as security commitments and visa processing for participants and support staff). The financial implication of this additional support is not quantifiable at this time.

Accounting Policy

Contingent Assets and Contingent Liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position or Administered Schedule of Assets and Liabilities but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

Accounting Judgements and Estimates

Indemnities and/or guarantees

The maximum amounts payable under the indemnities given is disclosed above. At the time of signing of the financial statements, there was no reason to believe the indemnities and/or guarantees would be called upon, and no recognition of any liability was therefore required.

7.2 Financial Instruments

	2026 $'000	2025 $'000
7.2A: Categories of Financial Instruments		
Financial assets at amortised cost		
Cash and cash equivalents	**15,487**	16,661
Trade and other receivables	**524**	1,047
Accrued revenue	**1,329**	1,321
Total financial assets at amortised cost	**17,340**	19,029
Total financial assets	**17,340**	19,029
Financial Liabilities		
Financial liabilities measured at amortised cost		
Suppliers	**28,071**	26,103
Total financial liabilities measured at amortised cost	**28,071**	26,103
Total financial liabilities	**28,071**	26,103

The carrying value of financial assets and liabilities is a reasonable approximation of fair value.

7.2B: Net Gains or Losses on Financial Assets		
Financial assets at amortised cost		
Foreign exchange	**(1)**	(16)
Impairment on financial assets	**(113)**	(25)
Net (losses) on financial assets at amortised cost	**(114)**	(41)
Net (losses) on financial assets	**(114)**	(41)

Accounting Policy

Financial assets

In accordance with *AASB 9 Financial Instruments*, the department classifies its financial assets in the following categories:

a) financial assets at fair value through other comprehensive income

b) financial assets measured at amortised cost.

The classification depends on both the department's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the department becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognise when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:

1. The financial asset is held in order to collect contractual cash flows, and

2. The cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest rate method.

Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets measured at FVOCI comprise debt instruments that meet the SPPI test and are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Equity investments measured at FVOCI are designated as such on initial recognition where permitted by AASB 9; the SPPI assessment is not applicable to equity instruments.

Any gains or losses as a result of fair value measurement or the recognition of an impairment loss allowance is recognised in other comprehensive income.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on expected credit losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased or remains low.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial Liabilities

Financial liabilities are classified as 'financial liabilities at amortised cost'. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at amortised cost

Financial liabilities, including borrowings and concessional loan commitments, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

All payables are expected to be settled within 12 months except where indicated.

7.3 Administered – Financial Instruments

	2026 $'000	2025 $'000
7.3A: Categories of Financial Instruments		
Financial assets at amortised cost		
Cash and cash equivalents	**42,205**	49,095
Other loans	**4,314,770**	3,740,324
Contract assets	**4,224**	21,211
Grants receivable	**-**	4,449
Total financial assets at amortised cost	**4,361,199**	3,815,079
Financial assets at fair value through other comprehensive income		
Investments	**45,059,660**	44,314,039
Total financial assets at fair value through other comprehensive income	**45,059,660**	44,314,039
Total financial assets	**49,420,859**	48,129,118
Financial Liabilities		
Financial liabilities measured at amortised cost		
Suppliers payable	**365,452**	354,297
Subsidies payable	**42,083**	15,989
Grants payable	**59,610**	28,260
Loan commitment provision	**20,065**	46,241
Total financial liabilities measured at amortised cost	**487,210**	444,787
Total financial liabilities	**487,210**	444,787

The carrying value of financial assets and liabilities is a reasonable approximation of fair value.

7.3B: Net Gains and Losses on Financial Assets		
Financial assets at amortised cost		
Interest revenue earned on:		
Other loans	**266,455**	201,955
Concessional loan discount expense	**(99,271)**	(88,900)
Impairment	**48,798**	(100,772)
Net gains on financial assets at amortised cost	**215,982**	12,283
Financial assets at fair value through other comprehensive income		
Dividend revenue	**9,500**	-
Gains/(Losses) recognised in other comprehensive income	**(1,806,592)**	(638,852)
Net (losses) on financial assets at fair value through other comprehensive income	**(1,797,092)**	(638,852)
Net gains/(losses) on financial assets	**(1,581,110)**	(626,569)

7.3C: Fair Value of Financial Instruments

The department considers that the carrying amounts reported in the Administered Schedule of Assets and Liabilities are a reasonable approximation of the fair value of these financial assets and liabilities.

7.3D: Credit Risk

The administered activities exposed to credit risk mainly related to loans issued by the NAIF corporate Commonwealth entity, loans to commercial entities and other receivables.

The department assessed expected credit losses on loans and receivables and made an allowance for impairment where appropriate. The department considered whether the credit risk of loans has increased significantly based on compliance with loan conditions, reports from credit rating agencies (where available) and other publicly available information including benchmarking against published default rates for entities with similar credit ratings. The department has drawn upon the subject matter expertise of various other parties in conducting the risk assessments.

The carrying amount of financial assets are considered to best represent the maximum exposure to credit risk.

7.3E: Liquidity Risk

The department's administered financial liabilities were trade creditors, subsidies payable, grants payable and loan commitment provision.

The department's administered activities were funded primarily by appropriation from the Australian Government. The department manages its budgeted administered funds to ensure that it has adequate funds to meet payments as they fall due. In addition, the department has policies in place to ensure timely payments are made when due and has no past experience of default.

Maturities for non-derivative financial liabilities in 2026

	On demand	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Suppliers payable	-	365,452	-	-	-	365,452
Subsidies payable	-	42,083	-	-	-	42,083
Grants payable	-	59,610	-	-	-	59,610
Loan commitment provision	-	6,312	3,619	10,133	-	20,064
Total	-	473,457	3,619	10,133	-	487,209

Maturities for non-derivative financial liabilities in 2025

	On demand	Within 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Suppliers payable	-	354,297	-	-	-	354,297
Subsidies payable	-	15,989	-	-	-	15,989
Grants payable	-	28,260	-	-	-	28,260
Loan commitment provision	-	19,278	2,680	24,283	-	46,241
Total	-	417,824	2,680	24,283	-	444,787

7.3F: Market Risk

The department held basic financial instruments that did not expose the department to certain market risks such as 'Currency risk' or 'Other price risk'.

Interest rate risk

The department is exposed to interest rate risk primarily from administered investments that are valued using the discounted cash flow method. The only interest-bearing items on the statement of financial position were loan receivables. These loans bear interest at a fixed interest rate and their values did not fluctuate due to changes in the market interest rate.

The below sensitivity analysis has been arrived at via adjusting the selected discount rate in isolation of other factors such as cash flows and other assumptions.

Sensitivity analysis of the risk that the Department is exposed to for 2026

			Effect on	
	Risk Variable	**Change in risk variable %**	**Net cost of services $'000**	**Equity $'000**
Administered investments using discounted cash flows	**Discount rate**	**(+0.99%)**	**-**	**(4,642,155)**
Administered investments using discounted cash flows	**Discount rate**	**(-0.99%)**	**-**	**6,132,915**

Sensitivity analysis of the risk that the Department was exposed to for 2025

			Effect on	
	Risk Variable	Change in risk variable %	Net cost of services $'000	Equity $'000
Administered investments using discounted cash flows	Discount rate	(+1.32%)	-	(6,466,861)
Administered investments using discounted cash flows	Discount rate	(-1.32%)	-	9,523,091

7.4 Administered – Fair Value Measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities disclosed in the Statement of Financial Position do not apply the fair value hierarchy.

The different levels of the fair value hierarchy are defined below:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the department can access at measurement date.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

7.4A: Fair Value Measurement

	Fair value measurements at the end of the reporting period			
	2026	2025	**Category (Level 1, 2 or 3)**	**Valuation Technique(s) and Inputs Used**
	$'000	$'000		
Financial assets				
Investments accounted for using the net assets method	**20,756,960**	20,405,939	3	Net assets of entities at balance date, proportionate of the Australian Government's interest.
Investment in NBN Co Limited	**23,400,000**	21,800,000	3	Present value of future cash flows discounted at a rate of return that would be expected by a market participant in determining a purchase price.
Other Investments accounted for using the discounted cash flow method	**902,700**	2,108,100	3	Present value of future net cash flows discounted at the weighted average cost of capital.
Total financial assets	**45,059,660**	44,314,039		
Non-financial assets				
Land	**15,650**	-	2	Market value of similar assets as determined by an independent valuer.
Land	**73,243**	80,729	3	Estimated market value of similar assets as determined by an independent valuer.
Buildings	**83,095**	86,467	2	Market value of similar assets as determined by an independent valuer.
Buildings	**155,556**	157,645	3	Current replacement cost as determined by an independent valuer.
Artworks	**38,362**	38,856	2	Market value of similar assets as determined by an independent valuer.
Heritage and cultural	**65,689**	66,542	2	Market value of similar assets as determined by an independent valuer.
Heritage and cultural	**94,627**	96,471	3	Current replacement cost as determined by an independent valuer.
Property, plant and equipment	**9,194**	10,976	2	Market value of similar assets as determined by an independent valuer.
Property, plant and equipment	**460,835**	467,111	3	Current replacement cost as determined by an independent valuer.
Intangibles - Phosphate mine lease	**4,215**	8,430	3	Present value of future royalty cash flows as determined by an independent valuer.
Total non-financial assets	**1,000,466**	1,013,227		
Total assets	**46,060,126**	45,327,266		

DEPARTMENT OF INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS, SPORT AND THE ARTS
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7.4B: Reconciliation for Recurring Level 3 Fair Value Measurements

	Financial assets				Non-financial assets											
	Investments accounted for using the net assets method		Investments accounted for using the discounted cash flow method		Land		Buildings		Artworks		Heritage and cultural		Plant and equipment		Intangibles - Phosphate mine leases	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	$'000	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
As at 1 July	**20,405,939**	18,837,084	**23,908,100**	22,803,600	**80,729**	82,689	**157,645**	137,855	**-**	33,071	**96,471**	115,971	**467,111**	486,585	**8,430**	2,382
Total gains/(losses) recognised in net cost of services[1]	**-**	-		-	**(2)**	(2,160)	**(8,931)**	(6,679)	**-**	(114)	**(4,230)**	(2,563)	**(49,789)**	(54,068)	**(4,215)**	(794)
Total gains/(losses) recognised in other comprehensive income[2]	**(330,635)**	157,393	**(1,475,957)**	(796,245)	**8,166**	-	**-**	98,656	**-**	229	**-**	6,061	**-**	18,134	**-**	6,842
Purchases	**681,656**	1,051,979	**1,870,557**	1,900,745	**-**	-	**6,842**	3,958	**-**	-	**2,386**	2,340	**43,513**	22,954	**-**	-
Transfers into Level 3[3]	**-**	-	**-**	-	**-**	200	**-**	-	**-**	-	**-**	110	**-**	-	**-**	-
Transfers out of Level 3[4]		-		-	**(15,650)**	-	**-**	(76,145)	**-**	(33,186)	**-**	(25,448)	**-**	(6,494)	**-**	-
Other[5]		359,483	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Total as at 30 June	**20,756,960**	20,405,939	**24,302,700**	23,908,100	**73,243**	80,729	**155,556**	157,645	**-**	-	**94,627**	96,471	**460,835**	467,111	**4,215**	8,430
Changes in unrealised gains/(losses) recognised in net cost of services	**351,021**	1,568,855	**394,600**	1,104,500	**(7,486)**	(1,960)	**(2,089)**	19,790	**-**	(33,071)	**(1,844)**	(19,500)	**(6,276)**	(19,474)	**(4,215)**	6,048

[1] These gains and losses are presented in the Schedule of Comprehensive Income under depreciation and amortisation expenses and write-down and impairment of other assets.
[2] These gains and losses are presented in the Schedule of Comprehensive Income under changes in asset revaluation reserve.
[3] The transfers out of Level 3 includes $15.7 million following the 2025–26 valuation related to the Western Sydney Airport (WSA) land.
[4] The balance represents transfer of responsibility for reporting the Australian Government's interest in the Australian Sports Commission ($353.5 million) and the Australian Sports Foundation Limited ($5.9 million) from the Department of Health, Disability and Ageing to the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts.

8. Other Information

8.1 Maturity Analysis of Assets and Liabilities

	2026 $'000	2025 $'000
8.1A: Maturity Analysis of Assets and Liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	**15,487**	16,661
Trade and other receivables	**233,742**	220,636
Accrued revenue	**1,329**	1,321
Other non-financial assets	**13,504**	10,834
Total no more than 12 months	**264,062**	249,452
More than 12 months		
Buildings	**125,224**	59,323
Heritage and cultural	**48,001**	47,668
Property, plant and equipment	**17,120**	14,813
Intangibles	**30,229**	38,814
Other non-financial assets	**768**	882
Total more than 12 months	**221,342**	161,500
Total assets	**485,404**	410,952
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	**28,071**	26,103
Other payables	**20,208**	15,975
Leases	**15,235**	26,118
Employee provisions	**30,112**	28,766
Other provisions	**412**	848
Total no more than 12 months	**94,038**	97,810
More than 12 months		
Leases	**97,182**	27,248
Employee provisions	**72,226**	68,300
Other provisions	**143**	209
Total more than 12 months	**169,551**	95,757
Total liabilities	**263,589**	193,567

	2026 $'000	2025 $'000
8.1B: Administered - Maturity Analysis of Assets and Liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	**42,205**	49,095
Trade and other receivables	**101,856**	201,712
Inventories	**4,832**	3,677
Prepayments	**3,813**	3,688
Total no more than 12 months	**152,706**	258,172
More than 12 months		
Investments	**45,059,660**	44,314,039
Trade and other receivables	**4,264,068**	3,607,935
Land	**88,893**	80,729
Buildings	**238,651**	244,112
Heritage and cultural	**198,677**	201,869
Property, plant and equipment	**471,506**	479,802
Intangibles	**75,020**	79,235
Total more than 12 months	**50,396,475**	49,007,721
Total assets	**50,549,181**	49,265,893
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	**365,452**	354,297
Subsidies	**42,083**	15,989
Grants	**59,610**	28,260
Other payables	**1,806**	3,263
Employee provisions	**1,475**	1,286
Loan commitment provision	**6,312**	19,278
Other provisions	**311,994**	957,014
Total no more than 12 months	**788,732**	1,379,387
More than 12 months		
Other payables	**-**	145
Employee provisions	**2,984**	3,346
Loan commitment provision	**13,753**	26,963
Total more than 12 months	**16,737**	30,454
Total liabilities	**805,469**	1,409,841

8.2 Assets Held in Trust

Monetary assets

The Trust accounts are for moneys received from other Government and non-agency bodies, or moneys which are required to be held in trust for the benefit of a person other than the Commonwealth.

These monies are not available for other purposes of the Department and are not recognised in the financial statements.

	2026 $'000	2025 $'000
Services to Other Entities and Trust Moneys - Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts		
As at 1 July	**121**	121
Receipts	**-**	-
Payments	**-**	-
Total as at 30 June	**121**	121
Total assets held in trust	**121**	121

The department has no non-monetary assets held in trust as at 30 June 2026 (2025: nil).

8.3 Restructuring

8.3A: Departmental Restructuring

	ASSUMED	RELINQUISHED
	2026 $'000	2026 $'000
	Sport and Physical Activity Department of Health, Disability and Ageing[1]	Land and Planning Cities and Urban Department of the Treasury[2]
Assets		
Appropriation receivable	**3,000**	**449**
Total financial assets	**3,000**	**449**
Total assets	**3,000**	**449**
Liabilities		
Provisions		
Employee provisions	**3,000**	**449**
Total liabilities	**3,000**	**449**
Net assets/(liabilities)	**-**	-
Income assumed		
Recognised by the receiving entity	14,822	-
Total income assumed	**14,822**	-
Expenses assumed		
Recognised by the receiving entity	14,822	-
Total expenses assumed	**14,822**	**-**

1 The Sport and physical activity policy and functions were transferred from the Department of Health, Disability and Ageing following the Administrative Arrangements Order on 13 May 2025. The effective date for the transfer was 1 July 2025.

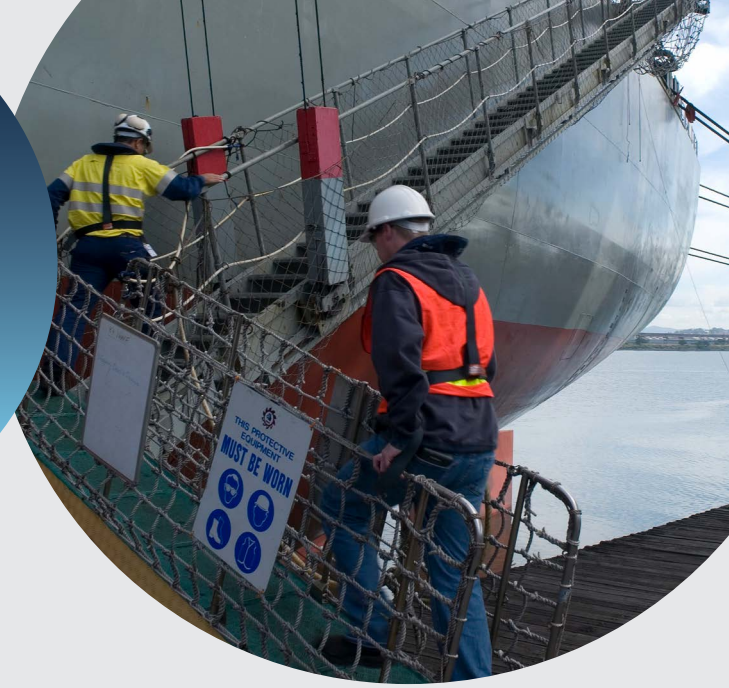
2 The Land and Planning and Cities and Urban policies and functions were transferred to the Department of the Treasury following the Administrative Arrangements Order on 13 May 2025. The effective date for the transfer was 1 July 2025. Refer to the Overview note for further details on the Machinery of Government change.

8.3B: Administered Restructuring

	ASSUMED	
	2026	2025
	$'000	$'000
	Sport and Physical Activity	Sport and Physical Activity
	Department of Health Disability and Ageing[1]	Department of Health Disability and Ageing[1]
FUNCTIONS ASSUMED		
Assets recognised		
Cash and cash equivalent	**182**	-
Investments	**-**	359,483
Total assets recognised	**182**	359,483
Liabilities recognised	**-**	-
Total liabilities recognised	**-**	-
Net assets assumed	**182**	359,483
Income assumed		
Recognised by the receiving entity	**69**	-
Recognised by the losing entity	**-**	-
Total income assumed	**69**	-
Expenses assumed		
Recognised by the receiving entity	**721,708**	-
Recognised by the losing entity	**-**	449,257
Total expenses assumed	**721,708**	449,257

[1]The sport and physical activity policy and functions were transferred from the Department of Health, Disability and Ageing following the Administrative Arrangements Order on 13 May 2025. The effective date for the transfer was 13 May 2025. Refer to the Overview note for further details on the Machinery of Government change.





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Appendix A: Entity resource statements and expenses for outcomes

Table A.1 Entity Resource Statement

		Actual available appropriation[1] for 2025–26 $'000	Payments made 2025–26 $'000	Balance remaining 2025–26 $'000
Departmental				
Annual appropriations – ordinary annual services[2]		849,271	579,936	269,335
Departmental capital budget[6]		16,763	23,107	(6,344)
Total departmental annual appropriations[3]	**A**	**866,034**	**603,043**	**262,991**
Special accounts				
Opening balance		5,825		
Appropriation receipts[4]		4,161		
Non-appropriation receipts		8,322		
Total special accounts receipts	**B**	**18,308**		
Payments made	**C**		12,671	
Total available special accounts				**5,637**
less departmental appropriations drawn from annual/ special appropriations and credited to special accounts	**D**	(4,161)	(4,161)	
Total departmental resourcing	**A+B+ C+D**	**880,181**	**611,553**	
Administered				
Annual appropriations – ordinary annual services[2]				
Prior year appropriations available		2,759,688	1,114,492	
Outcome 1		21,100	1,335	
Outcome 2		593,416	178,345	
Outcome 3		626,127	1,815	
Outcome 4		262,737	172,633	
Outcome 5		285,364	204,951	
Outcome 6		304,120	210,886	
Outcome 7[10]		273,223	17,273	
Administered capital budget[6]		39,608	21,510	
Payments to corporate entities[7]		2,918,869	2,918,869	
Total annual appropriations – ordinary annual services		**8,084,252**	**4,842,109**	**3,242,143**
Other services – non operating				
Prior year appropriations available		3,457,111	1,919,903	
Administered assets and liabilities		3,316,129	770,515	
Administered assets and liabilities – Payments to corporate entities[7]		46,482	46,482	
Total other services – non operating		**6,819,722**	**2,736,900**	**4,082,822**
Other services – specific payments to states, ACT, NT and local government				
Prior year appropriations available		500,719	494,983	

		Actual available appropriation[1] for 2025–26 $'000	Payments made 2025–26 $'000	Balance remaining 2025–26 $'000
Outcome 1		821,397	501,279	
Outcome 3		270,001	71,243	
Total other services – specific payments to states, ACT, NT and local government		**1,592,117**	**1,067,505**	**524,612**
Total administered annual appropriations[5]	**A**	**16,496,091**	**8,646,514**	**7,849,577**
Total available administered special appropriations	**B**		**5,369,122**	
Special accounts				
Opening balance		48,118		
Appropriation receipts[4]		96,454		
Non-appropriation receipts[8]		242,655		
Adjustments		182		
Other receipts		21,231		
Total special accounts receipts	**C**	**408,640**		
Payments made	**D**		366,578	
Total available special accounts				**42,062**
Total resourcing and payments		**16,904,731**	**14,382,214**	
less administered appropriations drawn from annual/special appropriations and credited to special accounts	**E**	(96,454)	(96,454)	
less payments to corporate entities from annual/special appropriations	**F**	(2,965,351)	(2,965,351)	
Total administered resourcing	**A+B +C+D +E+F**	**13,842,926**	**11,320,409**	
Total resourcing and payments[9]		**14,723,107**	**11,931,962**	

1. Figures in the table represent actual appropriations provided less any legally recognised reductions as outlined in Note 5.1B of the 2025–26 Financial Statements.
2. Supply Act (No. 1) 2025–26, Appropriation Act (No. 1) 2025–26 and Appropriation Act (No. 3) 2025–26.
3. Actual available appropriations for 2025–26 include prior year departmental appropriation and s74 relevant entity receipts.
4. Appropriation receipts from departmental and administered appropriations.
5. Actual available appropriations for 2025–26 include retained administered funds from previous years.
6. Capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items.
7. 'Corporate entities' are corporate Commonwealth entities and Commonwealth companies as defined under the PGPA Act.
8. Non-Appropriation receipts from the Public Interest Telecommunications Services Special Account, Regional Broadband Scheme Special Account, Christmas Island Phosphate Mining Rehabilitation Special Account, Indian Ocean, Jervis Bay and Norfolk Island Special Account and the Melbourne Airport New Runway Land Acquisition Special Account.
9. Total resourcing excludes the actual available appropriation for all special appropriations.
10. The sport and physical activity policy and functions were transferred from the Department of Health, Disability and Ageing following the Administrative Arrangement Order on 13 May 2025, funding came into effect from 1 July 2025.

Table A.2 Expenses for Outcome 1: Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure

	Budget[1] 2025–26 $'000	Actual expenses 2025–26 $'000	Variation 2025–26 $'000
Program 1.1: Infrastructure Investment			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	9,234	26,867	(17,633)
Other services (Appropriation Acts No.2 and No.4)	821,397	670,274	151,123
Payments to corporate entities	30,333	30,333	–
Expenses not requiring appropriation in the Budget year[2]	(64,872)	442	(65,314)
Total for Program 1.1	**796,092**	**727,916**	**68,176**
Outcome 1 Total	**796,092**	**727,916**	**68,176**
Outcome 1 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	9,234	26,867	(17,633)
Other Services (Appropriation Acts No.2 and No.4)	821,397	670,274	151,123
Payments to corporate entities	30,333	30,333	–
Expenses not requiring appropriation in the Budget year[2]	(64,872)	442	(65,314)
Administered Total	**796,092**	**727,916**	**68,176**
Departmental expenses			
Departmental appropriation	82,211	79,160	3,051
s74 External Revenue[3]	–	–	–
Expenses not requiring appropriation in the Budget year[2]	460	132	328
Departmental Total	**82,671**	**79,292**	**3,379**
Total expenses for Outcome 1	**878,763**	**807,208**	**71,555**
Average staffing level (number)	**573**	**570**	**3**

1. Budget figures are based on the 2025-26 estimated actuals published in the 2026–27 Portfolio Budget Statements.
2. 'Expenses not requiring appropriation in the Budget year' comprises of expenses relating to impairment losses, depreciation and amortisation, concessional loans, payments made from prior year appropriations and other non-cash expenses.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013

Table A.3 Expenses for Outcome 2: An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations

	Budget[1] 2025–26 $'000	Actual expenses 2025–26 $'000	Variation 2025–26 $'000
Program 2.1: Surface Transport			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	349,576	330,292	19,284
Special appropriations	134,279	136,311	(2,032)
Payments to corporate entities	107,186	107,186	–
Expenses not requiring appropriation in the Budget year[2]	13,938	–	13,938
Total for Program 2.1	**604,979**	**573,789**	**31,190**
Program 2.2: Road Safety			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	18,130	19,802	(1,672)
Special appropriations	–	–	–
Expenses not requiring appropriation in the Budget year[2]	1,550	1	1,549
Total for Program 2.2	**19,680**	**19,803**	**(123)**
Program 2.3: Air Transport			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	184,676	92,975	91,701
Special appropriations	128,200	131,992	(3,792)
Special accounts	–	47	(47)
Payments to corporate entities	53,072	53,072	–
Expenses not requiring appropriation in the Budget year[2]	99,939	132,536	(32,597)
Total for Program 2.3	**465,887**	**410,622**	**55,265**
Outcome 2 Total	**1,090,546**	**1,004,214**	**86,332**
Outcome 2 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	552,382	443,069	109,313
Special appropriations	262,479	268,303	(5,824)
Special accounts	–	47	(47)
Payments to corporate entities	160,258	160,258	–
Expenses not requiring appropriation in the Budget year[2]	115,427	132,537	(17,110)
Administered Total	**1,090,546**	**1,004,214**	**86,332**
Departmental expenses			
Departmental appropriation	204,446	168,168	36,278
s74 External Revenue[3]	1,482	5,031	(3,549)
Expenses not requiring appropriation in the Budget year[2]	4,372	19,101	(14,729)
Departmental Total	**210,300**	**192,300**	**18,000**
Total expenses for Outcome 2	**1,300,846**	**1,196,514**	**104,332**
Average staffing level (number)	**408**	**406**	**2**

1. Budget figures are based on the 2025–26 estimated actuals published in the 2026–27 Portfolio Budget Statements.
2. 'Expenses not requiring appropriation in the Budget year' comprises of expenses relating to impairment losses, depreciation and amortisation, concessional loans, payments made from prior year appropriations and other non-cash expenses.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

Table A.4 Expenses for Outcome 3: Strengthening the sustainability, capacity and diversity of Australia's urban and regional areas, including northern Australia, including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance

	Budget[1] 2025–26 $'000	Actual expenses 2025–26 $'000	Variation 2025–26 $'000
Program 3.1: Regional Development			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	471,422	464,058	7,364
Other services (Appropriation Acts No.2 and No.4)	–	–	–
Special appropriations	–	–	–
Expenses not requiring appropriation in the Budget year[2]	123,032	142	122,890
Total for Program 3.1	**594,454**	**464,200**	**130,254**
Program 3.2: Local Government			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)		–	–
Other services (Appropriation Acts No.2 and No.4)	250,000	397,054	(147,054)
Special appropriations	4,638,877	4,635,275	3,602
Expenses not requiring appropriation in the Budget year[2]	185,777	–	185,777
Total for Program 3.2	**5,074,654**	**5,032,329**	**42,325**
Program 3.3: Urban Development			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	–	–	–
Special appropriations	–	–	–
Expenses not requiring appropriation in the Budget year[2]	8,347	1,640	6,707
Total for Program 3.3	**8,347**	**1,640**	**6,707**
Program 3.4: Growing a Stronger Northern Australian Economy			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	37	–	37
Payments to corporate entities	21,987	21,987	–
Expenses not requiring appropriation in the Budget year[2]	2,029	12,136	(10,107)
Total for Program 3.4	**24,053**	**34,123**	**(10,070)**
Outcome 3 Total	**5,701,508**	**5,532,292**	**169,216**
Outcome 3 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	471,609	464,058	7,551
Other services (Appropriation Acts No.2 and No.4)	250,000	397,054	(147,054)
Special appropriations	4,638,877	4,635,275	3,602
Payments to corporate entities	21,987	21,987	–
Expenses not requiring appropriation in the Budget year[2]	319,035	13,918	305,117
Administered Total	**5,701,508**	**5,532,292**	**169,216**
Departmental expenses			
Departmental appropriation	70,900	63,226	7,674
s74 External Revenue[3]	–	–	–
Expenses not requiring appropriation in the Budget year[2]	389	55	334

	Budget[1] 2025–26 $'000	Actual expenses 2025–26 $'000	Variation 2025–26 $'000
Departmental Total	**71,289**	**63,281**	**8,008**
Total expenses for Outcome 3	**5,772,797**	**5,595,573**	**177,224**
Average staffing level (number)	**292**	**291**	**1**

1. Budget figures are based on the 2025–26 estimated actuals published in the 2026–27 Portfolio Budget Statements.
2. 'Expenses not requiring appropriation in the Budget year' comprises of expenses relating to impairment losses, depreciation and amortisation, concessional loans, payments made from prior year appropriations and other non-cash expenses.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

Table A.5 Expenses for Outcome 4: Good governance and service delivery in the Australian territories including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories

	Budget[1] 2025–26 $'000	Actual expenses 2025–26 $'000	Variation 2025–26 $'000
Program 4.1: Services to Territories			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	257,198	262,705	(5,507)
Other services (Appropriation Acts No.2 and No.4)	–	–	–
Special accounts	21,058	19,746	1,312
Expenses not requiring appropriation in the Budget year[2]	55,903	59,988	(4,085)
Total for Program 4.1	**334,159**	**342,439**	**(8,280)**
Outcome 4 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	257,198	262,705	(5,507)
Other services (Appropriation Acts No.2 and No.4)	–	–	–
Special accounts	21,058	19,746	1,312
Expenses not requiring appropriation in the Budget year[2]	55,903	59,988	(4,085)
Administered Total	**334,159**	**342,439**	**(8,280)**
Departmental expenses			
Departmental appropriation	30,753	30,802	(49)
s74 External Revenue[3]	–	–	–
Expenses not requiring appropriation in the Budget year[2]	169	83	86
Departmental Total	**30,922**	**30,885**	**37**
Total expenses for Outcome 4	**365,081**	**373,324**	**(8,243)**
Average staffing level (number)	**121**	**120**	**1**

1. Budget figures are based on the 2025–26 estimated actuals published in the 2026–27 Portfolio Budget Statements.
2. 'Expenses not requiring appropriation in the Budget year' comprises of expenses relating to impairment losses, depreciation and amortisation, concessional loans, payments made from prior year appropriations and other non-cash expenses.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

Table A.6 Expenses for Outcome 5: Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services

	Budget[1] 2025–26 $'000	Actual expenses 2025–26 $'000	Variation 2025–26 $'000
Program 5.1: Digital Technologies and Communications Services			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	308,927	237,987	70,940
Special accounts	312,250	321,930	(9,680)
Payments to corporate entities	1,589,182	1,589,182	–
Expenses not requiring appropriation in the Budget year[2]	225,997	240,239	(14,242)
Total for Program 5.1	**2,436,356**	**2,389,338**	**47,018**
Outcome 5 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	308,927	237,987	70,940
Special accounts	312,250	321,930	(9,680)
Payments to corporate entities	1,589,182	1,589,182	–
Expenses not requiring appropriation in the Budget year[2]	225,997	240,239	(14,242)
Administered Total	**2,436,356**	**2,389,338**	**47,018**
Departmental expenses			
Departmental appropriation	92,133	95,106	(2,973)
s74 External Revenue[3]	3,900	13,239	(9,339)
Special accounts	4,046	6,546	(2,500)
Expenses not requiring appropriation in the Budget year[2]	4,677	4,889	(212)
Departmental Total	**104,756**	**119,780**	**(15,024)**
Total expenses for Outcome 5	**2,541,112**	**2,509,118**	**31,994**
Average staffing level (number)	**465**	**463**	**2**

1. Budget figures are based on the 2025–26 estimated actuals published in the 2026–27 Portfolio Budget Statements.
2. 'Expenses not requiring appropriation in the Budget year' comprises of expenses relating to impairment losses, depreciation and amortisation, concessional loans, payments made from prior year appropriations and other non-cash expenses.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

Table A.7 Expenses for Outcome 6: Participation in, and access to, Australia's art and culture through developing and supporting cultural expression

	Budget[1] 2025–26 $'000	Actual expenses 2025–26 $'000	Variation 2025–26 $'000
Program 6.1: Arts and Cultural Development			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	306,120	305,547	573
Special accounts	500	500	–
Payments to corporate entities	676,652	676,652	–
Expenses not requiring appropriation in the Budget year[2]	1,889	3,586	(1,697)
Total for Program 6.1	**985,161**	**986,285**	**(1,124)**
Outcome 6 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	306,120	305,547	573
Special accounts	500	500	–
Payments to corporate entities	676,652	676,652	–
Expenses not requiring appropriation in the Budget year[2]	1,889	3,586	(1,697)
Administered Total	**985,161**	**986,285**	**(1,124)**
Departmental expenses			
Departmental appropriation	47,473	34,747	12,726
s74 External Revenue[3]	8,630	29,295	(20,665)
Special accounts	4,195	7,152	(2,957)
Expenses not requiring appropriation in the Budget year[2]	1,200	560	640
Departmental Total	**61,498**	**71,754**	**(10,256)**
Total expenses for Outcome 6	**1,046,659**	**1,058,039**	**(11,380)**
Average staffing level (number)	**220**	**219**	**1**

1. Budget figures are based on the 2025–26 estimated actuals published in the 2026–27 Portfolio Budget Statements.
2. 'Expenses not requiring appropriation in the Budget year' comprises of expenses relating to impairment losses, depreciation and amortisation, concessional loans, payments made from prior year appropriations and other non-cash expenses.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

Table A.8 Expenses for Outcome 7: Contribute to healthy, active communities and a sustainable sport system through policy development, coordination and targeted support

	Budget[1] 2025–26 $'000	Actual expenses 2025–26 $'000	Variation 2025–26 $'000
Program 7.1: Sport and Physical Activity			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	145,680	107,704	37,976
Special appropriations	–	–	–
Special accounts	–	–	–
Payments to corporate entities	532,064	532,064	–
Expenses not requiring appropriation in the Budget year[2]	–	–	–
Total for Program 7.1	**677,744**	**639,768**	**37,976**
Outcome 7 totals by appropriation type			
Administered expenses			
Ordinary annual services (Appropriation Acts No.1 and No.3)	145,680	107,704	37,976
Special appropriations	–	–	–
Special accounts	–	–	–
Payments to corporate entities	532,064	532,064	–
Expenses not requiring appropriation in the Budget year[2]	–	–	–
Administered Total	**677,744**	**639,768**	**37,976**
Departmental expenses			
Departmental appropriation	16,923	12,602	4,321
s74 External Revenue[3]	–	–	–
Special accounts	–	–	–
Expenses not requiring appropriation in the Budget year[2]	–	–	–
Departmental Total	**16,923**	**12,602**	**4,321**
Total expenses for Outcome 7	**694,667**	**652,370**	**42,297**
Average staffing level (number)	**93**	**93**	**-**

1. Budget figures are based on the 2025-26 estimated actuals published in the 2026-27 Portfolio Budget Statements.
2. 'Expenses not requiring appropriation in the Budget year' comprises of expenses relating to impairment losses, depreciation and amortisation, concessional loans, payments made from prior year appropriations and other non-cash expenses.
3. Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

Appendix B: Climate Disclosure Statement

The department's Climate Disclosure Statement is made under section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act)[27] and the Commonwealth Climate Disclosure (CCD) Policy.[28]

Section 516A of the EPBC Act requires Australian Government agencies to report on their contribution to the principles of ecologically sustainable development (ESD), environmental performance, and measures to minimise their effects on the environment. This is demonstrated through the department's decision-making processes that integrate short-term and long-term economic, environmental, social and equitable considerations, and through activities that seek to minimise adverse environmental impacts and contribute to climate action in government operations. The department contributes to ESD through climate action, emissions reduction and climate risk management activities across its operations, as well as through policy, regulatory and program activities that support climate adaptation, resilience and decarbonisation outcomes.

The department contributes to the Australian economy's transition to net zero by 2050, and the Australian Government's commitment to net zero emissions from government operations by 2030 under the Net Zero in Government Operations (NZGO) Strategy.[29] During 2025–26, the department continued to deliver its climate action in government operations obligations through implementation of its Emissions Reduction Plan (ERP),[30] and by uplifting the maturity of climate-related risk and opportunity management in line with the CCD Policy and the Australian Government's Approach to Climate Risk and Opportunity Management in the Public Sector 2024–26.[31]

Committed to continuous improvement, the department implemented recommendations arising from an internal audit that assessed its readiness to meet current and future CCD obligations and established an emissions data assurance framework to support robust climate and emissions reporting. Environmental performance is supported through implementation and annual review of the ERP, annual emissions reporting, climate disclosure processes, and associated governance, assurance and continuous improvement arrangements.

CCD is the Australian Government's policy for Commonwealth entities to publicly disclose their exposure to climate-related risks and opportunities, and the actions taken to manage them. As a Tranche 1 entity, the department is required to prepare climate-related disclosures as part of its annual reporting suite from 2024–25.

The department's 2025–26 Climate Disclosure Report has been prepared in accordance with the Year 2 Reporting Provisions and is available on the department's website[32] and the Transparency Portal.[33]

27 Available at: www.legislation.gov.au/C2004A00485/2019-08-30/text

28 Available at: www.finance.gov.au/government/climate-action-government-operations/commonwealth-climate-disclosure-policy

29 Available at: www.finance.gov.au/government/climate-action-government-operations/aps-net-zero-missions-2030

30 Available at: https://www.infrastructure.gov.au/department/media/publications/emissions-reduction-plan-2025

31 Available at: www.dcceew.gov.au/climate-change/publications/climate-risk-opportunity-management-program-resources

32 Available at: www.infrastructure.gov.au/about-us/corporate-reporting/annual-reports

33 Available at: https://www.transparency.gov.au

Appendix C: Gender Equality Report

In line with commitments made under *Working for Women: A Strategy for Gender Equality*, Australian Government departments have committed to report on their efforts to achieve gender equality and build gender analysis capability in their annual reports. As part of this initiative, this annual report includes case studies to demonstrate how the department is working towards the ambition of a better, gender equal Australia for everyone.

Department's responsibilities and advancing gender equality

The Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the department) has broad responsibilities across program and service delivery, fit-for-purpose regulation, investment and strategic policy advice.

In 2025–26, these responsibilities enabled the department to progress initiatives that contributed to several priority areas under the *Working for Women: A Strategy for Gender Equality*.

These initiatives promoted safer and more inclusive cultural and sporting spaces, supporting gender-based violence prevention (priority area 1); improved women's participation, visibility and career pathways in aviation and sport, supporting economic equality and security (priority area 3) and leadership, representation and decision-making (priority area 5); increased access to sport and physical activity, supporting health (priority area 4); and strengthened women's representation in regional leadership roles, supporting leadership, representation and decision-making (priority area 5).

The department also progressed internal capability-building initiatives that support inclusive policy development, strengthen gender analysis capability, and embed gender equality considerations across its work.

Key initiatives aligned to Working for Women's priority areas

Revive Live program

The Australian Government committed to provide $25 million over 2 years from 2025–26 for the Revive Live program. The Revive Live program provides funding for activities that support established live music venues and live music festivals, creating a sustainable operating environment to protect performance opportunities, and the development and discoverability of original contemporary music by Australian artists.

The program prioritises activities and projects that increase safe and inclusive spaces, support more representative programming, and develop diverse audiences, including young people, women and people with disability. By supporting safer and more inclusive live music environments, the program contributes to advancing gender equality, aligning with the *Working for Women: A Strategy for Gender Equality* priority area 1.

Women in the Aviation Industry program

The *Women in the Aviation Industry Initiative* (WAII) supported delivery of a range of projects aimed at addressing gender imbalances in the aviation industry. It operated from 2019 and concluded on 30 June 2026, with $8 million in funding provided over 8 years. WAII partnered with aviation industry organisations to support and encourage women to enter and remain in the aviation workforce. Phase 1 of the program focused on awareness raising and early engagement targeting young women and girls. Phase 2 enabled the delivery of industry led projects aligned with the priority areas of leadership and culture, visibility and awareness, collaboration, and continuous improvement.

The initiative contributed to addressing gender imbalances in the aviation industry. The program stimulated increased industry research into retention and attrition across industry. Initiatives supported increased awareness of opportunities across the aviation sector and identified promising trends in women's representation across the aviation sector.

Regional Development Australia Committees program

The Regional Development Australia Committees (RDA) program has focused on advancing gender equality over several years by improving gender balance in RDA Chair, Deputy Chair, member and Chief Executive Officer roles. This has resulted in significantly more women holding important regional development leadership and decision-making roles. These outcomes support the Working for Women: A Strategy for Gender Equality priority area of leadership, representation and decision-making (priority area 5).

This is demonstrated through representation data:

> In May 2020, the gender balance in RDA Chair and Deputy Chair positions was 66 males (72%) and 26 females (28%). Across all member and CEO roles representation was 287 males (61%) and 188 females (39%)

> As at 30 June 2026, RDA gender balance reached virtual parity. In Chair and Deputy Chair positions it is now 47 males (51%) and 45 females (49%). Across all member and CEO roles representation is 234 males (51%) and 228 females (49%).

RDA Chair and Deputy Chair positions are reportable appointments for the purpose of Australian Government gender balance reporting as the minister is a decision maker. While other member and CEO appointments are not reportable, improving female representation, particularly in member roles, has been critical to driving parity in reportable roles as many Chairs and Deputy Chairs graduate from the member cohort.

Improvement has been achieved through more targeted and sustained recruitment advertising to boost female interest in RDA roles, and the Australian Government working with RDAs to encourage them to make gender balance on their committees a priority.

Play Our Way Program

The *Play Our Way* (POW) Program is a $200 million grant program over 3 years from 2024–25. It promotes equitable access to suitable sport and physical activity facilities and supports grassroots initiatives that engage women and girls throughout their lives. POW funds activities that address participation barriers and help build a culture of equality, respect and inclusion. POW contributes to advancing gender equality aligned to the *Working for Women: A Strategy for Gender Equality* priority areas of:

- economic equality and security (priority area 3) – POW also supports broader equity objectives through activities targeting priority cohorts, including initiatives that increase women's participation in leadership and employment opportunities. For example, growing the proportion of First Nations and Culturally and Linguistically Diverse women employed in leadership and delivery of initiatives.
- health (priority area 4) – Evidence shows that regular physical activity, including sport and active recreation, supports improved health and wellbeing for women and girls by reducing the risk of chronic disease, supporting healthy growth and development, improving mental health, and strengthening social connection.
- leadership, representation and decision-making (priority area 5) – For participation initiatives, POW funds (and measures) activities that aim to promote equitable representation of women and girls as participants, and across the organisational leadership and governance in sport.

Internal agency initiatives – Building gender analysis capability

Gender Equality Network

The department's Gender Equality Network maintains the Gender Analysis Hub (the Hub), an intranet resource that supports staff to apply an intersectional gender perspective in policy and program development. The Hub provides practical guidance, tools and resources to build staff capability in gender analysis and support its consistent application across the department's work.

While not linked to a specific *Working for Women: A Strategy for Gender Equality* priority area, the Hub supports implementation of the strategy by strengthening the department's capability to apply gender analysis in policy and program design. The Hub also provides data and insights on gender equality within the department and relevant industries. In 2026–27, the Hub will be refreshed to ensure it reflects current best practice and Australian Government processes.

Appendix D: Workforce statistics

The following tables show workforce statistics for the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts for 2025–26. This includes staff numbers by classification, distribution of staff by state and territory, Indigenous staff numbers, as well as a range of other information relating to workplace arrangements, remuneration and salary structures. For information on the department's human resource policies, refer Part 3.2: People management.

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Table D.1: All Ongoing Employees (2025–26)[a]

Location	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	48	1	49	71	6	77	0	0	0	0	0	0	0	0	0	126
Qld	59	5	64	103	31	134	0	0	0	0	0	0	0	0	0	198
SA	9	1	10	11	3	14	0	0	0	0	0	0	0	0	0	24
Tas	9	0	9	4	6	10	0	0	0	0	0	0	0	0	0	19
Vic	50	3	53	61	19	80	0	0	0	0	0	0	0	0	0	133
WA	11	2	13	11	8	19	0	0	0	0	0	0	0	0	0	32
ACT	627	35	662	830	175	1,005	4	0	4	0	0	0	0	0	0	1,671
NT	3	2	5	8	1	9	0	0	0	0	0	0	0	0	0	14
External Territories	7	0	7	8	0	8	0	0	0	0	0	0	0	0	0	15
Overseas	1	0	1	2	0	2	0	0	0	0	0	0	0	0	0	3
Total	**824**	**49**	**873**	**1,109**	**249**	**1,358**	**4**	**0**	**4**	**0**	**0**	**0**	**0**	**0**	**0**	**2,235**

Note:
a. Excludes inoperative employees, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

Table D.2: All Non-Ongoing Employees (2025–26)[a]

Location	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Qld	1	0	1	1	1	2	0	0	0	0	0	0	0	0	0	3
SA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vic	2	1	3	2	0	2	0	0	0	0	0	0	0	0	0	5
WA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ACT	10	1	11	22	3	25	1	0	1	0	0	0	0	0	0	37
NT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
External Territories	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
Overseas	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	1
Total	**14**	**2**	**16**	**26**	**4**	**30**	**1**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**47**

Note:
a. Excludes inoperative employees, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

Table D.3: *Public Service Act 1999* Ongoing Employees (2025–26)[a]

Classification	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	2	0	2	4	0	4	0	0	0	0	0	0	0	0	0	6
SES 2	7	0	7	16	0	16	0	0	0	0	0	0	0	0	0	23
SES 1	49	0	49	46	2	48	0	0	0	0	0	0	0	0	0	97
EL 2	147	3	150	190	25	215	0	0	0	0	0	0	0	0	0	365
EL 1	292	17	309	378	102	480	0	0	0	0	0	0	0	0	0	789
APS 6	192	18	210	255	69	324	1	0	1	0	0	0	0	0	0	535
APS 5	91	3	94	132	33	165	2	0	2	0	0	0	0	0	0	261
APS 4	29	5	34	61	15	76	0	0	0	0	0	0	0	0	0	110
APS 3	14	0	14	25	0	25	1	0	1	0	0	0	0	0	0	40
APS 2	1	3	4	2	3	5	0	0	0	0	0	0	0	0	0	9
APS 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**824**	**49**	**873**	**1,109**	**249**	**1,358**	**4**	**0**	**4**	**0**	**0**	**0**	**0**	**0**	**0**	**2,235**

Note:
a. Excludes inoperative employees, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

Table D.4: *Public Service Act 1999* Non-Ongoing Employees (2025–26)[a]

Classification	Man/ Male	Man/ Male	Man/ Male	Woman/ Female	Woman/ Female	Woman/ Female	Non-binary	Non-binary	Non-binary	Prefers not to answer	Prefers not to answer	Prefers not to answer	Uses a different term	Uses a different term	Uses a different term	Total
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
SES 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SES 2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SES 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EL 2	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	1
EL 1	6	1	7	4	0	4	0	0	0	0	0	0	0	0	0	11
APS 6	5	0	5	4	1	5	0	0	0	0	0	0	0	0	0	10
APS 5	1	0	1	6	0	6	0	0	0	0	0	0	0	0	0	7
APS 4	1	0	1	9	2	11	0	0	0	0	0	0	0	0	0	12
APS 3	1	1	2	1	0	1	1	0	1	0	0	0	0	0	0	4
APS 2	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	1
APS 1	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	1
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**14**	**2**	**16**	**26**	**4**	**30**	**1**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**47**

Note:
a. Excludes inoperative employees, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

Table D.5: *Public Service Act 1999* Employees by Full-Time and Part-Time Status (2025–26)[a]

Classification	Ongoing	Ongoing	Ongoing	Non-Ongoing	Non-Ongoing	Non-Ongoing	Total
	Full-time	Part-time	Total Ongoing	Full-time	Part-time	Total non-Ongoing	Full-time
SES 3	6	0	6	0	0	0	6
SES 2	23	0	23	0	0	0	23
SES 1	95	2	97	0	0	0	97
EL 2	337	28	365	1	0	1	366
EL 1	670	119	789	10	1	11	800
APS 6	448	87	535	9	1	10	545
APS 5	225	36	261	7	0	7	268
APS 4	90	20	110	10	2	12	122
APS 3	40	0	40	3	1	4	44
APS 2	3	6	9	1	0	1	10
APS 1	0	0	0	0	1	1	1
Other	0	0	0	0	0	0	0
Total	**1,937**	**298**	**2,235**	**41**	**6**	**47**	**2,282**

Note:
a. Excludes inoperative employees, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

Table D.6: *Public Service Act 1999* Employment type by location (2025–26)[a]

Location	Ongoing	Non-Ongoing	Total
NSW	126	0	126
Qld	198	3	201
SA	24	0	24
Tas	19	0	19
Vic	133	5	138
WA	32	0	32
ACT	1,671	37	1,708
NT	14	0	14
External Territories	15	1	16
Overseas	3	1	4
Total	**2,235**	**47**	**2,282**

Note:
a. Excludes inoperative employees, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

Table D.7: *Public Service Act 1999* Indigenous Employment (2025–26)[a]

Employment basis	Total
Ongoing	77
Non-Ongoing	1
Total	**78**

Note:
a. Excludes inoperative employees, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

Table D.8: *Public Service Act 1999* Employment arrangements (2025–26)

Employment arrangements	SES	Non-SES	Total
Enterprise Agreement	0	2,156	2,156
Australian Workplace Agreement	0	0	0
Common Law Contracts	0	0	0
Determinations under subsection 24(1) of the *Public Service Act 1999*	126	0	126
Total	**126**	**2,156**	**2,282**

Table D.9: *Public Service Act 1999* Employment Salary Ranges by Classification Level (Minimum/Maximum) (2025–26)[a]

Classification	Minimum Salary	Maximum Salary
SES 3	$427,036	$444,288
SES 2	$281,704	$347,635
SES 1	$232,316	$277,809
EL 2	$149,636	$189,534
EL 1	$126,838	$147,347
APS 6	$99,733	$118,084
APS 5	$89,225	$96,829
APS 4	$79,922	$87,851
APS 3	$72,133	$77,888
APS 2	$63,226	$69,798
APS 1	$57,531	$57,531
Other	-	-
Total	**1,937**	**298**

Note:
a. Excludes inoperative employees, holders of public office and employees under the employment authority of the Indian Ocean Territories Administration.

Performance pay

Table D.10 *Public Service Act 1999* Employment Performance Pay by classification level (2025–26)

The Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts did not have arrangements for performance pay during 2025–26.

Indian Ocean Territories: employment arrangements

Table D.11 presents the number of staff employed under the Territory of Christmas Island Administration Ordinance 1968 and the Territory of Cocos (Keeling) Islands Administration Ordinance 1975. These staff are excluded from employee numbers reported under the *Public Service Act 1999*.

Table D.11: All staff employed under the Indian Ocean Territories Administration, by employment type, current and previous report period[a,b]

	30 June 2025	30 June 2026
Ongoing	103	114
Non-ongoing	13	5
Casual	70	89
Total	**186**	**208**

Notes:

a. Includes all employees employed under the Territory of Christmas Island Administration Ordinance 1968 and the Territory of Cocos (Keeling) Islands Administration Ordinance 1975.

b. Excludes the Administrator for Christmas Island and Cocos (Keeling) Islands.

Table D.12: Information about remuneration for key management personnel (2025–26)

		Short-term benefits	Short-term benefits	Short-term benefits	Post employment benefits	Other long-term benefits	Other long-term benefits	Termination benefits	Total remuneration
Name	**Position title**	**Base salary**	**Bonuses**	**Other benefits and allowances**	**Superannuation contributions**	**Long service leave**	**Other long-term benefits**		
Jim Betts	Secretary	$943,218	-	-	$30,117	$28,100	-	-	$1,001,435
Stephen Arnott	Deputy Secretary	$447,107	-	$2,033	$79,758	($2,130)	-	-	$526,768
Phil Smith	Acting Deputy Secretary	$239,835	-	$1,302	$31,293	($5,903)	-	-	$266,527
Marisa Purvis-Smith	Deputy Secretary	$274,304	-	$5,361	$49,047	$2,750	-	-	$331,462
Rachel Parry	Deputy Secretary	$143,203	-	$678	$30,227	$8,477	-	-	$182,585
Jessica Hall	Deputy Secretary	$390,837	-	$27,320	$75,824	$20,940	-	-	$514,921
David Mackay	Deputy Secretary	$442,451	-	$2,033	$65,535	$17,144	-	-	$527,163
James Chisholm	Deputy Secretary	$306,065	-	$1,106	$47,980	$4,718	-	-	$359,869
Lisa Rauter	Acting Deputy Secretary	$175,124	-	$900	$29,426	$4,562	-	-	$210,012
Maree Bridger	Chief Operating Officer/ Deputy Secretary	$408,668	-	$36,509	$65,871	$10,357	-	$451,385	$972,790
Ruth Wall	Chief Operating Officer/ Deputy Secretary	$299,341	-	$1,614	$45,352	$5,604	-	-	$351,911
Lillian Gordon	First Assistant Secretary, First Nations Partnership Division	$302,913	-	$1,819	$43,237	$4,873	-	-	$352,842
Bek Hendriks	First Assistant Secretary, First Nations Partnership Division	$57,392	-	$410	$6,875	($3,224)	-	-	$61,453

		Short-term benefits	Short-term benefits	Short-term benefits	Post employment benefits	Other long-term benefits	Other long-term benefits	Termination benefits	Total remuneration
Name	**Position title**	**Base salary**	**Bonuses**	**Other benefits and allowances**	**Superannuation contributions**	**Long service leave**	**Other long-term benefits**		
Rachel Houghton	Chief People Officer/ First Assistant Secretary	$26,177	-	$214	$5,024	($4,640)	-	-	$26,775
Susan Charles	Chief People Officer/ First Assistant Secretary	$80,054	-	$686	$15,378	$541	-	-	$96,659
Total		**$4,536,689**	**-**	**$81,985**	**$620,944**	**$92,169**	**-**	**$451,385**	**$5,783,172**

Note:
This table includes the part-year impact of some employees who have temporarily filled a Deputy Secretary position during 2025–26

Table D.13: Information about remuneration for senior executives (2025–26)

		Short-term benefits	Short-term benefits	Short-term benefits	Post-employment benefits	Other long-term benefits	Other long-term benefits	Termination benefits	Total remuneration
Total remuneration bands	Number of senior executives	Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
$0- $220,000	19	$110,654	-	$2,033	$21,421	$3,466	-	$10,050	$147,624
$220,001- $245,000	4	$176,581	-	$2,033	$44,263	$9,456	-	-	$232,333
$245,001- $270,000	6	$197,080	-	$6,445	$39,948	$13,616	-	-	$257,089
$270,001- $295,000	16	$234,406	-	$2,033	$37,635	$11,129	-	-	$285,203
$295,001- $320,000	24	$244,054	-	$12,577	$41,803	$10,763	-	-	$309,197
$320,001- $345,000	27	$263,978	-	$9,191	$46,096	$12,945	-	-	$332,210
$345,001- $370,000	6	$281,425	-	$9,676	$48,761	$11,995	-	-	$351,857
$370,001- $395,000	5	$308,873	-	$2,033	$55,427	$13,694	-	-	$380,027
$395,001-$420,000	4	$297,520	-	$4,581	$49,034	$11,050	-	$42,009	$404,194
$420,001-$445,000	2	$325,705		$2,033	$55,398	$48,813	-	-	$431,949
$470,001-$495,000	1	$395,880	-	$2,033	$60,459	$11,757	-	-	$470,129
$520,001-$545,000	2	$271,959	-	$2,033	$54,005	$61,578	-	$145,389	$534,964

Table D.14: Information about remuneration for other highly paid staff (2025–26)

		Short-term benefits	Short-term benefits	Short-term benefits	Post-employment benefits	Other long-term benefits	Other long-term benefits	Termination benefits	Total remuneration
Total remuneration bands	Number of other highly paid staff	Average base salary	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average other long-term benefits	Average termination benefits	Average total remuneration
$295,001 - $320,000	1	$261,616	-	-	$46,172	$2,906	-	-	$310,694
$370,001 - $395,000	1	$338,438	-	-	$22,428	$9,663	-	-	$370,529

Table D.15: Non-salary benefits to employees

Non-SES staff
Access to individual flexibility arrangements
Access to paid leave at half pay
Access to remote locality assistance (for example, leave fares, child education assistance)
Access to the Employee Assistance Program
Australian Defence Force Reserve leave
Annual Closedown
Annual leave
Annual free influenza vaccinations
Bereavement and compassionate leave
Blood donation assistance
Cash-out of annual leave
Community language allowance
Consultation on workplace changes (including pre-decision consultation)
Cultural, ceremonial and NAIDOC leave
Defence reservist leave
Defence service sick leave
Departmental Consultative Committee representation
Disability leave
Disaster support
Executive level time off in lieu arrangements for Executive Level employees
Emergency response leave
Family and domestic violence support
Financial assistance for eyesight health
Financial assistance to access financial advice for staff involved in a redundancy process
Financial assistance to purchase aids or services to help quit smoking
Flexible working arrangements (for example, home-based work, part-time work, altering span of hours/bandwidth)
Flextime and time in lieu for APS-classified employees
Gender affirmation leave
Jury duty assistance and leave to attend proceedings
Lactation and breastfeeding support
Learning and development assistance
Long service leave
Overseas posting assistance
Overtime and restriction allowances
Paid time to donate blood
Parental leave – including adoption and long-term foster care, stillbirth, pregnancy loss and premature birth leave

Personal/carer's leave
Portability of leave
Purchased leave
Professional qualification reimbursement
Recognition of travel time
Reimbursement for work related expenses
Relocation assistance
Re-crediting of leave
Return to work assistance
Study assistance
Support for professional and personal development
Travel cost assistance
Union delegates' rights assistance
Workplace responsibility allowance
SES employees
All the above benefits except for Executive Level time off in lieu, flextime, overtime and restriction, community language and workplace responsibility allowances, study assistance and access to individual flexibility arrangements
Airport lounge membership
Car parking
Individual determinations made under section 24(1) of the *Public Service Act 1999*

Appendix E: Work health and safety

The department is committed to the health, safety and wellbeing of our workers and visitors in accordance with the *Work Health and Safety Act 2011* (WHS Act) and the *Safety, Rehabilitation and Compensation Act 1988*.

Throughout 2025–26, the department consulted on a quarterly basis with the Health and Safety Committee and Health and Safety Representative Network to guide us on the key initiatives to support the physical, emotional and mental wellbeing, safety and education of our employees. The department's strategic WHS priorities during 2025–26 are outlined below.

Integration of Work Health Safety Management System

The One Work Health and Safety Management System (OneWHSMS) Project commenced in August 2025 to consolidate the Corporate and Territories Divisions' separate WHS management systems into a single integrated framework. The project responds to findings from a system gap analysis and supports a more consistent, contemporary and risk-based approach to managing WHS across the department.

Over a 12-month period, the project team is delivering 2 key work streams:

> governance, assurance, data and reporting
> risk management and system documentation.

The project is strengthening WHS governance arrangements, clarifying accountabilities, and improving visibility of WHS responsibilities at all levels. This includes work to develop a consolidated departmental WHS risk register, a WHS legal and other requirements register, and supporting procedures, standards and implementation materials.

A key focus of the project is the development of performance-based safety standards that define the minimum WHS outcomes required across key topics. These standards will be tailored to each division's activities, helping business areas understand and manage the WHS risks most relevant to their work while supporting consistent departmental expectations.

The OneWHSMS will also support improved assurance, reporting and continuous improvement by providing clearer links between WHS risks, controls, responsibilities and performance monitoring. As documentation is developed, consultation with relevant business areas, staff and Health and Safety Representatives will help ensure the system is practical, accessible and reflects operational needs across the department.

Psychosocial risk

In October 2025, the department released its Mental Health Strategy and Psychosocial Risk Management Action Plan 2025–2028, reaffirming our commitment to making staff psychological wellbeing a priority. The strategy and action plan build on our ongoing work to foster a workplace where people feel safe to speak up, seek support early and support each other without stigma. They also reflect our commitment to preventing harm from psychosocial hazards and supporting recovery with the same focus and care applied to physical health and safety.

The Psychosocial Risk Management Action Plan was shaped by feedback from the People at Work survey, APS Census, departmental focus groups and the Mental Health and Wellbeing Network. It is underpinned by the APS Values and aligned with the APS Mental

Health Capability Framework. Developed through a co-design process with staff and organisational psychologists from Aspect Group, the action plan focuses on 4 key areas:

> improving workload management and role clarity
> enhancing early intervention and response by upskilling leaders
> increasing mental health literacy and awareness of appropriate workplace behaviour and culture
> breaking down silos by strengthening communication and leadership transparency in decision-making.

Together, these focus areas provide a practical blueprint for embedding psychological safety into everyday work practices and decision-making, and support a workplace culture where everyone can thrive. The action plan sets out the goals, objectives, actions and intended outcomes that will guide this work and support the department to become a stronger, healthier and more resilient organisation.

Mental health and wellbeing

The Australian Public Service Commission's Mental Health and Suicide Prevention Unit developed the Maturity Scale Assessment (MSA) tool to help APS agencies assess the maturity of their mental health and psychosocial risk management practices.

The department completed and submitted its MSA in December 2025, supporting implementation of the Mental Health Strategy and Psychosocial Risk Management Action Plan 2025–2028 and aligning with the APS Mental Health Capability Framework.
The MSA provides a visual overview of the department's current investment and activity in mental health and wellbeing. It establishes a clear baseline of capability and identifies opportunities for improvement across key domains, including prevention, promotion, recovery, capability development, governance and continuous improvement. This work will help strengthen the department's support for staff wellbeing, organisational culture and current and future workforce needs.

WHS in the Territories

The department provides specialist WHS risk management support and expertise to staff within the Territories Division and the administered Territories. In 2025–26, the Territories Division delivered the following key activities as part of the department's commitment to WHS in the administered Territories:

> delivered targeted WHS training across Norfolk Island, Christmas Island and the Cocos (Keeling) Islands to more than 150 participants, including high risk work, asbestos and silica awareness, incident investigation, risk management, contractor management, hazardous chemicals, and manual handling, supported by practical workplace site visits
> progressed discussions with the Norfolk Island Regional Council to establish a Norfolk Island WHS regulatory capability
> provided specialist WHS advice and incident management support across the Territories, including investigation support, notifiable incident management, risk assessments, and asset management
> progressed implementation of the department's OneWHSMS in partnership with the Corporate WHS team through the development of WHS policies, procedures, and governance documentation
> facilitated WHS Management System audits of the Norfolk Island and Indian Ocean Territories Health Services

- continued to work collaboratively with state and federal regulators and departments to design a future licensing framework for Norfolk Island High Risk Work Licensing
- engaged with Comcare, Territory administrations, service providers, contractors, and operational teams on WHS matters across the Territories.

Health and wellbeing programs

The department supports staff health and wellbeing through a range of practical, preventive and early intervention initiatives, including:

- Employee Assistance Program (EAP): free, confidential counselling, coaching and specialist support for staff and their immediate family or household members. The department will transition EAP providers from TELUS Health to Converge in July 2026.
- Before Blue: a confidential, evidence-based program that helps staff manage everyday work and life pressures early, before concerns escalate.
- Fitness Passport: introduced in September 2025 in response to staff interest, providing reduced cost access to more than 1,700 gyms across Australia.
- National Influenza Vaccination Program: delivered in 2026, with 1,061 staff vaccinated through on-site clinics and flu vouchers.
- Workplace adjustments program: progressed the co-design of a new workplace adjustment process with key stakeholders, including development of a Workplace Adjustments Catalogue, supporting governance arrangements, funding models and integrated support pathways to deliver a more consistent and supportive experience for staff.
- Ergonomic support: including ergonomic assessments, workstation assessments and support for individually supplied workplace adjustment equipment during office moves.
- Mental health and workplace stress resources: CONNECT resources covering mental health support, workplace stress, psychosocial risk management, and family and domestic violence support.

Other initiatives include:

- Mental Health and Wellbeing Network Art Auction: hosted in November 2025 and bringing staff together through creativity and shared support for mental health. More than 80 handmade items were donated, raising $3,527 for Beyond Blue, a national mental health and wellbeing organisation.
- Annual hazard inspection program: completed to identify workplace hazards, implement corrective actions and reduce the risk of incidents.
- WHS due diligence training: delivered to SES officers to support their WHS obligations and strengthen leadership capability in work health and safety governance.

Provisional Improvement Notices (PINs), investigations and inspections

There were no PINs issued by the department's health and safety representatives under the WHS Act.

There were no investigations, notices issued or enforcement actions under Part 10 of the WHS Act taken by Comcare (the regulator) during the period.

Table E.1: Summary of health and safety outcomes 2025–26

Health and safety outcome	2025–26
Incidents notified to Comcare	20
Notices received from Comcare under Part 10 of the WHS Act	0
Incidents notified by employees	186
Hazards notified by employees	33
Employees who accessed early intervention assistance for work-related illness or injury	16
Accepted workers compensation claim[a]	17
Claims for lost time from new claims	3
Total weeks lost from new claims through incapacity	45.7
Average time off work per injury (weeks) from new claims	15.2
Average cost per accepted compensation claim	$108,978
Employees using Employee Assistance Program	277

Note:
a. Of the 17 accepted claims, 7 are historic claims. All historical claims arise from the abolished Australian National Railways Commission.

Appendix F: Advertising and market research

During 2025–26, the department conducted the following advertising campaigns:

> National Fuel Security
> National Road Safety
> Social Media Minimum Age.

Further information on the advertising campaigns is available at www.infrastructure.gov.au/about-us/corporate-reporting/campaign-certification, and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website, available at: www.finance.gov.au/government/advertising

Tables F.1 to F.3 list advertising and market research payments of more than $17,300 (GST inclusive) made during 2025–26, as required by section 311A of the *Commonwealth Electoral Act 1918*.

Table F.1: Advertising agencies

Organisation name	Purpose	Amount of payment (GST inc.)
BMF	Creative production	$62,108.73
TBWA Melbourne	Creative production	$2,952,727.13
33Creative[a]	Creative production	$246,073.75
Total advertising entities		**$3,260,909.61**

Note:
a The total invoiced amount for 33 Creative was $730,007.01 (GST inc), however only $246,073.75 (GST inc) was applicable to creative production costs.

Table F.2: Market research organisations

Organisation name	Purpose	Amount of payment (GST inc.)
Hall & Partners	Market research	$398,357.03
ORIMA	Market research	$680,307.96
Total advertising entities		**$1,078,664.99**

Table F.3: Media advertising organisations

Organisation name	Purpose	Amount of payment (GST inc.)
Mediabrands Australia Pty Ltd	Public notices (various) and non-campaign advertising	$86,652.75
Universal McCann	Campaign media buying and placement services	$26,490,943.19
Total media advertising		**$26,577,595.94**

Appendix G: Report under the Commonwealth Child Safe Framework

2026 Child Safety Statement of Compliance

The Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts (the department) is committed to ensuring the safety and wellbeing of children and young people and to maintaining child-safe environments, practices and behaviours.

The department supports a culture of responsible care for children who have contact with or are affected by the work of the department. Our Child Safety Policy[34] applies to all department staff, volunteers, contractors and funded third parties.

This Statement of Compliance outlines the department's child safety risk profile and highlights work we've done to strengthen child safety in the past 12 months. This includes compliance with the four core requirements of the Commonwealth Child Safe Framework[35] (the Framework).

Our interaction with children

As an organisation that values connection and enriching Australian communities, the department recognises the importance of working with children and young people in a variety of settings. The department's work can bring staff and contractors into contact with children both directly and indirectly across a range of services and engagements including in person, online, or via correspondence. This work can include:

- health, education and administrative services provided to children within the external Australian territories of Jervis Bay, Norfolk Island, and the Cocos (Keeling) and Christmas Islands
- child related interactions and/or child related data including for sporting activities, youth engagement, community events and provision of services/grants including: 'Play our Way', the Water and Snow Safety program, MiniRoos Multicultural Settlement and Youth Programs, Cocos Keeling Island Community Support and Resilience Pilot Program, Arts and Media events (including ABC Trailblazers, Heywire, Digital Literacy Education, Garma Festival, National Youth Forum, Policy Hackathon, the eSafety Youth Council, and Maritime Cadets)
- the Entry Level Employment Program and associated apprenticeship programs.
- the provision of third-party agreements and grants that provide services for or interact with children
- a Child Safety Officer and support team, responsible for the oversight of child safety issues, who may occasionally come into contact with children through the department's public feedback and complaints portal.

34 Available at https://www.infrastructure.gov.au/department/media/publications/child-safety-policy

35 Available at https://www.childsafety.gov.au/resources/commonwealth-child-safe-framework-policy-document

Compliance with the Commonwealth Child Safe Framework

Requirement 1: Risk assessment and mitigation

The department has undertaken a risk assessment of child-related activities to evaluate, control and treat risks associated with working with children.

Ongoing reviews and management of the child safety risk assessment are conducted to identify positions that involve working with children, positions that require working with children checks, and third-party agreements that provide services to children and young people. An emphasis on good governance is at the centre of controlling these risks. The department has specific grant and procurement guidelines to ensure agreements meet the standards set by the Framework.

Based on the findings of the risk assessment and the department's mitigation strategies, the overarching risk rating for child safety in 2026 is medium.

Requirement 2: Training and compliance

The department provides a system of training and compliance commensurate with its activities and risk profile. This includes:

> child safety training at induction for staff working in roles identified as having contact with children

> training developed by the National Office for Child Safety (NOCS) on the Framework to ensure staff are aware of their obligations

> individual compliance processes for business areas that engage in child-related work, with all staff in these roles subject to ongoing screening

> undertaking an annual stocktake of child-related positions and third-party agreements to provide further assurance of ongoing compliance with the Framework

> the department's eLearning module *Child safety — it's everyone's business.*

Requirement 3: National Principles for Child Safe Organisations

The department has continued its work to embed the National Principles for Child Safe Organisations through:

> engagements with senior staff to highlight their roles and obligations towards child safety

> improving the accessibility of training resources via rollout of static versions of the training modules for remote staff.

> additional support for areas of high risk due to staff turnover, cultural barriers, and challenges accessing information through standard departmental communication channels

> streamlining existing pathways for making complaints and reporting allegations of serious offences

> ongoing reviews and maintenance of key resource documents to support staff embed child safety principles into their work

> a dedicated SES Child Safety Officer who drives a positive child safety culture and oversees child safety processes and complaints management

- a Child Safety Policy that details our commitment to child safety through staff responsibilities, legislative obligations, risk management, equity and diversity, recruitment and performance, complaints handling, and training to provide clear information to staff on how the department ensures child safety
- providing an anonymous complaints and feedback portal on the department's website, to facilitate reporting of complaints and concerns
- child safe resources, available on the department's intranet and distributed to business areas that engage in child-related work.

Requirement 4: Annual child safety statement

The department published this Statement of Compliance in its Annual Report by 31 October 2026 in accordance with the Framework.

Child safety initiatives undertaken in 2025-26

The department recognises that continuous improvement is essential to building and maintaining a child safe culture. Over the past 12 months, the department has:

- implemented targeted training to SES and staff in child – related positions
- developed a static version of the Child Safety – it's everyone's business training for access by remote staff
- engaged with staff across all areas of the department including recruitment, contract management and third party providers to explore their child safety exposure points, and to assist with the implementation of the child safety principles
- engaged with staff to highlight the inclusion of child safety clauses and associated requirements within grants and contracted services
- promoted National Child Protection Week in our staff communique and calendar.

The measures outlined in this statement will support the department to achieve high child safety standards and a positive child safe culture to strengthen compliance with the Framework.

Appendix H: Reports under aviation legislation

Environment authorisations

Sub-regulation 5.15(2) of the Airports (Environment Protection) Regulations 1997 requires the department to report notification of authorisations granted under Part 5 of those Regulations.

The department can authorise an operator at an airport to undertake action that may result in environmental pollution, emission or discharge limits being exceeded, where the emissions or discharges would be no more damaging to the environment than would be the case if the limits were met or if the applicant believes that the limits can only be achieved by incremental improvements over a greater period of time.

No authorisations were issued over the reporting period.

Reports under aviation legislation

Section 29(1) of the *Air Navigation Act 1920*[36] (the Act) requires the department to report annually on the administration and operation of the Act and its regulations. This includes other civil aviation matters the Secretary considers should be included in the report. Section 29 of the Air Navigation Regulations 2026[37] (the Regulations) requires the department to report annually on the automation of administrative action under the Regulations.

The department continued to regulate scheduled international air services in accordance with the Act and associated regulations granting approvals for 506 international airline timetables, 594 timetable variations, 527 non-scheduled flights and 6 new international airline licences.

The new Regulations which commenced on 1 April 2026, made minor updates to improve regulatory clarity, efficiency and consistency. These changes expanded and streamlined the circumstances in which international airlines do not need to apply for a timetable variation, including for temporary service cancellations, changes to departure and arrival times, and additional services on routes without capacity limits under the relevant bilateral air services arrangements.

In February 2026, international scheduled passenger traffic reached 3.657 million passengers, the highest ever passenger traffic recorded for the month of February. Passenger traffic for the year ended February 2026 reached more than 45.4 million, an increase of 8% on figures for the year ending February 2025 (42.060 million).

The subsequent Middle East conflict from March 2026 and increased fuel costs affected some international aviation operations to Australia. International airlines implemented measures including increasing fares, reducing flight schedules and routing flights to avoid affected airspace and manage sustained higher aviation fuel and operating costs.

The department does not currently operate an automated timetable decision making system under the Regulations. The department therefore did not undertake any substituted actions.

36 Available at www.legislation.gov.au/C1920A00050/latest/text

37 Available at www.legislation.gov.au/F2026L00223/latest/text

Aircraft Noise levy collection

Section 20 of the *Aircraft Noise Levy Collection Act 1995*[38] requires our annual report to include information on adherence to that Act and to the *Aircraft Noise Levy Act 1995*.[39]

In 2025–26, no reportable actions or breaches were made under either of these Acts.

Aircraft Noise approvals

Remotely piloted aircraft are regulated under a noise framework, established by the Air Navigation (Aircraft Noise) Regulations 2018. Drone operators seeking to undertake air navigation activities are required to apply for a drone noise approval to minimise noise impacts on communities and the environment. All drone delivery services are subject to a detailed assessment prior to being granted an approval to operate.

The department received 265 noise applications in the 2025–26 financial year. Of these, 87 were exempt from requiring a noise approval, 167 were approved through a guided self-assessment process, and 11 required full assessment. Of the applications requiring full assessment, 9 were withdrawn because they did not meet the relevant requirements for full assessment, one was approved and one remains under assessment pending further information. To date, no noise applications have been rejected, however some approvals have included conditions to ensure noise impacts are managed effectively.

38 Available at www.legislation.gov.au/C2004A04948/latest/text

39 Available at www.legislation.gov.au/C2004A04947/latest/text

Appendix I: Report under the *National Land Transport Act 2014*

Report under the National Land Transport Act 2014

The *National Land Transport Act 2014*[40] (NLT Act) governs the provision of Commonwealth funding for Infrastructure Investment Program (IIP) projects. In accordance with reporting obligations under the NLT Act, for the 2025–26 financial year, information on the operation of the IIP can be found in Part 2: Annual Performance Statements of this Annual Report.

40 Available at www.legislation.gov.au/C2005A00093/latest/text

Appendix J: Reports under Public Broadcasters Legislation

Australian Broadcasting Corporation (ABC) Board

This report is made under section 24Y of the *Australian Broadcasting Corporation Act 1983* (the ABC Act).[41]

Under subsection 12(1) of the ABC Act, the ABC Board consists of a Chairperson, Managing Director, a staff-elected Director and not fewer than 4 nor more than 6 other Directors.

Section 24Y of the ABC Act requires our annual report to include a statement in relation to each selection process for the appointment of a Chairperson or a Director that was completed during the year.

In 2025–26, Dr Lisa Caffery was appointed as a non-executive Director and Deputy Chair for a 5-year term, concluding on 13 May 2031. In 2025–26 Mr Damien Miller was appointed as a non-executive Director for a 5-year term, concluding on 13 May 2031. These appointment processes complied with requirements under the ABC Act.

Special Broadcasting Service (SBS) Board

This report is made under section 43C of the *Special Broadcasting Service Act 1991* (the SBS Act).[42]

Under section 8 of the SBS Act, the SBS Board consists of a Chairperson, Managing Director, and not fewer than 3 nor more than 7 other non-executive Directors.

Section 43C of the SBS Act requires our annual report to include a statement in relation to each selection process for the appointment of a non-executive Director that was completed during the year.

In 2025–26, Dr Nicholas Pappas AM was appointed as Chairperson for a 5-year term, concluding on 4 March 2031. This appointment process complied with requirements under the SBS Act.

41 Available at: www.legislation.gov.au/Series/C2004A02723

42 Available at: www.legislation.gov.au/Series/C2004A04255

Appendix K: Report under the *Telecommunications (Consumer Protection and Service Standards) Act 1999*

Section 20 of the *Telecommunications (Consumer Protection and Service Standards) Act 1999* (TCPSS Act) requires the Secretary to report annually on significant matters relating to the performance of contractors and grant recipients under section 14 of the TCPSS Act.

Telstra Universal Service Obligation Performance Agreement (TUSOPA)

Under the TUSOPA, Telstra is required to provide reasonable access to the standard telephone service and payphones and to provide the Emergency Call Service in accordance with applicable regulatory requirements and maintain its copper network to support voice services outside the National Broadband Network (NBN) fixed line footprint. In 2025-26 Telstra met all TUSOPA contractual requirements, no breaches were notified and no remedial action was required.

Technical trials and analysis of alternative voice services: Scyne

Scyne Advisory Pty Ltd (Scyne) conducted trials and provided analysis to inform whether Low Earth Orbit Satellites (LEOSats) are capable of supporting good quality voice services in rural and remote areas of Australia. The contract received $2.4 million in public interest telecommunications funding through the Telecommunications Industry Levy (TIL), supplemented by funding from the Better Connectivity Plan for Regional and Rural Australia. The trials began in 2024–25 and concluded in 2025–26. Scyne was assessed as meeting all key deliverables of the contract, no breaches were notified and no remedial action was required.

Mobile Phone and Network Testing and Research

The Australian Government procured the services of the University of Technology Sydney's (UTS) National Telecom Research Centre (NTRC) to provide a controlled test facility to undertake testing in collaboration with mobile network operators and a research program delivering outcomes to support and broaden this testing. In 2025–26 a standalone network test bed has been added to the research program to enable testing of specific call failure scenarios and support public safety through subsequent improvements to emergency calling. This work is undertaken in response to recommendations made in the Review into the November 2023 Optus Outage, as well as to better understand recent national and international disruptions to emergency calling.

National Relay Service contract

The National Relay Service (NRS) provides a number of call services for people who are Deaf, hard of hearing or who have a speech communication difficulty. The NRS is delivered, under contract, by Concentrix. The NRS provider met the vast majority of monthly service targets during 2025–26. It missed 2 monthly call answer time targets early in the financial year and one monthly helpdesk complaint resolution target. All other monthly targets were met. Further information about the NRS is available on the Access Hub website.[43]
The government announced in the 2026–27 budget that it is providing $15 million over three years to expand the Auslan video relay component of the NRS to operate 24 hours per day, 7 days per week.

43 Available at: www.accesshub.gov.au/about-the-nrs

Appendix L: Report on the operation of the National Sports Tribunal for 2025–26

As required under section 63(2) of the *National Sports Tribunal Act 2019* (the Act), the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts Annual Report must include information on the operation of the National Sports Tribunal (NST) during the reporting period.

Introduction

The NST is an important element of the Australian Government's sport integrity strategy as an independent forum for resolving sporting disputes in Australia through arbitration, mediation, conciliation and case appraisal.

About the NST

Vision, mission and values

The NST's vision is to be accessible and the forum of choice for sports dispute resolution in Australia and represent best practice.

The NST's mission is to provide an effective, efficient, independent, transparent, and specialist tribunal for the fair hearing and resolution of sporting disputes.

The NST's values: at the NST we are Collaborative, Accountable, Respectful and we strive for Excellence.

Established by statute

The powers and functions of the NST are set out in the Act, with operations supported by a framework of legislative instruments. These include the National Sports Tribunal Rule 2020 (as amended by the National Sports Tribunal Amendment Rule 2021 and the National Sports Tribunal Amendment Rule 2022), the National Sports Tribunal Practice and Procedure Determination 2024, the *National Sports Tribunal Act 2019* – Specification of Sporting Body Instrument 2021, and the *National Sports Tribunal Act 2019* – Principles for Allocating a Member to a Dispute Instrument.

Structure and function

The NST has 3 divisions:

> Anti-Doping Division – deals with breaches of the anti-doping rules of a sport.

> General Division – deals with other disputes under the rules of a sport (including, for example, disputes that might arise under a sport's Member Protection Policy or Selection Policy).

> Appeals Division – deals with appeals from the Anti-Doping or General Divisions, as well as appeals from decisions made by 'in-house' sport tribunals.

The types of matters heard by the NST include disputes related to disciplinary issues, governance (for example board code of conduct), bullying and harassment, discrimination, athlete safeguarding, reviews of eligibility and selection decisions, and anti-doping rule violations. A party can engage the jurisdiction of the NST via the policy or policies of the relevant sporting body, or if all parties agree to have the dispute heard by the NST.

Powers

The NST is vested with powers that can be exercised to gather evidence and information to ensure the tribunal is properly informed.

In arbitration, NST Members can order a witness to appear before them to give evidence, and/or to produce documents, objects or other evidence. They also have the broad power to inform themselves about relevant matters independently of the submissions made by parties.

Equipping the NST with powers to compel evidence from third parties provides for superior dispute resolution capability. This is particularly important in cases that are reliant on intelligence-based evidence. Penalties are important in deterring third parties, who may be reluctant to provide information or produce documents or things, from failing to comply with a notice issued by the NST.

NST Members

NST Members are part-time statutory office holders, appointed under the Act by the Minister for Sport. As at 30 June 2026, there were 69 Members. The Members bring a diverse range of skills and experience to the tribunal. NST Members include legal professionals working in sport or administrative law, sports medicine specialists and sports administrators. Some Members are also former athletes.

Members are allocated to hear individual cases by the CEO of the NST. Matters are heard by a sole Member, or by a panel chaired by a nominated Member.

Table L.1: National Sports Tribunal Members (as at 30 June 2026)

Prof Jack Anderson	Ms Emily Graham	Mr Michael Mitchell
Ms Joanna Andrew	Dr Kenneth Graham	Mr Anthony Nolan KC
Prof Lise Barry	Mr Craig Green	Ms Rebecca Ogge
Mr Gabe Bednarek	Dr Annette Greenhow	Mr Matthew O'Grady
Ms Elizabeth Bennett	Ms Fiona Halloran	Dr Catherine Ordway
Ms Venetia Bennett	Prof David Handelsman AO	Mr Anthony O'Reilly
Ms Brooke Bowman	Prof Deborah Healey	Mr Nicholas Pane KC
Mr Nathan Boyd	Mr Robert Heath KC	Ms Rossana Panetta
Dr Carolyn Broderick	Dr Jessica Henderson	Mr Sal Perna AM
Ms Eugenie Buckley	Ms Danielle Hikri	Mr Simon Philips
Ms Fiona Cameron	Ms Elisa Holmes SC	Mr Richard Redman
Mr Adam Casselden SC	Mr Nicolas Humzy-Hancock	Ms Chris Ronalds AO SC
Professor Andrew Christie	Ms Danielle Huntersmith	Mr Martin Ross
Mr Bruce Collins KC	Dr Dominic Katter	Ms Michelle Royal-Hebblewhite
Mr Paul Czarnota	Mr Marcus Katter	Ms Naomi Schmitz
Ms Lisabella De Ferrari SC	Dr Caroline Kenny KC	Ms Jane Seawright
Mrs Fiona de Jong	Mr Peter Kerr AM	Dr June Smith
Ms Danielle De Paoli	Ms Jessica Lambert	Mr Mark Stevens
Dr Maria Dudycz	Mr Greg Laughton SC	The Hon Steven Strickland KC
Mr Scott Ellis	Ms Judith Levine	Dr Larissa Trease
Mr Christopher Emzin	Mr Anthony Lo Surdo SC	Ms Ann West
Mr Jon Erbacher	Ms Carolyn Manning	Mrs Annabelle Williams OAM
Mr David Grace AM KC	Mrs Claire McLean PLY	Ms Danielle Woods

Table L.2: National Sports Tribunal Members – Gender Balance

As at 30 June 2026	Male	Female
Number of Members	32	37

Chief Executive Officer (CEO) and NST staff

Dr Michelle Gallen commenced as CEO of the NST in September 2023. Dr Gallen holds a PhD in international sports law and has been a leader in both government and sport, including as a senior executive within government and as President of Swimming Australia.

Dr Gallen has held roles within the Australian Sports Commission, Melbourne and Olympic Parks Trust and the Australian Sports Anti-Doping Authority. Dr Gallen has also been a member of the Australian Anti-Doping Rule Violation Committee, the World Aquatics Masters Technical Committee, Chair of Selectors and Director of Triathlon Australia, and Chair of the ACT Minister's Sport and Recreation Advisory Council.

The NST's Deputy CEO, Mr Glenn Turnor was appointed in June 2025 having been with the NST since April 2024, originally commencing as the Principal Case Manager. Mr Turnor is an experienced sports administrator and General Counsel, serving in executive roles across sport for over 20 years.

The NST Registry team provides case management and administrative support for matters brought to the NST for resolution. NST staff also manage a broad range of projects, including communication and engagement activities to support the operation of the NST.

Highlights – 2025–26 in review

2026 Glasgow Commonwealth Games non-nomination appeals

To ensure a fair and efficient approach to nominations and selections for the Australian Team for the 2026 Commonwealth Games in Glasgow, Commonwealth Games Australia (CGA) established a non-nomination and non-selection appeals mechanism. The framework established the NST as the body to hear any non-nomination appeals from National Sporting Organisations (NSO) and National Sporting Organisations for People with Disability (NSOD).

The NST received 7 non-nomination appeals of which 5 proceeded to a hearing.

Stakeholder Engagement

The NST continued to engage with international sporting tribunals and integrity bodies during 2025–26. A key area of focus has been the proposed amendments to the World Anti-Doping Code and International Standards, due to commence in 2027. The NST worked closely with domestic and international stakeholders to understand the implications of these reforms and support future implementation activities.

The NST participated in a range of international forums, including the Australian and New Zealand Sport Law Symposium in Christchurch, the Sport Resolutions Annual Conference in London, the World Anti-Doping Agency (WADA) Conference in Busan, South Korea, the WADA Asia and Oceania Regional Symposium in Beijing, and engagement with the Court of Arbitration for Sport (CAS) in Lausanne.

The NST continued to collaborate and engage with government agencies, sporting bodies, state and territory partners and the broader sports law community to support integrity, governance and dispute resolution across Australian sport. Engagement activities contributed to ongoing integrity reforms, policy development and preparations for future changes to the anti-doping framework.

During the year, the NST presented at and participated in national and state-based forums, including the Australian and New Zealand Sports Lawyers Association Conference and Sport Integrity Australia's National CEO Conference and National Integrity Manager Forum.

Sport Portfolio Collaboration

The NST worked closely with Sport Integrity Australia (SIA) and the Australian Sports Commission (ASC) to support the ongoing review and enhancement of the National Integrity Framework (NIF). The NST provided subject matter expertise to broader discussions on the operation of the NIF, including opportunities to strengthen policy settings and ensure dispute resolution pathways remain accessible, efficient and fit for purpose.

During 2025–26, the NST also contributed to the Code of Conduct working group, alongside SIA and the ASC. The group reviewed and enhanced the current policy which will now see increased responsibilities for senior leaders in sport and a clear process for dealing with a breach or dispute.

Policy Enhancement Program

The Policy Enhancement Program was established in 2025–26, building on the NST's previous Policy Adoption Programs delivered in 2022–23 and 2023–24. The program provides eligible NSO/NSODs with access to independent legal, governance and sport policy expertise to support the review and enhancement of sport policies aligned to the NIF. It is intended to strengthen governance and integrity across the sport sector by helping sports tailor policies to their operating environment and embed clear pathways for referral to the NST.

The program was launched in March 2026 and will continue through to March 2029.

Case Statistics

Table L.3: Number of finalised and active cases

Cases	National	State/ Territory	Club	Total
Number of cases finalised in 2025–26	31	9	7	47
Number of active cases as at 30 June 2026	6	2	5	13

Table L.4: Cases finalised in 2025–26 – Division and type of matter

Division	Type of matter	Cases finalised in 2025–26
General	Selection and/or Eligibility	16
General	Member Protection	11
General	Governance	7
General	Code of Conduct	5
General	Safeguarding	2
Appeal	Code of Conduct	1
General	Competition Manipulation and Gambling	1
General	Personal Grievance	1
Appeal	Safeguarding	1
General	Social Media	1
Anti-Doping	Anti-Doping Rule Violation	1

Figure L.1: Cases finalised in 2025–26

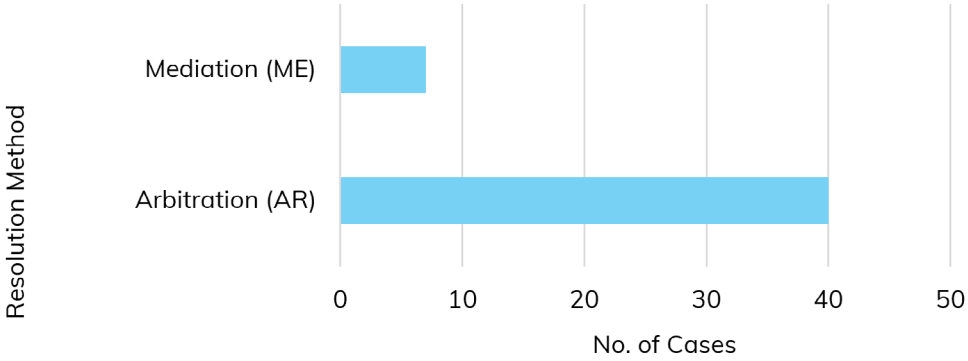
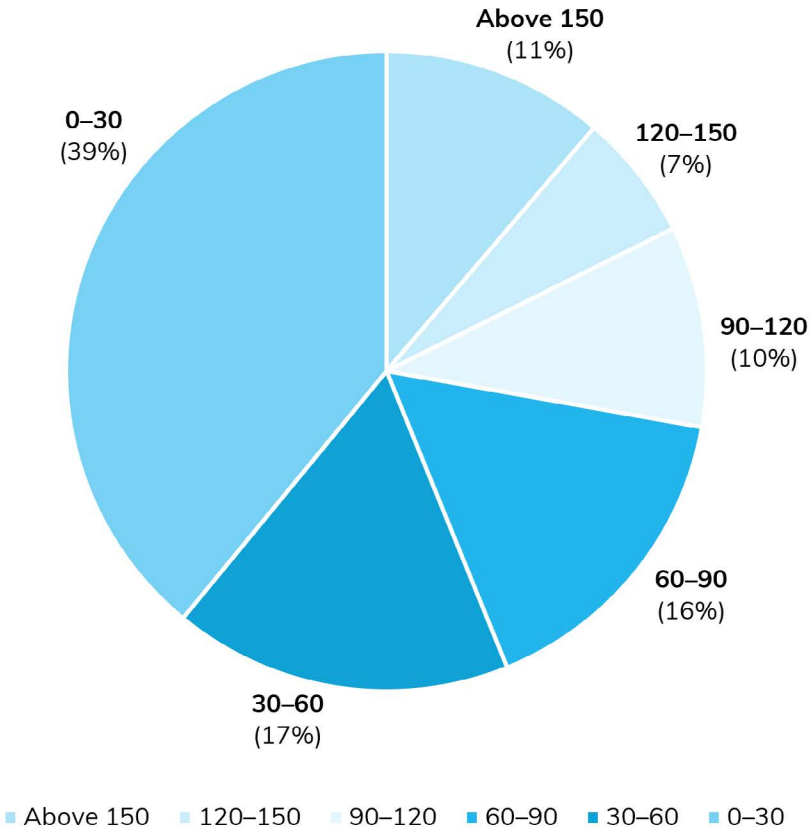


Table L.5: Cases finalised by the National Sports Tribunal to 30 June 2026

Case duration	Case length (days)
Mean	70
Median	48

Figure L.2: Duration of cases finalised by the National Sports Tribunal to 30 June 2026



Appendix M: Report under the *Protection of Movable Cultural Heritage Act 1986*

This report is made under section 47 of the *Protection of Movable Cultural Heritage Act 1986* (the Act).

Regulatory activities under the Act are undertaken in response to applications received for export permits or certificates of exemption. Regulatory activities may also be undertaken with respect to objects that have been illegally exported from Australia or imported into Australia after being illegally exported from another country.

Table M.1: Actions taken under the *Protection of Movable Cultural Heritage Act 1986*

Category	Action	2024–25	2025–26
Permanent export permits	Issued	36	48
Permanent export permits	Refused	0	1
Permanent export permits	Varied	0	0
Temporary export permits	Issued	17	1
Temporary export permits	Refused	0	0
Temporary export permits	Varied	1	1
Temporary export permits	Variation refused	0	0
Certificate of exemption	Issued	3	4
Certificate of exemption	Refused	0	0
Certificate of exemption	Varied	0	0
National Cultural Heritage Account	Applications approved	4	6[44]
Unlawful import	Objects seized	9	1
Unlawful import	Objects returned to foreign countries	1	29

The number of export permits, export permit variations and letters of clearance issued are listed below in the categories under which they fall, as defined in the *National Cultural Heritage Control List*, Schedule 1 to the Protection of Movable Cultural Heritage Regulations 2018.

48 permanent export permits were issued:

> 2 objects of applied science or technology

> 46 objects of fine or decorative art.

1 temporary export permit was issued:

> 1 object of fine or decorative art.

44 Includes 2 applications which did not result in funding due to external circumstances.

1 temporary export permit was varied:

> 1 object of fine or decorative art.

4 certificates of exemption were issued:

> 3 objects of fine or decorative art
> 1 object of documentary heritage.

31 non-statutory letters of clearance were issued:

> 2 archaeological objects
> 22 objects of applied science or technology
> 5 objects of fine or decorative art
> 2 numismatic objects.

Applications for funding approved under the National Cultural Heritage Account in 2025–26:

> Jervis Bay Maritime Museum – Mary Carpenter, Queen of Jervis Bay Breastplate, c. 1880–1910
> Canberra Museum and Gallery – William Nicholls Anderson, The Federal Capital Site, Canberra, 1913
> Wollondilly Heritage Centre and Museum – Aboriginal Breastplate – Murrooin Carradgie – Vanderville estate
> Westbury Preservation Association – 2 Fowler type Z7 steam traction engines.

Objects returned to foreign countries in 2025–26:

> 2 objects to Ukraine: temporal pendant from the Yamnaya culture, and iron arrowhead (August 2025)
> 17 objects to Egypt: sarcophagus panel, amulet of Ptah, Predynastic Naqada II terracotta acorn jar, Predynastic breccia jar with lugged handles, Predynastic Naqada greenstone jar, New Kingdom alabaster jar with incised lotuses, Ptolemaic faience bowl, Ptolemaic faience vase with linear motifs, Predynastic Naqada III breccia jar, miniature Ptolemaic painted stone sarcophagus, Isis wood figurine, hematite amulet headrest, wooden Uraeus, axe head, beaded mummy mask, mummy case, and cartonnage ensemble (November 2025)
> 4 objects to Mexico: pair of Olmec ear-shaped greenstone plaques, painted ceramic bowl from the Zacatecas region, and Aztec ceramic whistle (March 2026)
> 5 objects to Peru: 2 painted ceramic tablets and a painted stone plaque from the Chuquibamba culture, silver cup in the Lambayeque or Sicán style, and Nazca pottery stirrup vessel (May 2026)
> 1 object to Italy: Apulian vase known as a bell krater (June 2026).

Further information on returns of foreign cultural property is available on the department's website.[45]

45 Available at: www.arts.gov.au/what-we-do/cultural-heritage/movable-cultural-heritage/importing-cultural-heritage-objects-australia/returns-foreign-cultural-property





Navigation Aids

List of requirements 282

Glossary 292

Acronyms and abbreviations 294

List of requirements

The table below outlines compliance with requirements under section 17AJ(d) of the Public Governance, Performance and Accountability Rule 2014.

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
17AD(g)		Letter of transmittal		
17AI	Letter of transmittal	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory	4
17AD(h)		Aids to access		
17AJ(a)	Table of contents	Table of contents (print only).	Mandatory	5
17AJ(b)	Navigation aids	Alphabetical index (print only).	Mandatory	295
17AJ(c)	Navigation aids	Glossary of abbreviations and acronyms.	Mandatory	292–294
17AJ(d)	Navigation aids	List of requirements.	Mandatory	282–291
17AJ(e)	Navigation aids	Details of contact officer.	Mandatory	303
17AJ(f)	Navigation aids	Entity's website address.	Mandatory	303
17AJ(g)	Navigation aids	Electronic address of report.	Mandatory	303
17AD(a)		Review by accountable authority		
17AD(a)	Secretary's review	A review by the accountable authority of the entity.	Mandatory	6–13
17AD(b)		Overview of the entity		
17AE(1)(a)(i)	Preliminary pages	A description of the role and functions of the entity.	Mandatory	2–3
17AE(1)(a)(ii)	Part 1.2: Department overview	A description of the organisational structure of the entity.	Mandatory	28–29
17AE(1)(a)(iii)	Part 1.3: Department-specific outcomes	A description of the outcomes and programmes administered by the entity.	Mandatory	30–33
17AE(1)(a)(iv)	Part 1.3: Department-specific outcomes	A description of the purposes of the entity as included in corporate plan.	Mandatory	2, 30
17AE(1)(aa)(i)	Part 1.2: Department overview	Name of the accountable authority or each member of the accountable authority	Mandatory	27
17AE(1)(aa)(ii)	Part 1.2: Department overview	Position title of the accountable authority or each member of the accountable authority	Mandatory	27

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
17AE(1)(aa)(iii)	Part 1.2: Department overview	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory	27
17AE(1)(b)	Part 1.1: Portfolio overview	An outline of the structure of the portfolio of the entity.	Portfolio departments mandatory	22–26
17AE(2)	Part 1.3: Department-specific outcomes	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory	33
17AD(c)		Report on the Performance of the entity		
		Annual performance statements		
17AD(c)(i); 16F	Part 2: Annual Performance Statements	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory	35–124
17AD(c)(ii)		Report on Financial Performance		
17AF(1)(a)	Preliminary pages	A discussion and analysis of the entity's financial performance.	Mandatory	18–20
17AF(1)(b)	Appendix A: Resource statements and expenses by outcome	A table summarising the total resources and total payments of the entity.	Mandatory	232–233
17AF(2)	Not applicable	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.	Not applicable

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
17AD(d)		Management and Accountability		
		Corporate Governance		
17AG(2)(a)	Part 3.1: Corporate governance	Information on compliance with section 10 (fraud and corruption systems)	Mandatory	134
17AG(2)(b)(i)	Part 3.1: Corporate governance	A certification by accountable authority that fraud and corruption risk assessments have been conducted and fraud and corruption control plans have been prepared.	Mandatory	134
17AG(2)(b)(ii)	Part 3.1: Corporate governance	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud and corruption that meet the specific needs of the entity are in place.	Mandatory	134
17AG(2)(b)(iii)	Part 3.1: Corporate governance	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud and corruption relating to the entity.	Mandatory	134
17AG(2)(c)	Part 3.1: Corporate governance	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory	126–128
17AG(2)(d) – (e)	Not applicable	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to non compliance with Finance law and action taken to remedy non compliance.	If applicable, Mandatory	Not applicable
		Audit Committee		
17AG(2A)(a)	Part 3.1: Corporate governance	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory	129
17AG(2A)(b)	Part 3.1: Corporate governance	The name of each member of the entity's audit committee.	Mandatory	129–130
17AG(2A)(c)	Part 3.1: Corporate governance	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory	129–130

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
17AG(2A)(d)	Part 3.1: Corporate governance	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory	129–130
17AG(2A)(e)	Part 3.1: Corporate governance	The remuneration of each member of the entity's audit committee.	Mandatory	129–130
		External Scrutiny		
17AG(3)	Part 3.4: External scrutiny	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory	145–147
17AG(3)(a)	Part 3.4: External scrutiny	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory	Not applicable
17AG(3)(b)	Part 3.4: External scrutiny	Information on any reports on operations of the entity by the Auditor General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory	146
17AG(3)(c)	Part 3.4: External scrutiny	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory	147
		Management of Human Resources		
17AG(4)(a)	Part 3.2: People management	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory	135–138
17AG(4)(aa)	Appendix D: Workforce statistics	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full time employees (b) statistics on part time employees (c) statistics on gender (d) statistics on staff location.	Mandatory	246–247

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
17AG(4)(b)	Appendix D: Workforce statistics	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: > Statistics on staffing classification level > Statistics on full time employees > Statistics on part time employees > Statistics on gender > Statistics on staff location > Statistics on employees who identify as Indigenous.	Mandatory	248–251
17AG(4)(c)	Part 3.2: People management & Appendix D: Workforce statistics	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the *Public Service Act 1999*.	Mandatory	138–139, 251
17AG(4)(c)(i)	Appendix D: Workforce statistics	Information on the number of SES and non SES employees covered by agreements etc identified in paragraph 17AG(4)(c).	Mandatory	251
17AG(4)(c)(ii)	Appendix D: Workforce statistics	The salary ranges available for APS employees by classification level.	Mandatory	251
17AG(4)(c)(iii)	Part 3.2: People management & Appendix D: Workforce statistics	A description of non-salary benefits provided to employees.	Mandatory	138, 257–258
17AG(4)(d)(i)	Not applicable	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory	Not applicable
17AG(4)(d)(ii)	Not applicable	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory	Not applicable
17AG(4)(d)(iii)	Not applicable	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory	Not applicable
17AG(4)(d)(iv)	Not applicable	Information on aggregate amount of performance payments.	If applicable, Mandatory	Not applicable

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
		Assets Management		
17AG(5)	Part 3.3: Financial management	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory	140
		Purchasing		
17AG(6)	Part 3.3: Financial management	An assessment of entity performance against the Commonwealth Procurement Rules.	Mandatory	141
		Reportable consultancy contracts		
17AG(7)(a)	Part 3.3: Financial management	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	141–142
17AG(7)(b)	Part 3.3: Financial management	A statement that "During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of $[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of $[specified million]."	Mandatory	141
17AG(7)(c)	Part 3.3: Financial management	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory	141
17AG(7)(d)	Part 3.3: Financial management	A statement that "Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website."	Mandatory	141

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
		Reportable non-consultancy contracts		
17AG(7A)(a)	Part 3.3: Financial management	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory	142–143
17AG(7A)(b)	Part 3.3: Financial management	A statement that "Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website."	Mandatory	142
17AD(daa)		Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	Part 3.3: Financial management	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory	141–143
		Australian National Audit Office Access Clauses		
17AG(8)	Part 3.3: Financial management	If an entity entered into a contract with a value of more than $100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory	Not applicable

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
		Exempt contracts		
17AG(9)	Part 3.3: Financial management	If an entity entered into a contract or there is a standing offer with a value greater than $10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory	144
		Small business		
17AG(10)(a)	Part 3.3: Financial management	A statement that "[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."	Mandatory	143
17AG(10)(b)	Part 3.3: Financial management	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory	143
17AG(10)(c)	Part 3.3: Financial management	If the entity is considered by the Department administered by the Finance Minister as material in nature – a statement that "[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."	If applicable, Mandatory	143–144
		Financial Statements		
17AD(e)	Part 4: Financial Statements	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory	149–230
		Executive Remuneration		
17AD(da)	Part 3.2: People management & Appendix D: Workforce statistics	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2 3 of the Rule.	Mandatory	139, 253–256

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
17AD(f)		Other Mandatory Information		
17AH(1)(a)(i)	Appendix F: Advertising and market research	If the entity conducted advertising campaigns, a statement that "During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website."	If applicable, Mandatory	263
17AH(1)(a)(ii)	Appendix F: Advertising and market research	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory	Not applicable
17AH(1)(b)	Part 3.3: Financial management	A statement that "Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity's website]."	If applicable, Mandatory	144
17AH(1)(c)	Part 3.2: People management	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory	137
17AH(1)(d)	Part 3.4: External scrutiny	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory	146
17AH(1)(e)	Not applicable	Correction of material errors in previous annual report	If applicable, mandatory	Not applicable
17AH(2)	Appendices	Information required by other legislation		
	Appendix B: Climate Disclosure Statement	Ecologically sustainable developmental and environmental performance (section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*)	Mandatory	241
	Appendix C: Gender Equality Report	Gender Equality Reporting	Mandatory	242–244
	Appendix E: Work Health and Safety	Report under the *Work Health and Safety Act 2011*	Mandatory	259–262
	Appendix G: Report under the Commonwealth Child Safe Framework	Report under the Commonwealth Child Safe Framework	Mandatory	264–266

PGPA Rule Reference	Part of Report	Description	Requirement	Page No.
	Appendix H: Reports under aviation legislation	Reports under aviation legislation	Mandatory	267–268
	Appendix I: Report under the *National Land Transport Act 2014*	Report under the *National Land Transport Act 2014*	Mandatory	269
	Appendix J: Reports under public broadcasters legislation	Reports under public broadcasters legislation	Mandatory	270
	Appendix K: Report under the *Telecommunications (Consumer Protection and Service Standards) Act 1999*	Report under the *Telecommunications (Consumer Protection and Service Standards) Act 1999*	Mandatory	271–272
	Appendix L: Report on the Operation of the National Sports Tribunal for 2025–26	Report on the Operation of the National Sports Tribunal for 2025–26	Mandatory	273–278
	Appendix M: Report under section 47 of the *Protection of Movable Cultural Heritage Act 1986*	*Report under section 47 of the Protection of Movable Cultural Heritage Act 1986*	Mandatory	279–280

Glossary

Administered item	A component of an administered program.
Asset Completion Report (ACR)	An ACR is submitted by regional connectivity program, mobile black spot program and peri-urban mobile program funding recipients following completion of each contracted work.
Australian Transport Safety Bureau	An independent Commonwealth Government statutory agency that categorises and codes aviation safety data and provides the National Aviation Occurrence Database.
Division	An organisational unit within the department managed by a First Assistant Secretary that reports to the Executive.
Federation Funding Agreement	Outlines the objectives, principles and institutional arrangements governing financial relations between the Commonwealth and the state and territory governments.
Federation Funding Agreement Schedule	Schedule outlines specific funding by program and other agreement types.
Financial results	The results shown in the financial statements of an entity.
Free-to-air	The broadcast services available without a subscription or fee.
Freight	Goods transported by truck, train, ship or aircraft.
Government Business Enterprise (GBE)	A GBE is a Commonwealth entity or Commonwealth company prescribed by the PGPA Rule.
Grant	Australian Government financial assistance as defined under the Commonwealth Grants Rules and Principles 2024.
Mobile black spot	A location with poor or non-existent mobile coverage.
Movement of Funds	A 'movement of funds' process is carried out twice a year in relation to un-expensed administered operating appropriations. This involves portfolio ministers submitting requests to the Minister for Finance advising of timing changes to funding requirements. If agreed by the Minister for Finance, there will be an increase in the amount appropriated in later year(s).
National Broadband Network	National Broadband Network is a major upgrade to Australia's national telecommunications infrastructure, and will deliver fast broadband to all Australian homes and businesses.
Non-self-governing territories	Includes the Indian Ocean Territories of Christmas Island and the Cocos (Keeling) Islands, Norfolk Island, the Jervis Bay Territory, the Ashmore and Cartier Islands, and the Coral Sea Islands.
Operations	Functions, services and processes performed in pursuing the objectives or discharging the functions of an entity.
Outcomes	The results, impacts or consequences of actions by the Australian Government on the Australian community – these should be consistent with those listed in the entity's Portfolio Budget Statements and Portfolio Additional Estimates Statements.

Per- and poly-fluoroalkyl substances (PFAS)	PFAS comprise a group of over 4,000 chemicals. PFAS do not naturally break down in the environment and are toxic to a range of animals.
Performance information	Evidence about performance that is collected and used systematically. It may relate to appropriateness and effectiveness, as well as efficiency and the extent to which an outcome can be attributed to an intervention.
Portfolio Budget Statements	A Budget-related paper detailing Budget initiatives and appropriations, by outcome and program, for each entity within a portfolio.
Program	An activity or group of activities that delivers benefits or services or transfers payments to individuals, industry or the community as a whole.
Purpose	The objectives, functions or role of the entity or company. In relation to performance management, purposes are the reasons or ideal state or outcomes, for which the entity or company undertakes its activities.
ROVER (Road Vehicle Regulator)	ROVER is the department's road vehicle standard support system which contains data for monitoring decision-making timeframes and voluntary recalls.
Spectrum	Spectrum refers to electromagnetic spectrum – the resource which allows wireless signals to be sent.
Strategic Local Government Asset Assessment Project	Provides funding to the National Heavy Vehicle Regulator to assist local government road managers to undertake capacity assessments of bridges and culverts on key heavy vehicle routes.
Universal Service Obligation	The obligation placed on universal service providers of telecommunications to ensure that all people in Australia have reasonable access to standard telephone services.

Acronyms and abbreviations

ACMA	Australian Communications and Media Authority
ACR	Asset Completion Report
ACT	Australian Capital Territory
ANAO	Australian National Audit Office
APS	Australian Public Service
APSC	Australian Public Service Commission
ARC	Audit and Risk Committee
ATSB	Australian Transport Safety Bureau
BITRE	Bureau of Infrastructure and Transport Research Economics
DITRDCSA	Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts
FFA	Federation Funding Agreement
FFAS	Federation Funding Agreement Schedule
GBE	Government Business Enterprise
IIP	Infrastructure Investment Program
IPS	Infrastructure Policy Statement
ITRDCSA	Infrastructure, Transport, Regional Development, Communications, Sport and the Arts
NAIF	Northern Australia Infrastructure Facility
NBN	National Broadband Network
NFSA	National Film and Sound Archive of Australia
NRS	National Relay Service
NST	National Sports Tribunal
NSW	New South Wales
NT	Northern Territory
NVES	New Vehicle Efficiency Standard
OSA	*Online Safety Act 2021*
PGPA	Public Governance, Performance and Accountability
QLD	Queensland
RDA	Regional Development Australia
ROVER	Road Vehicle Regulator
rPPP	regional Precincts and Partnerships Program
RVS	Road Vehicle Standards
SA	South Australia
SES	Senior Executive Service
SLGAAP	Strategic Local Government Asset Assessment Project
TAS	Tasmania
TFES	Tasmanian Freight Equalisation Scheme
uPPP	urban Precincts and Partnerships Program
WA	Western Australia
WHS	Work Health and Safety
WSA	Western Sydney Airport Co Limited
WSI	Western Sydney International (Nancy-Bird Walton) Airport

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About the Artist and Artwork

About the artwork

The artwork, *Connections*, acknowledges the journey of the department's ongoing commitment to creating positive outcomes for First Nations employees and communities across Australia. It tells the story of the cultural objectives that underpin the department's journey of shared purpose: Embracing Cultures; Yarning with Communities; and Connecting to Countries.

The blue rings represent embracing cultures – the department's values and ongoing commitment to Reconciliation and supporting mob through a united effort, fueled by curiosity and integrity.

The expansive pink circles embody the concept of yarning with communities – we all come together to listen, yarn and learn from each other and build strong connections.

The intricate green and pink circles represent connecting to Countries – celebrating the many cultures that make up First Nations Australia and symbolising the department's national footprint.

The cultural objectives are supported by the individual voices, experiences, perspectives and unique skills that the First Nations mob, employees and communities bring to the department – as we walk this journey together, celebrating the oldest continuing living cultures in the world, we create positive change.

About the artist

Mahalia Mabo is a proud Manbarra, Nywaigi, and Meriam woman. She comes from a long line of artists and creatives. Her paternal grandparents, the late activists Dr Eddie Koiki Mabo and Dr Bonita Mabo, were both artists and creatives, her father a sculptor, and mother and maternal grandmother painters. Mahalia is an intuitive artist. Her artwork represents her connection to Country, family and her saltwater heritage. Her paternal grandfather connects her to Mer in the Torres Straits and her paternal grandmother connects her to the Great Barrier Reef and its creation story.

