



Australian Government  
Department of Agriculture,  
Fisheries and Forestry

# Annual report

## 2023–24



# **Annual report 2023–24**

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### **Acknowledgements**

The authors, Amy Mason and Silla Kjar, wish to thank department staff for their input. Special thanks to Sarah Hundy (editor), the Communication and Media Branch, Master Indexing, and the Performance and Reporting team for their support during the project and in preparing this report.

### **Acknowledgement of Country**

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

# Letter of transmittal

02 October 2024

Senator the Hon Julie Collins  
Minister for Agriculture, Fisheries and Forestry  
Parliament House  
Canberra ACT 2600

Dear Minister

I am pleased to present the annual report for the Department of Agriculture, Fisheries and Forestry for the financial year 2023–24.

This report has been prepared in accordance with all applicable obligations under the [Public Governance, Performance and Accountability Act 2013](#) (PGPA Act) – including section 46, which requires that you table the report in parliament. The report reflects the matters dealt with and legislation administered by the department at 30 June 2024.

This report includes the department’s audited annual financial statements as required by subsection 43(4) of the PGPA Act. It also includes the department’s annual performance statements as required under paragraph 39(1)(b) of the PGPA Act.

In accordance with section 10 and as required by subsection 17AG(2) of the Public Governance, Performance and Accountability Rule 2014, I certify that:

- the department prepared fraud and corruption risk assessments and fraud and corruption control plans
- the department had appropriate mechanisms to prevent, detect, investigate, record and confidentially report suspected fraud and corruption
- I took all reasonable measures to appropriately deal with fraud relating to the department.

I am pleased to acknowledge the efforts of all staff from the Department of Agriculture, Fisheries and Forestry to safeguard and grow sustainable agriculture, fisheries and forestry industries and produce for all Australians.

Yours sincerely



Adam Fennessy PSM  
Secretary  
Department of Agriculture, Fisheries and Forestry



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# Secretary's review

I am pleased to present the 2023–24 annual report for the Department of Agriculture, Fisheries and Forestry (DAFF). This report provides our performance results for 2023–24 and reflects the work we have delivered to achieve our purpose: working together to safeguard and grow sustainable agriculture, fisheries and forestry for all Australians.

Internally this year, most notably we commenced a significant 4-year transformation program to help us become a more modern, responsive and cohesive department. Under our Transformation Action Plan, released in November 2023 in response to the Australian Public Service Commission Capability Review, this year we focused on strengthening our governance frameworks, financial reporting and data-management systems. We started work on our Statement of Strategic Intent to articulate our vision, purpose and strategic objectives and show how we work in partnership with industry and other stakeholders across the agricultural supply chain to achieve meaningful outcomes.

I am proud of the work we have delivered across our sector this year. We strengthened our biosecurity system and helped grow our agricultural productivity, trade and market access. The gross value of agricultural, fisheries and forestry production in 2023–24 is expected to be the fourth-highest result on record at around \$88.3 billion. Lower crop production associated with the onset of drier climatic conditions drove a decline from \$100.4 billion in 2022–23, the highest year to date.

## Sector growth

On the fisheries front, we completed an analysis of seafood supply chains following a commitment by the Australian Government to consider a framework to address illegal, unreported and unregulated fishing practices. This work will help combat the importation of seafood from fisheries that might engage in such practices. To complete the analysis, we consulted on recommendations to review Australia's import tariff codes relevant to seafood, introduce a traceability program for high-risk species and further support expansion of multilateral catch-documentation schemes.

In the forestry part of our portfolio, we continued to implement over \$300 million in initiatives as part of the government's [A Better Future for our Regions](#) and [A Future Grown in Australia](#) policies. Under them, we established the Australian Forest and Wood Innovations program, awarded \$10 million in grant funding to support plantation establishments, and supported the introduction of legislative amendments to strengthen Australia's illegal logging laws.

## Sector resilience and sustainability

Continued focus on long-term environmental and climate change trends informed our support for the agricultural sector over the past 12 months. In drafting the Agriculture and Land Sectoral Plan – one of 6 by the government to move Australia towards a low-emissions future – we drew on more than 230 consultation submissions, workshops (online and in-person) and from our participation in various regional forums. In a considerable body of work to support the plan's development, we hosted the Sustainable Agriculture Summit in Toowoomba, Queensland, where the Minister for Climate Change and Energy and the then Minister for Agriculture, Fisheries and Forestry, Senator the Hon Murray Watt, joined around 150 participants to discuss the role of agriculture in a low-emissions future.

With a new focus on building resilience, a National Drought Agreement developed in partnership with states and territories came into effect in 2023–24, bringing greater clarity on roles and responsibilities, acknowledging the importance of First Nations peoples, and recognising the need for a whole-of-government approach to drought preparedness and management.

## **Strong biosecurity**

Our national biosecurity system was put to the test over the past year through several national responses to biosecurity incursions and outbreaks. In May 2024, we initiated a national response to support industry during the largest outbreak of H7 highly pathogenic avian influenza to hit Australia. We advanced new zoning arrangements across 3 jurisdictions to enable poultry product exports to continue.

Meanwhile, we continued our coordination of national responses for significant plant pests, including varroa mite and polyphagous shothole borer, and environmental pests, such as the red imported fire ant. The National Management Group, which comprises all Australian governments and affected industries, ably managed each incursion.

We continued to invest in capability development throughout the year, with 159 biosecurity officers completing our foundation program at the Biosecurity Training Centre. Overall, 539 staff completed 56 regulatory and specialised courses through the centre. In northern Australia, we expanded training opportunities and interagency service agreements through a joint regulatory arrangement in collaboration with biosecurity partners in the Torres Strait, while more than 100 rangers, who perform critical surveillance activities, benefited from \$1.5 million in biosecurity equipment and training through our Indigenous Ranger Biosecurity Program.

## **Improved access to international markets**

Although lower crop values saw agricultural, fisheries and forestry exports fall to around \$75.8 billion this year, down from \$82.6 billion the previous year, we continued to negotiate new and improved market access for Australian producers. Our efforts internally and across government culminated in China lifting export trade impediments on barley, wine and meat. Suspensions on 8 Australian abattoirs were dropped and Chinese authorities have commenced listing approval audits for prospective new exporters for the first time since 2017, paving the way for more Australian products to enter this huge market.

We supported the trade mission to India led by the then minister to meet with senior agricultural industry leaders and contribute to Australia's ongoing whole-of-government engagement. The visit capitalised on agricultural outcomes under the Australia–India Economic Cooperation and Trade Agreement – such as the elimination of the 30% tariff on sheep meat exports, which saw annual Australian sheep meat exports to India exceed \$1 million for the first time.

With continued trade success resting on our enduring biosecurity status as free of exotic pests and diseases, we co-designed with the states, territories and industry Australia's first National Agricultural Traceability Strategy to protect and grow our agricultural sector. We are administering more than \$127 million in grants for traceability initiatives and reforms to ensure our systems are sound and adaptable as consumers and trading partners demand more.

Our digital services continued to improve in 2023–24, making it easier for exporters to do business with our department. Our first electronic phytosanitary certificate was successfully delivered in partnership with Fiji, allowing for faster border clearances for exporters of horticulture and grain products, and the integration of Australian Government digital ID systems including myGovID helped streamline secure business-to-government transactions for exporters.

These are just some of the significant achievements we made over the past 12 months.

[Part 1: Annual performance statements](#) more specifically demonstrates our achievements against our purpose, objectives and key activities set out in our *Corporate Plan 2023–24*.

Finally, I want to express my gratitude to all our 5,888 staff working across Australia and around the world for their unwavering professionalism and dedication in delivering services and outcomes.

We will continue to work as One DAFF to grow Australia together.

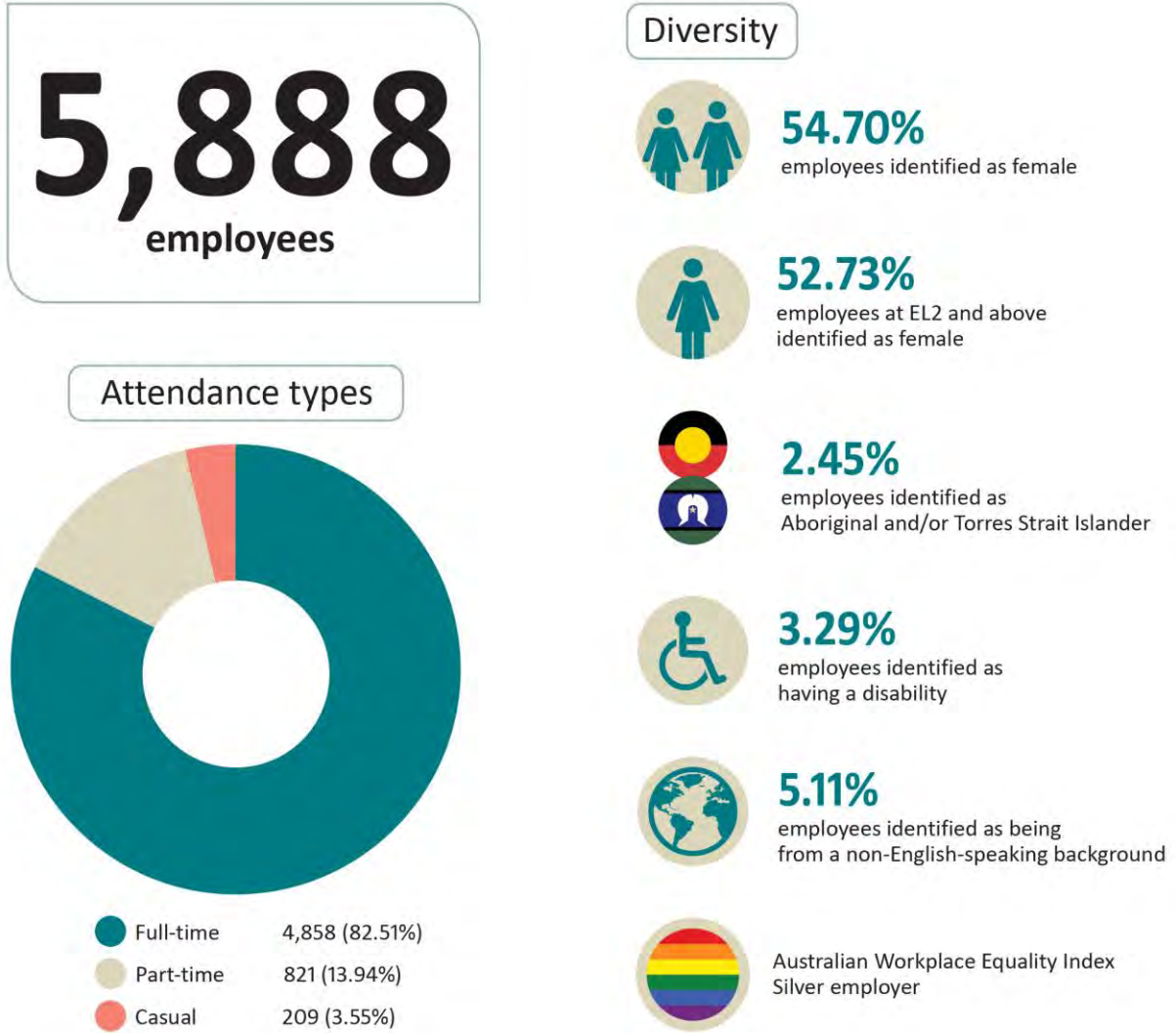
Adam Fennessy PSM  
Secretary  
Department of Agriculture, Fisheries and Forestry  
02 October 2024



# Overview

## Who we are

Figure 1 Our people, at 30 June 2024



Note: An employee has a non-English-speaking background if they arrived in Australia after the age of 5 and their first language is a language other than English. The [Australian Workplace Equality Index](#) provides a national benchmark on lesbian, gay, bisexual, transgender and queer or questioning workplace inclusion in Australia.  
Source: Aurion departmental system.

## Our role

The Department of Agriculture, Fisheries and Forestry is the lead government agency for the agricultural sector (agricultural, fisheries and forestry industries) in Australia.

Our work is central to the health and prosperity of the nation. Our policies and services protect and span the entire supply chain, helping to grow Australia’s economy and enable the Australian agricultural sector to produce high-quality, more sustainable products for consumption within Australia and overseas.

We are a national regulator with portfolio responsibilities that include biosecurity and trade. We work in partnership with all levels of government and with local communities. We have scientific and technical expertise, connections with a range of domestic and international stakeholders, and important partnerships across the private sector with organisations from small agricultural businesses to multinational enterprises.

## **Our vision**

A more sustainable and prosperous Australia through biosecurity, agricultural production and trade.

## **Our purpose**

Working together to safeguard and grow sustainable agriculture, fisheries and forestry for all Australians.

## **Our objectives**

To achieve our purpose, we focus on 3 strategic objectives:

- 1) Industry growth – Support industry to grow towards a \$100 billion agriculture, fisheries and forestry industry by 2030 amid changing global market conditions.
- 2) Biosecurity – Strengthen our national biosecurity system to provide an appropriate level of protection to Australia’s people, our environment and economy from the biosecurity threats of today and tomorrow.
- 3) Resilience and sustainability – Increase the contribution agriculture, fisheries and forestry make to a healthy, sustainable and low-emissions environment.

# Our structure

Figure 2 Our structure, at 30 June 2024





## Our portfolio

### Minister

In 2023–24 Senator the Hon Murray Watt was the Minister for Agriculture, Fisheries and Forestry.

During the year, 3 ministers held the position of Acting Minister for Agriculture, Fisheries and Forestry:

- the Hon Tony Burke MP – 1 to 6 July 2023
- the Hon Brendan O’Connor MP – 16 to 24 September 2023
- the Hon Catherine King MP – 29 March to 12 April 2024 and 18 to 20 June 2024.

Figure 3 Our portfolio, at 30 June 2024



Minister for Agriculture, Fisheries and Forestry  
Senator Hon Murray Watt



#### Department of state

Department of Agriculture, Fisheries and Forestry

#### Portfolio agencies



Australian Fisheries  
Management Authority



Australian Pesticides and  
Veterinary Medicines Authority



Regional Investment  
Corporation

#### Rural Research and Development Corporations



Cotton Research and  
Development Corporation



Fisheries Research and  
Development Corporation



Grains Research and  
Development Corporation



Rural Industries Research and  
Development Corporation  
(AgriFutures Australia)



Wine Australia

# Part 1: Annual performance statements

## Accountable authority statement

As the accountable authority for the Department of Agriculture, Fisheries and Forestry I present the 2023–24 annual performance statements as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

In my opinion, these performance statements accurately present the department’s performance for the financial year ending 30 June 2024 and comply with subsection 39(2) of the PGPA Act (section 16F of the PGPA Rule).

The Australian National Audit Office (ANAO) is undertaking an audit of the 2023–24 annual performance statements that is yet to be finalised. I am aware that the ANAO may also form a view that the performance statements for certain measures do not meet the requirements of the PGPA Act.

The department will continue its work to improve its performance reporting, including through consideration of the feedback from the ANAO.

A handwritten signature in black ink, appearing to read 'Adam Fennessy', with a long horizontal flourish extending to the right.

Adam Fennessy PSM  
Secretary  
Department of Agriculture, Fisheries and Forestry

02 October 2024

## Performance improvements

Our *Corporate Plan 2023–24* provided performance measures and targets for the reporting period. As part of the continuous improvement of our performance framework, during the year we reviewed and updated some of these measures. This was part of a major review of our performance reporting that reflects our commitment to better demonstrate to the Parliament, public, and stakeholders how we deliver on our purposes.

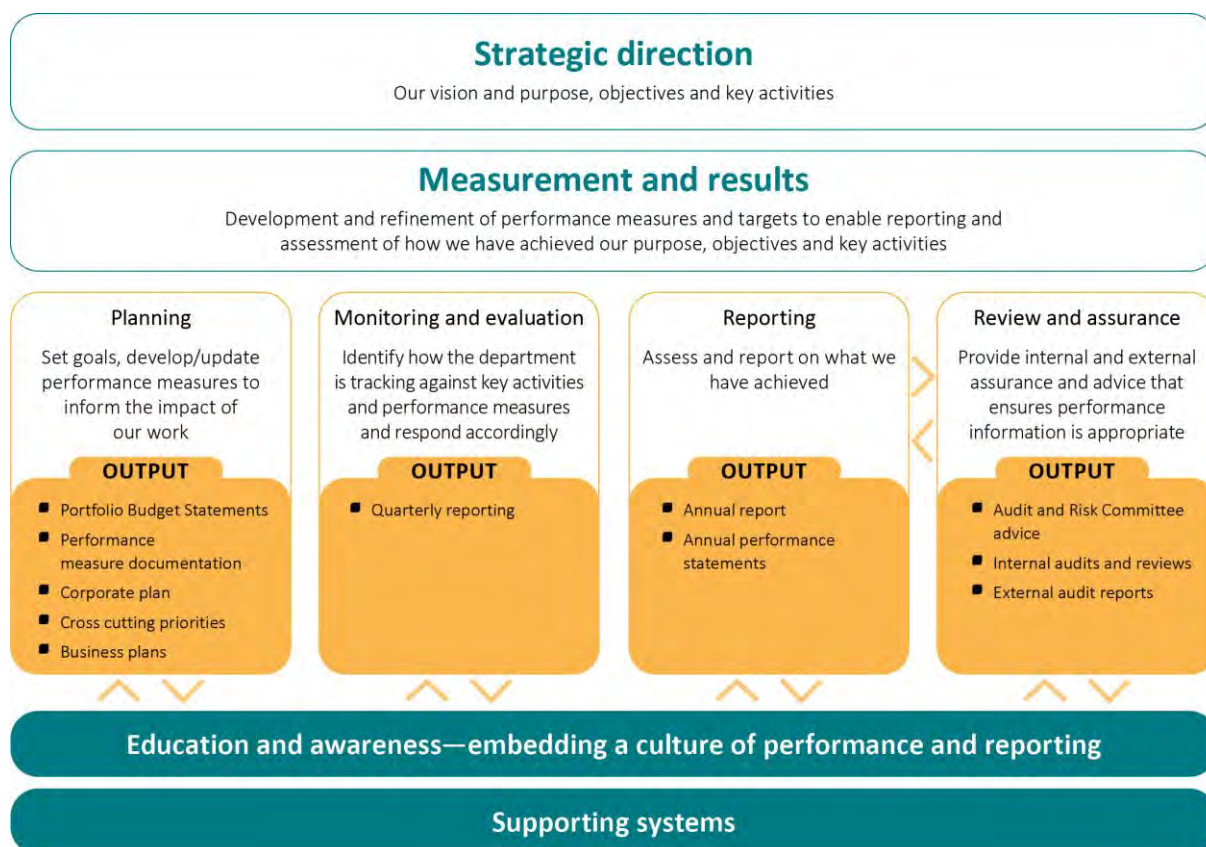
Together, our purpose, role and objectives form our purposes, consistent with the requirements of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), Public Governance, Performance and Accountability Rule 2014 (PGPA Rule) and the Department of Finance resource management guides.

Our purposes reflect the government’s key areas of focus for our department as set out in the Administrative Arrangements Orders and the regulatory systems and legislation that govern our work.

We developed an Enterprise Performance Framework (Figure 4) to provide a key reference point to strengthen our non-financial performance reporting, and provide a consistent approach to planning, monitoring and reporting across our department. When fully implemented, this new approach to performance reporting will create a clearer line of sight between our purposes and the key activities we undertake. This framework reflects our improvements to embed an enterprise approach to performance reporting while building this capability across our department.

We reviewed and improved our performance measures from the *Corporate Plan 2023–24* to better reflect the breadth of activities we undertake to deliver on our purposes and introduced 3 new performance measures to the 2023–24 annual performance statements. Table 4, Table 6 and Table 8 summarise the changes from the *Corporate Plan 2023–24*. Further updates are in our *Corporate Plan 2024–25*.

**Figure 4 Department of Agriculture, Fisheries and Forestry Enterprise Performance Framework**



## Alignment with our Portfolio Budget Statements 2023–24

The key activities and performance measures in our *Portfolio Budget Statements 2023–24* (PBS 2023–24) reflect those in our *Corporate Plan 2022–23*, which was the current corporate plan when the PBS 2023–24 was published. The key activities and performance measures in the *Corporate Plan 2023–24* supersede those in the PBS 2023–24.

In 2023–24, we had 2 outcome statements in the PBS 2023–24. Our 3 objectives aligned with these outcomes as shown in Table 1. Programs that contributed to our PBS 2023–24 outcomes are shown in Table 2.

**Table 1 Department outcomes and objectives, 2023–24**

PBS 2023–24 outcome	Corporate Plan 2023–24 objective
Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.	Objective 1 Industry growth: Support industry to grow towards a \$100 billion agriculture, fisheries and forestry industry by 2030 amid changing global market conditions. Objective 3 Resilience and sustainability: Increase the contribution agriculture, fisheries and forestry make to a healthy, sustainable and low-emissions environment.
Outcome 2: Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.	Objective 2 Biosecurity: Strengthen our national biosecurity system to provide an appropriate level of protection to Australia’s people, our environment and economy from the biosecurity threats of today and tomorrow.

**Table 2 Programs by Portfolio Budget Statement 2023–24 outcome**

PBS 2023–24 outcome	Program
Outcome 1: More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.	1.1 Agricultural Adaptation
	1.2 Sustainable Management – Natural Resources
	1.3 Forestry Industry
	1.4 Fishing Industry
	1.5 Horticultural Industry
	1.6 Wool Industry
	1.7 Grains Industry
	1.8 Dairy Industry
	1.9 Meat and Livestock Industry
	1.10 Agricultural Resources
	1.11 Drought Programs
	1.12 Rural Programs
	1.13 International Market Access
Outcome 2: Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.	2.1 Biosecurity and Export Services
	2.2 Plant and Animal Health

## Regulator performance reporting

Our regulatory performance measures demonstrate our regulatory activity and commitment to the 3 principles of regulator best practice, as set out in the Australian Government’s *Resource Management Guide – Regulator Performance* ([RMG 128](#)). We will continue to refine and mature our regulator performance reporting in line with the 3 principles of regulator best practice.

## Performance overview

The 2023–24 annual performance statements report on actual results achieved against our performance measures set out in our *Corporate Plan 2023–24*.

## Industry growth objective

To deliver on this objective – Support industry to grow towards a \$100 billion agriculture, fisheries and forestry industry by 2030 – we focused on 3 key activities. Table 3 shows the key activities and associated performance measures as included in our 2023–24 performance statements. Table 4 summarises the changes to performance measures from the *Corporate Plan 2023–24*.

**Table 3 Objective 1 Industry growth key activities and performance measures, as included in the 2023–24 annual performance statements**

Key activity	Performance measure
1.1 Support industry productivity and growth through science, policy and partnerships.	IG-01 Greater growth in average agricultural productivity (adjusted for climate and weather effects) for the past 10 years, compared to average annual market sector productivity growth over the same period. IG-02 Equal or reduced cost of levies administration compared with levies disbursed. IG-03 Proportion of farm businesses making capital investments. IG-04 Encourage forestry industry investment in innovation.
1.2 Maintain and expand international markets by certifying and regulating exports and negotiating new and improved market access.	IG-05 The department negotiates new and improved technical market access to international markets. IG-06 The department negotiates to maintain technical market access to international markets when trade is threatened and restores trade where it has been lost.
1.3 Streamline export regulations and compliance arrangements.	IG-07 Increase in the number of electronic certificates issued for export (moving to paperless trade).

**Table 4 Objective 1 Industry growth, variation to performance information from *Corporate Plan 2023–24***

Key activities and performance measures in the <i>Corporate Plan 2023–24</i>	Changes to key activity and performance measure wording made during the audit period	Other performance revisions made during the audit period
IG-04 Encourage forestry industry investment in innovation.	None.	Tolerances updated.
IG-05 Number of international markets opened or improved by the department.	IG-05 The department negotiates new and improved technical market access to international markets.	Target and tolerances added. Measure type updated.
IG-06 Potential value of trade facilitated through the prevention and/or resolution of trade disruptions.	IG-06 The department negotiates to maintain technical market access to international markets when trade is threatened and restores trade where it has been lost.	Measure type updated.
IG-07 Increase in the number of electronic certificates issued for export (moving to paperless trade).	None.	Target and tolerances updated.

A new measure has been developed for the *Corporate Plan 2024–25* to demonstrate the effectiveness of our administrative obligations as a regulator of exports under the [Export Control Act 2020](#).

We chose not to develop a separate performance measure relating to food security because it is subject to socio-economic, global and environmental factors that are beyond the control of any single entity. Our role in food security focuses primarily on agricultural production and availability, and on ensuring the efficient and safe facilitation of imports through our biosecurity operations.

Several of our performance measures support food security, including:

- annual productivity growth for agriculture, forestry and fisheries (IG-01)
- export regulations and market access arrangements (IG-05 and IG-06)
- biosecurity preparedness (all performance measures under key activity 2.1).

## Biosecurity objective

To deliver on this objective – Strengthen our national biosecurity system to provide an appropriate level of protection to Australia’s people, our environment and economy from the biosecurity threats of today and tomorrow – we focused on 3 key activities. As prescribed in the [Biosecurity Act 2015](#), an appropriate level of protection for Australia is a high level of sanitary and phytosanitary protection aimed at reducing biosecurity risks to a very low level, but not to zero. Table 5 shows the key activities and associated performance measures as provided in our 2023–24 performance statements. We developed 2 new performance measures (BI-09 and BI-10) and updated the wording of the key activities since the *Corporate Plan 2023–24*. Table 6 summarises the changes to performance measures from the *Corporate Plan 2023–24*.

**Table 5 Objective 2 Biosecurity key activities and performance measures, as included in the 2023–24 annual performance statements**

Key activity	Performance measure
2.1 Plan and prepare for the management of biosecurity risk pre-border through policy, fit-for-purpose regulation, targeted intelligence and education, and mature biosecurity emergency preparedness.	BI-03 Risk assessments completed in the development of import policy and regulation of biosecurity risks on imported goods. BI-04 Number of consignments of imported goods with khapra beetle detections is reduced as a result of biosecurity measures implemented by the department. BI-05 Number and extent of biosecurity preparedness exercises completed. BI-06 Improve the management of biosecurity risk offshore by increasing assurance activities on pre-border biosecurity arrangements. BI-09 Targeted public communication and engagement activities. BI-10 The import permits service standard is met.
2.2 Detect, monitor and mitigate biosecurity risk at the border through intelligence-informed targeting, technology-supported inspections and efficient detection methods.	BI-01 Reduced levels of non-compliance with regulations that apply to: <ul style="list-style-type: none"> <li>• BI-01-01 High-value cargo</li> <li>• BI-01-02 Approved arrangements</li> <li>• BI-01-03 International travellers.</li> </ul> BI-02 Biosecurity service standards are met. BI-07 Reduction in risk of African swine fever because of biosecurity measures implemented by the department.
2.3 Respond to and minimise the impact of biosecurity incursions through appropriate post-border measures.	BI-08 Undertake compliance and enforcement actions.

**Table 6 Objective 2 Biosecurity, variation to performance information from *Corporate Plan 2023–24***

<b>Key activities and performance measures in the <i>Corporate Plan 2023–24</i></b>	<b>Changes to key activity and performance measure wording made during the audit period</b>	<b>Other performance revisions made during the audit period</b>
Key activity 2.1 Effectively prepare for the management of biosecurity risk through pragmatic policy, fit-for-purpose regulation and mature preparedness.	Key activity 2.1 Plan and prepare for the management of biosecurity risk pre-border through policy, fit for purpose regulation, targeted intelligence and education, and mature biosecurity emergency preparedness.	Not applicable.
Key activity 2.2 Effectively detect biosecurity risk through intelligence-led targeting, technology-supported inspections and efficient detection methods.	Key activity 2.2 Detect, monitor and mitigate biosecurity risk at the border through intelligence-informed targeting, technology-supported inspections and efficient detection methods.	Not applicable.
Key activity 2.3 Minimise the impact of biosecurity incursions through appropriate post-biosecurity and post border measures.	Key activity 2.3 Respond to and minimise the impact of biosecurity incursions through appropriate post-border measures.	Not applicable.
BI-01-01 Reduced levels of non-compliance with regulations that apply to high-value cargo.	None.	Tolerances updated. Moved to key activity 2.2.
BI-01-02 Reduced levels of non-compliance with regulations that apply to approved arrangements.	None.	Tolerances updated. Moved to key activity 2.2.
BI-01-03 Reduced levels of non-compliance with regulations that apply to international travellers.	None.	Tolerances updated. Moved to key activity 2.2.
BI-02 Biosecurity service standards are met.	None.	Tolerances updated. We moved the service standard for import permits to a new performance measure (BI-10). Moved to key activity 2.2.
BI-03 Number of risk assessments completed in the development, maintenance and revision of import regulations and assessment of plant goods.	BI-03 Risk assessments completed in the development of import policy and regulation of biosecurity risks on imported goods.	Target and tolerances added. Measure type and data sources updated.
BI-04 Number of consignments of imported goods with khapra beetle detections is reduced as a result of biosecurity measures implemented by the department.	None.	Tolerance for 'achieved' updated.
BI-06 Expand offshore biosecurity arrangements.	BI-06 Improve the management of biosecurity risk offshore by increasing assurance activities on pre-border biosecurity arrangements.	Measure type, target and tolerances updated. Moved to key activity 2.1.
BI-07 Reduction in risk of African swine fever because of biosecurity measures implemented by the department.	None.	Target updated.
BI-09 Targeted public communication and engagement activities.	New performance measure.	New performance measure. Aligns to key activity 2.1.



Key activities and performance measures in the <i>Corporate Plan 2023–24</i>	Changes to key activity and performance measure wording made during the audit period	Other performance revisions made during the audit period
BI-10 The import permits service standard is met.	New performance measure.	New performance measure which has been extracted from BI-02. Aligns to key activity 2.1.

## Resilience and sustainability objective

To deliver on this objective – Increase the contribution agriculture, fisheries and forestry make to a healthy, sustainable and low-emissions environment – we focused on 3 key activities. Table 7 shows the key activities and associated performance measures as provided in the 2023–24 annual performance statements. We developed one new performance measure (RS-04) since the *Corporate Plan 2023–24* as shown in Table 7. Table 8 summarises the changes to performance measures from the *Corporate Plan 2023–24*.

**Table 7 Objective 3 Resilience and suitability key activities and performance measures, as included in the 2023–24 annual performance statements**

Key activity	Performance measure
3.1 Increase opportunities for industry to reduce emissions and contribute to Australia’s net-zero goals.	RS-01 Delivery of projects, programs and activities that help the agricultural industry transition to a net-zero economy.
3.2 Support the increased adoption of sustainable management practices through funding partnerships and engagement activities.	RS-02 Sustainable farming practices are funded through the Climate-Smart Agriculture Program. RS-04 The proportion of Australian Government managed fish stocks that are sustainably managed.
3.3 Strengthen the resilience of industry and its ability to adapt to the impacts of climate change.	RS-03 Administer annual funding from the Future Drought Fund to build drought resilience in Australia’s agricultural industry in accordance with the <i>Future Drought Fund (Drought Resilience Funding Plan 2020–2024) Determination 2020</i> (Funding Plan 2020–2024).

**Table 8 Objective 3 Resilience and sustainability, variation to performance information from *Corporate Plan 2023–24***

Key activities and performance measures in the <i>Corporate Plan 2023–24</i>	Changes to key activity and performance measure wording made during the audit period	Other performance revisions made during the audit period
RS-01 Funding is committed to projects, programs and activities that aim to reduce emissions and help the agricultural industry transition to a net-zero economy.	RS-01 Delivery of projects, programs and activities that help the agricultural industry transition to a net-zero economy.	Targets and tolerances added. Measure type, methodology and data sources updated.
RS-02 The percentage of farms using sustainable management practices.	RS-02 Sustainable farming practices are funded through the Climate-Smart Agriculture Program.	Measure type, target, tolerances, methodology and data sources updated.

Key activities and performance measures in the <i>Corporate Plan 2023–24</i>	Changes to key activity and performance measure wording made during the audit period	Other performance revisions made during the audit period
RS-03 Each year, the Australian Government commits \$100 million to impactful programs and initiatives to drive drought-resilience outcomes.	RS-03 Administer annual funding from the Future Drought Fund to build drought resilience in Australia’s agricultural industry in accordance with the <i>Future Drought Fund (Drought Resilience Funding Plan 2020–2024) Determination 2020</i> (Funding Plan 2020–2024).	Not applicable.
RS-04 The proportion of Australian Government managed fish stocks that are sustainable.	New performance measure.	New performance measure. Aligns to key activity 3.2.

## Performance results

### Summary of performance results

Table 9 provides a summary of results against our performance measures.

**Table 9 Results against performance measures, 2023–24**

Performance measure	2023–24 result
IG-01 Greater growth in average agricultural productivity (adjusted for climate and weather effects) for the past 10 years, compared to average annual market sector productivity growth over the same period.	Achieved.
IG-02 Equal or reduced cost of levies administration compared with levies disbursed.	Achieved.
IG-03 Proportion of farm businesses making capital investments.	Not achieved.
IG-04 Encourage forestry industry investment in innovation.	Achieved.
IG-05 The department negotiates new and improved technical market access to international markets.	Achieved.
IG-06 The department negotiates to maintain technical market access to international markets when trade is threatened and restores trade where it has been lost.	A target was not set – refer to performance statement for commentary.
IG-07 Increase in the number of electronic certificates issued for export (moving to paperless trade).	Achieved.
BI-01-01 Reduced levels of non-compliance with regulations that apply to high-value cargo.	Achieved.
BI-01-02 Reduced levels of non-compliance with regulations that apply to approved arrangements.	Achieved.
BI-01-03 Reduced levels of non-compliance with regulations that apply to international travellers.	Achieved
BI-02 Biosecurity service standards are met.	Partially achieved.
BI-03 Risk assessments completed in the development of import policy and regulation of biosecurity risks on imported goods.	Achieved.
BI-04 Number of consignments of imported goods with khapra beetle detections is reduced as a result of biosecurity measures implemented by the department.	Achieved.
BI-05 Number and extent of biosecurity preparedness exercises completed.	Achieved.

Performance measure		2023–24 result
BI-06	Improve the management of biosecurity risk offshore by increasing assurance activities on pre-border biosecurity arrangements.	Achieved.
BI-07	Reduction in risk of African swine fever because of biosecurity measures implemented by the department.	Achieved.
BI-08	Undertake compliance and enforcement actions.	Achieved.
BI-09	Targeted public communication and engagement activities.	Achieved.
BI-10	The import permits service standard is met.	Not achieved.
RS-01	Delivery of projects, programs and activities that help the agricultural industry transition to a net-zero economy.	Achieved.
RS-02	Sustainable farming practices are funded through the Climate Smart Agriculture Program.	Partially achieved.
RS-03	Administer annual funding from the Future Drought Fund to build drought resilience in Australia’s agricultural industry in accordance with the <i>Future Drought Fund (Drought Resilience Funding Plan 2020–2024) Determination 2020 (Funding Plan 2020–2024)</i> .	Achieved.
RS-04	The proportion of Australian Government managed fish stocks that are sustainably managed.	Not achieved.

## Objective 1 Industry growth

Support industry to grow towards a \$100 billion agriculture, fisheries and forestry industry by 2030.

### Key activity 1.1

Support industry productivity and growth through science, policy and partnerships.

#### Measure IG-01

<b>IG-01</b>	Greater growth in average agricultural productivity (adjusted for climate and weather effects) for the past 10 years, compared to average annual market sector productivity growth over the same period.
<b>Measure type</b>	Effectiveness.
<b>Target</b>	Greater than 0% difference over past 10 years.
<b>Sources</b>	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 1.1, 1.3, 1.4, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10, 1.11, 1.12.
<b>Result</b>	Achieved – agricultural productivity growth was 0.11 percentage points higher than the market sector growth rate.
<b>Tolerances</b>	Achieved: Average annual growth in the agricultural productivity (climate-adjusted) series exceeds average annual market sector productivity growth over the same period. Partially achieved: Not applicable. Not achieved: Average annual growth in the agricultural productivity (climate-adjusted) series is lower than average annual market sector productivity growth over the same period.

#### Context

Agricultural productivity measures technological advancement and its impact on industry progress. This is key to maintaining and increasing industry competitiveness and profitability.

We develop and implement policies and manage programs that enable primary producers to maintain and increase farm productivity. We support innovation in agriculture and agribusiness

management through co-investment with industry in the Rural Research and Development Corporations to benefit industry and regional communities. These corporations are a partnership between government and industry, allowing the Australian Government and primary producers to co-invest in research, development and extension. We also monitor and respond to emerging issues that affect industry and regional communities.

Securing an appropriate workforce is one of the biggest challenges facing agricultural industry. This involves a whole-of-government approach to invest in skills of Australian workers, create employment opportunities in the regions, support secure pathways for sourcing overseas workers, and ensure workers are protected. In 2023–24 we shaped policy, partnered with other government agencies and engaged with industries and unions to help address these challenges. For example, we:

- contributed to the Food Supply Chain Capacity Study under the Jobs and Skills Australia (JSA) work program, to highlight the needs of the agricultural sector. We facilitated engagement between JSA and industry through the Agriculture Workforce Forum and with state and territory officials through the Agriculture Senior Officials Committee Labour Working Group.
- continued to engage with Skills Insight and the Department of Employment and Workplace Relations on the Ag Trade Apprenticeship Scoping Project.
- facilitated engagement for industry into the Employment White Paper and Migration Review through the Agriculture Workforce Working Group and Agriculture Workforce Forum.

Competition issues continue to impact agricultural producers and processors through the supply chain. We supported the minister to co-convene 2 separate rounds of industry roundtables with the independent reviewer, Dr Craig Emerson, as part of the Independent Review of the Food and Grocery Code of Conduct. These were crucial to ensure that agricultural producers and processors' views were heard directly by the reviewer. We also actively engaged in the Australian Competition and Consumer Commission inquiry into Australia's supermarket sector and the Treasury Competition review.

### **Analysis**

In the 10 years to 2023–24, agricultural productivity growth (adjusted for climate and weather effects) averaged 0.40% per year. This was higher than market sector productivity growth, which averaged 0.29% per year.

During the 10-year measurement period, variable climate affected Australia's agricultural industry. This included periods of drought across much of eastern Australia, as well as floods and more recent years of suitable climate and weather conditions for agricultural production.

Climate-adjusted productivity estimates measure Australia's broadacre industries, including farm businesses mainly involved in the production of crops for fodder or grain, beef, sheep, or a mix of cropping and livestock.

The market sector productivity measure included 16 market sector industries as defined by the Standard Economic Sector Classifications of Australia (SESCA) and the Australian and New Zealand Standard Industrial Classification (ANZSIC).

### ***Methodology and data sources***

ABARES, our department’s research arm, publishes climate-adjusted productivity statistics, which is generated through a machine learning microsimulation model and provides estimates of farm-level productivity under a range of climate scenarios. The process adjusts the productivity measure to account for climate and weather effects. The ABARES methodology used for generating climate-adjusted productivity has been published as a [case study](#) in a peer-reviewed academic journal *Food Policy* (vol. 102, July 2021).

We based market-sector productivity estimates on Australian Bureau of Statistics (ABS) [estimates of industry multifactor productivity](#). Due to the time lag between measurement, publication of the productivity data, and end of financial year reporting timeframe, we used a forecast for the most recent year of data.

To calculate the agricultural productivity measure result for 2023–24, we used forecast data from 2022–23 and 2023–24. The market sector measure for 2023–24 was calculated using forecast data from 2023–24. The 2023–24 forecast for agricultural productivity and overall market sector productivity, were based on historical growth rates, and assume that productivity growth will be equal to the longer-term average.

Productivity is best measured over long periods because short-term fluctuations in measured productivity may be due to influences on the production process – for example, fluctuations in production costs and the sale of produce.

### ***Caveats and disclosures***

As the performance measure is based on productivity statistics provided by ABARES and ABS, the accuracy of the measure depends on the accuracy of the data published in their reports.

Past reporting of this performance measure used one year of forecast data for agricultural productivity. Due to the availability of data at the time of preparation of results, an additional year of forecast data was required with forecasts for agricultural productivity made for 2022–23 and for 2023–24. The same methodology was used to calculate the extra year of forecast data as previous years. We will recalculate the result once data is available.

In cases where we used a forecast because an actual observation did not exist, the forecast assumed that the actual result was consistent with the long-term average. This method likely reduces the potential accuracy of the estimates, but it ensures measurement consistency, increases transparency, and reduces subjective bias.

Productivity measures the efficiency with which inputs are used to generate outputs. Some elements of the production process that affect the productivity measure are not within businesses’ control.

Climate-adjusted productivity estimates largely remove the effects of climate and weather variability, revealing the underlying productivity trend. However, some residual climate and weather impacts, such as price changes, may be present in the estimates. Temporary effects such as higher prices caused by drought conditions tend to impact short-term measures of productivity. In the long-term, these effects are likely to be small and difficult to measure.

The agricultural productivity result is for the Australian broadacre industries. Farm businesses engaged in other agricultural production, such as sugarcane farming, dairy farming and horticultural (fruit and vegetable) production were not included in the performance measure because climate adjusted productivity measures were not available for these industries.

Broadacre industries account for around two-thirds of Australia’s agricultural production by total value and the majority of agricultural land use. The performance of the broadacre sector is the main driver of total agricultural industry productivity.

### ***Variation from corporate plan***

There was no variation from the *Corporate Plan 2023–24* for this performance measure.

### **Measure IG-02**

<b>IG-02</b>	Equal or reduced cost of levies administration compared with levies disbursed.
<b>Measure type</b>	Efficiency and regulatory.
<b>Target</b>	Cost is less than or equal to 1.2% of levies disbursed.
<b>Sources</b>	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 1.1, 1.3, 1.4, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10, 1.11, 1.12.
<b>Result</b>	Achieved – cost was \$4.65 million or 0.77% of levies disbursed.
<b>Tolerances</b>	Achieved: Levies administration cost is less than 1.2% of levies disbursed. Partially achieved: Not applicable. Not achieved: Levies administration cost is more than 1.2% of levies disbursed.

### ***Context***

The Australian Government is committed to supporting Australia’s agricultural, fisheries and forestry industries to grow to \$100 billion by 2030. The agricultural levies system is the partnership between government and industry that enables collective investment towards the 2030 target.

We are responsible for administering the agricultural levies system, and our role is underpinned by the levies legislative framework. We receive levies and levy return forms from collection agents, disburse the levies to recipient bodies and conduct compliance inspections. Our inspections help to build trust and ensure the integrity of the levy collection system. To maintain our core services and deliver efficiencies, we recover the costs of our administration and compliance activities from levy recipient bodies under the relevant levies legislation (such as the [Primary Industries Research and Development Act 1989](#)).

In 2023–24 we collected more than 110 levies and charges on over 70 commodities across our industries. Across 18 levy recipient bodies, we disbursed \$603.42 million in levies and charges and \$470.29 million in Commonwealth matching payments. Levies collected and disbursed to recipient bodies allow primary industries to collectively invest in research and development, marketing, biosecurity activities, residue testing and biosecurity emergency responses. The levies also help industries drive growth, maintain competitiveness, manage risks and ensure their ongoing contribution to the Australian economy.

### **Regulatory alignment**

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – we use a business improvement program (BIP) to improve the capability and effectiveness of levy administration and regulation. Our operational procedures and guidelines are reviewed annually and updated under the BIP to support consistency across the country. We use inspection tip sheets as a reference for levies officers to perform record inspections and training. We conduct annual reviews of the national compliance program (NCP) to assess its ongoing effectiveness and to inform future compliance activities. Our review helps to improve compliance outcomes through more tailored compliance measures. We improve business outcomes through the early identification of efficiency gains and optimal resource allocation, with the aim of reducing compliance costs for industry.
- 2) Risk-based, and data-driven – we deliver a risk-based and data-driven NCP to support levy payers to comply with legislation and provide sufficient documentation. We undertake field visits and inspect transaction records of levy collection agents across the country. Levy collection agents are assigned a risk rating via our levies information management system which informs field visits. The NCP highlights levy collection agents who collect approximately 20% of levy revenue review. Approximately 500 inspections are completed annually.
- 3) Collaboration and engagement – we regularly liaise with key industry representatives to share information on developments and compliance. Our engagements help identify industry-wide trends and risks, generating more informed strategic compliance projects. Our projects are better able to target risk, inform industry on compliance, and increase staff awareness on levy benefits. Our engagement with levy payers and collection agents provides real-time stakeholder feedback. This is used to inform our approach to helping levy agents understand their obligations and encourage compliance.

### **Analysis**

In 2023–24 we disbursed \$603.42 million in levy revenue at a cost of \$4.65 million. The cost was 0.77% of levies disbursed. This was a 23.34% increase in cost from 2022–23.

The NCP delivered positive outcomes against our operational compliance and targeted compliance assessment programs. We identified unpaid levies from new participants and recovered \$0.26 million in revenue and made \$1.47 million in levy adjustments. This figure comprises \$0.60 million of levy overpayments and \$0.87 million of levy underpayments.

Employee expenses are the biggest cost driver for levies administration costs. We saw our costs increase in 2023–24 as we commenced a new enterprise bargaining agreement and resumed recruitment activities to back-fill vacancies.

The less than 1.2% target benchmark – established in 2016–17 – was appropriate for 2023–24. We will review the relevancy of this benchmark in 2025–26, after the implementation of modernisation reforms to agricultural levies legislation.

### **Methodology and data sources**

Our information systems – Activity Based Costing, Phoenix, and TechnologyOne – provided data on disbursements, levy rates, levy compliance, administration activities and costs. We combined this data to attribute collection costs to respective agricultural commodities.

Separate staff reconciled and reviewed the financial data between TechnologyOne and Phoenix to ensure completeness of the data and the accuracy of the cost recovery calculation.

### ***Caveats and disclosures***

Not all levy administration activities can be directly linked to specific agricultural commodities - for example, system administration and budgeting. The efficiency of the system to collect levies and all other necessary levy information from collection agents is dependent on participant compliance.

Variable climatic seasons can impact production levels and influence the amount of levy collected.

### ***Variation from corporate plan***

There was no variation from the *Corporate Plan 2023–24* for this performance measure.

## **Measure IG-03**

<b>IG-03</b>	Proportion of farm businesses making capital investments.
<b>Measure type</b>	Effectiveness.
<b>Target</b>	Increase in percentage of farm businesses making new capital investments compared to previous year (based on a 5-year moving average).
<b>Sources</b>	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 1.1, 1.3, 1.4, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10, 1.11, 1.12.
<b>Result</b>	Not achieved – in the 5 years to 2022–23, 53% of farm businesses made new capital investments. This was a 1.9 percentage decrease from the 54% of farm businesses making new capital investments reported in the 5 years to 2021–22.
<b>Tolerances</b>	Achieved: If the proportion of farms making new capital investments increases (based on annual reporting of a 5-year moving average). Partially achieved: Not applicable. Not achieved: If the proportion of farms making new capital investments decreases or is the same (based on annual reporting of a 5-year moving average).

### ***Context***

We develop and implement farm support policy and programs designed to assist farmers to prepare and respond to fluctuating income. These programs aim to support productivity and financial capacity of farm businesses, regardless of economic downturns and unfavourable climatic conditions. The programs included the Farm Management Deposit (FMD Scheme), concessional loans administered by the Regional Investment Corporation (RIC), Farm Household Allowance (FHA) and Rural Financial Counselling Service (RFCS).

The productivity and growth of the Australian agricultural industry is largely dependent on farmers making capital investments to their farm businesses. Generally, the annual capital investment by farmers broadly fluctuates with changes in farm income. Farmers are more likely to make capital investments when they are confident or have positive expectations about the future. Examples of capital investments that lead to increased productivity include modernised equipment, the adoption of new technologies and/or improved infrastructure.



### **Analysis**

In the 5 years to 2022–23, new capital investments were made by 53% of broadacre and dairy farms. The results showed a 1.9 percentage decrease in new capital investments over 5 years to 2021–22, resulting in this performance measure not being achieved.

The amount invested annually by farm businesses fluctuated broadly in line with movements in farm cash incomes. The result reflected declines in broadacre farm incomes in several years of the 5–year period, including 2019–20 (due to drought) and 2022–23 because of lower commodity prices and reduced crop production due to drier seasonal conditions in some regions. Our farm support policy and programs are delivered over the longer term. As the measure is strongly linked to incomes, fewer farms are able to make new investments when incomes fall. This means a likely reduction in take-up of some farm support programs that require farmer investment. The relatively small decline in the measure suggests policy and program settings should be monitored but is not significant enough to adjust settings.

Commonwealth-funded concessional loans, delivered through the RIC, aimed to support the long-term strength, resilience and profitability of eligible Australian farm businesses and related small businesses. We supported the Minister for Agriculture, Fisheries and Forestry – in his role as a responsible minister for the RIC. This included a review of the operation of the [Regional Investment Corporation Act 2018](#), as required by the Act. We provided secretariat support to the independent reviewer, Dr Wendy Craik AM, who made recommendations relevant to the scope of the RIC’s activities and its governance arrangements after 30 June 2026. The review identified that RIC loans helped farmers recover from hardship and supported capital investments. Capital investments such as building on-farm dams and grain silos helped with drought preparedness and resilience within farm businesses.

The RFCS and FHA programs are largely hardship programs that use a dual case management and time-limit approach to drive structural adjustment (either by the person making sustainable improvements to their farm enterprise, or by exiting the industry). This includes supporting businesses to transition out of financial crisis, improving profitability, facilitating dignified exits from a business, and/or improving the financial wellbeing and resilience of farmers.

During the year the RFCS provided free and confidential financial counselling to 6,657 eligible farmers, fishers, foresters and small related businesses experiencing, or at risk of, financial hardship. Of the 6,657 clients to receive support, 4,987 or 75%, were case managed under the Program.

Over 5,600 farmers and their partners received support through the FHA program in the 2023–24 financial year. Once granted, recipients also have access to up to \$10,000 to pay for professional advice and/ or training to address their hardship. All decisions about how to approach changes are discussed with the person’s case officer. This co-handling approach is designed to encourage recipients into taking positive actions.

The FMD Scheme aims to support business preparedness and financial risk management by helping primary producers manage their capital and fluctuating cash flow. The additional support created a financial buffer for the agricultural sector, resulting in increased resilience to economic downturns, prolonged unfavourable climatic events and natural disasters. The scheme supported farmers’

capacity to plan for and undertake capital investment by encouraging them to set aside cash reserves to draw on in low-income years.

At 30 June 2024 the 10-year rolling average of farm management deposit account holdings increased in real terms by 2.3% to \$7.3 billion. We shared responsibility for administering the FMD Scheme with the Australian Taxation Office (ATO). We had responsibility for the government’s agricultural policy and the ATO held responsibility for tax compliance and taxation measures. Farm Management Deposits were one of a suite of taxation measures that primary producers could access for risk management and capital investment.

#### ***Methodology and data sources***

We sourced data from the ABARES Australian Agricultural and Grazing Industries Survey and Australian Dairy Industry Survey. The use of a moving average across 5 years allows for annual fluctuations resulting from seasonal variations. New capital investments are measured over 5 years to identify fluctuation in confidence levels.

The annual survey data collected is based on results for the previous financial year. The lag time in survey data availability means that our 2023–24 data collection is based on survey results for 2022–23. Data collection occurred from July to December 2023 and preliminary results were known by May 2024. The results covered an estimated 65% of Australian farm businesses in 2022–23, which was the latest year for which ABARES farm survey data was available. The survey did not include farms in other agricultural industries such as horticultural, sugar cane and cotton growing. Relevant data on the remaining farm businesses in these industries was not available.

#### ***Caveats and disclosures***

Changes in farm capital investment across Australia is one indicator of the effectiveness of our farm resilience policy and programs. Interest rates, input prices and commodity prices also influence farm businesses but remain outside our control.

The 10-year rolling average of farm management deposit account holdings is based on data reported to us by financial institutions that offer farm management deposits under the FMD Scheme.

In line with the method used in prior years, revisions to survey benchmarks provided by the ABS resulted in slight changes to survey weights applied at the farm level. Consequently, the final estimates of the proportion of farms making new capital investments (54%) was lower than the previous preliminary estimates (55%) over the 5 years to 2021–22. Such revisions are a normal part of the ABARES survey cycle which is dependent on benchmark data provided by the ABS.

#### ***Variation from corporate plan***

There was no variation from the *Corporate Plan 2023–24* for this performance measure.

**Measure IG-04**

<b>IG-04</b>	Encourage forestry industry investment in innovation.
<b>Measure type</b>	Output.
<b>Target</b>	Deliver 30% of total grant program funding.
<b>Source</b>	<i>Corporate Plan 2023–24.</i>
<b>Result</b>	Achieved – grant expenditure of \$30.54 million in 2023–24 exceeded the target of 30% (\$30.22 million) of overall total grant program funding of \$100.7 million.
<b>Tolerances</b>	Achieved: 70% to 100% of grants have met their milestone requirements to enable grant payments to be made. Partially achieved: 50% to 69% of grants have met their milestone requirements to enable grant payments to be made. Not achieved: 0% to 49% of grants have met their milestone requirements to enable grant payments to be made.

**Context**

The Accelerate Adoption of Wood Processing Innovation Program provides \$100.72 million in grant funding to wood-processing businesses to adopt new and upgraded technologies. Funding of up to 40% of the total project cost is available over 4 years from 2022–23 to 2025–26. The funding enables privately-owned wood processors to invest in new and upgraded wood-processing facilities to increase production to meet ongoing demand.

**Analysis**

The program invests \$100.72 million in grant funding across 4 years and leverages \$199.99 million of co investment – amounting to a combined total investment of \$300.71 million within the sector. In 2023–24 grant funding of \$30.54 million (or 30.32%) was paid. Of this, grantees have spent \$27.05 million in grant funding in implementing projects. When combined with expenditure from grantee co-investment, overall expenditure on project implementation was \$73.44 million.

Given the existing supply chain issues, the slowing of the housing and construction markets, and the infancy of this program, we were satisfied with the progress grantees have made towards implementation. A small number of grantees were delayed by these challenges from meeting their milestone requirements, which resulted in the deferment of some grant payments to the next financial year.

The impact the program will have on individual businesses and the sector more broadly will be captured through an evaluation conducted post-completion of the grant program. Our focus is on the implementation of new and upgraded technologies within businesses.

**Methodology and data sources**

Results were based on our 6-monthly milestone reports. Grant expenditure data was drawn from payment notifications and reports from the Community Grants Hub, grant agreements, and our internal financial management system. Internal data records were updated after each payment period and verified using end-of-month reporting. Data was cross checked against grant agreements, milestone approval minutes and tracking spreadsheets.

**Variation from corporate plan**

The target for the measure is based on 30% of the total grant funding for the program. As the volume of grants funded under the program has reduced from \$108.78 million to \$100.72 million, the target has therefore reduced from \$32.63 million to \$30.22 million.

The 2023–24 target was originally based on 37 grants and a program expenditure of \$108.78 million from 2022–23 to 2025–26. Our overall target of total grant funding was 30% (\$32.63 million).

The withdrawal of 4 grantees from the program in 2023–24 reduced the total grant funding for the program. The program now has 33 approved grants with an overall committed program expenditure of \$100.72 million. The revised target for 2023–24 (being 30% of the total grant funding) was \$30.22 million.

The tolerances were amended to provide greater clarity as to how the target figure was derived.

**Key activity 1.2**

Maintain and expand international markets by certifying and regulating exports and negotiating new and improved market access.

**Measure IG-05**

<b>IG-05</b>	The department negotiates new and improved technical market access to international markets.
<b>Measure type</b>	Output.
<b>Target</b>	Each year, at least one new and one improved trade protocol is implemented by the department and made available to Australia’s agriculture, fisheries and forestry exporters.
<b>Source</b>	<i>Corporate Plan 2023–24.</i>
<b>Result</b>	Achieved – 10 new export opportunities opened, and 44 improvements to market access.
<b>Tolerances</b>	Achieved: If at least one new and one improved market access protocol is made available. Partially achieved: Not applicable. Not achieved: If the department fails to deliver at least one new and one improved market access protocol.

**Context**

Australia’s agricultural, fisheries, and forestry industries must have access to international markets to be able to grow to a value of \$100 billion by 2030. Approximately 70% of production is exported to overseas markets, supporting food security around the world. In 2022–23, agriculture contributed 2.7% to Australia’s gross domestic product (ABARES 2024).

We create new and improved market access through establishing technical (non-tariff) requirements for trade. These include treatment and testing protocols, labelling, and certification requirements. Once technical requirements are agreed, implementation is regulated under the *Export Control Act 2020* and associated legislation. New access describes establishing technical access for a specific commodity into a market for the first time, or where trade has not been available for 5 or more years. This includes negotiating new biosecurity protocols or other certification and assurance requirements with international trading partners. Improved market access occurs where we have negotiated revised protocols for market access that reduce the time, cost, or requirements for Australian exporters to access a given market.

### **Analysis**

In 2023–24 we opened 10 new export opportunities against the target to grow market access by at least one new trade protocol or export opportunity. This included negotiating:

- new import conditions for Western Australian Hass avocados to Thailand – since access opened, \$3.5 million worth of avocados (around 662 tonnes) have been exported
- new market access for Australian honey and edible apiculture products to be exported to Vietnam
- new market access for kangaroo meat and meat products to Taiwan.

We recorded 44 technical market access outcomes that improved access to overseas markets through reduced cost or regulatory requirements. This is a similar result to previous years though each improved outcome, or protocol, is unique to its circumstances and varies in size and complexity. This means the overall count of improvements is not directly comparable year-to-year. Examples from 2023–24 include:

- simplifying the certification process for wine exported to Thailand – a growth market for wine, with exports worth \$59.9 million in 2023, up 55% on the previous 3-year average
- formalising and reducing regulatory burden for hides and skins exported to Brazil – in 2023 Australia exported over \$1.2 million of skins and hides to Brazil, up 13% on the previous 3-year average
- streamlining access for processed animal proteins to the Republic of Korea – in implementing certificates to meet new importing country requirements, we removed the requirement for hardcopy letters, reducing time to export. We also negotiated greater flexibility of products and a wider range of suppliers able to export.

### **Methodology and data sources**

We maintained internal registers of market access requests and the status of negotiations to identify finalised trade outcomes. Finalised outcomes are where conditions of trade have been agreed with overseas trading partners and made available to Australian exporters. Illustrative trade values were sourced from the ABS. The most recent complete year of data available at the time of analysis was the 2023 calendar year. Finalised outcomes were reviewed and included in a central register of trade outcomes maintained by our Trade and International Division. This ensured consistent use of definitions for new and improved market access achievements, and that achievements fell within our remit for market access, including:

- securing technical access to new markets for industry products by negotiating sanitary/phytosanitary protocols, certification and assurance requirements
- negotiating import requirements to maximise ease of access for exporters.

Contributions to free-trade-agreements and international standard setting bodies, such as the World Trade Organization or Food and Agriculture Organization, were out-of-scope for this measure.

Most new or improved market access outcomes had the agreed protocols published in the [Manual of Importing Country Requirements](#) (Micor) or as a [Market Access Advice](#) notice. A full list of

market access achievements may not be published if we assess there is a commercial-in-confidence or similar risk in sharing specific examples.

### ***Caveats and disclosures***

Unilateral decisions made by trading partners may impact our ability to negotiate technical market access. These may occur outside of our control – for example, punitive tariffs or non-tariff barriers implemented against a range of commodities including non-agricultural trade.

Uptake of export markets is also influenced by factors outside of our control. Whether exporters access all available markets is a commercial decision, influenced by:

- global prices, exchange rates and market conditions (supply and demand) and other factors such as external shocks to the global supply chain
- Australia’s domestic market conditions, including climate, yield, and domestic demand, which determine how much product is available for export.

The number of commodities and international markets where access must be negotiated is dynamic. Novel products are developed, and international trading partnerships can morph and change, requiring new access conditions to be negotiated.

### ***Variation from corporate plan***

The measure wording was revised to reflect the work undertaken by our department more accurately. The measure type was re-categorised from an output and regulatory measure to an output measure. A target was introduced to affirm that competitive access to international markets should grow and improve over time. Tolerances were added to align with the target.

## **Measure IG-06**

<b>IG-06</b>	The department negotiates to maintain technical market access to international markets when trade is threatened and restores trade where it has been lost.
<b>Measure type</b>	Output.
<b>Target</b>	Not applicable.
<b>Source</b>	<i>Corporate Plan 2023–24</i>
<b>Result</b>	There were 29 instances of maintained market access and 5 instances of restored market access. These actions protected markets worth a potential \$4.6 billion.
<b>Tolerances</b>	Not applicable.

### ***Context***

Australia’s agricultural sector (agricultural, fisheries, and forestry industries) must have access to international markets to be able to grow to a value of \$100 billion by 2030. We act to mitigate the impacts of trade disruptions to ensure agricultural, fisheries, and forestry exporters have stable, reliable, and economically viable access to existing overseas markets.

Our actions to maintain and restore market access are taken in response to trading partner changes and trade incidents as they arise. Maintained access is where trade was threatened or ceased, but the disruption was avoided or resolved within 6 months due to our remedial actions. This includes providing additional information and assurances or negotiating improved outcomes with international trading partners. Restored market access occurs where trade ceased for between

6 months and 5 years due to concerns related to technical market access, but we were able to negotiate to restore access. Technical market access describes non-tariff requirements for trade including treatment and testing protocols, labelling, and certification requirements.

### **Analysis**

In 2023–24 we recorded 29 maintained market access achievements in the face of threats to trade. This included:

- Maintained access for canola to the European Union (EU) through advocating for recognition of the Australian canola industry’s low-emissions credentials. Australia’s canola exports to the EU were worth \$2.1 billion in 2023.
- Revised veterinary health certificate for queen bees exported to Canada. This ensured ongoing trade following the changed *Varroa destructor* status in Australia. Conditions for package bees were also updated to recognise resumption of state freedom from small hive beetle (*Aethina tumida*) in Tasmania. Australia exported \$2.9 million of live bees to Canada in 2023.
- Assuring Australia’s animal health systems and market access for exports of meat and meat products to Taiwan – Australia’s exports of beef, pigmeat, sheep and goatmeat to Taiwan were worth \$419 million in 2023.

Access was restored to 5 markets where it was previously lost. Examples of restored market access included:

- Restoration for cooked and preserved meat exports to the United Kingdom (UK) – trade ceased on 1 May 2022 due to multiple changes to the certificate model required by the UK. We updated the Australian template health certificate to meet new requirements, allowing trade to recommence from 18 December 2023.
- Successfully negotiated reinstatement of market access for sheep meat to be exported to Brazil. Brazil changed certification requirements in 2020. We negotiated new certificate requirements, including a briefer attestation list based on Australia’s disease status.

### **Methodology and data sources**

We maintained internal registers of market access requests and the status of negotiations to identify finalised trade outcomes. Finalised outcomes are where conditions of trade have been agreed with overseas trading partners and made available to Australian exporters. Finalised outcomes were reviewed and included in a central register of trade outcomes maintained by our Trade and International Division. This ensured consistent use of definitions for maintained and restored market access achievements that fall within our remit as shown in Table 10. We assessed performance through reflecting on when and how these actions were undertaken to inform future actions to maintain and restore market access.

Commodities were identified using [Australian Harmonized Export Commodity Classification](#) (AHECC) codes. We used market and AHECC information to extract data from the [International Trade in Goods](#) dataset published by the ABS. Data was extracted as the export value for each impacted commodity in Australian dollars. For each achievement, the most recent and relevant complete year of data was used to indicate the size of the market. For maintained access, this was the 2023 calendar year which

was available at the time of analysis. For restored access, the calendar year preceding the loss of trade was used.

All restored market access outcomes will have agreed protocols published in the [Micor](#) or as a [Market Access Advice](#) notice. Evidence of maintained market access may not be published if a disruption to trade was avoided. A full list of market access achievements may not be published if there is a commercial-in-confidence or similar risk in sharing specific examples.

**Table 10 Activities in-scope and out-of-scope for maintained and restored market access achievements**

Activity	In-scope	Out-of-scope
Biosecurity incidents.	<ul style="list-style-type: none"> <li>Unconfirmed biosecurity incidents in Australia that have the potential to be resolved through our department providing additional information and assurances.</li> <li>Confirmed biosecurity incidents in Australia where our actions have the potential to mitigate the impact on trade. Examples include ensuring areas of freedom are recognised allowing partial trade to continue.</li> </ul>	<ul style="list-style-type: none"> <li>Confirmed, high-impact biosecurity incidents where no departmental activity, short of eradication, would be able to maintain trade.</li> </ul>
Setting, meeting, and negotiating import requirements for products with trading partners.	<ul style="list-style-type: none"> <li>Responding to allegations of non-compliance for agricultural, fisheries and forestry industries product requirements from trading partners.</li> </ul>	<ul style="list-style-type: none"> <li>Contributions to free trade agreements, and contributions to international standard-setting bodies (such as the World Trade Organization, or Food and Agriculture Organization).</li> </ul>
Supporting exporters to meet new international standards specific to agricultural, fisheries and forestry trade.	<ul style="list-style-type: none"> <li>Maintaining trade by supporting Australian exporters to transition approaches and practices to meet new phased-in standards set by international or multilateral bodies.</li> </ul>	<ul style="list-style-type: none"> <li>Retaliatory restrictions placed on a range of products – not exclusively to agricultural, fisheries and forestry industries.</li> <li>A new standard introduced by an international standard-setting body – or other multilateral institution – that impacts all countries and has an immediate impact on agricultural, fisheries and forestry trade.</li> </ul>

### ***Caveats and disclosures***

We did not set a target for this performance measure because the number and value of market access achievements are partially driven by external factors. Seasonal and market conditions can impact the value of trade, and actions by other governments can impact the number of achievements. This means that a higher or lower value is not necessarily indicative of our performance. We have updated our approach to measuring this work in our *Corporate Plan 2024–25*.

We used historical trade values as an indicator of the potential value of maintained and restored markets. Yearly variations caused by factors outside our control may also affect future trade values.



Uptake of export markets is influenced by factors outside of our control. Whether exporters access all available markets is a commercial decision, influenced by:

- global prices, exchange rates and market conditions (supply and demand) and other factors such as external shocks to the global supply chain
- Australia’s domestic market conditions, including climate, yield, and domestic demand, which determine how much product is available for export.

AHECC codes were used as best practice to identify commodities, which allows consistency in reported export values. There are cases where commodities affected by achievements sit within broad AHECC codes. In these cases, it is not possible to identify what trade value was specifically associated with the commodity of interest. This may result in the potential value of the achievement being over estimated. The stated value of trade protected through market maintenance and restoration should be interpreted as the potential value of trade. This figure is provided to illustrate the potential size of trade only.

### ***Variation from corporate plan***

The measure wording was revised to reflect our work more accurately. The measure type was updated from an effectiveness and regulatory measure to an output measure.

## **Key activity 1.3**

Streamline export regulations and compliance arrangements.

### **Measure IG-07**

<b>IG-07</b>	Increase in the number of electronic certificates issued for export (moving to paperless trade).
<b>Measure type</b>	Efficiency and regulatory.
<b>Target</b>	Plus 2.5% of the final 2022–23 eCert number (61,237).
<b>Sources</b>	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 1.13
<b>Result</b>	Achieved – 21.9% increase in the number of electronic certificates issued for export (74,661 in 2023–24 compared with 61,237 in 2022–23).
<b>Tolerances</b>	Achieved: 100%. Partially achieved: 50% to 99%. Not achieved: 0% to 49%.

### **Context**

We work with overseas governments (Competent Authorities) to implement paperless certification via electronic certification (eCert) exchanges for exports. This includes phytosanitary and sanitary certificates for exports of Australian food and agricultural products. The eCert is provided directly to the Competent Authority, providing assurances that we have completed the required regulatory process.

Moving to paperless trade via eCert provides efficiencies in applying changes to export certification when the importing Competent Authority requests changes to a certification template. For example, a certificate for meat exports to the EU that needs to be developed across all EU markets, and be

multi-lingual, requires 26 versions of the same template. With eCert, this can be reduced to 8, improving our response time to importing countries' certification changes.

With eCert, Australian goods may be cleared faster and be made available for sale sooner, reducing border clearance delays and processes, and creating the potential for increased exports of Australian goods.

### ***Regulatory alignment***

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – eCert replaces a manual, cumbersome process of issuing phytosanitary and sanitary certificates. It records export data in a central repository for real-time analysis, providing confidence about the authenticity of government-to-government certification by removing the need for processing paper-based certificates, which may require manual signatures and seals. Our trading partners gain confidence in the authenticity of arriving goods with the opportunity for food fraud to occur (through the manipulation of false certification) significantly reduced.
- 2) Risk-based, and data-driven – the data exchange via eCert helps to improve regulation and data-driven solutions to cross-border trade. Export data collected in our central repository can be analysed in real-time to make improvements to the processes and systems, when required.
- 3) Collaboration and engagement – we regularly collaborate and engage with government agencies within the overseas trading partner countries to implement eCerts for the export of food and agricultural products to and from Australia. By being transparent, this engagement allows us to continue to modernise our regulatory system through eCert, including successfully adopting any change of processes that are required, with minimal impact to trade.

### ***Analysis***

In 2023–24 we issued 74,661 electronic certificates for paperless trading across multiple commodities and importing countries. This is an increase of 21.9% from 61,237 electronic certificates issued in 2022–23. This was due to an increase in trade volume to paperless eCert markets that occurred during 2023–24, not through the creation of new paperless certification exchanges. This indicates that our approach to targeting traditional trading partners (who may also have an interest in digitisation) appearing to be successful, with paperless certification exchanges that are in place for exports to the United States of America, Japan and New Zealand as examples.

### ***Methodology and data sources***

Electronic certificates were taken from a report extracted from our Export Documentation System (EXDOC) and the New Export Documentation System (NEXDOC).

### ***Caveats and disclosures***

There are factors out of our control that may impact our ability to achieve the targets set, including:

- a lack of acceptance of eCert by some trading partners, or reciprocal arrangements
- time required to transition manual certification to NEXDOC and EXDOC
- inability to create electronic certificates for products that had elements originating from outside Australia

- any fluctuations of trade that occurs during the financial year
- increased market demand that requires additional ICT development, putting pressure on available resources.

### ***Variation from corporate plan***

The target was amended to clarify that the targeted increase was from 2022–23 when the baseline was established. Tolerances were also amended for ‘partially achieved’ and ‘not achieved’.

The *Corporate Plan 2023–24* indicated alignment with regulator best practice principles 1 and 3. We have since demonstrated alignment with all 3 regulator best practice principles.

## **Objective 2 Biosecurity**

Strengthen our national biosecurity system to provide an appropriate level of protection to Australia’s people, our environment and economy from the biosecurity threats of today and tomorrow.

### **Key activity 2.1**

Plan and prepare for the management of biosecurity risk pre-border through policy, fit-for-purpose regulation, targeted intelligence and education, and mature biosecurity emergency preparedness.

### **Measure BI-03**

<b>BI-03</b>	Risk assessments completed in the development of import policy and regulation of biosecurity risks on imported goods.
<b>Measure type</b>	Output and regulatory.
<b>Target</b>	Proportion of risk assessments completed within regulatory or target timeframes.
<b>Source</b>	<i>Corporate Plan 2023–24</i>
<b>Result</b>	Achieved – 100% of risk assessments finalised within regulated or target timeframes (including 100% of the 15,701 import permit assessments and 100% of the 9 risk analyses).
<b>Tolerances</b>	<p>Achieved:</p> <ul style="list-style-type: none"> <li>• Import permits: 100% of risk assessments finalised within regulated timeframes.</li> <li>• Risk analyses: 75% or more of risk analyses finalised within the target 24 months of announcement; 30 months regulated for Biosecurity Import Risk Analysis (BIRA).</li> </ul> <p>Partially achieved:</p> <ul style="list-style-type: none"> <li>• Import permits: 95% to 99% of risk assessments finalised within regulated timeframes.</li> <li>• Risk analyses: 50% to 75% of risk analyses finalised within the target 24 months of announcement; 30 months regulated for BIRA.</li> </ul> <p>Not achieved:</p> <ul style="list-style-type: none"> <li>• Import permits: Less than 95% of risk assessments finalised within regulated timeframes.</li> <li>• Risk analyses: Less than 50% of risk analyses finalised within the target 24 months of announcement; 30 months regulated for BIRA.</li> </ul>

### **Context**

We develop risk-based regulation and policies for the importation of goods into Australia to protect human, animal and plant health, and the environment from biosecurity pests and diseases. Our biosecurity risk assessments inform the import policy and regulatory requirements for imported goods that facilitate safe trade and reduce the likelihood of exotic pests and diseases entering and establishing in Australia. This benefits our import industries, domestic agriculture and production industries and consumers, and strengthens our biosecurity system.

This performance measure is different from BI-10 (the import permits service standard is met), which measures delivery of our biosecurity import permit service. In contrast, this measure is not about service delivery, it is measuring the quality of the risk assessment output which informs the development of import policy.

We included 2 types of biosecurity risk assessment in this performance measure that have legislated or target assessment timeframes. [Risk analyses](#) are formal risk assessments undertaken to inform published import policies. They detail the biosecurity risks and control measures required to import the goods into Australia or to release an exotic pest into Australia’s environment. The process to complete a risk analysis involves delivering risk analysis milestones, concluding with a final report. Import permit assessments are undertaken to allow specific consideration of the biosecurity risks posed by the proposed import commodity. Import permit applications are subject to a case-by-case risk assessment to determine the import conditions necessary to achieve Australia’s appropriate level of protection. Table 11 provides legislated and target timeframes for risk analysis and import permit assessments.

**Table 11 Legislated and target timeframes for finalised risk analysis and import permit assessments**

Activity	Legislation/target	Timeframe to complete
Biosecurity Import Risk Analysis (BIRA).	<i>Biosecurity Act 2015</i> .	30 months.
Non-BIRA.	Published target.	24 months.
Import permit risk assessments for decision to grant or refuse a permit.	<i>Biosecurity Act 2015</i> . <a href="#">Biosecurity Regulation 2016</a> .	6 months (123 business days).

### **Regulatory alignment**

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – we are committed to the improvement of import risk analysis to ensure import policies are fit for purpose, reflective of industry and pre-export risk management processes, and are science-based. We monitor and use import data to inform business improvements and regulatory reform.
- 2) Risk-based and data-driven – we conduct a risk assessment to determine the appropriate import conditions required to reduce the biosecurity risk of imported goods. Risk assessments consider biosecurity risks, relevant import trade data and appropriate mitigation and/or management options.
- 3) Collaboration and engagement – we engage with stakeholders during import risk analysis to ensure risk assessments reflect contemporary science and risk management practices.

### **Analysis**

In 2023–24 we completed 100% of risk assessments, of which:

- 100% of BIRA were completed within the 30-month legislated timeframe
  - one final BIRA report was published on our website
- 100% of non-BIRA were completed within the average 24-month target timeframe
  - 8 final non-BIRA reports were published on our website

- 100% of import permit assessments completed within 123-day legislated timeframe
  - 15,701 import permit assessments within the legislated assessment timeframe.

We achieved 100% of risk analysis completed within target and legislated timeframes this reporting year which exceeded our achieved expectation of 75%. Contributing factors include continued improvements to the efficiency of the analysis process, timely provision of required information from export trading partners, and a manageable level of unplanned significant risk analysis work. Delays in provision of necessary information and the amount and complexity of unplanned analysis work are factors that can affect delivery timeframes each year.

In addition to final risk analyses completed, risk analysis milestones were delivered within legislated and target timeframes that support the progression of ongoing risk analyses. These were:

- 6 announcements including preliminary assessment
- one provisional BIRA report
- one condition review issue paper
- one biological control agent risk analysis panel review
- 4 draft pest categorisation consultations with states and territories
- 3 country verification visits
- 8 draft risk analyses published on our website for formal comment
- one Scientific advisory group review
- 8 targeted stakeholder engagements to discuss risk analysis.

Appropriateness, trust, and satisfaction of the assessment and proposed policy conditions is measured through feedback provided via a public consultation period. Thirty-six stakeholder submissions were addressed and incorporated into final risk analysis, where relevant.

We use import monitoring data to measure import volumes and impact of regulatory conditions, pest approach rates, and border compliance in the cargo pathway. This provides data on the approach rate of biosecurity risk material and enables us to validate risk assessments and measure the effectiveness of import controls in managing biosecurity risk. Import data monitoring enables identification of anomalies, leading to updated risk assessments that drive improvement to risk-based regulatory settings.

The provision of import permits during 2023–24 enabled the importation of approximately 78,966 entries of cargo with declared import permits and was worth a total declared value of \$13.9 billion to industry.

Of the entries imported with import permits during the year:

- 91.4% of entries subject to document assessment (78,449) passed
- 91.3% of entries subject to inspection (70,194) passed
- 98.3% of entries were free of biosecurity risk material.

Appropriateness, trust, and satisfaction of the assessment and required import conditions is measured via requests for formal internal review of permit decision or claims for Compensation for Detriment Caused by Defective Administration (CDDA) for permit assessment processes.

Of the import permits delivered during the year:

- 3 valid requests were assessed for formal internal review of permit decision
- there were no Compensation for Detriment caused by Defective Administration (CDDA) applications for permit assessment process.

### ***Methodology and data sources***

We used the proportion of assessments completed within regulated or targeted timeframes as a measure of qualitative output of the risk assessments produced. We determined the number of completed risk assessments by identifying the total number of finalised risk analysis reports and import permits with completed item assessments extracted via the Biosecurity Import Conditions (BICON) system.

The proportion of activities completed within legislated or targeted timeframes was determined by analysing the elapsed assessment times.

The appropriateness and reliability of the assessments and policy conditions was measured through individual internal reviewable decision requests and CDDA applications, and submissions received during the draft import risk analysis comment period.

We determined the import volumes of goods with an import permit from our Agriculture Import Management System (AIMS).

We organised data sets to minimise the risk of data duplications and to exclude out-of-scope assessments.

Imported entry data was extracted on 18 July 2024 for entries finalised and cleared from biosecurity control between 1 July 2023 and 30 June 2024.

### ***Caveats and disclosures***

Risk assessments must be fit for purpose and can take considerable time to complete. Due to the small number of risk analyses completed within each financial year a larger tolerance range is considered acceptable. A smaller tolerance range is considered more appropriate for the large number of import permit assessments completed in the same year.

Our supporting evidence data on imported entries with permits is subject to the quality of information declared by brokers of imported goods.

Due to a limitation in our BICON system, permit assessments with assessment time recorded as zero in BICON have been excluded from the total data set.

Measuring the short-term effectiveness of risk assessments is challenging due to trade delays and complex and rapidly evolving biosecurity risks that can take time to emerge and/or be detected.

External factors, such as demand for alternative import measures and goods, emerging biosecurity risks, government action and evolving industry trends, and cooperation from stakeholders and applicants all influence numbers unpredictably. Analysis of risk assessment numbers alone is not indicative of our performance.

### ***Variation from corporate plan***

Targets and tolerances were added. Measure type updated from effectiveness to output. We removed risk assessments that did not have a legislative or target timeframe. As a result, data sources not used in the measure included:

- pest risk analyses, reviews, technical assessments and advice via finalised cases in our Threat and Risk Management (TRM) system and Biosecurity Assessment Recording System (BARS) reported via our Biosecurity Integrated Information System (BIIS)
- BICON cases established or updated to enhance effectiveness of import policy
- changes to intervention levels based on analyses of biosecurity risk reportable from our AIMS
- entries released from post-entry quarantine that were reported via the Post Entry Biosecurity System (PEBS).

The *Corporate Plan 2023–24* reflected our alignment with regulator best practice principles 1 and 2. We have since demonstrated alignment with all 3 regulator best practice principles in this measure.

### **Measure BI-04**

<b>BI-04</b>	Number of consignments of imported goods with khapra beetle detections is reduced as a result of biosecurity measures implemented by the department.
<b>Measure type</b>	Effectiveness and regulatory.
<b>Target</b>	Reduction in the number of consignments of imported goods where khapra beetle is detected compared with the 2020–21 baseline.
<b>Sources</b>	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 2.2.
<b>Result</b>	Achieved – a reduction in or no interceptions across all 6 import pathways from the 2020–21 baseline data.
<b>Tolerances</b>	Achieved: The number of khapra beetle interceptions falls across all import pathways or remains at zero. Partially achieved: The number of khapra beetle interceptions falls for at least one import pathway but not for all import pathways. Not achieved: The number of khapra beetle interceptions does not fall in any import pathway.

### ***Context***

We are responsible for safeguarding Australia’s favourable plant health status in order to maintain overseas market access and protect our economy and environment. We assess biosecurity risk associated with current new and emerging pests, including hitchhiker pests such as khapra beetle. The introduction and spread of khapra beetle in Australia would have severe economic consequences, particularly for Australia’s agricultural and food production sectors.

During 2020 and 2021 we observed an increase in khapra beetle interceptions at the border. To minimise the risk of khapra beetle entering Australia, we introduced [urgent actions](#) aligned with

regulatory best practice principles. In 2023–24 we continued to monitor the performance and effectiveness of the urgent actions.

### **Regulatory alignment**

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – during the year we continued drafting a [Pest Risk Analysis](#) on khapra beetle. The draft report is expected to be released for public consultation in late 2024. This will review the urgent actions to ensure they are fit for purpose and technically justifiable and may lead to the refinement of existing measures or identify alternative measures to address the risk.
- 2) Risk-based and data-driven – we conducted an initial risk assessment to identify actions that may reduce the risk of khapra beetle entering Australia. The risk assessment considered khapra beetle’s biology, available treatment options (including data on operational effectiveness), interception data, likelihood of incursion and recommended actions for each pathway. The strength of the urgent actions was proportionate to the likelihood of khapra beetle entering on a pathway. We developed a compliance policy that articulated our approach to managing non-compliance on the pathways, including risk information to inform decision-making.
- 3) Collaboration and engagement – we engaged actively and extensively with domestic and international stakeholders, including trading partners, importers, domestic agriculture production peak industry bodies, treatment providers and the shipping industry. This engagement was to obtain feedback for ongoing improvements, provide timely notification of operational change, highlight their obligations and responsibilities, and encourage voluntary compliance.

### **Analysis**

The number of consignments of imported goods where khapra beetle was detected reduced from a baseline of 19 in 2020–21 to 4 in 2021–22, 9 in 2022–23 and 2 in 2023–24. Our 2023–24 results shown in Table 12 indicate the number of khapra beetle detections reduced, or remained at zero, since the implementation of the urgent actions. Continued reduction in detections may also be attributed to positive engagement with our stakeholders on risk management.

**Table 12 Number of consignments of imported goods with khapra beetle detections, by import pathway, 2020–21 to 2023–24**

Category	Country of export	2020–21 baseline	2021–22	2022–23	2023–24
High-risk plant products	Target-risk countries	6	0	4	1 <sup>a</sup>
	Other-risk countries	2	1	0	0
Other-risk plant products	Target-risk countries	0	0	1	0
	Other-risk countries	0	0	2	0
Other goods (including empty sea containers)	Target-risk countries	0	0	1	0
	Other-risk countries	11	3	1	1 <sup>b</sup>
<b>All goods</b>	<b>All countries</b>	<b>19</b>	<b>4</b>	<b>9</b>	<b>2</b>

**a** Detection of khapra beetle in beans carried by a traveller. **b** Detection of khapra beetle with grain residue on sea container floor.



Of the 2 detections in 2023–24:

- one was associated with a high-risk plant product, carried by a traveller arriving from a khapra beetle target-risk country – we continued to enforce our ban on the importation of high-risk plant products through clear communication and thorough inspection and screening of baggage
- one was associated with grain residues on the floor of a sea container from a country not known to have khapra beetle – to address this risk, we have engaged with the international community to lobby for improvements to hygiene standards and the design of sea containers.

### ***Methodology and data sources***

We established our baseline using the total annual number of khapra beetle interceptions prior to the introduction of urgent actions in 2020–21. Using this baseline, we compare annual detection numbers.

Our data sets were curated to remove duplicates.

We sourced khapra beetle interception data from our Incidents system, our Biosecurity Pest and Disease Notifications, AIMS, and our publicly available lists for high-risk plant-based products, target-risk countries and treatment certificates.

### ***Caveats and disclosures***

The likelihood of a pest entering Australia is often influenced by its pathway – for example, high-risk goods from high-risk countries are more likely to enter with khapra beetle. Our import conditions vary according to the country of export, type of goods and their mode of arrival into Australia. The application of these import conditions reduces the overall risk across all pathways to the same level, which is very low, to achieve Australia’s appropriate level of protection. Therefore, weighting of detections by pathway(s) is not considered necessary.

### ***Variation from corporate plan***

Some import pathways had zero khapra beetle interceptions in the 2020–21 baseline. The tolerance description was therefore modified to show that the target would be achieved if the number of khapra beetle interceptions fell or remained at zero across all import pathways.

The *Corporate Plan 2023–24* indicated alignment with regulator best practice principles 2 and 3. We have since demonstrated alignment with all 3 regulator best practice principles.

## **Measure BI-05**

<b>BI-05</b>	Number and extent of biosecurity preparedness exercises completed.
<b>Measure type</b>	Effectiveness and regulatory.
<b>Target</b>	One preparedness exercise.
<b>Sources</b>	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 2.1.
<b>Result</b>	Achieved – 2 exercises delivered.
<b>Tolerances</b>	Achieved: Exercises have been completed. Partially achieved: Exercises have commenced but not been completed. Not achieved: Exercises have neither commenced nor been completed.

### **Context**

We have a range of responsibilities in crisis and emergency management. We are the lead agency for responding to and managing domestic plant and animal biosecurity crises under the *Australian Government Crisis Management Framework*. To ensure we maintain the capability to prepare for, respond to, and recover from biosecurity emergencies we deliver training programs, conduct exercises, and identify lessons to continually improve our systems.

Our work benefits all agricultural industry stakeholders and the wider community. Effective emergency management contributes to the protection of Australian agriculture, the environment, and the economy from all hazards, including biosecurity threats. Exercises are an essential component of emergency preparedness that use controlled, objective-driven activities to practice, test and evaluate our capabilities. We conduct exercises to ensure we can respond to biosecurity risks and other hazards in the most effective manner possible.

The extent (or level of complexity) will vary depending on the capability being tested for the exercise. For example, exercises that test a less developed capability are less complex than exercises that test a more developed capability. Exercises can be as simple as a planning group discussing a newly drafted emergency plan to validate its concepts, or as complex as a multi-agency simulation that tests response arrangements for a major emergency.

### **Regulatory alignment**

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – we regularly complete exercises to evaluate our capabilities and identify areas for improvement that inform changes to our emergency management arrangements. When these arrangements are used in emergency responses, or are re-exercised, we can measure the effectiveness of the improvement activities. This comprehensive approach builds stakeholder trust in our readiness for a biosecurity emergency.
- 2) Risk-based and data-driven – we conduct exercises to improve our ability to respond to current and emerging risks. We use various data sources, such as preparedness reviews and intelligence on new threats, to prioritise which capabilities to exercise. Government inquiries and reports, such as the Joint Interagency Taskforce: Exotic Animal Disease Preparedness Report, inform how we focus our exercise activities to address identified risks.
- 3) Collaboration and engagement – we engage with Australian government agencies, jurisdictions, industries and other stakeholders. This improves our ability to effectively identify exercise priorities. The National Biosecurity Committee provides one such forum for engaging with state and territory counterparts and other delivery partners, like Animal Health Australia and Plant Health Australia. Insights from such fora are instrumental in shaping exercise and professional development activities for a broad range of responders.

### **Analysis**

This measure considers the number of biosecurity preparedness exercises completed in the 2023–24 reporting period, and the extent of those exercises. In 2023–24 we completed 2 preparedness exercises – Exercise Waterhole and Exercise Kringle.

Exercise Waterhole (September to November 2023) tested the preparedness of Australia’s animal health laboratory network to respond to a large-scale emergency animal disease outbreak.

The exercise comprised a series of 4 activities involving multiple organisations. This included 2 in-person discussion-based workshops, a small-scale functional exercise with a single laboratory, and a 3-day national functional exercise involving government animal health laboratories in all jurisdictions. Simulated scenarios included an outbreak of lumpy skin disease affecting cattle across northern Australia; followed by a concurrent outbreak of highly pathogenic avian influenza (HPAI) in the southern states.

Actual [outbreaks of HPAI](#) occurred in May 2024 across multiple jurisdictions with response efforts demonstrating the effectiveness of recommendations identified through the exercise. For example, Exercise Waterhole recommended the use of the Laboratories for Emergency Animal Disease and Response (LEADDR) Emergency Committee to enhance communication and coordination between animal health laboratories. The LEADDR Emergency Committee met weekly during the initial response to the actual HPAI outbreak and assisted with communication and coordination between laboratories.

Exercise Kringle (December 2023) was designed to strengthen the readiness of departmental senior officials to fulfill their roles and responsibilities during an incident. It comprised a single, hypothetical discussion exercise involving internal participants. This included familiarisation with our plans for managing complex events.

The exercise provided an opportunity for senior officials to practice the initial stages of an emergency animal disease response, which has since been applied to several situations. For example, a Response Coordination Group and Incident Management Team were established to coordinate the departmental response to the recent outbreaks of HPAI using the arrangements explored in Exercise Kringle.

### ***Methodology and data sources***

We maintained a register of all recorded exercise activities, counted the number of exercises undertaken each year, and described the extent of each activity using the ‘exercise style’ methodology in the Australian Disaster Resilience *Managing Exercises Handbook*.

Records of preparedness exercises were stored electronically, and included scoping and concept documents, plans, instructions, evaluations and reports.

### ***Variation from corporate plan***

The *Corporate Plan 2023–24* indicated alignment with regulator best practice principles 1 and 3. We have since demonstrated alignment with all 3 regulator best practice principles.

**Measure BI-06**

<b>BI-06</b>	Improve the management of biosecurity risk offshore by increasing assurance activities on pre-border biosecurity arrangements.
<b>Measure type</b>	Output and regulatory.
<b>Target</b>	Perform 60 treatment provider compliance management activities in line with our offshore treatment assurance schemes.
<b>Sources</b>	<i>Corporate Plan 2023–24.</i>
<b>Result</b>	Achieved – 60 treatment provider compliance management activities were conducted.
<b>Tolerances</b>	Achieved: 60 or more treatment provider compliance management activities conducted. Partially achieved: Between 50 and 60 treatment provider compliance management activities conducted. Not achieved: Less than 50 treatment provider compliance management activities conducted.

**Context**

We build and foster relationships with trading partners to strengthen regional and global biosecurity frameworks and practices. Our collaboration with overseas governments and industry helps us to effectively manage biosecurity risks offshore and enhances Australia’s status as a trade partner of choice.

We establish and administer offshore arrangements (government-to-government and/or government-to-industry) for the biosecurity treatment of a range of goods before they are exported to Australia. Offshore biosecurity treatment assurance schemes are conducted in partnership with treatment providers and foreign governments. Assurance data drives our intelligence-led activities and profiling, and further enables the early detection of non-compliance in managing biosecurity risks from entering Australia.

**Regulatory alignment**

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – we conduct internal and external reviews to verify compliance with regulatory requirements and improve processes which in turn builds trust with stakeholders that we are an up-to-date, flexible, agile, and transparent regulator.
- 2) Risk-based and data-driven – global and transnational biosecurity risks, identified from our data, drive our regulatory focus to ensure efforts are directed at high-risk import pathways.
- 3) Collaboration and engagement – we build and foster relationships with international authorities to manage biosecurity risks offshore and domestically through Federal, state and local government authorities by sharing information and building counterparts’ capacity to improve regulatory systems and oversight.

**Analysis**

In 2023–24 we performed 60 treatment provider compliance management activities, including documentary assessment and remote and physical audits, in line with our offshore treatment assurance schemes, which includes the [Australian Fumigation Accreditation Scheme](#), [Offshore Brown Marmorated Stink Bug Treatment Provider Scheme](#), [Offshore Irradiation Treatment Providers Scheme](#) and [Ethylene Oxide Offshore Treatment Providers Scheme](#).

We identified patterns and risks via system data and used this to inform decisions and priorities. The data also contributed to the development of intelligence-led targeting strategies.

### **Methodology and data sources**

We determined our target number by assessing the relevant scheme requirements. The availability of registered treatment providers was also considered. See [pre-border biosecurity arrangements](#) and [biosecurity treatment providers](#) for further information.

Our Agricultural Information Management System (AIMS) provided data for completed activities, inspections and documentary assessment. Our Power Apps database captured data on treatment providers and verification. To identify indicators of non-compliance we analysed data in Power BI.

A completed activity produced a pass or fail result.

### **Caveats and disclosures**

The specific compliance verification activities for a given provider are variable. Pathway risk, treatment type and pests of concern all impact activities. Compliance verification activities may include inspection, documentary assessment and audit.

### **Variation from corporate plan**

The measure wording, measure type, targets and tolerances have been adjusted to be more meaningful and more reflective of the goal of the measure. For accuracy, we moved the measure to key activity 2.1.

## **Measure BI-09**

<b>BI-09</b>	Targeted public communication and engagement activities.
<b>Measure type</b>	Output.
<b>Target</b>	Conduct at least 2 targeted biosecurity awareness campaigns per financial year.
<b>Source</b>	Not applicable.
<b>Result</b>	Achieved – 2 biosecurity awareness campaigns were completed – international travellers and online shopping.
<b>Tolerances</b>	Achieved: At least two targeted campaigns (paid or unpaid) are conducted per year. Partially achieved: One targeted campaign (paid or unpaid) is conducted per year. Not achieved: No targeted campaigns are conducted.

### **Context**

The most effective way of managing biosecurity risk to Australia is to prevent it arriving in the first place. All Australians and people travelling to Australia, or sending material via post or cargo, have a role to play in managing biosecurity risk. Communication and engagement activities are an important element in helping Australians understand biosecurity risks, their role in preventing pests and diseases entering the country, and what to do if they suspect a biosecurity risk.

We deliver a range of public communication and engagement activities to enhance awareness of Australia’s biosecurity requirements. Increasing public awareness is designed to reduce biosecurity risks entering Australia.

Well-informed audiences are key contributors to a shared biosecurity culture, where everyone understands its importance and plays their part to support a strong national biosecurity system.

Biosecurity campaigns provide a solid foundation for enhancing engagement and awareness of Australia’s biosecurity requirements and educating audiences on their role in protecting the country from exotic pests and diseases.

### **Analysis**

In 2023–24 we conducted 2 biosecurity awareness campaigns:

- international travellers and biosecurity
- online shopping.

The international travellers and biosecurity campaign was aimed at raising awareness of Australia’s biosecurity requirements and promoting compliance among travellers arriving in Australia. The primary objective was to inform and educate returning Australian travellers, international students, and international passengers travelling to Australia, including culturally and linguistically diverse audiences, about biosecurity risks and compliance requirements. The campaign was designed to reduce the risk of biosecurity risk material entering the country through the traveller pathway.

The online shopping campaign was aimed at promoting compliance with Australia’s biosecurity laws when ordering or sending products from overseas. It aimed to educate target audiences about the country’s biosecurity requirements and aimed to drive traffic to our website for [online-shopping](#). The campaign was designed to engage with online shoppers about the measures they need to take in meeting Australia’s biosecurity requirements to reduce biosecurity risks from entering the country through the international mail pathway.

The campaigns promoted important biosecurity messages using various channels, to deliver against the objective.

### **Methodology and data sources**

The measure required the number of biosecurity awareness campaigns to be counted. A ‘campaign’ is considered to be a targeted program of messages relating to biosecurity awareness with a specific aim to inform and educate a target audience and ideally change behaviour.

For this measure a campaign can be paid or unpaid. An unpaid campaign uses our own existing channels to disseminate the key messages – for example, our social media accounts. A paid campaign involves engaging with the Federal government approved Master Media Agency, Universal McCann, and disseminating the key messages that align with the Australian Government Guidelines on Information and Advertising Campaigns. Universal McCann was engaged to deliver the 2 paid advertising campaigns – ‘international traveller’ and ‘biosecurity and online shopping’.

### **Variation from corporate plan**

This measure was not in the *Corporate Plan 2023–24*. It was added to the 2023–24 annual performance statements to demonstrate the importance of communication and engagement activities in contributing to enhanced awareness of Australia’s biosecurity requirements.

**Measure BI-10**

<b>BI-10</b>	The import permits service standard is met.
<b>Measure type</b>	Output and regulatory.
<b>Target</b>	Service standard is achieved.
<b>Sources</b>	<i>Corporate Plan 2023–24</i> as part of BI-02. <i>Portfolio Budget Statements 2023–24</i> . Program: 2.1.
<b>Result</b>	Not achieved – 49% of import permit applications processed with a decision made within 20 business days.
<b>Tolerances</b>	Achieved: 90% or more import permit applications are processed, and a decision made within 20 business days. Partially achieved: 50% to 89% of import permit applications are processed, and a decision made within 20 business days. Not achieved: Less than 50% of import permit applications are processed and a decision made within 20 business days.

**Context**

We safeguard Australia’s animal and plant health status to achieve, maintain and expand access to overseas markets while also protecting Australian agriculture, the economy and environment.

The assessment and decision-making associated with import permits is critical to safeguarding Australia’s animal and plant health status because it allows for assessment and, if applicable, issuance of an import permit that sets out the conditions applicable to managing the biosecurity risks associated with goods within Australia’s appropriate level of protection.

Under the *Biosecurity Act 2015* and *Biosecurity Regulation 2016*, we have a maximum of 6 months (123 business days) to assess a permit application and decide whether to grant or refuse a permit. Our [client service charter and client service standard](#) sets out what clients can expect when interacting with our department.

We have an established service standard of 90% of import permit applications processed and a decision made within 20 business days, recognising that the regulatory service we provide is integral to our clients’ needs and biosecurity management. The service standard also provides that import permit applications may take longer to process if the application is complex, the information provided is incomplete or it is a novel product. In the instance where the information provided is incomplete, the permit application will be put on hold, essentially stopping the assessment clock, until the requested information is received. By placing applications on hold until requested information is received, we ensure that the time being measured reflects our active assessment time and not time while an application is in the hands of the applicant.

This measure assesses our performance against the import permit service standard for the issuance of permits through BICON to manage biosecurity risk.

**Regulatory alignment**

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – client service standards allow our department and industry to monitor how responsive, efficient, and effective we are in delivering our biosecurity

regulatory responsibilities. We utilise data from service standards to improve how we deliver our regulatory services to the importing community, using data insights to support and drive improved outcomes. For example, if analysis of the data identifies that a specific commodity is outside of the overall import permit service standard, more resources can be directed to it.

- 2) Risk-based and data-driven – we leverage data from monitoring client service standards to deliver our biosecurity regulatory responsibilities. This service standard allows us to monitor and plan for any cyclical patterns in import permit applications that may affect our regulatory service performance.
- 3) Collaboration and engagement – our standards identify our clients’ obligations and describe how individuals and businesses can expect us to process requests for information or services that we provide. The BICON import permit web page provides extensive information on import permit processes that includes timeframes for assessing applications and the applicant’s legislative rights to seek a review of a decision.

### Analysis

In 2023–24 49% of import permits issued by our department met the service standard, against the service standard target of 90% (Table 13), resulting in the performance measure not being met.

**Table 13 Biosecurity import permit service standard results, 2023–24**

Service standard	Target %	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	2023–24 %
Import permits	90	50	58	58	49	41	47	50	49	45	52	45	43	49

We have investigated and further identified several factors that affect our ability to meet the import permit service standard, including complexity of assessments, system limitations and major policy change. These factors are further described below.

### Complexity of assessments

Assessments may take longer if the application needs a technical assessment, incomplete or incorrect information is provided, more information is required to continue the assessment, or the commodity is a novel product. Many permit assessments are considered complex and technical because the assessment includes review of laboratory reports, manufacture processes, veterinary reports and official government certification.

The complex permit applications are categorised as ‘non-standard goods’ and they attract a higher [fee for service](#) in recognition of the longer assessment time required. Import applications for non-standard goods may be prepared and submitted by a range of stakeholders, including pet owners, brokers, and importers, of which some may have limited or no experience interacting with BICON and the logistics associated with the international movement of goods. As a result, assessments of non-standard goods may require multiple requests for information from applicants, importers, manufacturers, preparing veterinarians and the exporting government to ensure all information is available to fully complete an assessment. Although the assessment ‘clock’ is paused while awaiting a response to a request for information, the back-and-forth nature of information requests can translate into additional associated time and pressure on our resources to review and



assess/reassess information in a timely manner. This can add to the time an assessment takes and impacts the ability to consistently achieve the 20-business-day service standard for non-standard goods. We are reviewing our methodology for future reporting to separate assessment of standard from non-standard goods to better understand the impact of the 2 categories on our overall achievement of the import permit service standard.

### **System limitations**

BICON houses import conditions for over 20,000 animal, plant, mineral and biological products. Content in BICON is authored to ensure compliance with both system and legislative requirements. This, in addition to the conditions themselves being complex, results in content that can be difficult to comprehend for inexperienced users. To assist users with understanding the conditions and import process we published supporting content on our website – for example, [step-by-step guides](#) to assist cat and dog importers. We are taking steps to improve readability and access to easy-to-understand information through a website improvement project and consideration of artificial intelligence tools.

### **Major policy change**

One of the key factors for not achieving the stated target was the implementation of a major policy change in March 2023 affecting cat and dog permits. The policy change was in response to the increased rabies risk posed by the increasing commercialisation of trade and identification of fraud in global companion animal movements. This resulted in permit assessment times for this commodity increasing significantly, and as this commodity represented 48% of all permits issued in 2023–24, it contributed significantly to the target not being achieved.

Certainty in the identification of an imported animal is central to Australia’s rabies risk management as it provides the link between the animal that arrives in Australia and the laboratory tests, veterinary preparations and government certification that demonstrate compliance with our import conditions. The policy change included strengthening animal identification, residency and post-entry quarantine measures, and recognising an adequate rabies neutralising titre test (RNATT) laboratory report for no longer than 12 months. This change requires additional steps to be taken by importers and exporting governments. Evidence to support the actions taken to complete these steps must be presented as part of the permit application. We are taking steps to streamline the policy requirements by working with exporting governments and pet transport companies to improve processes and identify efficiencies, such as negotiating health certification specific to exporting countries.

### ***Methodology and data sources***

The calculation for the result was based on the total number of import permits processed. Import permit data was stored in our Biosecurity Analytics Centre’s T1 Import BICON database. Data was obtained via SQL query of information in the database, and then loaded into Excel.

The calculation to measure whether the time elapsed met the service standard was completed in Microsoft Excel. Time elapsed results were verified to align with timeframe results in BICON.

### ***Caveats and disclosures***

Permit applications may take longer if the application for an import permit is complex, the information provided is incomplete or it is a novel product. Whilst the service standard provides for

complex applications taking longer, we do not currently separate reporting and analysis based on the complexity of the assessment. In addition, we have commenced a verification activity on BICON’s pause functionality to ensure it is working appropriately. The service standard and methodology are also being revised for future inclusion and recognition of permit complexity.

### ***Variation from corporate plan***

We extracted the import permit service standard from BI-02 in the *Corporate Plan 2023–24* to provide a result for this service standard alone. Performance measure BI-02 reports against other biosecurity service standards.

## **Key activity 2.2**

Detect, monitor and mitigate biosecurity risk at the border through intelligence-informed targeting, technology-supported inspections and efficient detection methods.

### **Performance measure BI-01**

The 3 elements of this measure, which relate to rates of non-compliance with regulations, apply to:

- high-value cargo (BI-01-01)
- approved arrangements (BI-01-02)
- international travellers (BI-01-03).

#### **Measure BI-01-01**

<b>BI-01-01</b>	Reduced levels of non-compliance with regulations that apply to high-value cargo.
<b>Measure type</b>	Effectiveness and regulatory.
<b>Target</b>	Reduction in high-value cargo non-compliance rate.
<b>Sources</b>	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 2.1.
<b>Result</b>	Achieved – reduction in non-compliance rate of 0.08% (1.25% in 2023–24 compared with 1.33% in 2021–22).
<b>Tolerances</b>	Achieved: Reduction in high-value cargo non-compliance rate compared with 2021–22. Partially achieved: No change in high-value cargo non-compliance rate compared with 2021–22. Not achieved: Increase in high-value cargo non-compliance rate compared with 2021–22.

#### **Context**

High-value cargo – with a high monetary value such as cars, industrial equipment or pharmaceutical products – is cargo imported into Australia on a full import declaration (FID). We work with the Department of Home Affairs (DHA) to review high-value cargo imports for biosecurity risks. For example, goods being imported from a country known to harbour pests or diseases regulated in Australia under the *Biosecurity Act 2015*.

We deliver biosecurity safeguards through the development and implementation of appropriate policies, procedures, arrangements and regulatory processes. We closely monitor supply chains to ensure they meet Australian biosecurity requirements and respond to non-compliance proportionately.

**Regulatory alignment**

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – we continue to review and monitor pathway profiles in DHA’s Integrated Cargo System (ICS) to ensure profiles are aligned to the risk they are intended to manage.
- 2) Risk-based and data-driven – we utilise data evidence in the ICS and departmental systems to make decisions based on risk and respond to non-compliance appropriately.
- 3) Collaboration and engagement – we collaborate with DHA and other regulators for appropriate management of risks. This collaboration includes information sharing and tactical response to identify non-compliance, and enhancements to broader systems for improved border capabilities.

**Analysis**

Table 14 shows the year-on-year reduction in non-compliance in high-value cargo imported over the last 3 years, indicating that through the development and implementation of appropriate policies, procedures, arrangements and regulatory processes worked effectively within the biosecurity system. In turn, the high-value cargo non-compliance rate fell by 0.08% compared with the 2021–22 baseline of 1.33%.

**Table 14 Non-compliance rate of high-value cargo imported into Australia, 2021–22 to 2023–24**

Item	Unit	2021–22	2022–23	2023–24
Non-compliance rate of all high-value cargo imported into Australia	%	1.33	1.29	1.25
Number of non-compliant full import declarations	no.	56,482	54,037	52,631
Total number of full import declarations	no.	4,237,475	4,188,380	4,223,931

**Methodology and data sources**

We determined the non-compliance rate using:

- data from DHA’s ICS – the ICS provided the volume of high-value cargo full import declarations
- data from AIMS – AIMS categorised biosecurity direction results into compliance and non-compliance with import requirements
- data on detection of pests or diseases from our Incidents Client system
- reference data maintained by Biosecurity Analytics Centre – maps direction results to either compliant or non-compliant outcomes.

Post-intervention compliance was calculated as the proportion of FIDs that were non-compliant out of the total number of FIDs.

**Caveats and disclosures**

Compliance with regulation was subject to factors partly within our control, including individuals or businesses either being unaware of or not understanding their obligations, or taking actions that are not compliant with our regulatory requirements.

Instances of non-compliance were affected by several factors, including trends in import types and volumes, changes in supply chains, and environmental factors such as seasonal pests. The quality of available data affects the extent to which we can comprehensively assess the effectiveness of our regulatory arrangements. This includes data from external sources such as the ICS, where full visibility of all cargo data is not currently available to our department.

### ***Variation from corporate plan***

Tolerances were amended to reflect a 2021–22 baseline. For accuracy, we moved the measure to key activity 2.2.

The *Corporate Plan 2023–24* indicated alignment with regulator best practice principles 1 and 3. We have since demonstrated alignment with all 3 regulator best practice principles.

### **Measure BI-01-02**

<b>BI-01-02</b>	Reduced levels of non-compliance with regulations that apply to approved arrangements.
<b>Measure type</b>	Effectiveness and regulatory.
<b>Target</b>	Reduction in non-compliance rate for approved arrangements.
<b>Sources</b>	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 2.1.
<b>Result</b>	Achieved – 0.29% reduction in the rate of failed audits (5.59% in 2023–24 compared with 5.88% in 2022–23). A reduction in the overall non-compliance rate (including audits that did not fail but where non-compliance was detected) of 8.31% over the same period (37.36% in 2023–24 compared with 45.67% in 2022–23).
<b>Tolerances</b>	Achieved: Reduction in approved arrangement non-compliance rate compared with 2022–23. Partially achieved: No change in approved arrangement non-compliance rate compared with 2022–23. Not achieved: Increase in approved arrangement non-compliance rate compared with 2022–23.

### **Context**

We establish and maintain approved arrangements under section 7 of the *Biosecurity Act 2015*. These arrangements enable us to deliver against legislative and regulatory responsibilities and help us manage biosecurity risks posed by goods imported into Australia – this enhances Australia’s status as a trade partner of choice. These arrangements permit biosecurity industry participants to perform certain biosecurity activities in accordance with departmental requirements. These arrangements are science-based and established in conjunction with our Animal, Plant and Cargo technical areas responsible for risk assessment.

We develop audit policies, approved arrangement conditions and instructional material (processes) developed to support the approved arrangement system to manage potential biosecurity risks. This enables biosecurity industry participants to perform biosecurity activities in response to increasing trade volumes to minimise the entry and establishment of exotic pests and diseases in Australia and streamline border clearance of imported goods.

We audit approved arrangements, in line with our policies related to audit frequency and prioritisation, to assess compliance with arrangement conditions. Compliance is potentially affected by factors such as entity behaviour, import types and volumes, changes in supply chains, and

environmental factors such as seasonal pests. Maintaining a high level of compliance means that approved arrangements continue to meet their obligations.

### **Regulatory alignment**

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – we ensure arrangements, regulatory policy and legislation remain fit for purpose through engagement with industry. Approved arrangement class conditions are subject to periodic review and revision in collaboration with internal stakeholders and industry operators, as required, to ensure that they continue to be fit for purpose for the management of biosecurity risk.
- 2) Risk-based and data-driven – our risk-based approach to auditing Approved Arrangements was underpinned and informed by compliance data. We focused our efforts against known biosecurity risk by prioritising additional compliance audits for biosecurity industry participants that had a recent history of serious non-compliance. In 2023–24, the Centre of Excellence for Biosecurity Risk Analysis (CEBRA) commenced a project to determine a quantitative relationship between the audit rate and compliance. This work could potentially provide a foundation for developing audit rate that are more data-driven. A report on the CEBRA project is expected in late 2024.
- 3) Collaboration and engagement – Our engagement with industry, through [industry notices](#) and forums including regular meetings with industry peak body groups, allows for collaboration on proposed changes to the arrangements, regulatory policy and legislation. For example, in May and June 2024, we conducted face-to-face presentations nationally to industry stakeholders in conjunction with Australian Border Force (ABF) and the Freight and Trade Alliance. The forums provided industry, and the respective peak body, with the opportunity to directly engage with our staff on proposed changes to approved arrangement class conditions. This engagement also provided industry with further opportunity to discuss their approved arrangement queries in general.

### **Analysis**

Table 15 shows decreases in the percentage of failed audits and audits passed with non-conformities detected. A reduction in non-compliance can reflect the effectiveness, clarity, acceptance, and adaptability of policies, all of which contribute to their overall fitness for purpose. For example, a reduction in non-compliance may indicate that stakeholders understand the policies better, suggesting that the policies are adequately designed and implemented. When industry complies, it can reflect a sense of engagement and acceptance. A decrease may also suggest that audit policies are effective and structured in a way that encourages compliance rather than relying solely on punitive measures. The reduction may also point to a system of feedback that allows policies and conditions to adapt and improve based on prior non-compliance issues.

**Table 15 Approved arrangements audit results, 2022–23 to 2023–24**

Item	Unit	2022–23	2023–24	Difference
Approved arrangements	no.	3,241	3,183	-58
Approved arrangements audited	no.	1,366	1,267	-99
Pass	%	53.88	62.57	+8.69

Item	Unit	2022–23	2023–24	Difference
Pass with non-conformities	%	39.79	31.77	-8.02
Total pass	%	93.67	94.27	+0.6
Total fail	%	5.88	5.59	-0.29
Pending	%	0.45	0.07	-0.38

### **Methodology and data sources**

We recorded individual audit results in our Quarantine Premises Register (QPR) system. This system automated the pass or fail decision based on the number and severity of non-compliance.

We calculated the total results from a QPR report. We applied audit and arrangement type filters and categorised the data. We repeated the reports to ensure we correctly applied the filters.

### **Caveats and disclosures**

Audit information was manually entered into the QPR which may result in typographical errors in terms of non-compliances, audit type and audit dates.

A very low number of audits remained pending at 30 June 2024 where the audit result was not determined. These few audits that remained pending had a negligible effect on the calculated result.

Audit information from QPR is fed into a data model which interfaces with Microsoft Power BI. The system workflow is set up such that data is uploaded into Power BI once per day (at midnight). This means we cannot report part-way through the day to capture data entered on that same day.

### **Variation from corporate plan**

Tolerances were updated for greater clarity. For accuracy we moved the measure to key activity 2.2. The *Corporate Plan 2023–24* indicated alignment with regulator best practice principles 1 and 3. We have since demonstrated alignment with all 3 regulator best practice principles.

### **Measure BI-01-03**

<b>BI-01-03</b>	Rates of non-compliance with regulations that apply to international travellers.
<b>Measure type</b>	Effectiveness and regulatory.
<b>Target</b>	Reduction in post-intervention non-compliance rate for international travellers.
<b>Sources</b>	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 2.1.
<b>Result</b>	Achieved: Decrease in non-compliance rate of 0.49 percentage points (post-intervention non-compliance rate was 3.18% in 2023–24 compared with 3.67% in 2022–23).
<b>Tolerances</b>	Achieved: Reduction in post-intervention non-compliance rate for international travellers compared with the previous year. Partially achieved: No change in post-intervention non-compliance for international travellers compared with the previous year. Not achieved: Increase in post-intervention non-compliance rate for international travellers compared with the previous year.

### **Context**

We regulate the movement of goods into Australia through assessing and managing biosecurity risks associated with travellers and their baggage, consistent with Australia’s appropriate level of protection.

Post-intervention non-compliance in the traveller pathway is the percentage of travellers entering Australia, who are carrying goods that do not meet import conditions after border processes are completed.

We used a multi-layered approach to promote compliance and to detect non-compliance at the border, including through mandatory traveller declaration on the Incoming Passenger Card, evidence-based targeting, real-time assessments, and various screening techniques – X-ray and detector dog screening of traveller baggage, assessment and inspection of baggage and goods in the secondary examination area.

Our biosecurity officers are trained and assessed in baggage inspection, questioning techniques, and X-ray screening. Our detector dogs are trained and assessed in detecting target goods. This provides assurance that detection tools are being deployed as intended.

### **Regulatory alignment**

This measure is aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – we successfully implemented the Traveller and Mail System (TAMS) – a new digital solution – for improvements to our data capability, and ability to manage biosecurity risks at the border efficiently and effectively. TAMS records outcomes of assessments, inspections and goods and non-compliance activities (replacing the Mail and Passenger System (MAPS)), and introduced enhanced capability including decision support and up-front data for real-time risk assessments. We continued to focus on data quality auditing, error identification, and automated reporting from TAMS following implementation. We have engaged our Biosecurity Analytics Centre to integrate the TAMS and MAPS data models and build preliminary data summary reports. Our Biosecurity Operation Division’s Data Centre will assist with visualising the reports with an initial focus on data quality and KPI reporting. Whilst the reports are in development, we manually audited TAMS records with results used to identify training, communication and process improvement needs. MAPS data was not included in this manual audit process.
- 2) Risk-based and data-driven – we identify high-risk travellers for biosecurity screening through data analysis of intervention outcomes. The data is used to determine biosecurity profiles, identify and flag high-risk travellers for biosecurity screening, and underpins our intervention targeting approach. For example, in addition to real-time risk assessments, we analyse the data using a methodology provided by CEBRA. This methodology enables us to target travellers that are more likely to bring in undeclared high-risk goods. These travellers undergo screening or inspection, allowing resources to be directed towards screening these higher risk travellers.
- 3) Collaboration and engagement – we engage travellers directly through targeted messaging about biosecurity requirements including: flyers on arrival and departure from Indonesia for foot-and-mouth disease (FMD), communication products to overseas student organisations and special event coordinators, and video and audio announcements on arriving aircraft and signage

at all Australian airports. We collaborate with ABF to maintain border security while reducing touchpoints for compliant travellers, share resources, and progress work towards more seamless travel through new technology adoption.

### ***Analysis***

The post-intervention non-compliance rate for 2023–24 was 3.18%. It represents a small decrease from the 2022–23 baseline figure of 3.67% and shows the effectiveness of our controls to mitigate biosecurity risks. Despite emerging global biosecurity risks, and a constantly changing risk environment with increasing traveller volumes, new flights, new airports, and the global spread of pests and diseases, we continued to detect and manage high levels of biosecurity risk material at the border. We continued to ensure the vast majority of arriving international travellers are entering Australia without any biosecurity risk material in line with Australia’s appropriate level of protection.

Data collected was used to target our interventions to the highest risk and deploy our detector dogs and other detection capabilities to detect the highest risk products.

### ***Methodology and data sources***

We continued to use the methodology for determining post-intervention compliance, developed by CEBRA at the University of Melbourne. From this result we determined the post-intervention non-compliance rate, which is equivalent to 100% minus the compliance rate.

We undertake surveys by randomly selecting travellers and inspecting their baggage after they have passed through all border control measures. This survey, known as an ‘end-point survey’, is used to measure post-intervention compliance and understand the effectiveness of biosecurity screening and interventions applied to travellers at the border. During 2023–24 we selected a proportion of travellers – approximately 50,000 – who were screened or re-screened to check for any biosecurity goods not detected through our regular clearance processes. The data captured in the end-point survey was analysed using the CEBRA methodology to determine the proportion of travellers cleared at the border who had no biosecurity risk goods, or whose goods met import conditions (post-intervention compliance), which enabled us to measure the overall effectiveness of intervention measures.

These travellers underwent full baggage inspections. Travellers found to be carrying goods that did not meet import requirements at the point of exit from an airport were recorded as non-compliant travellers. This data was used to estimate the population of ‘non-compliant travellers’ at the point of exit out of the total traveller population.

During the year we transitioned from MAPS to TAMS. The data for biosecurity intervention and survey outcomes were recorded across both systems from October 2023 to June 2024 (noting a staggered national implementation). The data was extracted from both systems and analysed to produce the result. We undertook manual data quality assurance on TAMS data to identify and correct any data quality issues.

### ***Caveats and disclosures***

It is anticipated that some biosecurity risk material not meeting import conditions will cross the border when travellers fail to declare the items and present them for biosecurity inspection. Deliberate non-compliance requires additional controls and resources because increased levels of



intervention are required to detect and manage this type of non-compliance. Traveller behaviour impacts the effectiveness of the measure.

In 2023–24 we implemented TAMS to provide workflow and decision support to biosecurity officers, promote consistency, and enhance the quality of data to inform our intervention approach. This database is used to collect intervention data used in the calculations of this performance measure. It replaces the previous MAPS. Our biosecurity officers were trained and assessed prior to using TAMS in the live environment through a mix of eLearning, face-to-face training with technical trainers, and onsite support. We monitored data inputs following TAMS' implementation and created help cards for staff to address anomalies or inconsistencies in data usage.

Most international airports transitioned to TAMS in the first half of the 2023–24 financial year - Sydney and Melbourne transitioned in the fourth quarter. Limited auditing was undertaken of the data captured in MAPS during 2023–24 due to decommissioning of the Hyperion reporting capability and delays in the release of a Power BI replacement report. The reduction of MAPS verification data audits was also a result of limited resource capacity during the heightened FMD response at the border, which required biosecurity officers to manage additional biosecurity controls implemented to mitigate the FMD risk following a regional outbreak in 2022.

### ***Variation from corporate plan***

Tolerances were updated for greater clarity. For accuracy, we moved the measure to key activity 2.2.

### **Measure BI-02**

<b>BI-02</b>	Biosecurity service standards are met.
Measure type	Effectiveness and regulatory.
Target	Service standards are partially achieved.
Sources	<i>Corporate Plan 2023–24.</i> <i>Portfolio Budget Statements 2023–24.</i> Programs: 2.1.
Result	Partially achieved – 4 out of 11 service standards met, compared with 5 out of 12 in 2022–23.
Tolerances	Achieved: When 8 or more out of 11 service standards are met. Partially achieved: When 4 or more out of 11 service standards are met. Not achieved: When less than 4 out of 11 service standards are met.

### ***Context***

Our client service standards exist to provide guidance for industry on how quickly we intend to undertake our biosecurity operations functions at the border. Timeframes to complete a function can vary for many reasons, noting that the effective management of biosecurity risk is our first priority.

We measure our biosecurity operations performance against 11 service standards associated with delivery of our biosecurity and export regulatory responsibilities that are currently undertaken by biosecurity operations staff. These service standards are targets and they are not legislated. The targets vary because our standards measure different services.

This measure demonstrates the degree to which we minimise any unnecessary regulatory burden on industry, through efficiencies, while conducting our functions at the border.

**Regulatory alignment**

In delivering against this performance measure of efficiency, we build effectiveness through the 3 best practice principles of regulator performance as per the following examples:

- 1) Continuous improvement and building trust – we identify and minimise duplication and harmonise activities with other regulators to achieve better regulatory outcomes. For example, in 2023–24 we undertook a comprehensive post-implementation review of system enhancements, including AIMS and ICS updates, that were codesigned with other regulators. These enhancements, released in June 2023, further simplify the management of unaccompanied personal effect consignments and further enhance the digital information exchange from the ICS to our departmental systems. This provides our officers with additional information to make more informed decisions about appropriate onshore biosecurity risk mitigation activities.
- 2) Risk-based and data-driven – we use intelligence and data to inform a risk-based approach to our biosecurity functions so we can direct our resources to higher risk activities. For example, in 2023–24 we expanded our Compliance Based Intervention Scheme (CBIS). This enables reduced intervention for compliant entities, resulting in expedited clearance of compliant goods and reduced regulatory costs. This impacts service standards by reducing the overall demand for the service, enabling more efficient use of available resources.
- 3) Collaboration and engagement – we engage regularly with stakeholders, including regulated entities, other regulators and the community. For example, we regularly engage with industry representatives through our Department of Agriculture, Fisheries and Forestry Cargo Consultative Committee. In addition, we regularly publish import industry advice notices providing updates about operational changes and information to help industry understand their responsibilities.

**Analysis**

Of the 11 biosecurity service standards, we met or exceeded our target across 4 standards (2 in imports and 2 in exports). Table 16, Table 17 and Table 18 show the key service standard results for our client contact, imports, and exports work streams, respectively.

**Table 16 Service standard results for client contact, 2023–24**

Service standard	Service standard measure	Target (%)	2022–23 (%)	2023–24 (%)	Analysis
Calls to our national contact number	We will answer calls received through the national contact number 1800 900 090 within 5 minutes.	80	67	71	The service standard target was not met. We have attributed this to referral of enquiries to second level support for resolution, and reduced biosecurity officer numbers.
Online general enquiries form	For enquiries made through our online contact form, we will immediately confirm we have received your enquiry and respond to your request within 10 business days.	80	62	57	The service standard target was not met. We have attributed this to the impact of reduced biosecurity officer numbers.

**Table 17 Service standard results for imports, 2023–24**

Service standard	Service standard measure	Target (%)	2022–23 (%)	2023–24 (%)	Analysis
Goods inspection at an approved premises	We will provide this service within 3 business days of confirmation of your scheduled appointment.	95	78	86	The service standard target was not met. We have attributed this to reduced biosecurity officer numbers and industry preference for specific (morning or afternoon) inspection timeslots, rather than utilising the next available appointment. This has reduced our ability to fully utilise officer availability.
Non-commercial vessel inspection	If you are arriving at a port where we have a permanent staff presence, we will aim to provide an initial inspection within one business day from you advising us of your arrival.	95	97	97	The service standard target was met.
Treatments	We will provide you or your representative with treatment direction within 2 business days following an inspection.	95	88	74	The service standard target was not met. We have attributed this to reduced biosecurity officer numbers.
Import documents lodged via COLS	If we receive an urgent lodgement from you, we will process it within one business day.	80	79	97	Within this service standard there are 2 measures – urgent and non-urgent – which were measured and monitored separately. This service standard target was not met overall, however the measure for urgent import documents lodged via COLS was met.
	We will process non-urgent lodgements within 2 business days.	80	70	44	The service standard target was not met overall. We have attributed this to the high volumes of entry lodgements overall, and reduced biosecurity officer numbers, exceeding our capacity to meet the measure for non-urgent import documents lodged via COLS.
Import documents lodged by email	We will process your lodgement within 3 business days of receiving it.	80	98	98	The service standard target was met.

**Table 18 Service standard results for exports, 2023–24**

Service standard	Service standard measure	Target (%)	2022–23 (%)	2023–24 (%)	Analysis
Goods inspection at an export-registered establishment	An officer will inspect your goods within 3 business days of you requesting an appointment.	95	95	95	The service standard target was met.

Service standard	Service standard measure	Target (%)	2022–23 (%)	2023–24 (%)	Analysis
Goods inspection for airfreight exports	We will inspect your goods within 24 hours of you requesting an appointment.	95	79	81	The service standard target was not met. We have attributed this to reduced department authorised officer numbers.
Goods inspection for sea freight exports	We will inspect your goods within 3 business days of you requesting an appointment.	95	95	94	The service standard target was not met. We have attributed this to reduced department authorised officer numbers.
Bulk vessels for export inspection	We will inspect your vessel within 3 business days of a confirmed appointment.	95	96	100	The service standard target was met. We conducted one inspection for the full year. Industry performs a majority of these inspections.

The nationally competitive labour market continued to limit our ability to attract suitable applicants for our biosecurity officer roles. Within the Cargo Operations Pathway, recruitment activities to overcome the 2022–23 budgetary recruitment restrictions resulted in 161 staff commencements nationally, however the net FTE figure decreased by 12. This has significantly impacted our capacity to meet service standards, noting the efforts required to train new staff, and the minimum investment of 3 to 6 months before new officers are fully competent to undertake operational roles.

Our ability to meet service standard timeframes is further inhibited by our systems which require significant manual labour. Investment into our systems to improve efficiency is a current priority.

During 2023–24 we invested in expanding the scope of Automatic Entry Processing (AEP) to provide more opportunities to accredited persons under Approved Arrangement classes 19.1 and 19.2. This included viewing government-to-government electronic certificates; directing containers requiring a rural tailgate inspection to particular locations for inspection; and using AEP for additional tariff groups and BICON pathways.

AEP offers us an opportunity to reduce the volume of document assessments being performed by biosecurity officers, so we can better utilise staff to strategically target higher-risk imported goods, and better manage biosecurity operations.

Throughout the financial year, we continued to encourage increased uptake of AEP and other approved arrangements by biosecurity industry participants. Unfortunately, rural tailgate inspections performed by biosecurity industry participants under class 14.4 has seen low uptake, reducing our ability to redeploy existing biosecurity officers to higher risk activities.

As we introduce changes to our operational processes and data capture, we will consider appropriate changes to our service standards to ensure they reflect current operating models.

### ***Methodology and data sources***

We extracted data from multiple departmental information systems:

- Agriculture Import Management System (AIMS)
- Biosecurity Import Conditions (BICON) system
- Cargo Online Lodgement System (COLS)

- Cargo Workflow Management System (CWMS)
- Client Contact Management System (CCMS)
- Maritime and Aircraft Reporting System (MARS)
- Scheduling and Workforce Management System (SWMS)
- Unified Client Centre Express (UCCX).

Our reports prepared were peer reviewed.

### ***Caveats and disclosures***

The calls to our national contact number service standard measures the response time frame for answering calls to the 1800 number.

When online general enquiry forms were referred to second-level support for resolution, the original query was treated as not meeting the 10-business day service level target.

Entries with multiple inspection or treatment directions were deemed out-of-scope due to data and source system limitations. Entries where a treatment direction was applied within 5 minutes of the inspection direction were deemed out-of-scope, as they are applied at the time of document assessment, rather than as a result of an inspection outcome.

We use a service charter clock to monitor our processing times for import documents lodged via COLS. The clock is paused when assessments await client feedback before finalisation.

The methodology and business process to calculate the Import documents lodged by email service standard was changed from November 2023. The first 4 months of the financial year relied on a summary per business day. The new process measures each individual lodgement which can be more easily audited and verified. Monthly results were averaged to reach the reported result.

The service level for non-commercial vessel inspection only applies to first point of entry locations where we have a permanent staff presence. Service standard calculations commence at the beginning of the business day following the vessel's arrival.

The wording of service standards will need to be updated over time to ensure that they reflect current operations. Not all services offered are captured by the service standards, for example bulk bookings.

### ***Variation from corporate plan***

For accuracy we moved the measure to key activity 2.2.

In the *Corporate Plan 2023–24* we had 12 service standards related to biosecurity. These were:

- 1) calls to our national contact number
- 2) online general enquiries form
- 3) goods inspection at an approved premises
- 4) non-commercial vessel inspection
- 5) treatments

- 6) import documents lodged via Cargo Online Lodgement System (COLS), urgent and non-urgent
- 7) import documents lodged by email
- 8) import permits
- 9) goods inspection at an export-registered establishment
- 10) goods inspection for airfreight exports
- 11) goods inspection for sea freight exports
- 12) bulk vessels for export inspection.

We extracted the import permits (service standard 8) from BI-02 in the *Corporate Plan 2023–24*, reducing the number of service standards reported on from 12 to 11. Performance measure BI-10, added to the 2023–24 annual performance statements, provides the result for this service standard.

Our tolerances were updated to reflect performance across the 11 service standards. A ‘partially achieved’ result now requires 4 or more service standards to be met.

### Measure BI-07

<b>BI-07</b>	Reduction in risk of African swine fever (ASF) because of biosecurity measures implemented by the department.
<b>Measure type</b>	Effectiveness and regulatory.
<b>Target</b>	Mail: 50% or greater improvement in detection of non-letter class containing pork products compared with pre-ASF measures. Traveller: 50% or greater improvement in detection of travellers with pork products compared with pre-ASF measures.
<b>Sources</b>	<i>Corporate Plan 2023–24</i> . <i>Portfolio Budget Statements 2023–24</i> . Programs: 2.2.
<b>Result</b>	Mail pathway: Achieved – 220% improvement in interception rate has been achieved when compared to pre-ASF measures. Traveller pathway: Achieved – 73% improvement in interception rate has been achieved when compared to pre-ASF measures.
<b>Tolerances</b>	Achieved: <ul style="list-style-type: none"> <li>• Mail: 50% or greater improvement in detection of non-letter class containing pork products compared with pre-ASF measures.</li> <li>• Traveller: 50% or greater improvement in detection of travellers with pork products compared with pre-ASF measures.</li> </ul> Partially achieved: <ul style="list-style-type: none"> <li>• Mail: 1% to 49% improvement in detection of non-letter class containing pork products compared with pre-ASF measures.</li> <li>• Traveller: 1% to 49% improvement in detection of travellers with pork products compared with pre-ASF measures.</li> </ul> Not achieved: <ul style="list-style-type: none"> <li>• Mail: No improvement in detection of non-letter class containing pork products compared with pre-ASF measures.</li> <li>• Traveller: No improvement in detection of travellers with pork products compared with pre-ASF measures.</li> </ul>

### **Context**

We safeguard Australia’s animal health status to achieve, maintain and expand access to overseas markets while also protecting Australian agriculture, the economy and our environment.

We work with state and territory governments, Animal Health Australia and industry to deliver optimal animal biosecurity outcomes for Australia. We govern conditions on animals and animal-based products that enter the country via the cargo pathway (for commercial imports) or via the mail and traveller pathways.

In November 2018 we commenced implementing increased risk mitigation activities for the international traveller and mail pathways. Our activities – increased number of frontline biosecurity officers including detector dogs, 3D X-ray machines, and sustainment of traveller and mail modernisation program – have improved interception of illegally imported pork and pork products that may carry diseases such as African swine fever (ASF). Learn more about [measures to keep ASF out of Australia](#).

The risk mitigation measures we have at the border to detect ASF are also designed and deployed to target and manage the risk of several other diseases entering Australia via mail and traveller pathways, such as FMD, one of the most serious livestock diseases affecting all cloven-hoofed animals. The measure is therefore a good indicator of the department’s success in biosecurity risk reduction activities more generally.

### **Regulatory alignment**

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – we proactively engage in improving our data collection, management and analysis to gain insight into the effectiveness of the biosecurity controls keeping ASF out of Australia. For example, in 2023–24 we implemented TAMS to improve our ability to identify and target high-risk travellers for biosecurity screening.
- 2) Risk-based and data-driven – we direct risk mitigation measures to manage the risk of diseases entering Australia. We monitor our measures to ensure risk remains at a level consistent with Australia’s legislated appropriate level of protection. Our commodity-specific import conditions ensure that exotic diseases of concern are appropriately managed. For example, the 2022 FMD outbreak in Indonesia resulted our department reviewing import permits for animal products from Indonesia that may carry FMD and suspended those of concern. Additional mitigation measures included advising livestock industries to be alert, raising awareness at the border, particularly in northern Australia including the addition of foot mats for travellers, providing advice to state and territory governments, and liaising with Indonesian counterparts.
- 3) Collaboration and engagement – we conduct extensive public awareness and education campaigns on the value of maintaining Australia’s freedom from ASF. We promote biosecurity awareness to international travellers and recipients of international mail by engaging with them through our website, signage at international ports, leaflets and brochures, social media campaigns, and ministerial and departmental media releases.

### **Analysis**

The ASF measures we implemented post-November 2018 continued to reduce the likelihood of this disease entering Australia via international traveller and mail pathways. The measures included

increasing the number of front-line biosecurity officers, including detector dogs and specialist handlers; 3D X-ray capability at international airports and undertaking the Traveller and Mail Modernisation Program. Table 19 shows that our actions had a positive effect on the:

- interception of non-letter class mail containing pork products, which improved by 220% (from 0.005% to 0.016%)
- interception rate of travellers carrying pork products, which improved by 73% (from 1.190% to 2.056%).

We continued to monitor these measures to ensure the risk of ASF entering Australia remains at a level consistent with Australia’s appropriate level of protection.

**Table 19 Effectiveness of pre-ASF measures (2015–16 to 2017–18) and post-ASF measures (2021–22 to 2023–24) by pathway**

Pathway	Category	Unit	Pre-ASF measures average (2015–16 to 2017–2018)	Post-ASF measures average (2021–22 to 2023–24) <sup>a</sup>
Non-letter-class mail articles	Screened mail articles containing pork products	%	0.005	0.016
	Pork items seized	no.	4,110	3140
	Weight of pork items seized	tonnes	4.8	3.8
Incoming travellers	Screened travellers detected with pork products	%	1.190	2.056
	Pork items seized	no.	34,599	33,684
	Weight of pork items seized	tonnes	28.9	28.2

<sup>a</sup> 2023–24 mail data excludes the months of May and June 2024.

### **Methodology and data sources**

Our airport and mail biosecurity officers entered data into MAPS or TAMS. We then compared our data to that obtained before the implementation of ASF measures (5 November 2018).

Data analysis determined the results and these reports were peer reviewed. Where the result varied from expected findings, we reviewed the reporting methodology for reliability and investigated variations for additional insight.

### **Caveats and disclosures**

TAMS was developed to replace MAPS and will be fully implemented by late-2024. During the transition both systems were used for reporting. The exception to this was mail data entered into TAMS. The transition from MAPS to TAMS in the mail pathway resulted in the inability to extract or quality assure May and June 2024 mail data. As a result, May and June 2024 mail data is excluded from the calculation. This is unlikely to have a significant effect on the results for the mail pathway as we reported on 3-year averages and percentages (34 of the 36 months data was reported). Manual assurance checks were undertaken on TAMS traveller data during and following TAMS implementation.

Most international airports transitioned to TAMS in the first half of the 2023–24 financial year - Sydney and Melbourne transitioned in the fourth quarter. Limited auditing was undertaken of the data captured in MAPS during 2023–24 due to decommissioning of the Hyperion reporting capability



and delays in the release of a Power BI replacement report. The reduction of MAPS verification data audits was also a result of limited resource capacity during the heightened FMD response at the border, which required biosecurity officers to manage additional biosecurity controls implemented to mitigate the FMD risk following a regional outbreak in 2022.

The percentage calculations used for non-letter-class mail articles includes the use of screened and unscreened non-letter mail articles as the denominator.

### ***Variation from corporate plan***

The target was updated for greater clarity. *The Corporate Plan 2023–24* indicated alignment with regulator best practice principles 2 and 3. We have since further demonstrated alignment with all 3 regulator best practice principles.

## **Key activity 2.3**

Respond to and minimise the impact of biosecurity incursions through appropriate post-border measures.

### **Measure BI-08**

<b>BI-08</b>	Undertake compliance and enforcement actions.
<b>Measure type</b>	Output and regulatory.
<b>Target</b>	Baseline in 2023–24.
<b>Sources</b>	<i>Corporate Plan 2023–24.</i>
<b>Result</b>	<p>Achieved:</p> <p>Actioned 47 incidents of high-risk non-compliance referrals.</p> <p>Response outcomes undertaken by Investigations Branch were:</p> <ul style="list-style-type: none"> <li>• commenced formal investigation (17)</li> <li>• enforceable undertaking (7)</li> <li>• letter of warning (8)</li> <li>• infringement notice (3)</li> <li>• letter of advice (3)</li> <li>• civil penalty (1)</li> <li>• verbal education (1)</li> </ul> <p>Additional response outcomes by Compliance and Enforcement Division to high-risk non-compliance were:</p> <ul style="list-style-type: none"> <li>• intelligence assessment (5)</li> <li>• revocation of approved Arrangement (1)</li> <li>• further monitoring (1).</li> </ul>

### **Context**

We undertake enforcement actions against high-risk non-compliance referrals identified against relevant portfolio legislation, including the *Biosecurity Act 2015*. These actions strengthen our national biosecurity system, serve as a deterrence and enhance our reputation as a regulator.

By subjecting all non-compliance referrals to a risk assessment process, we can action non-compliance that poses the highest risk to the Australian community, as well as guarding Australia's reputation as an exporter of premium produce.

Enforcement actions are appropriately identified and actioned through established processes. These can result in a variety of outcomes – for example, civil sanctions (infringements, enforceable undertakings or civil litigation) and criminal prosecutions.

We consider a range of factors when making an assessment for high-risk non-compliance, including the actual risk, the seriousness of the contravention, the intent and the frequency with which the non-compliance has been occurring. Some matters do not progress to assessment due to valid reasons – for example, lack of sufficient evidence. Similarly, a reported incident of non-compliance may not necessarily constitute a breach of legislation and may be used for intelligence purposes only.

### ***Regulatory alignment***

This measure aligned with the 3 regulator best practice principles:

- 1) Continuous improvement and building trust – we comply with regular internal and external reviews to verify our compliance with our regulatory requirements. We comply with the standards outlined under the Australian Government Investigative Standards.
- 2) Risk-based and data-driven – we focus on the management of compliance and undertake enforcement activities where risks and impact of harm are potentially higher. We apply appropriate actions based on the potential risk resulting from the non-compliance by reviewing all available evidence and data.
- 3) Collaboration and engagement – our collaboration and engagement are centred around the processes and procedures of our Operational Coordination Committee (OCC). The OCC is operated out of our department’s Operational Intelligence and Coordination Branch and works collaboratively with over 25 senior stakeholders from across the department, who refer the high-risk non-compliance matters to the OCC. We partner with other Australian Government agencies to achieve regulatory outcomes. Where non-compliance is detected and it is relevant to do so, we share information and conduct joint investigations with other law enforcement agencies and regulators.

### ***Analysis***

During 2023–24 we actioned 100% (47 incidents) of high-risk non-compliance.

### ***Methodology and data sources***

We used our Compliance Case Management System (CCMS) to assess all non-compliance matters referred to the Compliance and Enforcement Division and to capture the workflow for subsequent referrals for action. CCMS was used to escalate high-risk non-compliance matters to the OCC and capture the workflow for matters endorsed for the allocation of Compliance and Enforcement Division resources. Outcomes from the OCC were recorded and tracked via an Excel sheet (OCC outcome tracker) maintained by the Operations Coordination Team (OCT). The progress of investigations of high-risk non-compliance referred to the Investigations Branch was tracked through our investigation case management system (Jade).

To determine the subsequent response, we extracted information relevant to the referral status from the OCT OCC outcome tracker, CCMS and Jade.

***Caveats and disclosures***

The result did not consider non-compliance that was not referred to the Compliance and Enforcement Division. Such matters relate to managed non-compliant behaviour subject to alternative risk mitigation options within program activities which do not require sanction action.

As investigations can span multiple years, the closed investigations included matters received prior to but resolved during the reporting period. The period taken from commencement to closure of an investigation will depend on the nature of the issues under investigation.

By recording and baselining data points over time we can identify changes in referral activity and position our workforce in a more targeted manner for future reporting.

***Variation from corporate plan***

The *Corporate Plan 2023–24* referenced alignment with regulator best practice principle 2. We have since demonstrated alignment with all 3 regulator best practice principles.

**Objective 3 Resilience and sustainability**

Increase the contribution agriculture, fisheries and forestry make to a healthy, sustainable and low-emissions environment.

**Key activity 3.1**

Increase opportunities for industry to reduce emissions and contribute to Australia’s net-zero goals.

**Measure RS-01**

<b>RS-01</b>	Delivery of projects, programs and activities that help the agricultural industry transition to a net-zero economy.
<b>Measure type</b>	Output.
<b>Target</b>	<ul style="list-style-type: none"> <li>• Consult stakeholders to inform the Agriculture and Land Sectoral Plan.</li> <li>• Secure funding to support the sector to reduce emissions.</li> <li>• National Heritage Trust (NHT) grant rounds opened.</li> <li>• One engagement activity planned with another country.</li> </ul>
<b>Source</b>	<i>Corporate Plan 2023–24.</i>
<b>Result</b>	Achieved – public consultations were held to inform the Agriculture and Land Sectoral Plan with funding announced for relevant measures in the 2024–25 Federal Budget, and Climate-Smart Agriculture Program round one grants opened. We held a technical research workshop with our New Zealand counterparts.
<b>Tolerances</b>	<p>Achieved:</p> <ul style="list-style-type: none"> <li>• Stakeholders consulted to inform the Agriculture and Land Sectoral Plan.</li> <li>• Funding secured to support the sector to reduce emissions.</li> <li>• NHT grant funding rounds opened.</li> <li>• Planned engagement with another country is delivered.</li> </ul> <p>Partially achieved:</p> <ul style="list-style-type: none"> <li>• Stakeholder consultation to inform the Agriculture and Land Sectoral Plan planned but not delivered.</li> <li>• Funding sought but not secured to support the sector to reduce emissions.</li> <li>• NHT grant rounds planned but not opened.</li> <li>• Engagement with another country is planned but not delivered.</li> </ul> <p>Not achieved:</p> <ul style="list-style-type: none"> <li>• Stakeholders not consulted to inform the Agriculture and Land Sectoral Plan.</li> <li>• Funding not sought to support the sector to reduce emissions.</li> <li>• NHT grant rounds not opened.</li> <li>• No engagement with another country is planned or delivered.</li> </ul>

**Context**

This performance measure demonstrates our contribution to help the agricultural sector build an understanding of emissions reduction opportunities and adopt technologies and practices over time. The analysis section outlines the activities undertaken in 2023–24 to demonstrate how we are providing pathways that support the sector to transition to a low emissions future. This includes leading the ongoing development of the [Agriculture and Land Sectoral Plan](#) and opening the grant-based program investment streams under the [Climate-Smart Agriculture Program](#).

The Department of Climate Change, Energy, the Environment and Water (DCCEEW) is the lead agency on the government’s climate policies. We are responsible for delivering projects, programs and activities that support agriculture’s contribution to the government’s net-zero targets.

**Analysis**

In 2023–24 we opened round one of the grant-based program investment streams for the \$302.1 million [Climate-Smart Agriculture Program](#) through the Natural Heritage Trust (NHT). Note that this program is also covered by performance measure RS-02 because it aims to address multiple sustainability outcomes, including for the agricultural sector to adopt practices to reduce emissions and build resilience to climate change. Successful round one grants from this program, for projects

that will contribute to helping farmers and land managers to reduce their emissions and contribute to a net zero economy, will be announced in the second half of 2024.

We conducted a public consultation process from 7 November 2023 to 5 January 2024 to inform our development of the Agriculture and Land Sectoral Plan – one of 6 sectoral plans that will support the government’s net zero goals. While development of the plan is ongoing, the consultation is helping us identify opportunities under the plan for farmers and land managers to contribute to Australia’s net zero goal; providing the certainty needed to underpin investments in Australia’s low-emissions future. We held 14 workshops and meetings with stakeholders during the consultation period. We received over 230 written submissions. In May 2024, we also held the Sustainable Agriculture Summit with over 100 stakeholders to build a shared understanding of industry’s role in Australia’s net zero economy. Key issues raised included the incomplete inventory data on agricultural emissions, lack of alignment across the various emissions calculators, the need for government to set standards for calculators, building the capacity of the sector to respond to market signals and greater leadership, coordination and investment in research, development and innovation. In response, the government committed \$63.8 million over 10 years to support initial emissions reduction efforts in the agriculture and land sector. We will deliver joint initiatives with DCCEW from 2024–25 onwards.

In 2023–24 we delivered engagement activities with New Zealand to develop a deeper partnership on emissions reduction in agriculture. In November 2023 we hosted a technical research workshop with New Zealand and Australian experts to build shared understanding on the current state of science and agree on critical, common research gaps. This was followed by a climate policy exchange with our New Zealand counterparts in June 2024 where there was officer level agreement to continue collaboration.

#### ***Methodology and data sources***

Our website outlines our stakeholder consultation to inform the Agriculture and Land Sectoral Plan, the [funding announced to support industry](#) to reduce emissions, and the grant opportunities opened through the Climate-Smart Agriculture Program.

We conducted grant management processes consistent with the Commonwealth Grants Rules and Guidelines.

#### ***Caveats and disclosures***

Activities associated with the agricultural sector make up a significant part of Australia’s – and the world’s – greenhouse gas emissions. While the Australian Government does not directly regulate or have responsibility for on-farm practices, it is committed to supporting the agricultural sector to sustainably reduce emissions and manage the impacts of climate change. Many of the initiatives being delivered by our department that will support the sector to reduce its emissions will commence from 2024–25. There will be other variables that impact the pace and extent to which industry will adopt emissions reduction tools and techniques, and the consequential reduction in emissions achieved. This includes other government programs that directly or indirectly support upskilling of the agriculture industry and emissions reduction activities.

#### ***Variation from Corporate plan***

We revised the performance measure and updated the methodology and data sources. We introduced targets and tolerances to more appropriately reflect our efforts to increase opportunities

for industry to reduce emissions and contribute to Australia’s net-zero goals, following announcements to develop the Agriculture and Land Sectoral Plan.

### Key activity 3.2

Support the increased adoption of sustainable management practices through funding partnerships and engagement activities.

#### Measure RS-02

<b>RS-02</b>	Sustainable farming practices are funded through the Climate-Smart Agriculture Program
<b>Measure type</b>	Output
<b>Target</b>	Deliver 100% of 2023–24 funding profile according to agreed milestones for the Climate-Smart Agriculture Program.
<b>Source</b>	<i>Corporate Plan 2023–24.</i>
<b>Result</b>	Partially achieved – 80.7% of 2023–24 funds for the Climate-Smart Agriculture Program delivered.
<b>Tolerances</b>	Achieved: 100% of relevant financial year funding profile for the Climate-Smart Agriculture Program delivered. Partially achieved: 80% to 99% of relevant financial year funding profile for the Climate-Smart Agriculture Program delivered. Not achieved: 0% to 79% of relevant financial year funding profile for the Climate-Smart Agriculture Program delivered.

#### Context

We support the agricultural sector in adopting sustainable agriculture practices and building resilience to climate-change through the NHT’s \$302.1 million Climate-Smart Agriculture Program. The program commenced in the 2023–24 financial year and established 9 integrated investment streams over 5 years until 2027–28.

Projects and activities funded under the Climate-Smart Agriculture Program align with the government’s objective to drive agricultural sustainability, productivity, and competitiveness. Learn more about the Climate-Smart Agriculture Program [investment streams](#).

#### Analysis

The National Heritage Trust of Australia account is a special account established by the [Financial Management Legislation Amendment Act 1999](#). As at 30 June 2024, 80.7% of the Climate-Smart Agriculture Program annual profile has been delivered, as shown in Table 20. Expenditure focussed on funding climate-smart, sustainable agriculture activities across Australia, along with critical program design and delivery start-up activities.

In 2023–24 all grant-based program investment streams were opened for applications, with funding delivered under the Regional Soil Coordinators and Soil Community of Practice grants as well as the Supporting National Landcare Organisations grants. In addition, a number of key sustainable agriculture services were negotiated and procured with delivery partners across Australia, these being the Australian National Soil Information System and the National Soil Monitoring Program, a national network of Sustainable Agriculture Facilitators, Regional Landscape Priority Projects, Emergency Preparedness projects and Regional Capacity Services for our Panel of Regional Delivery Partners.

We worked with DCCEW to establish a whole-of-government panel of [Regional Delivery Partners](#) in 52 management units across Australia for the provision of sustainable agriculture, natural resource management and environmental protection services. It is the first time a panel of this nature has been established by the Australian Government. The panel took time to establish, which impacted the delivery of funding for the Regional Landscape Priority Projects and the establishment of the Sustainable Agriculture Facilitator network during the first year of the Climate-Smart Agriculture Program. The panel is now providing the option for any government agency to access the panel for services relating to environment protection, sustainable agriculture, or natural resource management.

**Table 20 Climate-Smart Agriculture Program funding delivered, 2023–24**

2023–24 Climate-Smart Agriculture Program funding	Profile (\$)	Delivered (\$)
Partnerships and Innovation	0	0
Capacity Building	0	0
Regional Soil Coordinators and Soil Community of Practice	386,078	386,078
Small Grants	0	0
Supporting National Landcare Organisations	1,717,000	1,717,000
Australian National Soil Information System and National Soil Monitoring Program	3,067,000	3,067,000
Sustainable Agriculture Facilitators	5,355,000	4,199,889
Regional Capacity Services	5,310,840	5,310,840
Regional Landscape Priority Projects and Emergency Preparedness	9,570,000	5,200,000
Program Delivery <sup>a</sup>	4,460,000	4,214,580
<b>Total</b>	<b>29,865,918</b>	<b>24,095,387</b>

<sup>a</sup> Program delivery aligns to the performance measure related key activity 3.2, funding the implementation of programs that support the agricultural sector to adopt sustainable agriculture practices.

### ***Methodology and data sources***

We tracked and verified expenditure through invoices, contractual arrangements and data held in our financial management information system, as well as DCCEW's financial management system and financial reports provided from the NHT Special Account.

### ***Variation from Corporate plan***

We revised the performance measure and updated the measure type, target, tolerances, methodology and data sources to better reflect the outcomes of the Climate-Smart Agriculture Program as the sole program contributing to this performance measure, and to better reflect our department's efforts in delivering the program. Additionally, the performance measure from 2022–23 utilised ABARES survey results as a data source and indicator of success. This has been removed for the revised performance measure.

**Measure RS-04**

<b>RS-04</b>	The proportion of Australian Government managed fish stocks that are sustainably managed.
<b>Measure type</b>	Effectiveness.
<b>Target</b>	The proportion of fish stocks within biologically sustainable levels is maintained or increases year-on-year.
<b>Source</b>	New measure for 2023–24.
<b>Result</b>	Not achieved – The proportion of fish stocks assessed as ‘not subject to overfishing’ decreased from 80% in the previous year to 73% in 2022. This is a total of 75 out of 102 stocks not subject to overfishing, compared with 81 out of 101 in the previous year.
<b>Tolerances</b>	Achieved: If the proportion of Australian Government managed fish stocks assessed as ‘not subject to overfishing’ is maintained or increases compared with the previous year. Partially achieved: Not applicable. Not achieved: If the proportion of Australian Government managed fish stocks assessed as ‘not subject to overfishing’ decreases compared with the previous year.

**Context**

We play an important policy role in promoting the biological, economic and social sustainability of Australian fisheries, particularly those managed by the Australian Government (Commonwealth fisheries). We have responsibility for ensuring Commonwealth fisheries are sustainably managed. This is achieved through the development and review of legislative and policy settings designed to maximise the benefits to the Australian community.

In 2023–24 we finalised a structural adjustment process to reduce the number of licences and take pressure off stocks in the Commonwealth Trawl Sector of the Southern and Eastern Scalefish and Shark Fishery. Structural adjustment refers to a process of change in resource allocations (allocations of land, labour and capital) among economic entities (sectors, firms and individuals) to achieve improvements in economic efficiency and net economic returns (Productivity Commission 1999). The Commonwealth Trawl Sector structural adjustment package provided \$20 million for the buyback of statutory fishing rights to allow fishing businesses to voluntarily exit the industry. We also worked directly within relevant regional fisheries management organisations to set management measures, monitor compliance and work to ensure the sustainability of internationally shared fish stocks of importance to Australia.

**Analysis**

A total of 75 out of 102 stocks were not subject to overfishing according to the fishing mortality metric in the ABARES [Fishery status reports](#) 2023 compared with 81 out of 101 in the previous year. Of these, 6 were subject to overfishing in 2022 compared with 5 in the previous year, the remainder moved to the uncertain category.

We monitor appropriateness of fisheries policy and programs, and work with the Australian Fisheries Management Authority (AFMA) on implementation of these policies and programs. During the year we began reviews of 2 key policies in the Commonwealth fisheries management framework - the *Commonwealth Fisheries Harvest Strategy Policy* and the *Commonwealth Fisheries Bycatch Policy*.

**Methodology and data sources**

To establish the result, we divided the number of fish stocks assessed as ‘not subject to overfishing’ in the ABARES Fishery status reports 2023 by the total number of fish stocks assessed. The report assesses biological status for 2022.



The focus on ‘overfishing’ coming from fishing mortality is based on the policy and legislative settings that are within our sphere of influence. Biomass may be impacted by historical overfishing, environmental factors, other industry or state and territory decisions but fishing mortality is directly impacted by our policies including the Harvest Strategy Policy.

***Caveats and disclosures***

The most recent information available is the 2023 Fisheries Status Report. This found more stocks being assessed as uncertain. Some of the key challenges identified include loss of data due to reliance on fishery-dependent data, declining quality of total mortality data, ageing stock assessments and increasing uncertainty in stock assessment outputs and climate change.

There were 102 stocks in the 2023 report compared with 101 stocks in the previous year. The additional stock is the result of the splitting of blue warehou (*Seriolella brama*) into 2 separate reporting units. In previous years ABARES reported on a single ‘management unit’ stock comprising 2 biological stocks (eastern and western); but because these stocks were found to have different statuses in 2022, it was no longer possible to leave them combined as a single reporting unit.

The AFMA undertakes the day-to-day management of Commonwealth fisheries, including implementation of licensing arrangements and harvest control measures. This must occur in accordance with the policy and regulatory settings established by our department.

***Variation from corporate plan***

This measure was introduced in the 2023–24 annual performance statements to refer to the proportion of fish stocks that are sustainable. This can be accurately compared to previous years, provides an accurate indication of change and is closely aligned to the policy framework managed by our department that sets the parameters for the AFMA to undertake its operations as the regulator.

**Key activity 3.3**

Strengthen the resilience of industry and its ability to adapt to the impacts of climate change.

**Measure RS-03**

<b>RS-03</b>	Administer annual funding from the Future Drought Fund to build drought resilience in Australia's agricultural industry in accordance with the <i>Future Drought Fund (Drought Resilience Funding Plan 2020–2024) Determination 2020</i> .
<b>Measure type</b>	Output.
<b>Target</b>	Deliver \$100 m in funding in 2023–24.
<b>Sources</b>	<i>Corporate Plan 2023–24</i> . <i>Portfolio Budget Statements 2023–24</i> Program: 1.11
<b>Result</b>	Achieved – \$110.38 m was expended under the Future Drought Fund in 2023–24.
<b>Tolerances</b>	Achieved: 70% to 100%. Partially achieved: 50% to 69%. Not achieved: 0% to 49%.

**Context**

Drought is an enduring feature of the Australian landscape that has significant economic, social, and environmental impacts. Australia's changing climate is likely to mean more frequent, longer lasting, and intense droughts in many regions.

We provide whole-of-government coordination and advice on drought policy and promote preparedness for the significant impacts of Australia's changing climate. This is conducted through programs to build long-term resilience for farmers and communities, including through the [Future Drought Fund](#) (FDF).

The FDF is a \$5 billion initiative, established in 2019, to help Australian farmers and communities prepare for the impacts of drought, and meet the agreed role of the Commonwealth under the National Drought Agreement. The FDF makes available \$100 million each year for drought resilience initiatives.

Investments are governed by the [Future Drought Fund Act 2019](#), and a drought resilience funding plan which is renewed every 4 years. The first *Future Drought Fund (Drought Resilience Funding Plan 2020–2024) Determination 2020* (Funding Plan 2020–2024) came into effect in 2020 to guide the first 4 years of FDF investment.

In 2023 the Productivity Commission (PC) undertook a review of the effectiveness of the FDF in its first 4 years of operation. Overall, the PC's review acknowledged the solid foundation established to support farmers and their communities prepare for drought. The PC's review outlined 14 recommendations to improve the FDF, including both fund-wide and program specific recommendations.

Our department and the Future Drought Fund Consultative Committee conducted a national consultation to inform the development of the second funding plan for the period 2024–2028. Over 302 stakeholders attended one or more of the 20 face-to-face meetings held across 16 locations around Australia.

The PC's review and feedback from the national consultation informed the development of the [Future Drought Fund \(Drought Resilience Funding Plan 2024–2028\) Determination 2024](#) (Funding Plan 2024–2028), which commenced on 9 February 2024.

For the period 2023–24, the relevant funding plan was the Funding Plan 2020–2024. The strategic objectives of the plan were to build economic, environmental and social resilience to drought.

On 7 May 2024 the Prime Minister committed \$519.1 million over 8 years for FDF programs in accordance with this legislative instrument.

### **Analysis**

\$110.38 million was expended under the FDF in 2023–24. This exceeded the target due to an underspend in prior years. Reasons for the underspend vary, but generally relate to initial delays establishing the foundational programs including protracted contract negotiations and the consequential delay in planned activity and payment milestones into future financial years. Any unspent funds are returned to or retained in the FDF. This is a requirement of the *Future Drought Fund Act 2019*.

In 2023–24 the FDF invested in 16 programs to build drought resilience under 4 key themes:

- better climate information – enabling farmers, businesses and communities to better understand the climate risks they face and their resilience to those risks
- better planning – helping farmers and regions to proactively plan for drought
- better practices – developing and adopting farming and land management practices and technologies that improve resilience to droughts
- better prepared communities – building and supporting the community leaders, networks and organisations that underpin community resilience.

Two new programs commenced under the FDF in 2023–24:

- Drought Resilience Commercialisation Initiative.
- Long Term Trial of Drought Resilient Farming Practices Grants program.

In addition, foundational FDF programs continued to be delivered in 2023–24, including:

- Drought Resilience Innovation and Adoption Hubs
- Farm Business Resilience program
- Regional Drought Resilience Planning program
- Climate Service for Agriculture program.

We delivered investments in partnership with third parties – including industry, universities and non-governmental organisations – and state and territory governments through a variety of arrangements, including grants, procurement and Federation Funding Agreements.

### **Methodology and data sources**

We assessed each program, individual grant or arrangement for consistency with the Funding Plan 2020–2024, prior to approval. Financial management data was sourced from our financial management system (TechnologyOne) and the Community Grants Hub for each grant or arrangement. We published payment information for each program on our website as required under section 27A of the *Future Drought Fund Act 2019*.

***Variation from corporate plan***

Updates were made to the measure wording to reflect the work undertaken by our department more accurately, and the significance of drought as a government priority. The updated measure specifically refers to the governing legislative instrument – the Funding Plan 2020–2024.



# Part 2: Management and accountability

## Governance

### Our executive

The department had 2 secretaries in 2023–24:

- Adam Fennessy PSM – from 18 September 2023
- Andrew Metcalfe AO – from 1 July 2023 to 4 August 2023.

Cindy Briscoe was acting secretary from 5 August 2023 to 17 September 2023.

Mr Adam Fennessy PSM was the Secretary of the Department of Agriculture, Fisheries and Forestry for the majority of 2023–24. Mr Fennessy was the department’s accountable authority and responsible for its efficient and effective operation. The secretary’s other roles included chairing the:

- Agriculture Senior Officials Committee
- Executive Board
- National Management Group, the decision-making body for national emergency responses to pest and disease incursions.

Our department had 8 deputy secretaries. They assisted and supported the secretary to deliver our objectives. Our deputy secretaries were:

- Agriculture, Fisheries and Forestry Policy Group
  - Matt Lowe from 19 February 2024
  - Rosemary Deininger from 1 July 2023 to 2 January 2024
    - Jared Greenville was acting deputy secretary from 25 September 2023 to 6 October 2023 and 6 November 2023 to 16 February 2024
    - Joanna Stanion was acting deputy secretary from 2 January 2024 to 5 January 2024
    - Nick Blong was acting deputy secretary on 19 January 2024
- Agricultural Trade and Regulation Group
  - Nicola Hinder from 1 August 2023 to 29 January 2024
  - Tina Hutchison from 22 April 2024
    - Matt Koval was acting deputy secretary from 1 July 2023 to 30 July 2023, 23 September 2023 to 2 October 2023 and 8 January 2024 to 7 May 2024
- Biosecurity, Operations and Compliance Group
  - Chris Locke from 1 July 2023 to 2 February 2024
  - Justine Saunders APM from 30 May 2024 (acting from 26 February 2024 to 29 May 2024)
    - Gabrielle Vivian-Smith was acting deputy secretary from 6 December 2023 to 7 December 2023
    - Monica Collins was acting deputy secretary from 3 August 2023 to 7 August 2023

- Peter Timson was acting deputy secretary from 15 July 2023 to 30 July 2023 and 1 January 2024 to 12 January 2024
- Tina Hutchison was acting deputy secretary from 6 February 2024 to 23 February 2024 and 26 February to 1 March 2024
- Portfolio Strategy and Services Group and chief operating officer
  - Cindy Briscoe from 1 July 2023 to 2 January 2024
  - Tess Bishop from 22 December 2023 (acting from 6 November 2023 to 21 December 2023)
    - Amy Nichol was acting deputy secretary 22 April to 26 April 2024
    - Mark Sawade was acting deputy secretary from 1 July 2023 to 12 July 2023, 5 August 2023 to 15 September 2023, 28 November 2023, 30 November 2023 to 4 December 2023, 31 May 2024 to 2 June 2024 and 26 June 2024 to 28 June 2024
    - Matthew Geysen was acting deputy secretary from 29 March 2024 to 12 April 2024 and 16 April 2024
    - Peta Lane was acting deputy secretary from 8 April 2024 to 14 April 2024.

The secretary, deputy secretaries and the secretary’s chief of staff met 20 times in 2023–24 as the Executive Board. Outcomes from Executive Board meetings were communicated through the secretary’s fortnightly update and our intranet.

The Executive Board was responsible for:

- setting and promoting our purpose and overseeing our objectives and priorities
- shaping organisational culture through role modelling our Core 4 values, public sector values and leadership
- monitoring the progress and performance of business plans and major programs
- overseeing effective governance and stewardship of our financial performance and sustainability
- monitoring risks and strategically responding to risks that impact our purpose, objectives and priorities
- ensuring our capacity to provide reliable and evidence-based advice
- ensuring we operate in accordance with legislative and regulatory requirements
- ensuring we deliver on our First Nations commitment
- overseeing our response to external scrutiny review findings and recommendations.

Our Executive Board was supported by the People and Safety Committee and the Finance and Performance Committee. Best-practice arrangements were in place for decision-making and tracking action items.

## **Audit and Risk Committee**

The Audit and Risk Committee provided independent advice on the appropriateness of our annual financial statements, performance statements, performance reporting, system of risk oversight and management, and system of internal controls. Committee members were external to the

department, engaged by the accountable authority and brought a range of private and public sector experience and skills (Table 21).

The committee was supported by specialised subcommittees for financial statements, performance statements and our internal audit program.

The Audit and Risk Committee Charter was available during the year at [agriculture.gov.au/about/reporting/risk-and-audit-committee-charter](http://agriculture.gov.au/about/reporting/risk-and-audit-committee-charter).

In 2023–24 the committee met 9 times, including out-of-session committee meetings. In addition, members attended the specialised subcommittee meetings to further consider matters.

**Table 21 Audit and Risk Committee membership, 2023–24**

Member name and qualifications	Knowledge, skills and experience	Number of committee meetings attended	Number of subcommittee meetings attended	Annual remuneration (\$ GST inclusive)	Additional information (including role on committee)
Peter Achterstraat AM, BCom, LLB, BEc (Hons), FAICD life, FCA, FCPA, FGIA, FIPAA, FAIM	Mr Achterstraat has more than 30 years' experience in finance and governance. He was inducted into the Australian National University College of Business and Economics Hall of Fame and awarded a Member of the Order of Australia for significant service to public administration through financial management and governance roles. Mr Achterstraat is the NSW Productivity Commissioner, Chair of Bankstown Airport Limited, Chair of the ATO Audit and Risk Committee and Chair of the ASIC Audit and Risk Committee.	9	7 of 7 <sup>a, b, c</sup>	72,036	<ul style="list-style-type: none"> <li>Audit and Risk Committee Chair</li> </ul>
Donna Hardman, BCom, MBA, GAICD, FGIA	Ms Hardman is a governance expert with experience in the private and public sectors. She has held multiple non-executive director positions over 10 years, including Chair of the Capital Allocations Committee and board member of a company during its listing on the ASX; Chair of the Remuneration and Nominations Committee, member of the Mergers and Acquisitions Committee and board member of another company during its sale and de-listing from the ASX. Her executive experience includes international strategy and general management positions in the	8	8 of 9 <sup>a, b</sup>	60,025	<ul style="list-style-type: none"> <li>Independent member</li> <li>Performance Reporting Subcommittee Chair</li> <li>Internal Audit Program Subcommittee member</li> </ul>



Member name and qualifications	Knowledge, skills and experience	Number of committee meetings attended	Number of subcommittee meetings attended	Annual remuneration (\$ GST inclusive)	Additional information (including role on committee)
	<p>financial services sector, and founder and chief executive officer of a consultancy specialising in transformational change and governance.</p> <p>Ms Hardman holds 2 independent governance appointments with another Australian Government department, including as Performance and Risk Committee Chair.</p>				
Mark Sercombe, BEc, FCA, PFIIA, CIA, CISA	<p>Mr Sercombe has extensive experience in corporate governance, business management, financial management systems and public administration and corruption prevention in the public sector. He founded and leads a boutique risk advisory firm serving private and public -sector organisations. He specialises in internal controls and IT risk, including projects, cybersecurity, business systems and privacy.</p> <p>Mr Sercombe is a member of the ATO Audit and Risk Committee and the Audit and Risk Committees of the NSW Cabinet Office, NSW Premier’s Department, NSW Parliamentary Counsel’s Office, the NSW Educational Standards Authority, Cancer Institute (NSW Health) and the NSW Electoral Commission. He is also a member of the audit, risk and improvement committees of 3 NSW councils – Bayside, Inner West and Cumberland City – and a sessional lecturer at the University of Sydney.</p>	9	8 of 8 <sup>a, c</sup>	61,622	<ul style="list-style-type: none"> <li>• Independent member</li> <li>• Internal Audit Program Subcommittee Chair</li> <li>• Financial Statements Subcommittee member</li> </ul>
Alexandra Spark, BCom, FCA, GAICD	<p>Ms Spark is a CA and CA Risk Specialist with experience in risk management, regulation, corporate governance, audit and accounting.</p> <p>Ms Spark provides independent advisory services to the Australian Government and is a member of audit and risk committees</p>	9	10 of 10 <sup>a, b, c</sup>	50,510	<ul style="list-style-type: none"> <li>• Independent member</li> <li>• Financial Statements Subcommittee Chair</li> <li>• Performance Reporting</li> </ul>

Member name and qualifications	Knowledge, skills and experience	Number of committee meetings attended	Number of subcommittee meetings attended	Annual remuneration (\$ GST inclusive)	Additional information (including role on committee)
	of the Department of Employment and Workplace Relations, the Department of Climate Change, Energy, the Environment and Water, and the Department of Veterans Affairs. She is also a member of 2 ACT Government directorate audit and risk committees and a non-executive director of 3 private entities.				Subcommittee member

a Internal Audit Program Subcommittee. b Performance Reporting Subcommittee. c Financial Statements Subcommittee.

## Corporate plan

The *Corporate Plan 2023–24* was our primary planning document. It integrated our operations and set our strategic direction by:

- setting the objectives and key activities
- describing how we measure and report performance under the Commonwealth Performance Framework.

## Ministerial briefs

In 2023–24 we prepared 215 briefs and 529 submissions for Minister Watt.

The minister received 7,034 items of correspondence.

## Managing risk

### Enterprise risk management

Our Enterprise Risk Management Framework and Policy (ERMFP) aligned with our purpose, objectives, priorities, vision and values, and complies with section 16 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Commonwealth Risk Management Policy*.

We advanced implementation of our ERMFP by initiating a 6-month enhanced accountability pilot. Case studies and lessons learned from the pilot will inform how to improve early identification and management of division risks and controls.

We continued to improve our risk management capabilities and maturity by progressing reform initiatives, developing guidance tools and continuing our Risk Management Community of Practice. We improved enterprise-level risk management by re-baselining our strategic risks to align with our purpose, objectives, vision, values and corporate structure. Climate risk was added as a strategic risk, and we formalised appropriate leads for all strategic risks to improve our oversight and accountability.

Our chief risk officer led improvements in:

- risk culture, by engaging with senior executive and staff to promote key risk-related news and training opportunities
- the reporting of key recommendations, management activities and emerging risks to our Executive Board and senior executive committees
- the provision of tailored guidance to specialist risk areas such as biosecurity and climate risk
- a high-level overview of our strategic risk status via a new visual analysis dashboard – the dashboard utilises data on relevant events, issues, achievement of key objectives, and performance mitigation measures, to inform on strategic risk tolerances and risk management.

### **Climate risk management**

In accordance with Section 16 of the PGPA Act and the *Commonwealth Risk Management Policy*, our risk governance structure, as outlined in our ERMFP, was used as the foundation to support effective management of climate risk and opportunities.

In 2023–24 we focused on building internal capability within our climate risk specialist team. The team completed the whole-of-government training required to implement the Climate Risk and Opportunity Management Program (CROMP), provided by DCCEEW. Our climate risk specialist team continues to apply this training to ensure climate-related risks and opportunities are appropriately identified, prioritised and managed.

[Appendix C: Environmental performance](#) explains how we managed our climate risk under the [Commonwealth Climate Disclosure Policy](#).

### **Strengthening integrity**

We continued to ensure our integrity principles and practices remained meaningful and relevant for our people. Our commitment to integrity is the foundation for our standards of behaviour – it is critical to our organisational culture and it underpins our ways of working.

In 2023–24 we strengthened our integrity by:

- updating our integrity guidance, policies and training to ensure compliance with new legislative requirements
- supporting our staff through increased awareness of the new National Anti-Corruption Commission reporting and referral obligations
- delivering education and awareness sessions as part of our enhanced integrity outreach campaign
- implementing a personnel security risk management program to mitigate security risks through early intervention
- updating our Fraud and Corruption Control Plan and reviewing our Fraud and Corruption Risk Assessment to prevent and mitigate fraud and corruption risks.

We maintained our commitment to collaboration with law enforcement agencies, particularly with the National Anti-Corruption Commission. Our collective efforts centred on combating emerging

threats to law enforcement and corruption prevention. We engaged with stakeholders via forums, communities of practice and network events.

Our collaboration enhanced our understanding of best-practice approaches, emerging fraud and corruption trends and areas of vulnerability, and ensured that we remained proactive in our approach to upholding integrity across our department.

## Grants

Information on grants awarded by the Department of Agriculture, Fisheries and Forestry during 2023–24 is available at [GrantConnect](#).

## Freedom of information

Agencies subject to the [Freedom of Information Act 1982 \(FOI Act\)](#) are required to publish information under the Information Publication Scheme (IPS). Our [agency plan](#) shows the information we publish to comply with the IPS requirements. Learn more about the information we publish in response to FOI requests via our [disclosure log](#).

In 2023–24 we received 108 requests for access under the FOI Act, 10 requests for internal review and 7 requests for external review. We finalised 105 requests and 8 internal reviews.

Learn more about FOI requests processed by Commonwealth agencies at the [Office of the Australian Information Commissioner](#).

## Building our capability

### Strengthening departmental capability

Our [Transformation Action Plan](#) (TAP) was released in November 2023 in response to the APSC Capability Review. The TAP is a 4-year program driving enterprise-wide solutions designed to identify, monitor and uplift our capability. The TAP will help build a fit-for-future workforce and help us meet the expectations of government, the Australian community and our industry and trade partners. The plan outlines 5 key areas where improvement is needed and 10 priority actions designed to drive the improvement. Activities are in line with a range of internal and external reviews, including the capability review.

Benefits expected from our TAP include:

- a new framework for robust governance that drives clear organisational priorities and resource allocation, monitors performance progress and remains future ready
- a consolidated leadership team collectively responsible for enterprise-wide decision-making
- the consolidation of financial management practices to support transparency of resources and cost recovery
- strengthened relationships with our diverse domestic and international stakeholders.

In 2023–24 we:

- responded to the capability review and formed 2 new governance committees – the Finance and Performance Committee and the People and Safety Committee – to identify significant issues and risks and recommend solutions to the Executive Board
- built financial accountability into Senior Executive Service (SES) performance plans through the inclusion of budget management and compliance monitoring
- strengthened our delegation, cost recovery, budget monitoring and procurement processes through the addition of relevant mandatory online training for staff
- enhanced our financial reporting and data management by upgrading our financial management information system, TechnologyOne.

## **Our First Nations commitment**

We established a First Nations Branch to drive improved First Nations outcomes in the agricultural sector.

The branch is focused on:

- supporting First Nations economic policy outcomes
- encouraging the use of First Nations knowledge within the Australian food and fibre supply chain to maximise sustainable, productive and profitable land- and sea-based economies
- strengthening the role of Indigenous Ranger groups in Australia’s biosecurity protection
- supporting a steering committee for First Nations policy
- expanding pathways for First Nations food and fibre exporters to international markets
- embedding priority reforms identified under the National Agreement on Closing the Gap.

We commenced consultations with our state and territory partners to inform a National Statement on First Nations in Agriculture. The statement is to align with the principles of Indigenous economic self-determination. It aims to increase meaningful Indigenous inclusion in the agricultural sector.

We produced an internal First Nations Platform for Shared Benefits, which comprised 3 integrated elements (strategic framework, roadmap and maturity model).

We worked with the Indigenous Land and Sea Corporation on the development of Australia’s first Indigenous Agricultural Product Framework. This work underpins progress towards establishing Indigenous agricultural product credentials and supports value-added benefits to First Nations peoples in the future.

## **Investing in regulatory maturity**

In 2023–24 we remained strongly committed to delivering regulatory outcomes in accordance with principles of regulator best practice, and improving regulator performance, capability and culture through regulatory stewardship. We established priority action 3.3, ‘Improving regulatory service delivery’ under our TAP. This priority action aims to develop and implement a future-focused

strategy that increases the efficiency and effectiveness of our regulatory service delivery and uplifts staff capability.

We established a chief regulatory officer role at the first assistant secretary level to lead improvements in regulatory practice and stewardship. The role focuses on strategies, policies and approaches to regulatory stewardship and regulatory capability uplift.

We published our *Regulatory Practice Statement* and *Compliance Policy* to reflect machinery of government changes and linkages to the Resource Management Guide *Regulator Performance (RMG 128)*.

During the year we also:

- developed a regulatory operating model to provide strategic direction, improvements to our regulatory maturity and stewardship and further invest in a culture of continuous improvement
- progressed the exchange of regulatory statements with the minister regarding his expectations and how we intend to meet these expectations.

## Planning for our future

In 2023–24 we continued our commitment to build a skilled and capable workforce across our varied work sites. During the year we:

- continued development of a workforce strategy and action plan, a workforce planning framework and group-level tactical workforce plans
- implemented activities informed by our *Stretch Reconciliation Action Plan 2021 to 2024*, which complements the *Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020–24* and Closing the Gap priority reforms
- encouraged teams to develop Core 4 (values and associated behaviours) team charters to further embed our values in policies and processes
- participated in the Australian Disability Network’s Access and Inclusion Index and were awarded a ‘best in class’ for workplace adjustments.

We gained insight from the results of the Australian Public Service (APS) Employee Census 2023 and publicly released our results and Census Action Plan. The 2024 census results and action plan will support us to continue to build a program of work under the Integrated Transformation Program (ITP).

We participated in the Workplace Gender Equality Agency (WGEA) reporting program (as required by the [Workplace Gender Equality Act 2012](#)). We continued to focus on improving gender equality while awaiting final recommendations from the WGEA 2023 report.

As part of our commitment to improving gender equality in the workplace, we were awarded silver status for LGBTIQ+ inclusion and support from the Australian Workplace Equality Index (AWEI). The AWEI stands as the national benchmark on LGBTIQ+ workplace inclusion and drives best practice in Australia across all sectors.

## **Information and communication technology**

We completed a major refresh of our computing environment through the DesktopOne program, providing a more unified, simple and contemporary desktop environment. The program has led to improved tools related to finance, travel, office productivity and collaboration. The enhanced technologies increased our cybersecurity maturity and improved staff capacity to work and collaborate flexibly and securely across the country.

We signed a memorandum of understanding with DCCEEW for the provision of a range of shared ICT capabilities, including end-user services, infrastructure and application support. We will continue to offer these services while DCCEEW establish and transition to their own ICT arrangements.

We made significant progress towards streamlining and modernising our ICT commercial partnership arrangements. The ICT Strategic Sourcing Program facilitated an approach to market for 5 bundles of ICT services. Partnerships with industry resulted in our finalising 4 of these bundles.

## **Investing in our people**

At 30 June 2024 we employed 5,888 staff.

The *Department of Agriculture, Fisheries and Forestry Enterprise Agreement 2024–2027* was supported by a majority on 7 March 2024. The enterprise agreement took effect on 4 April 2024 after approval from the Fair Work Commission.

Following the successful ballot, consistent with the Commonwealth pay offer, the secretary approved a salary determination to adjust non-SES employee salaries by 4% and implement APS pay-arrangements from 14 March 2024. The salary determination was approved in recognition of having reached in-principle agreement on the enterprise agreement before 14 March 2024.

## **Flexible working arrangements**

During 2023–24 we provided our staff with a flexible, modern and integrated employment experience through our working arrangements, technology and workspaces. Staff were equipped with tools and strategies to work in new ways and build strong, adaptable leadership. Guidance materials were developed and provided to staff to assist with the management of dispersed teams, the use of evolving technologies, team cohesion, effective performance management and adaption to new working styles.

We reviewed our flexible work policy to further support tailored working arrangements.

## **Learning and development**

We continued to develop and support staff by delivering a blend of experimental, collaborative and formal learning and development opportunities. We continued to focus on our core-capability framework and a management and leadership development framework to capture capabilities outlined in the corporate plan, TAP and broader government frameworks and objectives.

We made enhancements to our learning management system, Learnhub, which resulted in improved access and load times, new functionality and faster reporting. Our mandatory training suite in Learnhub provided staff with the resources to work lawfully, professionally and safely. The suite ensures our compliance with legislated training obligations. We shared our training packages with several other APS agencies.

In 2023–24 we:

- commenced work to centralise funding for talent and leadership development programs
- designed and developed e-learning packages, animations and resources such as *Learning Bites* placemats
- continued the Study Support Scheme to support staff undertaking relevant studies through financial assistance and/or study leave
- provided a new online learning solution to support staff to develop their financial literacy skills.

We continued to work collaboratively with the APS Academy, sharing data, evaluations and training materials and promoting attendance for APS Academy courses. The APS Academy offered an in-house SES Integrity Masterclass Series for SES officers designed to support our SES to strengthen integrity culture within our organisation.

## Disability reporting mechanism

*Australia's Disability Strategy 2021–2031* provided the framework for inclusive policies, programs and infrastructure. It ensured the principles of the United Nations Convention on the Rights of Persons with Disabilities were incorporated into policies and programs that affect people with disability, their families and carers. Progress reports are in [Australia's Disability Strategy Hub](#). Disability reporting is also in the [State of the Service reports](#) and the [APS Statistical Bulletin](#).

## Work health and safety

### Initiatives and outcomes

Safety remained at the centre of our values statement. This symbolises our ongoing commitment to placing the safety of our people, customers and stakeholders at the centre of all we do. We take an evidence-based approach in our response to work health and safety (WHS) risks such as COVID-19, Japanese encephalitis, and the potential rabies virus risk to imported dogs and cats at our post-entry quarantine (PEQ) facility in Melbourne.

We continued to partner with industry and subject-matter experts, including by:

- engaging an infectious diseases expert to improve PEQ staff awareness about potential health risks
- engaging with state and territory public health units
- reviewing WHS processes to ensure they remain fit for purpose and protect our frontline staff.



During the year we:

- continued to implement our *Work Health and Safety Strategic Plan 2021–2024*, focusing on the 5 pillars – staff support, risk management, safety culture, systems improvement and capability uplift
- continued to implement our *Mental Health and Wellbeing Strategy 2021–2024*
- undertook a gap analysis of our health and safety management system to compare against the international standard
- improved the functionality of our WHS software platform SIRUS to enable more proactive management of injury, incidents and risks, and improve end-user experience
- delivered our annual influenza vaccination program.

We also participated in a WHS audit led by the internal auditing team and Synergy Group. The audit identified 5 priority areas:

- 1) facilitating a departmental WHS risk profile
- 2) maturing our WHS management systems to align to the international standard for occupational WHS management systems
- 3) reviewing existing documents within the WHS management system
- 4) implementing further WHS audit and assurance activities
- 5) establishing WHS performance measures.

As part of our continued focus on mental health and wellbeing, we inducted our new Employee Assistance Program provider PeopleSense by Altius. We worked with Altius to deliver several initiatives, including the 2024 health and wellbeing webinar series, wellness-check programs and a manager assistance program.

## Notifiable incidents

Table 22 and Table 23 show the number of notifiable incidents, investigations, improvement notices, prosecutions and other matters that occurred in 2023–24. This information is provided in accordance with schedule 2, part 3 of the [Work Health and Safety Act 2011](#).

**Table 22 WHS incidents notified, 2023–24**

Incident type	Number
Death that required notice under section 38	0
Serious injury or illness that required notice under section 38	3
Dangerous incident that required notice under section 38	2

**Table 23 WHS investigations, improvement notices and prosecutions, 2023–24**

Incident type	Number
Notice given to the department under section 191 (improvement notice)	0
Notice given to the department under section 195 (prohibition notice)	0
Notice given to the department under section 198 (non-disturbance notice)	0
Investigation conducted under part 10	0

## External service providers

### Procurement

Our procurement practices focused on value for money; encouraging competition; efficient, effective, economical and ethical procurement; and accountability and transparency. These practices comply with:

- relevant Commonwealth legislation
- the Commonwealth resource management framework, which includes the Commonwealth Procurement Rules and the PGPA Act
- our accountable authority instructions
- internal procurement policies and guidelines.

Our staff were provided with guidance, specialist advice and assistance to meet our obligations.

### Supporting Indigenous business and social enterprise

We supported the goals of the Australian Government's *Indigenous Procurement Policy* (IPP) by continuing our engagement with Indigenous businesses and promoting our Procurement Policy Guidelines. As a result, we exceeded the IPP target for contracts awarded to Indigenous businesses.

### Supporting small and medium enterprises

The Department of Agriculture, Fisheries and Forestry 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](#).

The Department of Agriculture, Fisheries and Forestry 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](#).

Our procurement practices supported small and medium enterprises by using:

- the Commonwealth Contracting Suite for low-risk procurements valued at under \$1 million (GST inclusive)
- small business engagement principles, such as communicating in clear, simple language and presenting information in an accessible format
- credit cards, where possible, for purchases under \$10,000 (GST inclusive).

## Supporting sustainable procurement

We upheld the principles of the *Sustainable Procurement Guide* and supported the *National Waste Policy Action Plan 2019* target to significantly increase our use of recycled content.

We lifted our sustainable procurement capability by:

- adhering to the Commonwealth Procurement Rules, which require all procurements to consider environmental sustainability and the use of recycled content when assessing value for money
- adhering to the *Sustainable Procurement Guide*, which requires staff to consider using recycled resources when undertaking procurement.

## Consultancies

We engaged consultants where our department lacked specialist expertise or required independent research, review or assessment. These consultants were typically engaged to:

- investigate or diagnose a defined issue or problem
- carry out defined reviews or evaluations
- provide independent advice, information or solutions to assist in our decision-making.

Before we engaged consultants, we considered the skills and resources required for the task, the skills available internally and the cost-effectiveness of engaging external expertise. We made decisions to engage consultants in accordance with the PGPA Act and related rules, including the Commonwealth Procurement Rules.

## Reportable consultancy contracts

During 2023–24, 74 new reportable consultancy contracts were entered into, involving total actual expenditure of \$4.57 million. In addition, 25 ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$2.80 million. Table 24 and Table 25 show actual expenditure on reportable consultancy contracts in 2023–24.

**Table 24 Reportable consultancy contract expenditure, 2023–24**

Item	Number	Expenditure (\$ GST inclusive)
New contracts entered into during the reporting period	74	4,565,599
Ongoing contracts entered into during a previous reporting period	25	2,797,674
<b>Total</b>	<b>99</b>	<b>7,363,273</b>

**Table 25 Reportable consultancy contract expenditure, by organisation, 2023–24**

Name of organisation	ABN	Expenditure (\$ GST inclusive)
1 and One Pty Ltd	13637567947	903,605
Commonwealth Scientific and Industrial Research Organisation	41687119230	805,390
Proximity Advisory Services Pty Ltd	92147937844	533,073
TTF KM Unit Trust	36220576038	446,104
Callida Pty Ltd	40154007664	438,781

Note: Expenditure may be against multiple contracts.

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](#).

## Reportable non-consultancy contracts

During 2023–24, 1,156 new reportable non-consultancy contracts were entered into, involving total actual expenditure of \$128.13 million. In addition, 1,186 ongoing reportable non-consultancy contracts were active during the period, involving total actual expenditure of \$388.16 million.

Table 26 and Table 27 show actual expenditure on reportable non-consultancy contracts in 2023–24.

**Table 26 Reportable non-consultancy contract expenditure, 2023–24**

Contract	Number	Expenditure (\$ GST inclusive)
New contracts entered into during the reporting period	1,156	128,133,682
Ongoing contracts entered into during a previous reporting period	1,186	388,161,549
<b>Total</b>	<b>2,342</b>	<b>516,295,231</b>

**Table 27 Reportable non-consultancy contract expenditure, by organisation, 2023–24**

Name of organisation	ABN	Expenditure (\$ GST inclusive)
Jones Lang Lasalle (ACT) Pty Ltd	69008585260	56,633,672
DXC Enterprise Australia Pty Ltd	16612896527	47,364,744
Data#3 Limited	31010545267	22,899,925
Commonwealth Scientific and Industrial Research Organisation	41687119230	15,210,385
Optus Billing Services Pty Ltd	95088011536	15,112,956

Note: Expenditure may be against multiple contracts.

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](#).

## Other contract information

During 2023–24 no contracts of \$10,000 or more (GST inclusive) or standing offers were exempted by the secretary from being published on AusTender on the basis any exempt matters would be disclosed under the *Freedom of Information Act 1982*.

Table 28 shows the contracts entered into during the reporting period with a value of \$100,000 or more (GST inclusive) that did not include the standard Auditor-General access clause.

**Table 28 Contracts that did not include Australian National Audit Office access clause, 2023–24**

Name of contractor	Purpose	Total contract value (\$ GST inclusive)	Reason for not including access clauses
Gartner Australasia Pty Limited	Executive program	810,260	Standard industry practice to enter into supplier terms and conditions
EBSCO Australia	Subscription services	540,563	Standard industry practice to enter into supplier terms and conditions
The Trustee for Bold Trust	Commercial lease	445,031	Standard industry practice to enter into supplier terms and conditions

Name of contractor	Purpose	Total contract value (\$ GST inclusive)	Reason for not including access clauses
TTF Wilton Superannuation Fund	Commercial lease	424,836	Standard industry practice to enter into supplier terms and conditions
University of Melbourne	Modelling and analysis services	412,500	Standard industry practice to enter into supplier terms and conditions
Bruker Pty Ltd	Time-of-Flight mass spectrometer	330,000	Standard industry practice to enter into supplier terms and conditions
Commonwealth Scientific and Industrial Research Organisation	Testing and analysis services	220,572	Standard industry practice to enter into supplier terms and conditions
Airlock Digital Pty Ltd	Software subscription	177,997	Standard industry practice to enter into supplier terms and conditions
AA Radios	Digital radios lease	170,000	Standard industry practice to enter into supplier terms and conditions
Torres Strait Island Regional Council	Commercial lease	162,216	Standard industry practice to enter into supplier terms and conditions
Encore Event Technologies Pty Limited	Audiovisual services for conference	141,000	Standard industry practice to enter into supplier terms and conditions
Prime Value Asset Management Limited	Venue hire	140,760	Standard industry practice to enter into supplier terms and conditions
Real Estate Property Shop Network Pty Ltd	Residential lease	113,600	Standard industry practice to enter into supplier terms and conditions
IHS Global Pty Ltd	Provision of vessel information	105,000	Standard industry practice to enter into supplier terms and conditions
TTF THE ANGUS JAMES FAMILY TRUST AND TRUSTEE FOR THE WESTSKYE TRUST	Residential lease	102,271	Standard industry practice to enter into supplier terms and conditions
BCGlobal	Software subscription	100,000	Standard industry practice to enter into supplier terms and conditions

## Advertising and market research

### Advertising campaigns

During 2023–24 the Department of Agriculture, Fisheries and Forestry conducted the following advertising campaigns:

- international travellers and biosecurity
- online shopping and biosecurity.

Further information on advertising campaigns is available at [Public awareness and education](#) 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](#).

## Expenditure

Table 29 lists our payments to market research and advertising organisations (including recruitment advertising) in 2023–24.

**Table 29 Advertising and market research expenditure, 2023–24**

Type	Organisation	Description	Expenditure (\$ GST inclusive)
Market research	Whereto Research	Biosecurity awareness research	199,980
Advertising	Universal McCann	International travellers and biosecurity	260,650
	Universal McCann	Online shopping and biosecurity	269,500
	Universal McCann	Complex non-campaign; University Vacation Employment Program	164,193
	Universal McCann	Recruitment advertising	23,546
	Universal McCann	Recruitment advertising	24,094
	Universal McCann	Avian influenza non-campaign	65,561
	APS Jobs	Recruitment advertising	56,567
	Department of Education	Marketing and recruitment costs for Indigenous Apprenticeship Program and participant costs	97,384

Note: Under section 311A of the [Commonwealth Electoral Act 1918](#), only payments exceeding \$16,300 require itemised disclosure. **n/a** Not applicable.

## External scrutiny

### Courts and tribunals

In 2023–24 there were no judicial decisions or decisions of administrative tribunals that had a significant direct effect on the operations of our department.

## Parliamentary committees

### Committee reports

During 2023–24 parliamentary committees tabled 7 reports that required a response from our portfolio (Table 30).

**Table 30 Parliamentary committee reports, 2023–24**

Committee	Report
Rural and Regional Affairs and Transport Legislation Committee	<a href="#">Inspector-General of Live Animal Exports Amendment (Animal Welfare) Bill 2023</a>
	<a href="#">Customs Legislation Amendment (Commercial Greyhound Export and Import Prohibition) Bill 2021</a>
	<a href="#">Primary Industries (Excise) Levies Bill 2023 [Provisions] and related bills</a>
	<a href="#">Agriculture (Biosecurity Protection) Levies Bill 2024 [Provisions] and related bills</a>
Rural and Regional Affairs and Transport References Committee	<a href="#">Red imported fire ants in Australia: Don't Let This Come Back to Bite Us</a>
Standing Committee on Agriculture	<a href="#">Australian Food Story: Feeding the Nation and Beyond</a>
	<a href="#">Export Control Amendment (Ending Live Sheep Exports by Sea) Bill 2024</a>

## Government responses to committee reports

In 2023–24 we tabled 9 government responses to parliamentary committee reports relevant to the portfolio (Table 31).

**Table 31 Government responses to parliamentary committee reports, 2023–24**

Committee	Report
Environment and Communications Legislation Committee	<a href="#">Australian Government response to the Senate Environment and Communications Legislation Committee report: Environment Protection and Biodiversity Conservation Amendment (Regional Forest Agreements) Bill 2020</a>
Rural and Regional Affairs and Transport Legislation Committee	<a href="#">Australian Government response to the Rural and Regional Affairs and Transport Legislation Committee report: Inspector-General of Live Animal Exports Amendment (Animal Welfare) Bill 2023</a>
	<a href="#">Australian Government response to the Senate Rural and Regional Affairs and Transport Legislation Committee report: Primary Industries (Excise) Levies Bill 2023 [Provisions] and related bills</a>
Rural and Regional Affairs and Transport References Committee	<a href="#">Australian Government response to the Rural and Regional Affairs and Transport References Committee report: Adequacy of Australia’s biosecurity measures and response preparedness, in particular with respect to foot-and-mouth disease and varroa mite</a>
	<a href="#">Australian Government response to the Regional Affairs and Transport References Committee report: Fisheries quota system</a>
Standing Committee on Agriculture and Industry	<a href="#">Australian Government response to the House of Representatives Standing Committee on Agriculture and Industry report: Smart farming – inquiry into agricultural innovation</a>
Standing Committee on Agriculture and Water Resources	<a href="#">Australian Government response to the Standing Committee on Agriculture and Water Resources report: Aussie logs for Aussie jobs: Inquiry into timber supply chain constraints in the Australian plantation sector</a>
	<a href="#">Australian Government response to the House of Representatives Standing Committee on Agriculture and Water Resources report: Growing Australia</a>
	<a href="#">Australian Government response to the House of Representatives Standing Committee on Agriculture and Water resources report: Supporting a strong future for Australian aquaculture: Inquiry into the Australian aquaculture sector</a>

## Auditor-General Reports on activities

In 2023–24 the Auditor-General tabled 2 reports about our activities (Table 32).

**Table 32 Auditor-General reports, 2023–24**

Report number	Audit	Published
27 of 2023–24	<a href="#">Design and Early Implementation of the National Soil Strategy</a>	20 May 2024
35 of 2023–24	<a href="#">Digital Reform of the Agricultural Export Systems</a>	11 June 2024

Our responses to these reports are included in the reports published by the [Australian National Audit Office](#) (ANAO).

## Audit of annual performance statements

During the year, the ANAO audited our annual performance statements against the requirements of the PGPA Act and PGPA Rule. [Part 1: Annual performance statements](#) describes the improvements to our performance measures that were made during this process.

## **Audit of annual financial statements**

During the year, the ANAO audited our annual financial statements. The audit assessed whether our financial statements were prepared in accordance with the relevant legislation and frameworks, including the Australian Accounting Standards Board (AASB) standards and other rules made under the PGPA Act, and accurately presented our department's financial position, financial performance and cashflows.

## **Commonwealth Ombudsman**

In 2023–24 the Commonwealth Ombudsman did not release any reports about our operations.

## **Portfolio oversight**

### **Inspector-General of Biosecurity**

Dr Lloyd Klumpp was the Inspector-General of Biosecurity in 2023–24. The inspector-general independently evaluated and verified the performance of our biosecurity risk management measures and systems.

In 2023–24 the inspector-general published one review titled [Strategy, governance and planning to strategically manage the department's biosecurity science resource](#).

### **Inspector-General of Animal Welfare and Live Animal Exports**

Dr Michael Bond acted in the role of Inspector-General of Live Animal Exports from 22 August 2023. Following the passage of legislation to amend the [Inspector-General of Live Animal Exports Act 2019](#), Dr Bond became the acting Inspector-General of Animal Welfare and Live Animal Exports.

The inspector-general independently reviewed systems and processes for the regulation of livestock exports.





# Part 3: Annual reports on the operation of legislation

## Biosecurity Act 2015

Section 614G of the *Biosecurity Act 2015* requires the secretary to prepare an annual report on the total amounts paid under arrangements or grants for dealing with risks posed by diseases and pests (and total number of such arrangements) that were made by the agriculture minister in that period. In November 2023 the minister delegated the powers to administer grants or arrangements made under this Act to the Director of Biosecurity.

In 2023–24 we administered 9 grants totalling \$8,564,876 (GST exclusive) and 21 arrangements totalling \$7,963,397 (GST exclusive) in response to biosecurity risks posed by diseases or pests.

## Farm Household Support Act 2014

Section 104 of the [Farm Household Support Act 2014](#) requires the secretary to prepare an annual report on the administrative operation of this Act (see [Financial statements for the period ended 30 June 2024](#)).

## Natural Resources Management (Financial Assistance) Act 1992

Section 26(1) of the [Natural Resources Management \(Financial Assistance\) Act 1992](#) requires an annual report on the operation of this Act and agreements made under the Act. This Act is jointly administered with DCCEEW.

In 2023–24 no payments or agreements were made from the account.

## National Residue Survey Administration Act 1992

Section 10 of the [National Residue Survey Administration Act 1992](#) requires the minister to provide an annual report to parliament on the operation of the National Residue Survey Special Account. This section provides the report for 2023–24.

### Operation

The National Residue Survey monitored residues of pesticides, veterinary medicines and environmental contaminants in Australian food commodities. This monitoring was industry-funded, mainly through levies on tested commodities. The survey covered:

- animal commodities – cattle, sheep, pig, camel, deer, goat, horse, kangaroo, poultry (such as chicken, duck, quail and turkey), wild boar, buffalo, honey, egg and aquatic species (both aquaculture and wild-caught seafood)
- horticulture – almond, apple, macadamia and pear

- grains – cereals (wheat, barley, oat, maize, millet, rye, sorghum and triticale), pulses (chickpea, cow pea, pigeon pea, field pea, faba bean, lentil, vetch, navy bean, mung bean, soybean, and lupin and adzuki beans) and oilseeds (canola, sunflower, safflower and linseed).

During the year, the compliance with Australian standards was:

- 99.87% across 39 animal products (based on 9,984 samples from meat, egg, honey and aquatic species)
- 99.33% across 28 plant products (based on 7,197 samples from grains and horticulture).

Compliance rates were based on the number of samples that complied with Australian standards. In a small number of samples, more than one chemical may be non-compliant with Australian standards.

The [National Residue Survey results](#) for animal and plant product are published each year.

## Financial information

Table 33, Table 34 and Table 35 provide financial information on the National Residue Survey.

**Table 33 National Residue Survey revenue and expenses, 2022–23 and 2023–24**

Item	2022–23 (\$'000)	2023–24 (\$'000)
Sale of goods and rendering of services	444	457
Interest on investments	466	793
Levies	12,240	12,275
Revenue from government	30	2
<b>Total revenue</b>	<b>13,180</b>	<b>13,527</b>
Employee benefits	2,324	2,809
Analytical testing	8,136	8,302
Contractors and consultants <sup>a</sup>	633	562
Depreciation and amortisation <sup>a</sup>	392	317
Other <sup>a</sup>	1,454	1,238
<b>Total expenses</b>	<b>12,939</b>	<b>13,228</b>
Surplus/(deficit)	241	299

<sup>a</sup> Comparative amounts for other expenses, depreciation and amortisation, and contractors have been reclassified for consistency with the current year's reporting requirements.

**Table 34 National Residue Survey assets, liabilities and equity, 2022–23 and 2023–24**

Item	2022–23 (\$'000)	2023–24 (\$'000)
Cash and cash equivalents	2,661	2,914
Trade and other receivables	17	31
Investments	16,000	16,000
Intangibles	98	96
Accrued revenue	2,394	2,559
Other assets	16	66

Item	2022–23 (\$'000)	2023–24 (\$'000)
<b>Total assets</b>	<b>21,186</b>	<b>21,666</b>
Employee provisions	615	608
Other provisions	0	0
Suppliers and other payables	481	657
Operating lease payables	0	0
<b>Total liabilities</b>	<b>1,096</b>	<b>1,265</b>
Reserves	19,343	19,646
Other	747	756
<b>Total equity</b>	<b>20,090</b>	<b>20,402</b>

**Table 35 National Residue Survey Account transactions, 2022–23 and 2023–24**

Item	2022–23 (\$'000)	2023–24 (\$'000)
Balance brought forward from previous period	2,611	2,661
Appropriation for reporting period	30	2
Other receipts	29,665	29,356
<b>Total receipts</b>	<b>29,695</b>	<b>29,358</b>
Payments made to employees	-2,324	-2,806
Payments made to other	-27,321	-26,299
<b>Total payments</b>	<b>-29,645</b>	<b>-29,105</b>
<b>Total balance carried to the next period</b>	<b>2,661</b>	<b>2,914</b>



# Part 4: Financial information

## Financial performance

### Introduction

Our department commenced the 2023–24 financial year in a stronger financial position, following a period of austerity in 2022–23, with a focus on implementing significant new funding measures for our regulatory functions.

In 2023–24 we implemented a range of initiatives to improve financial management and build capability across the organisation. We reviewed and redesigned our finance operating model to uplift financial literacy and accountability. We focused on building financial acumen and skills through enhanced governance mechanisms, training, processes and frameworks. Our work was considerate of positioning for the future and ongoing sustainability.

Our 2023–24 internal budget included an approved deficit and was aligned to the Portfolio Additional Estimates Statements (PAES). The 2023–24 full-year result was a comprehensive operating surplus of \$22.7 million, or \$65.7 million after excluding unfunded depreciation and amortisation and the impacts of accounting adjustments under the AASB Standard 16 *Leases*.

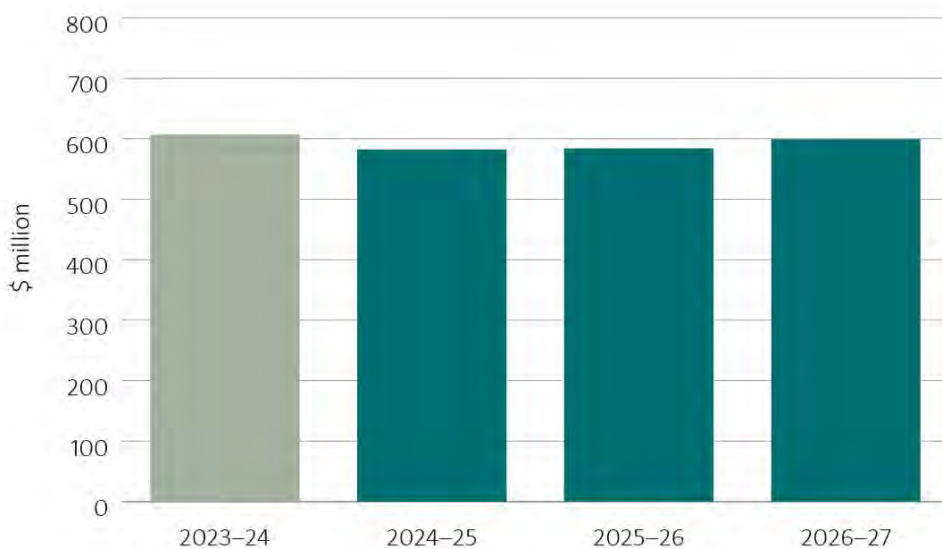
### Significant non-compliance with finance law

In 2023–24 there were no instances of significant non-compliance with finance law.

### Revenue

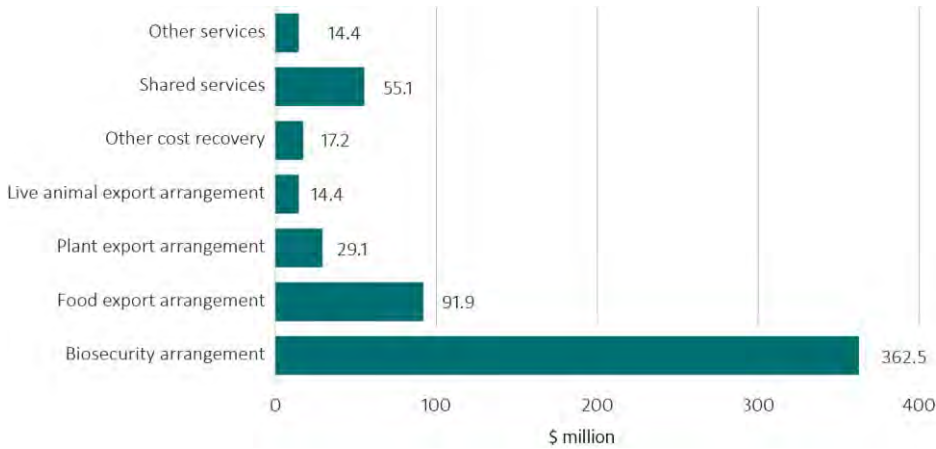
Our own-source income for 2023–24 was \$607.1 million. We recognised appropriation revenue of \$699.4 million. Figure 5 shows the actual own-source revenue for 2023–24 and budgeted revenue figures from 2024–25 to 2026–27.

**Figure 5 Own-source revenue, 2023–24 to 2026–27**



Our own-source income is mainly derived from contracts with customers. Figure 6 shows the breakdown of our revenue from contracts with customers, by cost-recovery activity.

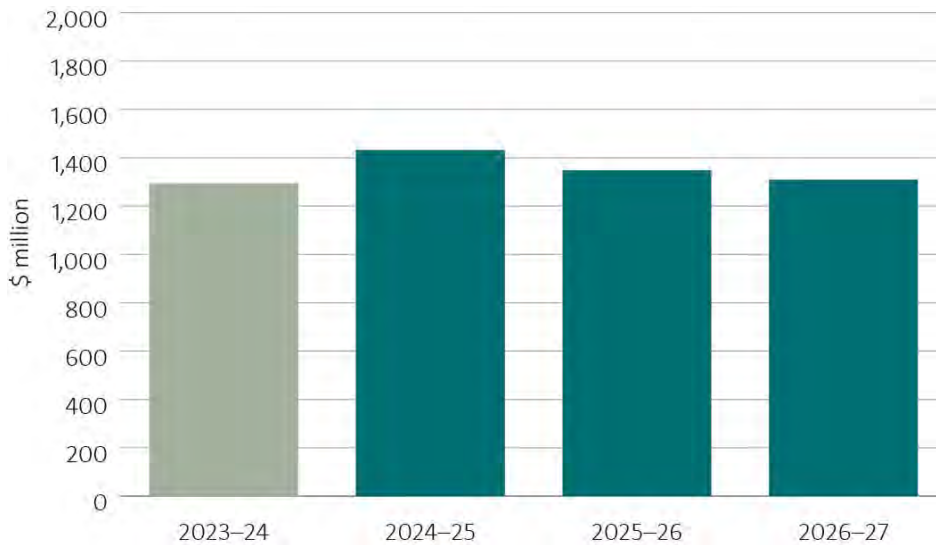
**Figure 6 Revenue from contracts with customers, by cost-recovery activity, 2023–24**



## Departmental expenses

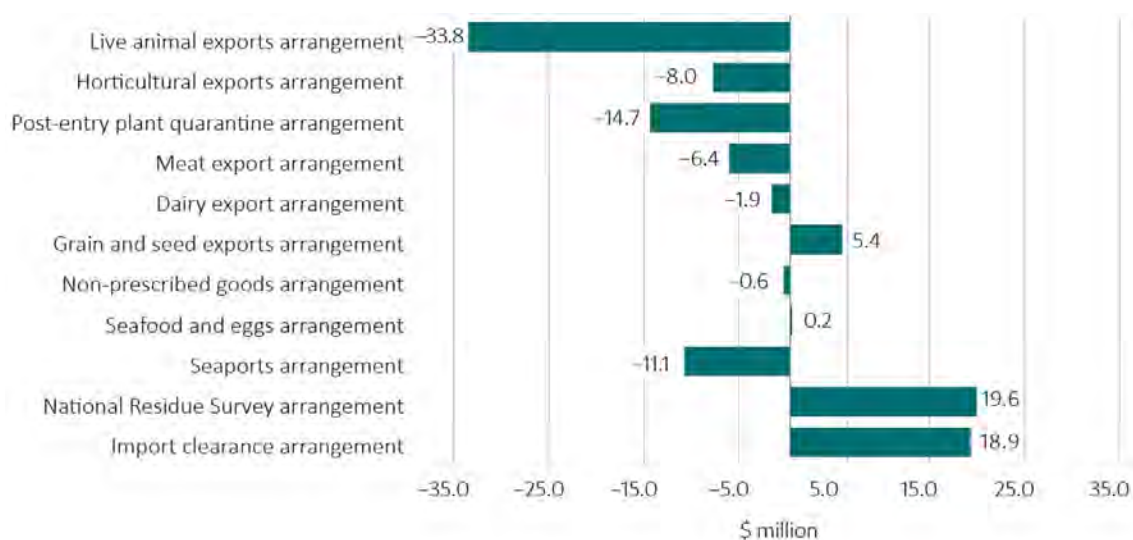
Our expenses totalled \$1.293 billion in 2023–24 against the revised budget of \$1.406 billion published in the 2023–24 PAES. Figure 7 shows the actual departmental operating expenses for 2023–24 and budgeted expenditure figures from 2024–25 to 2026–27.

**Figure 7 Departmental expenses, 2023–24 to 2026–27**



## Cost-recovery reserves

We operated cost-recovery arrangements across biosecurity, export certification and other services in accordance with the Australian Government Charging Framework. Figure 8 shows the cost-recovery reserve balances at the end of 2023–24.

**Figure 8 Cost-recovery reserve balances, at 30 June 2024**

Note: Balances represent accumulated results. Only surpluses were recorded in our financial statements. Under the Australian Government Charging Framework, fees and charges cannot be increased to recover accumulated deficits.

## Managing our assets

### Departmental activities

Our major investments are in land, buildings, ICT hardware and software, and right-of-use assets. At 30 June 2024 our non-financial asset base was valued at \$671.5 million, of which \$329.9 million were right-of-use assets. Most of these assets are related to property leases for office accommodation, laboratories, data facilities and residences in remote and international locations (see [Financial statements for the period ended 30 June 2024](#)).

We made strategic investments to maintain and improve our services, consistent with government priorities and ongoing business needs. We managed capital investment through a comprehensive process that involved multiple governance bodies. The process helped us to prioritise and evaluate capital proposals and ensure investments were made effectively. In 2023–24 we funded capital property work to support regional offices. We also invested capital in major ICT infrastructure. All assets are managed and reported in accordance with relevant accounting standards and Australian Government policies.

### Administered activities

#### Farm Household Allowance

We assisted eligible farming families experiencing financial hardship by providing fortnightly income support, allowances for pharmaceuticals and household bills, a financial assessment of their farm business, training and skills development funding, and case management support. Assistance was delivered through Services Australia.

#### Future Drought Fund

We provided funding for drought-resilience programs, grants and arrangements that help Australian farmers and communities prepare for the impacts of drought.



## **Regional Investment Corporation**

The Regional Investment Corporation (RIC) administered 5 loan programs targeted to farm businesses, primary production–related small businesses and other eligible businesses. Loans were made under the Farm Investment, Drought, AgBiz, AgRebuild and AgriStarter schemes for periods of up to 10 years. The AgRebuild scheme is now closed to new applications.

## **Administered program performance**

In 2023–24 we managed administered assets of \$3.988 billion on behalf of the Australian Government. This comprised \$3.743 billion in loans to farm businesses through the RIC, and investments in 7 portfolio entities.

Administered income for 2023–24 was \$0.934 billion. The main source of administered income was primary industry levies and charges.

Administered expenditure for 2023–24 was \$1.534 billion. These expenses are primarily:

- levy disbursements and Commonwealth contributions
- grants
- income support for farmers
- concessional loan discounts
- payments to corporate entities.

**Financial Statements**  
**Department of Agriculture, Fisheries and Forestry**  
for the period ended 30 June 2024

## Independent auditor's report



### INDEPENDENT AUDITOR'S REPORT

#### To the Minister for Agriculture, Fisheries and Forestry

#### Opinion

In my opinion, the financial statements of the Department of Agriculture, Fisheries and Forestry (the Entity) for the year ended 30 June 2024:

- (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 2024 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 2024 and for the year then ended:

- Statement by the Secretary and Chief Finance 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 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.

**Key audit matter****Completeness and accuracy of Own Source Revenue**

*Refer to Note 2A 'Revenue from contracts with customers' and Note 17 'Regulatory Charging Summary'*

I considered this area a key audit matter due to the significant value of revenue from import and export regulatory functions and the risk that the declaration process results in under-collection and/or reporting of import and export revenue because of the complex administrative and information technology (IT) system arrangements that support the collection of fees and charges.

The Entity collects a range of legislated fees and charges for import and export regulatory functions. Information is captured through multiple business systems via manual data entry and online applications.

As fees and charges revenue is dependent on the declared volume and nature of import and export activity, the Entity undertakes a revenue assurance program to obtain assurance that declarations made completely and accurately report the value, volume and nature of goods declared.

For 2023–24, total own source revenue from import and export regulatory functions was \$584.9 million.

**How the audit addressed the matter**

To audit the completeness and accuracy of own source revenue, I performed the following procedures:

- assessed the design, implementation and operating effectiveness of the Entity's revenue assurance programs that provide the Entity with assurance over the completeness and accuracy of own source revenue;
- tested the design, implementation and operating effectiveness of IT general controls and application controls for selected revenue and finance business systems;
- agreed the fees and charges recorded in revenue business systems and the finance system, which are used to calculate own source revenue, to legislation; and
- tested, on a sample basis, that revenue transaction calculations were accurate based on the applicable legislative rates, and that the transaction is valid and supported by appropriate documentary evidence.

**Key audit matter****Completeness and accuracy of primary industry levies and charges**

*Refer to Note 19A 'Levies and Charges'*

I considered this area a key audit matter as there is a risk of under-collection of levies and charges arising from the submission of inaccurate levy returns and declarations, whether accidental or deliberate.

Levies are collected from primary industry producers and agents using a self-assessment regime based on levels of production.

The Entity undertakes a risk based National Compliance Program to obtain assurance that levy returns and declarations completely and accurately report the value and quantity of agricultural commodities declared.

For 2023–24, the total primary industry levies and charges reported were \$625.8 million.

**How the audit addressed the matter**

To audit the completeness and accuracy of primary industry levies and charges revenue, I performed the following procedures:

- assessed the design, implementation and operating effectiveness of the IT general and application controls implemented by the Entity to confirm the integrity of data and calculation of levies within the levies' IT system. This included an assessment of the completeness and accuracy of data transferred between the levies' IT system and the finance system;
- assessed the design, implementation and operating effectiveness of the Entity's National Compliance Program that provides the Entity with assurance over the accuracy and completeness of submitted returns and levies collected;
- agreed changes of levy rates recorded in the levies IT system to approvals signed by the Minister; and
- tested a sample of revenue transactions by agreeing calculations to supporting documentation, and sighted approvals.

**Key audit matter****Valuation of Loans to State and Territory Governments and Farm Businesses**

Refer to Note 20B 'Loan receivables' and Note 22 'Loan Commitments to Farm Businesses'

I considered this area a key audit matter given the significance of this balance to the Entity's receivable balances and the significant judgement in, and complexity of, calculations to determine the valuation of the loan balances.

The Entity is responsible for administering a range of loans to farm businesses which are classified as concessional loans. Loans are made to State and Territory Governments and to farm businesses through the Regional Investment Corporation, who are responsible for the ongoing maintenance and management of the loans and reporting to the Entity on loan transactions.

Impairment of loan balances is calculated using a 12 month expected credit losses valuation model. This model is dependent on assumptions that require significant judgement about the value of security held against each loan, the impact of natural disasters, and macroeconomic factors including interest rates and commodity pricing.

The loans receivable balance as at 30 June 2024 was \$2,800.0 million. The value of concessional loan discount expense for the year ended 30 June 2024 was \$35.6 million.

**How the audit addressed the matter**

To audit the valuation of the loans to State and Territory Governments and farm businesses, I performed the following procedures:

- agreed a sample of approvals of new loans to loan contracts and other supporting documentation;
- evaluated the application of the Entity's accounting policy for the recognition and measurement of the fair value of new loans in accordance with the Australian Accounting Standards, including any concessional component;
- assessed the reasonableness of the methodology and key assumptions applied to the impairment assessment supporting the valuation of the loans against accepted industry benchmarks; and
- assessed the Entity's monitoring of loans and service payments collected to assess the accuracy and completeness of information provided by the State and Territory Governments and the Regional Investment Corporation.

**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



Carla Jago

Acting Deputy Auditor-General

Canberra

6 September 2024

## Statement by the secretary and chief finance officer

In our opinion, the attached financial statements for the year ended 30 June 2024 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 Agriculture, Fisheries and Forestry will be able to pay its debts as and when they fall due.

Signed 

Adam Fennessy PSM  
Secretary

5 September 2024

Signed 

Matthew Geysen  
Chief Finance Officer

5 September 2024



## Overview

The Department of Agriculture, Fisheries and Forestry (the department) conducts activities on behalf of the Government to enhance Australia's agriculture, fisheries and forestry through regulation and partnership, with two outcomes focused on:

- More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries; and
- Safeguarding Australia's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases.

The department's central location is in Canberra, ACT and has offices throughout Australia. The department is an Australian Government controlled not-for-profit entity. The department has a vision for a more sustainable and prosperous Australia through biosecurity, agricultural production and trade. We achieve our vision through our purpose: working together to safeguard and grow sustainable agriculture, fisheries and forestry for all Australians.

The department's activities are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the department in its own right. Administered activities involve the management and oversight by the department, on behalf of the Australian Government, of items controlled or incurred by the Australian Government.

The continued existence of the department in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for the entity's administration and programs.

## Impact of machinery of government changes

On 24 April 2023 the Prime Minister issued a letter resulting in machinery of government changes (movements of responsibilities) between Commonwealth entities from 1 July 2023. This included the transfer of responsibility for administering the Rural Financial Counselling Service from the National Emergency Management Agency to the Department of Agriculture, Fisheries and Forestry.

Details of assets and liabilities transferred are included at the Restructuring disclosures at Note 9.

Administered expenses incurred for the transferred function totalled \$18.55 million in 2023–24.

Comparative restructuring information includes movements of functions and responsibilities between Commonwealth entities during the 2022-23 financial year as follows:

- Department of Agriculture, Water and the Environment became the Department of Agriculture, Fisheries and Forestry;
- Functions and responsibilities relating to environment and water transferred to the new Department of Climate Change, Energy, the Environment and Water; and
- The national soils advocate function transferred from the Department of Prime Minister and Cabinet.



## The basis of preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

The financial statements have been prepared in accordance with:

- Public Governance, Performance and Accountability Rule 2014;
- Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR); and
- Australian Accounting Standards and Interpretations – including simplified disclosures for Tier 2 Entities under AASB 1060 issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and are 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.

## New accounting standards

All new, revised or amending standards and interpretations that were issued prior to the sign-off date in the current reporting period have been considered and did not have an impact on the department's financial statements.

## Taxation

The department is exempt from all forms of taxation except Fringe Benefits Tax and the Goods and Services Tax (GST). Revenues, expenses, assets and liabilities are recognised net of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office and for receivables and payables.

## 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 same policies as for departmental items, including the application of Australian Accounting Standards.

## Breach of section 83 of the constitution

Section 83 of the *Commonwealth of Australia Constitution Act 1900* (the Constitution) provides that no amount may be paid out of the Consolidated Revenue Fund except under an appropriation by law.

The department identified a special appropriation with statutory conditions for payments which could result in potential breaches of the Constitution. Payments made under the *Farm Household Support Act 2014* (FHA Act) of \$57.07 million were made during 2023–24. As at 30 June 2024, \$2.76 million worth of overpayments have been recorded as debts, and within this there may be amounts that relate to potential breaches. It is not possible to eliminate the potential for section 83 breaches for FHA Act payments made by Services Australia on behalf of the department. Information provided

by customers is relied upon to assess the eligibility to receive payments. This information provided by customers is not always accurate or is subject to circumstances which can result in a breach of section 83 of the Constitution. There has been no information or circumstances where a breach has been identified in 2023–24.

## **Events after the reporting period**

### **Departmental**

On the 29 July 2024 the portfolio ministerial arrangements changed. The Hon Julie Collins MP was sworn in as Minister for Agriculture, Fisheries and Forestry on 29 July 2024, replacing Senator the Hon Murray Watt. Senator the Hon Anthony Chisholm was sworn in as Assistant Minister for Agriculture, Fisheries and Forestry on 29 July 2024. The changes are not anticipated to materially impact the entity's financial position or performance.

### **Administered**

There have been no events after the reporting period that had the potential to significantly affect the ongoing structure and financial activities of the department.

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## Departmental financial statements

### Statement of comprehensive income for the period ended 30 June 2024

		2024	2023	Original Budget
	Notes	\$'000	\$'000	2024 \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Employee benefits	1A	711,712	711,029	636,509
Suppliers	1B	441,532	531,751	515,710
Depreciation and amortisation	4	87,393	105,582	78,577
Grants	1C	10,897	5,626	4,931
Finance costs	1D	16,671	14,159	700
Impairment loss on financial instruments	–	305	733	–
Write-down and impairment of other assets	1E	23,663	7,421	919
Other expenses	–	352	111	–
<b>Total expenses</b>		<b>1,292,525</b>	<b>1,376,412</b>	<b>1,237,346</b>
<b>Own-source income</b>				
<b>Own-source revenue</b>				
Revenue from contracts with customers	2A	584,930	521,057	469,357
Interest	–	793	466	701
Rental income	2B	431	859	–
Other revenue	2C	18,401	32,008	18,186
<b>Total own-source revenue</b>		<b>604,555</b>	<b>554,390</b>	<b>488,244</b>
<b>Gains</b>				
Other gains	2D	2,555	3,054	1,618
<b>Total gains</b>		<b>2,555</b>	<b>3,054</b>	<b>1,618</b>
<b>Total own-source income</b>		<b>607,110</b>	<b>557,444</b>	<b>489,862</b>
<b>Net cost of services</b>		<b>685,415</b>	<b>818,968</b>	<b>747,484</b>
Revenue from Government		699,387	767,334	705,444
<b>Surplus/(deficit)</b>		<b>13,972</b>	<b>(51,634)</b>	<b>(42,040)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost of services</b>				
Changes in asset revaluation reserves		8,779	(176)	–
<b>Total other comprehensive income/(loss)</b>		<b>8,779</b>	<b>(176)</b>	<b>–</b>
<b>Total comprehensive income/(loss)</b>		<b>22,751</b>	<b>(51,810)</b>	<b>(42,040)</b>

The above statement should be read in conjunction with the accompanying notes.

## Statement of financial position as at 30 June 2024

		2024	2023	Original Budget
	Notes	\$'000	\$'000	2024 \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	3A	48,067	15,336	56,578
Trade and other receivables	3B	340,528	241,591	58,527
Investments in term deposits		16,000	16,000	15,500
<b>Total financial assets</b>		<b>404,595</b>	<b>272,927</b>	<b>130,605</b>
<b>Non-financial assets <sup>a</sup></b>				
Land and buildings	4	331,290	332,095	254,467
Leasehold improvements	4	83,442	85,790	–
Property, plant and equipment	4	60,949	67,689	68,804
Computer software	4	195,802	188,849	287,300
Inventories		1,639	2,225	2,225
Prepayments		12,389	6,094	8,133
<b>Total non-financial assets</b>		<b>685,511</b>	<b>682,742</b>	<b>620,929</b>
<b>Total assets</b>		<b>1,090,106</b>	<b>955,669</b>	<b>751,534</b>
<b>LIABILITIES</b>				
<b>Payables</b>				
Suppliers		54,554	44,579	87,574
Grants		638	45	215
Other payables	5	50,096	51,907	32,142
<b>Total payables</b>		<b>105,288</b>	<b>96,531</b>	<b>119,931</b>
<b>Interest bearing liabilities</b>				
Leases	6	434,219	413,938	274,953
<b>Total interest bearing liabilities</b>		<b>434,219</b>	<b>413,938</b>	<b>274,953</b>
<b>Provisions</b>				
Employee provisions	7A	207,525	196,956	180,813
Other provisions	7B	3,129	3,611	5,358
<b>Total provisions</b>		<b>210,654</b>	<b>200,567</b>	<b>186,171</b>
<b>Total liabilities</b>		<b>750,161</b>	<b>711,036</b>	<b>581,055</b>
<b>Net assets</b>		<b>339,945</b>	<b>244,633</b>	<b>170,479</b>
<b>EQUITY</b>				
Contributed equity		934,022	861,461	443,369
Asset revaluation reserves		619,151	610,372	75,463
Industry reserves		44,279	26,462	–
Accumulated results		(1,257,507)	(1,253,662)	(348,353)
<b>Total equity</b>		<b>339,945</b>	<b>244,633</b>	<b>170,479</b>

<sup>a</sup> Right-of-use assets are included in Land and buildings and Property, plant and equipment.

## Statement of changes in equity for the period ended 30 June 2024

		2024	2023	Original Budget
	Notes	\$'000	\$'000	2024 \$'000
<b>CONTRIBUTED EQUITY</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		861,461	1,345,983	376,816
<b>Transactions with owners</b>				
<b>Distributions to owners</b>				
Returns of Appropriations		(354)	(1,891)	–
<b>Contributions by owners</b>				
Equity injection - Appropriations		57,507	38,054	56,457
Departmental capital budget		15,408	12,638	10,096
Restructuring	9	–	(533,323)	–
<b>Total transactions with owners</b>		<b>72,561</b>	<b>(484,522)</b>	<b>66,553</b>
<b>Closing balance as at 30 June</b>		<b>934,022</b>	<b>861,461</b>	<b>443,369</b>
<b>ACCUMULATED RESULTS</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		(1,253,662)	(1,244,970)	(306,313)
<b>Comprehensive income</b>				
Surplus/(Deficit) for the period		13,972	(51,634)	(42,040)
<b>Total comprehensive income/(loss)</b>		<b>13,972</b>	<b>(51,634)</b>	<b>(42,040)</b>
Total comprehensive income attributable to Australian Government		13,972	(51,634)	(42,040)
Other		–	20,599	–
Transfers between equity components		(17,817)	22,343	–
<b>Closing balance as at 30 June</b>		<b>(1,257,507)</b>	<b>(1,253,662)</b>	<b>(348,353)</b>
<b>ASSET REVALUATION RESERVE</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		610,372	631,147	26,658
<b>Comprehensive income</b>				
Other comprehensive income/(loss)		8,779	(176)	–
<b>Total comprehensive income</b>		<b>8,779</b>	<b>(176)</b>	<b>–</b>
Total comprehensive income attributable to Australian Government		8,779	(176)	–
Other		–	(20,599)	–
<b>Closing balance as at 30 June</b>		<b>619,151</b>	<b>610,372</b>	<b>26,658</b>
<b>COST RECOVERY RESERVE</b>				
<b>Opening balance</b>				
Balance carried forward from previous period		26,462	48,805	48,805
Transfers between equity components		17,817	(22,343)	–
<b>Closing balance as at 30 June</b>		<b>44,279</b>	<b>26,462</b>	<b>48,805</b>

	2024	2023	Original Budget 2024
Notes	\$'000	\$'000	\$'000
<b>TOTAL EQUITY</b>			
<b>Opening balance</b>			
Balance carried forward from previous period	244,633	780,965	145,966
<b>Comprehensive income</b>			
Surplus/(Deficit) for the period	13,972	(51,634)	(42,040)
Other comprehensive income/(loss)	8,779	(176)	–
<b>Total comprehensive income/(loss)</b>	<b>22,751</b>	<b>(51,810)</b>	<b>(42,040)</b>
Total comprehensive income	22,751	(51,810)	(42,040)
<b>Transactions with owners</b>			
<b>Distributions to owners</b>			
Returns of Appropriations	(354)	(1,891)	–
<b>Contributions by owners</b>			
Equity injection - Appropriations	57,507	38,054	56,457
Departmental capital budget	15,408	12,638	10,096
Restructuring	–	(533,323)	–
<b>Total transactions with owners</b>	<b>72,561</b>	<b>(484,522)</b>	<b>66,553</b>
<b>Closing balance as at 30 June</b>	<b>339,945</b>	<b>244,633</b>	<b>170,479</b>

#### **Accounting policy**

##### *Equity injections*

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets are recognised directly in contributed equity in that year.

##### *Cost recovery reserves*

Each cost recovered program holds a separate cost recovery reserve. Programs in surplus are held within the cost recovery reserve balance. Programs in deficit are held against the accumulated results of the department.



## Cash flow statement for the period ended 30 June 2024

		2024	2023	Original Budget
	Notes	\$'000	\$'000	2024 \$'000
<b>OPERATING ACTIVITIES</b>				
<b>Cash received</b>				
Appropriations		716,033	859,615	721,125
Sale of goods and rendering of services		585,411	511,946	469,157
Interest		–	–	701
GST received		44,459	70,452	.25,550
Other		35,248	65,201	17,656
<b>Total cash received</b>		<b>1,381,151</b>	<b>1,507,214</b>	<b>1,234,189</b>
<b>Cash used</b>				
Employees		704,140	706,069	636,509
Suppliers		491,375	570,711	537,612
Interest payments on lease liabilities		16,522	11,817	700
Grants		10,304	5,796	4,931
Section 74 receipts transferred to OPA		89,937	127,217	–
Other		8,922	15,054	–
<b>Total cash used</b>		<b>1,321,200</b>	<b>1,436,664</b>	<b>1,179,752</b>
<b>Net cash from operating activities</b>		<b>59,951</b>	<b>70,550</b>	<b>54,437</b>
<b>INVESTING ACTIVITIES</b>				
<b>Cash received</b>				
Proceeds from sales of property, plant and equipment		17	153	–
Investments realised		16,000	16,000	14,500
Interest		713	164	–
<b>Total cash received</b>		<b>16,730</b>	<b>16,317</b>	<b>14,500</b>
<b>Cash used</b>				
Purchase of land and buildings		3,145	75,696	–
Purchase of other property, plant and equipment		6,561	31,600	76,553
Purchase of software		46,476	53,273	–
Investments made		16,000	16,000	14,500
<b>Total cash used</b>		<b>72,182</b>	<b>176,569</b>	<b>91,053</b>
<b>Net cash used by investing activities</b>		<b>(55,452)</b>	<b>(160,252)</b>	<b>(76,553)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Cash received</b>				
Contributed equity		38,198	59,902	56,457
Departmental capital budget		13,361	26,608	10,096
<b>Total cash received</b>		<b>51,559</b>	<b>86,510</b>	<b>66,553</b>
<b>Cash used</b>				
Principal payments of lease liabilities <sup>a</sup>		23,327	34,496	44,637
Restructure		–	687	–
<b>Total cash used</b>		<b>23,327</b>	<b>35,183</b>	<b>44,637</b>
<b>Net cash from financing activities</b>		<b>28,232</b>	<b>51,327</b>	<b>21,916</b>
<b>Net increase/(decrease) in cash held</b>		<b>32,731</b>	<b>(38,375)</b>	<b>(200)</b>
Cash and cash equivalents at the beginning of the reporting period		15,336	53,711	56,778
<b>Cash and cash equivalents at the end of the reporting period</b>	3A	<b>48,067</b>	<b>15,336</b>	<b>56,578</b>

<sup>a</sup> Total cash outflow for leases for the period ended 30 June 2024 was \$42.13 million (2023: \$53.88 million). It includes principal payments, interest payments and short-term or low value lease payments.

## Budget variance commentary

The following tables provide a comparison of the original budget as presented in the Portfolio Budget Statements (PBS) to the 2023–24 final outcome as presented in accordance with Australian Accounting Standards for the department. The Budget is not audited. Explanations of major variances are provided below.

Variances are considered to be ‘major’ based on the following criteria:

- the variance between budget and actual is greater than +/- 10% of the original budget and +/- \$10 million for a line item; or
- the variance between budget and actual is greater than +/-2% of the relevant sub-total (i.e. total expenses, total income, total assets or total liabilities) and +/- \$10 million; or
- an item below this threshold but is considered important for the reader’s understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of the department.

Major variances and explanations	Affected line items
<i>Statement of comprehensive income</i>	
Total expenses were \$55.2 million higher than the original budget estimate due to:	
<ul style="list-style-type: none"> <li>• Higher than budgeted employee benefits of \$75.2 million. This was driven by the prioritisation of the recruitment of staff in the department, reducing reliance on contractor and labour-hire services. Additionally, the implementation of the department’s 2024-27 Enterprise Agreement increased employee salaries and resulted in an uplift to leave provisions.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee benefits</li> </ul>
<ul style="list-style-type: none"> <li>• Lower than budgeted supplier expenses of \$74.2 million. This was mostly due to reduced engagement of contractor and consultancy services to build internal departmental staff capability. Additionally, two large ICT projects experienced delays, reducing the ICT contractor expenditure compared to the original budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Suppliers</li> </ul>
<ul style="list-style-type: none"> <li>• Higher than budgeted finance costs of \$16.0 million as new office leases in Canberra and Moonee Ponds were not finalised when the original budget was settled. Finance costs are highest at the commencement of a lease.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance Costs</li> </ul>
<ul style="list-style-type: none"> <li>• Higher than budgeted write-down and impairment of other assets of \$22.7 million. Due to the nature of these expenses, the original budget cannot reliably predict future write-downs and disposals of assets. The current year result included write-downs of fit out assets where the floor-space was sub-leased.</li> </ul>	<ul style="list-style-type: none"> <li>• Write-down and impairment of other assets</li> </ul>
Own-source income was \$116.3 million higher than the original budget due to:	
<ul style="list-style-type: none"> <li>• Higher than budgeted revenue from contracts with customers of \$115.6 million. This was primarily due to the provision of shared services to DCCEEW and the implementation of increased cost recovery charges for Biosecurity arrangements, which commenced on 1 July 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue from contracts with customers</li> </ul>
<i>Statement of financial position</i>	
Total assets were \$338.6 million higher than the original budget estimate predominantly due to:	
<ul style="list-style-type: none"> <li>• Trade and other receivables \$282.0 million higher than budget. This was driven by appropriation receivable balance increases from supplementation funding received in the prior year, the current year operating result increasing cash reserves, and non-cash expenditure.</li> </ul>	<ul style="list-style-type: none"> <li>• Trade and other receivables</li> </ul>

Major variances and explanations	Affected line items
<ul style="list-style-type: none"> <li>Non-financial assets \$64.6 million higher than the original budget. This was due to the recognition of the new Canberra Agriculture House office lease and fit out, partially offset by delays in software projects.</li> </ul>	<ul style="list-style-type: none"> <li>Land and buildings</li> <li>Leasehold improvements</li> <li>Computer software</li> </ul>
Total liabilities were \$169.1 million higher than the original budget due to:	
<ul style="list-style-type: none"> <li>Total payables were \$14.6 million lower than the original budget. This balance is difficult to predict as it relates to the timing of payments to suppliers. The current year balance predominantly consists of accruals to contractors and salary payments.</li> <li>Lease liabilities were \$159.3 million higher than the original budget predominantly due to the recognition of the new Canberra Agriculture House lease.</li> <li>Provisions were \$24.5 million higher than the original budget mainly due to increases to employee leave liabilities from the implementation of the department's 2024-27 Enterprise Agreement.</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers</li> <li>Other payables</li> <li>Leases</li> <li>Employee provisions</li> </ul>
<i>Statement of Changes in Equity</i>	
Total equity was \$169.5 million higher than the original budget estimate due to:	
<ul style="list-style-type: none"> <li>The transfer of assets and liabilities relating to Environment and Water functions was under negotiation when the original budget was finalised. The net assets relinquished to DCCEEW were \$129.4 million lower than budgeted</li> <li>Equity has also increased due to the 2023-24 operating result and asset revaluations.</li> </ul>	<ul style="list-style-type: none"> <li>Contributed equity</li> <li>Asset revaluation reserve</li> <li>Accumulated deficit</li> </ul>
NOTE: the external budget anticipated the transfer as part of the restructure of historical balances in contributed equity, asset revaluation reserves and accumulated results for environment and water functions. These adjustments were not required and the balances remain with the department.	
<i>Cash flow statement</i>	
The net increase in cash held during 2023-24 was \$32.7 million as a result of the factors described above. This result is lower than the original budget primarily due to cash is held in the Biosecurity, Imported Food and Export Certification Special Account.	<ul style="list-style-type: none"> <li>Net increases/(decreases) in cash held</li> </ul>

**Note 1: Expenses**

<b>Note 1A: Employee benefits</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Wages and salaries	527,414	527,628
Superannuation:	–	–
Defined contribution plans	65,127	67,984
Defined benefit plans	31,985	32,588
Leave and other entitlements	71,957	66,029
Separation and redundancies	1,482	351
Other employee expenses	16,668	19,151
<b>Total employee benefits (gross)</b>	<b>714,633</b>	<b>713,731</b>
Special account administration activities	(2,921)	(2,702)
<b>Total employee benefits (net)</b>	<b>711,712</b>	<b>711,029</b>

**Accounting policy***Employee benefits*

Accounting policies for employee related expenses are contained in Note 5 and 7A.

<b>Note 1B: Suppliers</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Goods and services supplied or rendered</b>		
Contractors and consultants	172,341	264,657
IT services	123,964	132,067
Travel	24,026	24,468
Property operating expense	21,258	22,260
General goods and services	35,529	27,133
Analytical testing	15,904	14,186
Staff development and recruitment	15,595	9,925
Office equipment, stores and consumables	10,612	10,920
Legal expenditure	7,745	7,884
Quarantine services	4,308	6,163
Audit fees <sup>a</sup>	741	1,002
<b>Total goods and services supplied or rendered</b>	<b>432,023</b>	<b>520,665</b>
Goods supplied	68,736	76,951
Services rendered	363,287	443,714
<b>Total goods and services supplied or rendered</b>	<b>432,023</b>	<b>520,665</b>
<b>Other suppliers</b>		
Short-term leases	2,280	7,571
Workers compensation expenses	8,523	6,003
<b>Total other suppliers</b>	<b>10,803</b>	<b>13,574</b>
<b>Total suppliers (gross)</b>	<b>442,826</b>	<b>534,239</b>
Special account administration activities	(1,294)	(2,488)
<b>Total suppliers (net)</b>	<b>441,532</b>	<b>531,751</b>

<sup>a</sup> Includes \$0.69 million (2023: \$0.68 million) for the financial statements audit performed by the Australian National Audit Office (ANAO) disclosed as resources received free of charge. Refer to Note 2C Resources received free of charge.

The department has short-term lease commitments of \$2.28 million as at 30 June 2024 (2023: \$3.93 million). The above lease disclosures should be read in conjunction with the accompanying notes 1D, 2B, 4 and 6.

#### Accounting policy

##### *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, or leases of low-value assets (less than \$10 000). The department recognises the lease payments associated with these leases as an expense.

<b>Note 1C: Grants</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Non-profit organisations	<b>7,594</b>	4,187
State and Territory Governments	<b>900</b>	365
Overseas	<b>2,285</b>	835
Australian Government entities (related parties)	–	49
For profit organisations	<b>118</b>	201
<b>Total grants (gross)</b>	<b>10,897</b>	5,637
Special account administration activities	–	(11)
<b>Total grants (net)</b>	<b>10,897</b>	5,626

#### Accounting policy

##### *Special account administration activities*

In accordance with the department's cash management practices, the department makes some payments initially from the departmental bank account, including for employees, suppliers and grants costs. Such payments are subsequently adjusted to record payments as though they had been paid directly from the above mentioned special accounts in accordance with the PGPA Rule. For transparency purposes the department has shown the grossed-up amounts and an offsetting amount for each relevant departmental note. No amounts have been transferred from a special account to a departmental annual appropriation.

In 2023–24, the department paid a total of \$4.22 million (2023: \$5.20 million) that was later adjusted as payments made from special accounts.

<b>Note 1D: Finance costs</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Unwinding of discount rates on makegood provision	<b>149</b>	2,342
Interest on lease liabilities	<b>16,522</b>	11,817
<b>Total finance costs</b>	<b>16,671</b>	14,159

The above lease disclosures should be read in conjunction with the accompanying notes 1B, 2B, 4 and 6.

<b>Note 1E: Write-Down and impairment of Other Assets</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Impairment of intangibles	2,715	262
Impairment on inventories	1,113	–
Write-off of non-financial assets	19,835	7,159
<b>Total write-down and impairment of other assets</b>	<b>23,663</b>	<b>7,421</b>

## Note 2: Income

<b>Note 2A: Revenue from contracts with customers</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Own-Source Revenue</b>		
Rendering of services	584,930	521,032
Sale of goods	–	25
<b>Total revenue from contracts with customers</b>	<b>584,930</b>	<b>521,057</b>

### Disaggregation of revenue from contracts with customers

Cost recovery activity		
Biosecurity arrangement	362,538	295,501
Food export arrangement	91,905	89,300
Plant export arrangement	29,162	28,151
Live animal export arrangement	14,488	12,074
Other cost recovery	17,252	18,203
Shared services	55,136	55,908
Other services	14,449	21,920
<b>Total revenue from contracts with customers</b>	<b>584,930</b>	<b>521,057</b>

### Accounting policy

#### *Regulatory cost recovery activities*

The department's main source of revenue from contracts with customers is from the cost recovery of regulatory activities, including biosecurity, food export, plant export and live animal export arrangements. The department uses a combination of regulatory fees and charges depending on the charging legislation which governs the relevant activity.

The department's charging framework ensures that all user groups contribute to the regulatory system where they create the demand. Those user groups that use more regulatory resources contribute more to the regulatory framework, reflecting their higher usage of the system. All regulatory charging undertaken by the department is undertaken in accordance with the relevant charging legislation and is consistent with the requirements set out in the Australian Government Charging Framework. For further information refer to Note 17.

Fees are used to recover the costs of direct intervention and certification activities undertaken for regulated entities. The nature of the interventions and certifications is short-term and the department recognises revenue at a point in time on completion of services.

Cost recovery charges are imposed when activities are provided to a group of individuals or organisations. This recovers costs not directly linked to a specific individual or organisation but form part of the costs of the overall biosecurity regulatory system. This provides individuals access to the system and permission to undertake import and export activities.

From an accounting standards perspective, the department considers the charges to be akin to licences or permits. Payment by users provides them with permission to access the system. The department has opted to recognise the revenue using the short-term recognition exemption applicable to licences as the permissions provided are short-term for a financial year or for a specific export or import.

*Shared and other services*

The department also has revenue from general contracts that are enforceable through legal or equivalent means and have specific performance obligations that transfer goods or services to a customer. Contracts are considered to be enforceable where there are specific rights specified in the agreement, the parties can reasonably be expected to act on their obligations.

The department provides services to other entities and individuals, including undertaking functions or incurring costs on behalf of other Australian Government entities in accordance with Memorandum of Understandings.

Revenue is recognised over time as costs are incurred (where the department is entitled to recover the costs) or point in time on completion of services depending on the nature of the services being provided.

A contract liability for unearned revenue is recorded for obligations under contracts for which payment has been received in advance. Contract liabilities unwind as “revenue from contracts with customers” upon satisfaction of the performance obligations under the terms of the contract. The department reports contract liabilities as unearned income in Note 5.

During 2023–24 the department ceased payroll services on 8 November 2023, financial management information system support on 1 October 2023 and travel and credit card support on 8 December 2023 to the Department of Climate Change, Energy, the Environment and Water.

**Note 2B: Rental income**

	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Sub-leasing right-of-use assets	431	859
<b>Total rental income</b>	<b>431</b>	<b>859</b>

The department has sub-leases for rental of commercial space and staff housing. These leases are classified as operating leases for financial reporting purposes.

	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
<b>Maturity analysis of operating lease income receivables</b>		
Within 1 year	<b>2,441</b>	342
One to two years	<b>2,722</b>	308
Two to three years	<b>2,760</b>	261
Three to four years	<b>2,654</b>	213
Four to five years	<b>2,691</b>	41
More than 5 years	—	—
<b>Total undiscounted lease payments receivable</b>	<b>13,268</b>	1,165

In 2023–24 the department entered a new sub-lease arrangement for office space in Agriculture House. The above lease disclosures should be read in conjunction with the accompanying notes 1B, 1D, 4 and 6.

<b>Note 2C: Other revenue</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Levies	<b>12,275</b>	12,180
Recovery from other agencies	–	10,930
Agricultural levies administration	<b>3,258</b>	3,689
State contributions	<b>211</b>	1,498
Resources received free of charge		
ANAO audit fee	<b>685</b>	680
Secondments	<b>204</b>	–
Other	<b>1,768</b>	3,031
<b>Total other revenue</b>	<b>18,401</b>	32,008

**Accounting policy***Resources received free of charge*

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.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government entity as a consequence of a restructuring of administrative arrangements or as contributions by owners.

<b>Note 2D: Other gains</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Decrease in makegood provisions	<b>527</b>	1,746
Write-down of provisions and payables	–	291
Assets now recognised	–	332
Gain from asset sales:		
Proceeds from sale	<b>17</b>	153
Carrying value of assets sold	–	(48)
Gains arising from termination of leases	<b>34</b>	–
Other	<b>1,977</b>	580
<b>Total other gains</b>	<b>2,555</b>	3,054

**Accounting policy***Sale of assets*

Gains from the disposal of assets are recognised when control of the asset has passed to the buyer.

*Other gains*

Gains may be realised or unrealised and are recognised on a net basis.

*Revenue from government*

Departmental amounts appropriated for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the department gains control of the appropriation.

Appropriations receivable are recognised at their nominal amounts.



**Note: 3 Financial assets****Note 3A: Cash and cash equivalents**

	2024	2023
	\$'000	\$'000
Cash in special accounts	42,939	11,826
Cash on hand or on deposit	5,128	3,510
<b>Total cash and cash equivalents</b>	<b>48,067</b>	<b>15,336</b>

**Accounting policy**

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- cash on hand
- demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value; and
- cash in special accounts.

**Note 3B: Trade and other receivables**

	2024	2023
	\$'000	\$'000
<b>Goods and services receivables</b>		
Goods and services	42,036	38,365
<b>Total goods and services receivables</b>	<b>42,036</b>	<b>38,365</b>
<b>Appropriations receivables</b>		
Operating	242,912	169,475
Departmental capital budget	2,047	–
Equity injection	37,493	18,539
<b>Total appropriations receivables</b>	<b>282,452</b>	<b>188,014</b>
<b>Other receivables</b>		
Statutory receivables	9,890	6,905
Interest	433	353
Advances	9	11
Other	10,194	12,214
<b>Total other receivables</b>	<b>20,526</b>	<b>19,483</b>
<b>Total trade and other receivables (gross)</b>	<b>345,014</b>	<b>245,862</b>
<b>Less expected credit loss allowance</b>	<b>(4,486)</b>	<b>(4,271)</b>
<b>Total trade and other receivables (net)</b>	<b>340,528</b>	<b>241,591</b>

During the 2024 financial year, credit terms for goods and services were within 30 days (2023: 30 days).

**Accounting policy***Financial assets*

Trade receivables, loans and other receivables are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance. These are held for the purpose of collecting the contractual cash flows where the payments are of principal and interest only.

**Note 4: Non-financial assets**

Reconciliation of the opening and closing balances of property, plant and equipment and intangibles

	Land and buildings <sup>a</sup>	Leasehold improvements <sup>a</sup>	Other property, plant and equipment <sup>a</sup>	Computer software	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2023</b>					
Gross book value	389,941	85,313	57,612	226,662	759,528
Work in progress	–	8,805	36,704	91,205	136,714
Accumulated depreciation, amortisation and impairment	(57,846)	(8,328)	(26,627)	(129,018)	(221,819)
<b>Total as at 1 July 2023</b>	<b>332,095</b>	<b>85,790</b>	<b>67,689</b>	<b>188,849</b>	<b>674,423</b>
Additions					
By purchase or internally developed	–	3,145	6,561	46,476	56,182
Right-of-use assets	18,343	–	4,742	–	23,085
Revaluations and impairments recognised in other comprehensive income	1,549	5,302	1,500	–	8,351
Impairments recognised in the net cost of services	–	–	–	(2,715)	(2,715)
Reclassification <sup>a</sup>	–	8,343	–	–	8,343
Reclassification of right-of-use assets <sup>b</sup>	(8,343)	–	–	–	(8,343)
Depreciation and amortisation expense	(147)	(7,474)	(13,369)	(32,131)	(53,121)
Depreciation on right-of-use assets	(30,429)	–	(3,843)	–	(34,272)
Other movements <sup>c</sup>	–	(1,385)	–	–	(1,385)
Remeasurement of right-of-use assets	18,888	–	2,550	–	21,438
Disposals					
By write-off right-of-use assets	(666)	–	(2)	–	(668)
By write-off	–	(10,279)	(4,879)	(4,677)	(19,835)
<b>Total as at 30 June 2024</b>	<b>331,290</b>	<b>83,442</b>	<b>60,949</b>	<b>195,802</b>	<b>671,483</b>
<b>Total as at 30 June 2024 represented by:</b>					
Gross book value	413,202	78,485	57,576	293,866	843,129
Work in progress	–	5,547	9,516	60,665	75,728
Accumulated depreciation, amortisation and impairment	(81,912)	(590)	(6,143)	(158,729)	(247,374)
<b>Total as at 30 June 2024</b>	<b>331,290</b>	<b>83,442</b>	<b>60,949</b>	<b>195,802</b>	<b>671,483</b>
<b>Carrying amount of right-of-use assets<sup>d</sup></b>	<b>323,700</b>	–	<b>6,213</b>	–	<b>329,913</b>

**a** These classes of assets are held at fair value except for those classified as right-of-use assets under AASB 16 which are carried at cost. **b** This relates to the finalisation of arrangements in relation to the Moonee Ponds lease incentive resulting in \$8.34 million contribution to the fit-out. The amount had previously been accounted for in the initial recognition of the right-of-use asset. **c** This relates to the finalisation of arrangements in relation to the Agriculture House lease incentive resulting in \$1.39 million rent reduction. The amount had previously been recognised as a contribution to fit-out. **d** The above lease disclosure should be read in conjunction with the Statement of Financial Position and the accompanying notes 1B, 1D, 2B and 6.

**Disposal of non-financial assets**

No significant items of non-financial assets included in Note 4 are expected to be sold or disposed of within the next 12 months.

**Contractual commitments for the acquisition of property, plant, equipment and intangible assets**

Capital commitments relate to contractual payments for new assets and assets under construction. Commitments are GST inclusive where relevant.

<b>2023–24 Capital Commitments</b>	<b>&lt; 1 year</b>	<b>1 year to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Buildings	2,790	–	–	<b>2,790</b>
Property, plant and equipment	2,451	–	–	<b>2,451</b>
Intangibles	2,230	–	–	<b>2,230</b>
<b>Total commitments</b>	<b>7,471</b>	<b>–</b>	<b>–</b>	<b>7,471</b>

<b>2022–23 Capital Commitments</b>	<b>&lt; 1 year</b>	<b>1 year to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Buildings	3,253	–	–	<b>3,253</b>
Property, plant and equipment	5,216	–	–	<b>5,216</b>
Research vessel	193	–	–	<b>193</b>
<b>Total commitments</b>	<b>8,662</b>	<b>–</b>	<b>–</b>	<b>8,662</b>

**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'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. During 2023–24 the department applied the respective thresholds as outlined in the following table:

	<b>2024</b>	2023
Land and buildings	<b>\$50 000</b>	\$50 000
Leasehold improvements	<b>\$150 000</b>	\$150 000
Property, plant and equipment	<b>\$7 000 individual purchases/\$50 000 group purchases</b>	\$7 000 individual purchases/\$50 000 group purchases
Internally developed software	<b>\$200 000</b>	\$200 000
Purchased software	<b>\$150 000</b>	\$150 000

Purchases under the asset recognition thresholds are expensed in the year of acquisition.

Asset values include 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 restoration provisions in property leases taken up by the department, where an obligation exists to restore the property or location to its original condition. These costs are included in the value of the department's leasehold improvements.

The department's intangible assets comprise internally developed software and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

*Right of Use (ROU) assets*

ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount and initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by the department as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

ROU assets continue to be measured at cost after initial recognition.

*Revaluations and fair value measurement*

All property, plant and equipment assets are measured at fair value.

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from their fair values at the reporting date. Expert revaluations for property, plant and equipment are conducted every three years, with a revaluation conducted in 2023–24. Further valuations are undertaken dependent upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus or deficit. Revaluation decrements for a class of assets are recognised in the surplus or deficit except to the extent that 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 restated to the revalued amount.

*Recurring and non-recurring fair value measurements – valuation processes*

A professional valuer conducted a detailed external valuation of the department's non-financial assets (excluding intangibles) during the 2023–24 financial year. At the conclusion of the financial year the valuer conducted a materiality assessment to ensure the valuation remained accurate at 30 June 2024. The department has relied upon those outcomes to establish carrying amounts.

*Depreciation and amortisation*

The department has made a significant estimate in determining the useful lives over which its assets are depreciated. This estimation is based on the historical experience of similar assets and has been based on valuations provided by independent valuers. The useful lives are assessed on an annual basis and adjustments are made when necessary.

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the department using, in all cases, the straight-line method of depreciation.

Intangible assets are amortised on a straight-line basis over their anticipated useful lives.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2024	2023
Buildings	16 to 35 years	16 to 35 years
Leasehold improvements	Lesser of useful life or lease term	Lesser of useful life or lease term
Property, plant and equipment	1 to 25 years	1 to 25 years
Internally developed software	2 to 20 years	2 to 20 years
Purchased software	3 to 20 years	3 to 20 years

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*

All non-financial assets were assessed for impairment at 30 June 2024. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment 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 depreciated replacement cost.

*Derecognition*

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use.

*Inventories*

Inventory is held for distribution and valued at cost, adjusted for any loss of service potential.

Costs incurred in bringing each item of inventory to its present location and condition are assigned as follows:

- raw materials and stores – purchase cost on a first-in-first-out basis;
- finished goods and work-in-progress – cost of direct materials and labour plus attributable costs that can be allocated on a reasonable basis.

Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition.

No items of inventory were recognised at fair value less cost to sell.

**Note 5: Payables**

	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
<b>Note 5: Other payables</b>		
Salaries and wages	<b>15,284</b>	14,481
Superannuation	<b>6,804</b>	8,958
Separations and redundancies	<b>308</b>	74
Prepayments received/unearned income	<b>16,423</b>	14,003
Employee leave entitlement transfers	<b>6,797</b>	10,179
Other	<b>4,480</b>	4,212
<b>Total other payables</b>	<b>50,096</b>	51,907

**Accounting policy***Separation and redundancy*

Provision is made for separation and redundancy benefit payments. The department recognises a provision for termination when it has developed a detailed formal plan for the terminations, identified the positions affected, assessed expressions of interest from employees and made formal offers. Separation and redundancy is reported as a payable when an agreement has been reached with the relevant employee.

*Superannuation*

The majority of the department's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the PSS accumulation plan (PSSap). However, some staff have elected to be members of other private superannuation funds.

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 defined benefits superannuation scheme 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 schemes.

The liability for superannuation recognised at 30 June 2024 represents outstanding contributions.

*Suppliers*

Settlement is usually made within 20 days (2023: 20 days) or 5 days for eInvoicing through the Pan-European Public Procurement On-Line framework.



**Note 6: Interest bearing liabilities**

<b><u>Note 6: Leases</u></b>	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Lease liabilities	<b>434,219</b>	413,938
<b>Total leases</b>	<b>434,219</b>	413,938
<b>Maturity analysis - contractual undiscounted cash flows</b>		
Within 1 year	<b>40,507</b>	34,638
Between 1 and 5 years	<b>159,643</b>	138,865
More than 5 years	<b>401,962</b>	425,501
<b>Total leases</b>	<b>602,112</b>	599,004

The department has a large, diverse and geographically dispersed lease portfolio which includes commercial and residential properties (domestic and international) and motor vehicles.

The majority of the lease liability balance relates to property leases which are typically long term and contain extension options. Where practicable, the department seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the department and not by the lessors. The department assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The department reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. At any given time, the department may be occupying a tenancy where the existing lease term has reached its end date and transitioned to a holdover period. The department may subsequently enter into a lease arrangement with the lessor which may be back dated to the end of the previous lease agreement. Where these leases are backdated to a previous financial year, the department will generally recognise these from 1 July of the current financial year.

The department in its capacity as lessee has leasing arrangements with below market terms. This primarily relates to the Post Entry Quarantine facility in Mickleham, Victoria owned by the Department of Finance and occupied by the department at no cost to assist with protecting Australia from biosecurity threats. The department also has leasing arrangements at international airports and seaports around Australia to assist with biosecurity operations.

The above lease disclosures should be read in conjunction with the accompanying notes 1B, 1D, 2B and 4.

**Accounting policy**

For all new contracts entered into, the department considers whether the contract 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 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 that rate is readily determinable), or the department's incremental borrowing rate.

Subsequent to initial measurement, the liability is 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 right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

## Note 7: Provisions

<b>Note 7A: Employee provisions</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Leave	<b>201,637</b>	186,779
Superannuation	<b>5,888</b>	10,177
<b>Total employee provisions</b>	<b>207,525</b>	196,956

### Accounting policy

Liabilities for short-term employee benefits and termination benefits due within 12 months of the end of the reporting period are measured at their nominal amounts.

#### Leave

The liability for employee benefits includes provision for annual leave and long service leave. The leave liabilities are calculated based on employees' remuneration at the estimated salary rates that will apply at the time the leave is taken, including the department's employer superannuation contribution rates to the extent that leave is likely to be taken during service rather than paid out on termination.

The department's previous actuarial review was performed in 2022–23 by the Australian Government Actuary (AGA). The actuarial review is conducted every three financial years unless there has been a significant change in the department's staffing profile. The department has conducted a review of its staffing data, no significant changes to the staffing profile have occurred in the 2023–24 financial year. The discount rates for the employee leave provisions are updated to reflect the changes in the Australian Government bond rates at 30 June 2024. The estimate of the present value of the liability considers attrition rates and pay increases through promotion and inflation.

#### Superannuation

Employee provisions include anticipated payments relating to the underpayment of superannuation resulting from interpretations of Enterprise Agreements and other employee arrangements.

<b>Note 7B: Reconciliation of other provisions</b>	<b>Provision for restoration - other localities <sup>a</sup></b>	<b>Other provisions</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>As at 1 July 2023</b>	<b>3,596</b>	<b>15</b>	<b>3,611</b>
Amounts reversed	(75)	–	(75)
Additional provisions made	352	–	352
Amounts remeasured	(908)	–	(908)
Unwinding of discount <sup>b</sup>	149	–	149
<b>Total as at 30 June 2024</b>	<b>3,114</b>	<b>15</b>	<b>3,129</b>

**a** The impact of the change in valuation and the change in the discount rate on the provision for other localities was taken to the asset revaluation reserve, the Statement of Financial Position and to the Statement of Comprehensive Income depending on whether there is a related asset measured at cost or fair value. **b** Unwinding of the discount associated with the provisions is recorded as finance costs in the Statement of Comprehensive Income.

**Accounting policy**

**Accounting judgements and estimates**

*Provision for restoration obligations – other localities*

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.

The department currently recognises 48 (2023: 30) provisions for premises requiring restoration to their original condition at the conclusion of the lease. The provision reflects the present value of these obligations.

*Other provisions*

The department currently recognises other provisions for a billing error related to export meat inspection activities. The provision reflects the present value of the obligation.

**Note 8: Current/non-current distinction assets and liabilities**

	2024	2023
	\$'000	\$'000
<b>Assets expected to be recovered in:</b>		
<b>No more than 12 months</b>		
Cash and cash equivalents	48,067	15,336
Trade and other receivables	340,528	241,591
Other investments	16,000	16,000
Prepayments	11,408	6,010
Inventories	–	–
<b>Total no more than 12 months</b>	<b>416,003</b>	<b>278,937</b>
<b>More than 12 months</b>		
Land and buildings	331,290	332,095
Leasehold improvements	83,442	85,790
Property, plant and equipment	60,949	67,689
Computer software	195,802	188,849
Prepayments	981	84
Inventories	1,639	2,225
<b>Total more than 12 months</b>	<b>674,103</b>	<b>676,732</b>
<b>Total assets</b>	<b>1,090,106</b>	<b>955,669</b>
<b>Liabilities expected to be settled in:</b>		
<b>No more than 12 months</b>		
Suppliers	54,554	44,579
Grants	638	45
Other payables	49,531	51,907
Leases	50,437	35,835
Employee provisions	60,903	61,705
Other provisions	194	1,649
<b>Total no more than 12 months</b>	<b>216,257</b>	<b>195,720</b>
<b>More than 12 months</b>		
Other payables	565	–
Leases	383,782	378,103
Employee provisions	146,622	135,251
Other provisions	2,935	1,962
<b>Total more than 12 months</b>	<b>533,904</b>	<b>515,316</b>
<b>Total liabilities</b>	<b>750,161</b>	<b>711,036</b>

**Note 9: Restructuring****Note: 9 Departmental restructuring**

	2024 \$'000	2023 \$'000
	Rural Financial Counselling Service	Environment and Water
	National Emergency Management Agency <sup>a</sup>	Department of Climate Change, Energy, the Environment and Water <sup>b</sup>
<b>FUNCTIONS ASSUMED</b>		
<b>Assets recognised</b>		
Trade and other receivables	146	–
<b>Total assets recognised</b>	<b>146</b>	<b>–</b>
<b>Liabilities recognised</b>		
Employee provisions	146	–
<b>Total liabilities recognised</b>	<b>146</b>	<b>–</b>
<b>Net assets assumed</b>	<b>–</b>	<b>–</b>
<b>Expenses assumed</b>		
Recognised by the receiving entity	566	–
<b>Total expenses assumed</b>	<b>566</b>	<b>–</b>
<b>FUNCTIONS RELINQUISHED</b>		
<b>Assets relinquished</b>		
Cash and cash equivalents	–	687
Trade and other receivables	–	118,235
Land and buildings	–	418,960
Leasehold improvements	–	11,518
Property, plant and equipment	–	755,041
Computer software	–	19,548
Inventories	–	10,216
Prepayments	–	4,448
<b>Total assets relinquished</b>	<b>–</b>	<b>1,338,653</b>
<b>Liabilities relinquished</b>		
Suppliers	–	21,194
Other payables	–	4,663
Leases	–	249,036
Employee provisions	–	68,148
Other provisions	–	462,289
<b>Total liabilities relinquished</b>	<b>–</b>	<b>805,330</b>
<b>Net assets relinquished</b> <sup>c, d, e</sup>	<b>–</b>	<b>533,323</b>

**a** Rural Financial Counselling Service function was transferred from the National Emergency Management Agency during 2023–24. **b** Environment and water functions of the department were relinquished to the Department of Climate Change, Energy, the Environment and Water during 2022–23 due to the Administrative Arrangement Orders on 1st and 23rd June 2022. **c** Includes research vessel, heritage and cultural assets. **d** The net book values of assets and liabilities transferred from the National Emergency Management Agency in 2023–24 were for no consideration. **e** The net assets relinquished to the Department of Climate Change, Energy, the Environment and Water were \$533.32 million.

The National Soils Advocate function was assumed by the department from the Department of Prime Minister and Cabinet during 2022–23 due to the Administrative Arrangement Orders on 23 June 2022. No assets or liabilities were assumed or relinquished.

## **Note 10: Contingent assets and liabilities**

### **Quantifiable contingencies**

There are no quantifiable contingent assets or liabilities at 30 June 2024 (2023: Nil).

### **Unquantifiable contingencies**

At 30 June 2024 the department is involved in a number of legal claims for which the department may recover its costs. It is not possible to estimate the amounts of any eventual recoveries in relation to these claims.

At 30 June 2024 the department had a number of legal claims lodged against it for damages and costs. The department is responding to the legal claims in accordance with its obligations under the *Legal Services Directions 2017*. In addition, the department has also received claims for Compensation for Detriment caused by Defective Administration (CDDA) which are still under review. It is not possible to estimate the amount of any eventual payments in relation to the legal claims or the claims for CDDA.

One particular contingent liability which was detailed in the Budget Statement of Risks relates to a number of claims and class action proceedings related to the 2016 outbreak of white spot syndrome virus in Queensland. Costs associated with either litigation, or any future litigation relating to 2016 outbreak of white spot syndrome virus are not quantifiable until the matter is determined by the Court or otherwise resolved.

At 30 June 2024 the department has unquantifiable contingencies in relation to potential under or over payment of employee entitlements resulting from interpretations of enterprise agreements and other employee arrangements. Any contingency relating to this matter has not yet been determined.

The department has identified some services that were potentially charged without a clear statutory basis. There is no suggestion that charges were not related to services provided, however, it is possible that affected parties may seek restitution. The value of the possible contingency is unclear and will require detailed analysis of agreements, timesheets and invoices to quantify.

#### **Accounting policy**

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant 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.

**Note 11: Key management personnel remuneration**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the department, directly or indirectly, including any director (whether executive or otherwise) of the department. This includes those personnel who have temporarily performed the relevant roles for a period of more than twelve weeks. The department has determined the key management personnel to be all Ministers and Assistant Ministers of the department, the Secretary and members of the Executive Board. Key management personnel remuneration is reported in the table below:

<b>Department of Agriculture, Fisheries and Forestry</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Short-term employee benefits	<b>2,717</b>	2,563
Post-employment benefits	<b>359</b>	341
Other long-term benefits	<b>62</b>	64
Termination benefits	<b>953</b>	–
<b>Total key management personnel remuneration expenses <sup>a</sup></b>	<b>4,091</b>	<b>2,968</b>

**a** The above key management personnel remuneration excludes the remuneration and other benefits of the Ministers and Assistant Ministers of the department. The Ministers' and Assistant Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by the department.

The total number of key management personnel that are included in the above table is twelve, being four substantive officers for part of the year, five officers that acted for part of the year and then became substantive and three officers that acted for part of the year (2023: seven, being four substantive officers for the whole period, one substantive officer for part of the year, two officer that acted for the whole period).

**Note 12: Related party disclosures****Related party relationships**

The department is an Australian Government controlled entity. Related parties to the department are key management personnel, including the Minister for the department and Ministers of other Australian Government entities.

**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.

Considering relationships with related entities, and transactions entered into during the reporting period, the department has determined there are no related party transactions that require separate disclosure (2023: Nil).

**Note 13: Financial instruments**

<b>Note 13A: Categories of financial instruments</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at amortised cost</b>		
Investments in term deposits <sup>a</sup>	<b>16,000</b>	16,000
Cash and cash equivalents	<b>48,067</b>	15,336
Trade and other receivables (net)	<b>48,177</b>	46,661
<b>Total financial assets at amortised cost</b>	<b>112,244</b>	77,997
<b>Total financial assets</b>	<b>112,244</b>	77,997
<b>Financial liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Suppliers	<b>54,554</b>	44,579
Grants payable	<b>638</b>	45
<b>Total financial liabilities measured at amortised cost</b>	<b>55,192</b>	44,624
<b>Total financial liabilities</b>	<b>55,192</b>	44,624

a At 30 June 2024, there are 10 (2023: 10) certificates of deposit maturing at different dates within the next 12 months. Interest rates range from 5.10% to 5.50% (2023: 4% to 4.95%) payable upon maturity.

<b>Note 13B: Net gains or losses from financial assets</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at amortised cost</b>		
Interest revenue	<b>793</b>	466
Impairment	<b>(305)</b>	(733)
<b>Net (losses) on financial assets at amortised cost</b>	<b>488</b>	(267)
<b>Net gains/(losses) on financial assets</b>	<b>488</b>	(267)

**Accounting policy***Financial assets*

Under AASB 9 Financial Instruments the department classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income; and
- 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 of the item on initial recognition. Financial assets are recognised when the department becomes a party to the contract and, as a consequence, has legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon a trade date.

*Financial assets at amortised cost*

Financial assets included in this category need to meet two criteria:

- the financial asset is held in order to collect the contractual cash flows; and
- the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest 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 fair value through other comprehensive income are held with the objective of both collecting contractual cash flows and selling the financial assets and the cash flows meet the SPPI test.

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.

*Financial assets at fair value through profit or loss (FVTPL)*

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets either doesn't meet the criteria of financial assets held at amortised cost or at FVOCI (i.e. mandatorily held at FVTPL) or may be designated.

Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

*Impairment of financial assets*

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the simplified 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 the risk has not increased.

The department has used the simplified approach for trade, contract and lease receivables. 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 either financial liabilities 'at fair value through profit or loss' or 'other financial liabilities'. Financial liabilities are recognised and derecognised upon 'trade date'. All of the department's financial liabilities are categorised as other financial liabilities.

*Financial liabilities at amortised cost*

Financial liabilities, including borrowings, 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 unless otherwise indicated.

**Note 14: Appropriations****Note 14A: Annual and unspent appropriations ('recoverable GST exclusive')**

	2024	2023
	\$'000	\$'000
<b>Ordinary annual services</b>		
<b>Annual appropriation</b>		
Operating <sup>a</sup>	770,275	858,558
Capital Budget <sup>b</sup>	15,408	35,818
PGPA Act section 74 receipts	89,937	127,419
PGPA Act section 75 transfers	–	(113,723)
<b>Total available appropriation</b>	<b>875,620</b>	<b>908,072</b>
Appropriation applied (current and prior years)	(727,776)	(893,340)
<b>Variance <sup>c</sup></b>	<b>147,844</b>	<b>14,732</b>
Opening unspent appropriation balance	179,529	224,022
Prior year appropriation acts repealed	(5,679)	(2,000)
Prior year PGPA Act section 75 transfers	146	(57,225)
<b>Closing unspent appropriation balance</b>	<b>321,840</b>	<b>179,529</b>
<b>Balance comprises appropriations as follows: <sup>d</sup></b>		
<i>Appropriation Act (No. 1) 2020–2021 <sup>e</sup></i>	–	5,679
<i>Appropriation Act (No. 1) 2021–2022 <sup>f</sup></i>	865	865
<i>Supply Act (No. 3) 2022–2023</i>	–	6,552
<i>Appropriation Act (No. 3) 2022–2023</i>	–	162,923
<i>Cash at bank - Appropriation Act (No.1) 2022–2023</i>	–	3,510
<i>Cash at bank - Appropriation Act (No.1) 2023–2024</i>	5,128	–
<i>Appropriation Act (No. 1) 2023–2024</i>	248,823	–
<i>Appropriation Act (No. 3) 2023–2024</i>	67,024	–
<b>Total unspent appropriation - ordinary annual services</b>	<b>321,840</b>	<b>179,529</b>
<b>Other Services</b>		
<b>Annual appropriation</b>		
Equity injections	57,507	50,488
PGPA Act section 75 transfers	–	(12,434)
<b>Total available appropriation</b>	<b>57,507</b>	<b>38,054</b>
Appropriation applied (current and prior years)	(38,198)	(57,950)
<b>Variance <sup>g</sup></b>	<b>19,309</b>	<b>(19,896)</b>
Opening unspent appropriation balance	18,538	115,509
Prior year Appropriation Acts repealed	(4)	(32,103)
Prior year PGPA Act section 75 transfers	–	(44,972)
<b>Closing unspent appropriation balance</b>	<b>37,843</b>	<b>18,538</b>
<b>Balance comprises appropriations as follows: <sup>d</sup></b>		
<i>Appropriation Act (No. 2) 2020–2021 <sup>e</sup></i>	–	4
<i>Appropriation Act (No. 2) 2021–2022 <sup>h</sup></i>	350	350
<i>Supply Act (No. 4) 2022–2023</i>	–	18,184
<i>Appropriation Act (No. 2) 2023–2024</i>	36,443	–
<i>Appropriation Act (No. 4) 2023–2024</i>	1,050	–
<b>Total unspent appropriation - other services</b>	<b>37,843</b>	<b>18,538</b>
<b>Total unspent appropriation</b>	<b>359,683</b>	<b>198,067</b>

**a** The amount appropriated through the Appropriation Acts is different to the revenue from Government shown on the Statement of Comprehensive Income due to the withholding of \$70.89 million annual appropriation under PGPA Act section 51. **b** Departmental Capital Budgets are appropriated through Appropriation Acts (No.1 and 3). They form part of the

ordinary annual services and are not separately identified in the Appropriation Acts. **c** The variance of \$147.84 million between the total amount appropriated of \$875.62 million less the amount applied of \$727.78 million is comprised entirely of unspent current year appropriations. **d** The unspent annual appropriation is shown inclusive of PGPA Act section 51 withholdings against: *Appropriation Act (No. 1) 2021-2022* of \$0.87 million. This has been withheld due to a reclassification from operating appropriations to equity injections. *Appropriation Act (No. 1) 2023-2024* of \$70.89 million. This has been withheld due to a reclassification from operating appropriations to capital budget. **e** *Appropriation Act (No. 1) 2020-2021* and *Appropriation Act (No. 2) 2020-2021* self-repealed on 1 July 2023. **f** *Appropriation Act (No. 1) 2021-2022* self-repealed on 1 July 2024. **g** The variance of \$19.31 million between the total amount appropriated of \$57.51 million less the amount applied of \$38.20 million is comprised of unspent current year appropriations of \$37.493 million offset by prior years appropriation applied in 2023–24 of \$18.18 million. **h** The balance of \$0.35 million belongs to *Appropriation Act (No.2) 2021–2022* but was incorrectly disclosed against *Appropriation Act (No.4) 2021-22 in 2022-23* financial statements. This has been amended for 2023–24 financial statements. *Appropriation Act (No.2) 2021-22* self-repealed on 1 July 2024 and was de-recognised from Balance Sheet as at 30 June 2024.

## Note 15: Net cash appropriation arrangements

	2024	2023
	\$'000	\$'000
<b>Total comprehensive income/(loss) - as per the Statement of Comprehensive Income</b>	<b>22,751</b>	(51,810)
<i>Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) <sup>a, b</sup></i>	<b>39,099</b>	45,431
<i>Plus: depreciation of right-of-use assets funded through appropriations <sup>a, b</sup></i>	<b>17,794</b>	29,769
<i>Less: lease principal repayments funded through appropriations <sup>b</sup></i>	<b>(13,980)</b>	(20,855)
<b>Net Cash Operating Surplus/(Deficit)</b>	<b>65,664</b>	2,535

**a** The department's depreciation charges for 2024 were comprised: amounts funded by cost recovery arrangements totalling \$30.50 million (2023: \$30.38 million); and unfunded depreciation totalling \$56.89 million (2023: \$75.20 million).

**b** As outlined in Note 2A, the department undertakes a number of cost recovery activities including biosecurity, food export, plant export and live animal export arrangements. Non-financial assets are used to support and deliver these activities. For assets funded through cost recovery arrangements, depreciation/amortisation and lease principal repayments are excluded from this note.

The Government uses net cash appropriation arrangements. Revenue appropriations are not provided for depreciation/amortisation expenses of non-corporate Commonwealth entities and selected corporate Commonwealth entities. Capital replacement is appropriated through equity injections reported in a separate department capital budget statement. Capital budgets are provided to meet costs associated with replacement of minor assets or maintenance costs that are eligible to be capitalised.

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 and it does not directly reflect a change in appropriation arrangements.

**Note 16: Special accounts**

	Biosecurity, Imported Food and Export Certification Special Account 2020 <sup>a</sup>		National Residue Survey Account <sup>b</sup>	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Balance brought forward from previous period</b>	9,165	40,675	2,661	2,611
Increases	667,605	528,746	13,358	13,695
Increases - Investments	–	–	16,000	16,000
<b>Total increases</b>	<b>667,605</b>	<b>528,746</b>	<b>29,358</b>	<b>29,695</b>
<b>Available for payments</b>	<b>676,770</b>	<b>569,421</b>	<b>32,019</b>	<b>32,306</b>
Decreases	(636,745)	(560,256)	(13,105)	(13,645)
Decreases - Investments	–	–	(16,000)	(16,000)
<b>Total departmental decreases</b>	<b>(636,745)</b>	<b>(560,256)</b>	<b>(29,105)</b>	<b>(29,645)</b>
<b>Total decreases</b>	<b>(636,745)</b>	<b>(560,256)</b>	<b>(29,105)</b>	<b>(29,645)</b>
<b>Total balance carried to the next period</b>	<b>40,025</b>	<b>9,165</b>	<b>2,914</b>	<b>2,661</b>
<b>Balance made up of:</b>				
Cash held in the Official Public Account	37,417	6,431	2,914	2,661
Cash held in entity bank accounts	2,608	2,734	–	–
<b>Total balance carried to the next period</b>	<b>40,025</b>	<b>9,165</b>	<b>2,914</b>	<b>2,661</b>

The following special account is appropriated under *Public Governance, Performance and Accountability Act 2013* section 78:

Special Account	Establishing Instrument	Purpose
<b>a</b> Biosecurity, Imported Food and Export Certification Special Account 2020	PGPA Act Determination (Biosecurity, Imported Food and Export Certification Special Account 2020)	<p>This special account commenced on 3 September 2020. An amount equal to the closing balance of the Australian Quarantine and Inspection Service Special Account was credited into this new special account on 3 September 2020.</p> <p>For the purposes of providing biosecurity, inspection and certification services for:</p> <ul style="list-style-type: none"> <li>passengers, cargo, mail, animals, plants, and animal or plant products arriving in Australia; and</li> <li>agricultural products and food exported from Australia.</li> </ul>

The following special account is appropriated under *Public Governance, Performance and Accountability Act 2013* section 80

Special Account	Establishing Instrument	Purpose
<b>b</b> National Residue Survey Account	<i>National Residue Survey Administration Act 1992</i> ; section 6(1)	<p>For the purposes of conducting national residue surveys and to provide for collection of the National Residue Survey levy imposed by various acts.</p> <ul style="list-style-type: none"> <li>The department held \$16 000 000 in term deposits as a result of investments made under section 58 of the PGPA Act. This includes amounts realised and automatically reinvested in term deposits.</li> </ul>

**Note 17: Regulatory charging summary**

	2024 \$'000	2023 \$'000
<b>Amounts applied</b>		
Departmental		
Annual appropriations	115,782	110,398
Own source revenue	530,323	466,824
<b>Total amounts applied</b>	<b>646,105</b>	<b>577,222</b>
<b>Expenses</b>		
Departmental	622,645	597,464
<b>Total expenses</b>	<b>622,645</b>	<b>597,464</b>
<b>External revenue</b>		
Departmental	516,829	446,407
<b>Total external revenue</b>	<b>516,829</b>	<b>446,407</b>
<b>Amounts written off</b>		
Departmental	98	276
<b>Total amounts written off</b>	<b>98</b>	<b>276</b>

**Departmental regulatory charging activities**

- Dairy Exports Program Services
- Fish and Egg Export Program Services
- Grain and Seed Export Program Services
- Horticulture Exports Program Services
- Import Clearance Program Services
- Levies Revenue Service
- Live Animal Export Program Services
- Meat Export Program Services
- National Residue Survey Services
- Non-Prescribed Goods Export Program Services
- Passenger Program Services
- Post Entry Plant Quarantine Program Services
- Seaports Program Services

Documentation (Cost Recovery Implementation Statements) for the above activities is available at:

- For Exports Cost Recovery Implementation Statements:  
<https://www.agriculture.gov.au/about/fees/cost-recovery-2024-25>
- For the Biosecurity Cost Recovery Implementation Statement:  
<https://www.agriculture.gov.au/about/fees/biosecurity-cris>

### **Cost recovery arrangement results**

The cost recovered activities including biosecurity, export certification, quota management and National Residue Survey are maintained on a program basis with many of the programs aligning to an industry sector. The management of each program, including the establishment of the level and structure of fees and charges, is conducted in consultation with an Industry Consultative Committee, as applicable, and the Department of Finance.

Where fees and charges are collected for a cost recovered program exceed its costs during a financial year, the excess revenue is reported in total compressive income/(loss) for the period. The amount of excess revenue is transferred from accumulated results into a cost recovery reserve.

Each cost recovered program holds a separate reserve. In years where the costs exceed revenue, the deficit is first met from the individual program's surplus cost recovery reserve balance, where this exists. Accumulated deficits are maintained in the department's accumulated results balance until such time as there is a sufficient surplus for the cost recovered program to report a surplus in the individual reserve. Transfers are made between the reserves and accumulated results as determined by the position of the reserves at the end of each reporting period.

## Administered financial statements

### Administered schedule of comprehensive income for the period ended 30 June 2024

		2024	2023	Original Budget
	Notes	\$'000	\$'000	2024 \$'000
<b>NET COST OF SERVICES</b>				
<b>Expenses</b>				
Levy disbursements and Commonwealth contributions	18A	1,085,546	1,105,416	990,578
Grants	18B	208,338	200,670	249,552
Payments to corporate Commonwealth entities	18C	48,200	44,406	44,093
Suppliers	18D	48,689	81,773	50,534
Direct personal benefits - income support for farmers		57,065	70,855	49,136
Council of Australian Governments Reform Fund		34,938	19,795	20,466
Concessional loan discount		35,580	13,217	476
Impairment loss on financial instruments	18E	10,145	51	–
Write-down and impairment of assets	18F	3,856	5,983	18,009
Other expenses	18G	1,585	–	–
<b>Total expenses</b>		<b>1,533,942</b>	<b>1,542,166</b>	<b>1,422,844</b>
<b>Income</b>				
<b>Revenue</b>				
<b>Taxation revenue</b>				
Levies and charges	19A	625,823	678,749	586,222
<b>Total taxation revenue</b>		<b>625,823</b>	<b>678,749</b>	<b>586,222</b>
<b>Non-taxation revenue</b>				
Agriculture Future Drought Resilience Special Account		100,000	100,000	100,000
Interest	19B	194,816	151,256	138,847
Other revenue	19C	11,046	10,096	8,836
<b>Total non-taxation revenue</b>		<b>305,862</b>	<b>261,352</b>	<b>247,683</b>
<b>Total revenue</b>		<b>931,685</b>	<b>940,101</b>	<b>833,905</b>
<b>Gains</b>				
Reversal of impairment losses on financial instruments		16	20,133	–
Other gains	19D	2,367	842	–
<b>Total gains</b>		<b>2,383</b>	<b>20,975</b>	<b>–</b>
<b>Total income</b>		<b>934,068</b>	<b>961,076</b>	<b>833,905</b>
<b>Net (cost of)/contribution by services</b>		<b>599,874</b>	<b>581,090</b>	<b>588,939</b>
<b>Surplus/(deficit)</b>		<b>(599,874)</b>	<b>(581,090)</b>	<b>(588,939)</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items not subject to subsequent reclassification to net cost</b>				
Gains/(losses) on financial assets at fair value through		141,717	216,349	–
<b>Total comprehensive (loss)/income</b>		<b>(458,157)</b>	<b>(364,741)</b>	<b>(588,939)</b>

The above schedule should be read in conjunction with the accompanying notes.

## Administered schedule of assets and liabilities as at 30 June 2024

		2024	2023	Original Budget
	Notes	\$'000	\$'000	2024 \$'000
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	20A	77,880	86,682	14,865
Loan receivables	20B	<b>2,800,299</b>	2,728,903	3,155,640
Trade, taxation and other receivables	20C	<b>162,865</b>	153,180	74,962
Investments in corporate Commonwealth entities	20D	<b>942,562</b>	800,845	584,496
<b>Total financial assets</b>		<b><u>3,983,606</u></b>	<u>3,769,610</u>	<u>3,829,963</u>
<b>Non-financial assets</b>				
Prepayments		<b><u>4,179</u></b>	<u>5,292</u>	<u>3,943</u>
<b>Total non-financial assets</b>		<b><u>4,179</u></b>	<u>5,292</u>	<u>3,943</u>
<b>Total assets administered on behalf of Government</b>		<b>3,987,785</b>	3,774,902	3,833,906
<b>LIABILITIES</b>				
<b>Payables</b>				
Levy disbursements and Commonwealth contributions	21A	<b>169,266</b>	188,386	125,564
Grants	21B	<b>15,807</b>	5,768	3,845
Suppliers		<b>2,315</b>	4,038	1,638
Personal benefits - income support to farmers		<b><u>1,289</u></b>	<u>893</u>	<u>2,052</u>
<b>Total payables</b>		<b><u>188,677</u></b>	<u>199,085</u>	<u>133,099</u>
<b>Provisions</b>				
Loan commitments to farm businesses	22	<b><u>3,435</u></b>	<u>1,888</u>	<u>–</u>
<b>Total provisions</b>		<b><u>3,435</u></b>	<u>1,888</u>	<u>–</u>
<b>Total liabilities administered on behalf of Government</b>		<b><u>192,112</u></b>	<u>200,973</u>	<u>133,099</u>
<b>Net assets</b>		<b><u>3,795,673</u></b>	<u>3,573,929</u>	<u>3,700,807</u>



## Administered reconciliation schedule for the period ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
<b>Opening assets less liabilities as at 1 July</b>		<b>3,573,929</b>	10,967,154
<b>Net (cost of)/contribution by services</b>			
Income		934,068	961,076
Expenses			
Payments to entities other than corporate Commonwealth entities		(1,485,742)	(1,497,760)
Payments to corporate Commonwealth entities		(48,200)	(44,406)
<b>Other comprehensive income</b>			
Revaluations transferred to reserves			
Investments in corporate Commonwealth entities		141,717	216,349
<b>Transfers (to)/from the Australian Government</b>			
Appropriation transfers from Official Public Account			
Administered assets and liabilities appropriations		205,526	150,000
Annual appropriations			
Payments to entities other than corporate Commonwealth entities		245,300	272,846
Payments to corporate Commonwealth entities		48,200	44,406
Special appropriations (unlimited)			
Payments to entities other than corporate Commonwealth entities		622,904	631,521
Payments to corporate Commonwealth entities		540,543	498,225
Appropriation transfers to Official Public Account			
Transfers to Official Public Account		(981,897)	(914,445)
Restructuring	24	–	(7,710,437)
Personal benefits - withholding		(675)	(600)
<b>Closing assets less liabilities as at 30 June</b>		<b>3,795,673</b>	3,573,929

### Accounting policy

#### *Administered cash transfers to and from the Official Public Account (OPA)*

Revenue collected by the department for use by the Government rather than the department is administered revenue. Collections are transferred to the OPA which is maintained by the Department of Finance. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of Government. These transfers to and from the OPA 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 in the administered reconciliation schedule.

## Administered cash flow statement for the period ended 30 June 2024

	2024	2023
Notes	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>		
<b>Cash received</b>		
Taxes	639,146	667,958
Receipts from government	7,141	–
Special account transfers	100,000	100,154
GST received	78,522	65,832
Interest	628	616
Other	9,836	5,072
<b>Total cash received</b>	<b>835,273</b>	<b>839,632</b>
<b>Cash used</b>		
Levy disbursements and Commonwealth contributions	1,157,791	1,107,055
Grants	217,738	219,490
Suppliers	54,018	74,995
Personal benefits	57,917	75,501
Payments to corporate Commonwealth entities	48,200	44,406
Other	34,584	20,501
<b>Total cash used</b>	<b>1,570,248</b>	<b>1,541,948</b>
<b>Net cash from/(used by) operating activities</b>	<b>(734,975)</b>	<b>(702,316)</b>
<b>INVESTING ACTIVITIES</b>		
<b>Cash received</b>		
Repayments of loans	161,429	154,535
Interest received from loans	89,694	23,553
<b>Total cash received</b>	<b>251,123</b>	<b>178,088</b>
<b>Cash used</b>		
Loan advances	205,526	149,589
<b>Total cash used</b>	<b>205,526</b>	<b>149,589</b>
<b>Net cash from/(used by) investing activities</b>	<b>45,597</b>	<b>28,499</b>
<b>FINANCING ACTIVITIES</b>		
<b>Cash used</b>		
Restructure	–	2,131,197
<b>Total cash used</b>	<b>–</b>	<b>2,131,197</b>
<b>Net cash from/(used by) financing activities</b>	<b>–</b>	<b>(2,131,197)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(689,378)</b>	<b>(2,805,014)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>86,682</b>	<b>2,209,143</b>
<b>Cash from Official Public Account for</b>		
Appropriations	1,662,473	1,596,998
<b>Total cash from Official Public Account</b>	<b>1,662,473</b>	<b>1,596,998</b>
<b>Cash to Official Public Account for:</b>		
Appropriations	981,897	914,445
<b>Total cash to Official Public Account</b>	<b>981,897</b>	<b>914,445</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>77,880</b>	<b>86,682</b>

20A

**Budget variance commentary**

The following tables provide a comparison of the original budget as presented in the Portfolio Budget Statements to the 2023–24 final outcome as presented in accordance with Australian Accounting Standards for the department. The budget is not audited. Explanations of major variances are provided below.

Certain budget figures have been reclassified from the disclosure in the department's Portfolio Budget Statements to align budget reporting with the disclosure and classification in the financial statements.

Variances are considered to be 'major' based on the following criteria:

- the variance between budget and actual is greater than +/- 10% of the original budget and +/- \$10 million for a line item; or
- the variance between budget and actual is greater than +/- 2% of the relevant sub-total (i.e. total expenses, total income, total assets or total liabilities) and +/- \$10 million; or
- an item below this threshold but is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of the department.

Major variances and explanations	Affected line items
<b>Administered schedule of comprehensive income</b>	
Total expenses were \$111.1 million higher than the original budget due to:	<ul style="list-style-type: none"> <li>• Total expenses</li> </ul>
<ul style="list-style-type: none"> <li>• Higher than budget levy disbursements and Commonwealth contributions of \$95.0 million, as the result of favourable production conditions for field crops.</li> </ul>	<ul style="list-style-type: none"> <li>• Levy disbursements and Commonwealth contributions</li> </ul>
<ul style="list-style-type: none"> <li>• Lower than budget grant expenses of \$41.2 million predominantly due to delays in achieving milestones in grant programs. These include delays in the Drought Resilience Farming Practices program; Bolstering Australia's Biosecurity System - National Livestock Traceability Reform to Enhance Agricultural Biosecurity and Export program; and A Better Plan for Forestry and Forest Products: Support Plantation Establishment program.</li> </ul>	<ul style="list-style-type: none"> <li>• Grant expenses</li> </ul>
<ul style="list-style-type: none"> <li>• Higher than budget Council of Australian Governments Reform Fund expenses of \$14.5 million. This relates to movements of funds processed for the Farm Business Resilience program and the Regional Drought Resilience Planning program after the original budget was settled.</li> </ul>	<ul style="list-style-type: none"> <li>• Council of Australian Governments Reform Fund</li> </ul>
<ul style="list-style-type: none"> <li>• Higher than budget personal benefits expenses of \$7.9 million due to an increase in demand for Farm Household Allowance income support payments.</li> </ul>	<ul style="list-style-type: none"> <li>• Direct personal benefits expense</li> </ul>
<ul style="list-style-type: none"> <li>• Higher than budget concessional loan discount expense of \$35.1 million, as the result of increases to market interest rates during the financial year.</li> </ul>	<ul style="list-style-type: none"> <li>• Concessional loan discount expense</li> </ul>
<ul style="list-style-type: none"> <li>• Higher than budget impairment loss of \$10.1 million, due to an increase in loan impairment of Regional Investment Corporation loans. This has been impacted</li> </ul>	<ul style="list-style-type: none"> <li>• Impairment loss on financial instruments</li> </ul>

Major variances and explanations	Affected line items
<p>by a higher number of these loans being over 90 days in arrears.</p> <ul style="list-style-type: none"> <li>Lower than budget write-down and impairment of assets of \$14.2 million, predominantly due to fewer waivers issued for Farm Household Allowance debts than was expected in the original budget.</li> </ul>	<ul style="list-style-type: none"> <li>Write-down and impairment of assets</li> </ul>
<p>Total income was \$100.2 million higher than the original budget due to:</p> <ul style="list-style-type: none"> <li>Higher than budget levies and charges of \$39.6 million, as the result of favourable production conditions for field crops.</li> <li>Higher than budget interest revenue of \$56.0 million due to increased interest rates. Additionally there was an increase in the early repayment of Regional Investment Corporation loans, which increases interest revenue due to the unwinding of concessional loan discounts.</li> </ul> <p>Total other comprehensive income was \$141.7 million higher than the original budget due to an increase in the net assets of Portfolio Corporate Commonwealth entities. This was predominantly driven by the increase in net assets of the Grains Research and Development Corporation.</p>	<ul style="list-style-type: none"> <li>Total income</li> <li>Levies and charges</li> <li>Interest</li> <li>Total other comprehensive income</li> <li>Gains on financial assets at fair value through other comprehensive income</li> </ul>
<b>Administered schedule of assets and liabilities</b>	
<p>Total assets balance was \$153.9 million higher than the original budget, predominantly due to:</p> <ul style="list-style-type: none"> <li>Higher than budget cash and cash equivalents of \$63.0 million, driven by lower than budgeted payments from the Agriculture Future Drought Resilience Special Account.</li> <li>Lower than budget loan receivables of \$355.3 million, due to lower than anticipated new loans to farm businesses and early loan repayments.</li> <li>Higher than budget taxation and other receivables balance of \$87.9 million. This was due to increased levy and charge accruals at the end of the financial year, and a rise in interest receivable on loans relating to the completion of interest-free periods and higher interest rates.</li> <li>Higher than budget investments in corporate Commonwealth entities of \$358.1 million. This was predominantly due to an increase in the net assets of the department's interest in the Grains Research and Development Corporation.</li> </ul>	<ul style="list-style-type: none"> <li>Total assets</li> <li>Cash and cash equivalents</li> <li>Loan receivables</li> <li>Taxation and other receivables</li> <li>Investments in corporate Commonwealth entities</li> </ul>
<p>Total liabilities balance was \$59.0 million higher than the original budget, predominantly due to:</p> <ul style="list-style-type: none"> <li>Higher than budget accruals of \$43.7 million for research and development activities, related to the favourable production conditions of field crops.</li> <li>Higher than budget grant payables of \$12.0 million due to the variability in the timing of payments being made to grant recipients.</li> </ul>	<ul style="list-style-type: none"> <li>Total payables</li> <li>Total provisions</li> <li>Levy disbursements and Commonwealth contributions</li> <li>Grants</li> </ul>

**Note 18: Administered – expenses**

<b>Note 18A: Levy disbursements and Commonwealth contributions</b>	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Levy disbursements		
Corporate Commonwealth entities	<b>304,646</b>	345,962
Non-profit organisations	<b>333,119</b>	322,738
Commonwealth contributions		
Corporate Commonwealth entities	<b>207,824</b>	206,988
Non-profit organisations	<b>239,957</b>	229,728
<b>Total levy disbursements and Commonwealth contributions</b>	<b>1,085,546</b>	1,105,416

Refer to Note 19A for more details on levy disbursements and Note 25 for more details on the Commonwealth ,contributions.

<b>Note 18B: Grants</b>	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Non-profit organisations	<b>85,429</b>	65,896
Universities	<b>67,186</b>	54,869
For profit organisations	<b>32,549</b>	53,684
Australian Government entities (related parties)	<b>17,934</b>	9,987
State and territory governments	<b>4,238</b>	6,375
Overseas	<b>422</b>	50
Other	<b>221</b>	9,512
Local governments	<b>198</b>	297
Individuals	<b>161</b>	–
<b>Total grants</b>	<b>208,338</b>	200,670

**Accounting policy**

The department administers a number of grant schemes on behalf of the Government. Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. When the Government enters into an agreement to make grants, but services have not been performed or criteria satisfied, this is considered a commitment.

<b>Note 18C: Payments to corporate Commonwealth entities</b>	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Regional Investment Corporation	<b>22,063</b>	22,965
AgriFutures Australia	<b>10,085</b>	9,640
Wine Australia	<b>10,000</b>	10,000
Australian Pesticides and Veterinary Medicines Authority	<b>6,052</b>	1,801
<b>Total payments to corporate Commonwealth entities</b>	<b>48,200</b>	44,406

<b>Note 18D: Suppliers</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Goods and services supplied or rendered</b>		
Membership fees	19,294	18,403
Climate Services for Agriculture	9,368	7,324
General goods and services	5,575	15,216
Drought Resilience Commercialisation Initiative	4,500	–
Protecting Australia from Escalating Exotic Animal Disease	4,230	477
Contractors	2,974	12,266
Administration charge - loans	1,214	1,214
Consultants	1,022	574
Drought Resilience Self-Assessment Tool	512	3,691
South East Trawl Fishery	–	19,491
Purchase of data	–	3,117
<b>Total goods and services supplied or rendered</b>	<b>48,689</b>	<b>81,773</b>
Goods supplied	206	3,224
Services rendered	48,483	78,549
<b>Total goods and services supplied or rendered</b>	<b>48,689</b>	<b>81,773</b>
<b>Total supplier expenses</b>	<b>48,689</b>	<b>81,773</b>

Comparative amounts have been reclassified from general goods and services to Protecting Australia from Escalating Exotic Animal Disease to conform with the current year's reporting presentation.

### Accounting policy

#### *Membership fees*

Expenses associated with annual fees for Australia's participation in international organisations, councils and forums.

#### *Climate Services for Agriculture*

Provides farmers and communities with climate information for their local area to help them better prepare for climate risks.

#### *Drought Resilience Commercialisation Initiative*

To accelerate the availability of drought resilience tools for Australian farmers and farming communities.

#### *Protecting Australia from Escalating Exotic Animal Disease*

To enhance biosecurity capability in northern Australia and protect the region from increasing biosecurity risks.

#### *Administration charge - loans*

Administrative fees are paid to the jurisdictions for the delivery of administrative services relating to loans. These services include establishment, application processing, customer service and record keeping activities.

#### *Drought Resilience Self-Assessment Tool*

Enables farmers to assess their resilience against climate change, including drought and other climate risks.

#### *South East Trawl Fishery*

To support commercial fishing operators adjusting to changes aimed at protecting fish stocks and halting species decline within the South East Trawl Fishery, the government purchased statutory fishing rights.

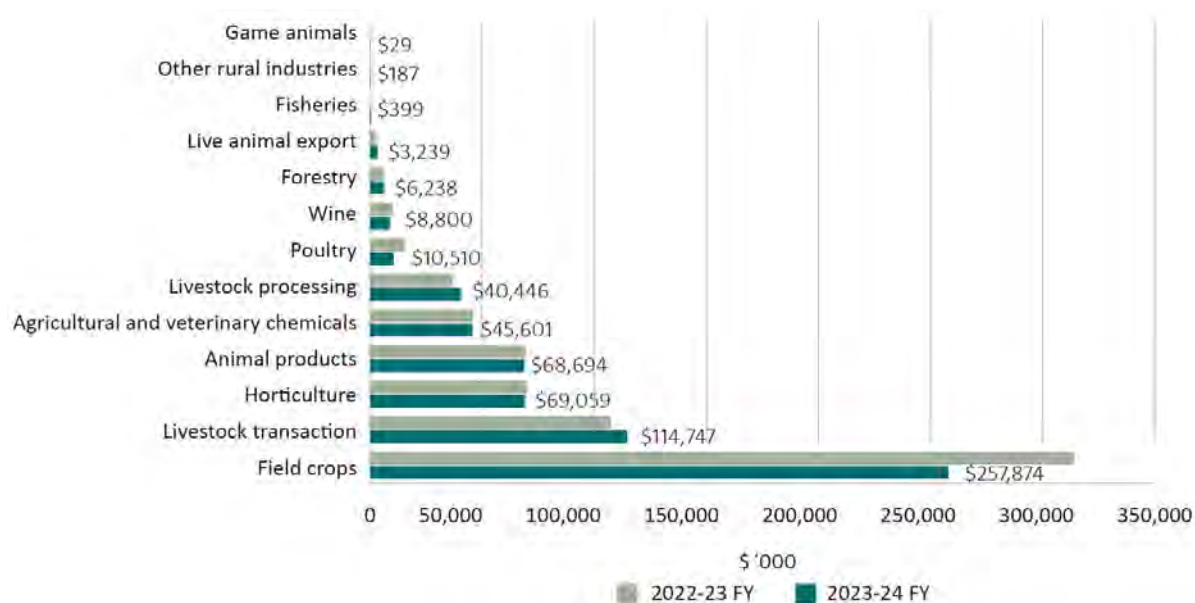
<b>Note 18E: Impairment loss on financial instruments</b>	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Impairment on loans	1,145	–
Impairment on trade and other receivables	–	51
<b>Total impairment loss on financial instruments</b>	<b>10,145</b>	<b>51</b>

<b>Note 18F: Write-down and impairment of assets</b>	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Impairment on financial assets	2,081	1,626
Debt waiver of personal benefits receivable	1,347	3,651
Remissions - levies and charges	428	706
<b>Total write-down and impairment</b>	<b>3,856</b>	<b>5,983</b>

<b>Note 18G: Other expenses</b>	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
Change in fair value through profit or loss	1,462	–
Other	123	–
<b>Total other expenses</b>	<b>1,585</b>	<b>–</b>

## Note 19: Administered – income

<b>Revenue</b>	<b>2024</b>	2023
	<b>\$'000</b>	\$'000
<b>Taxation Revenue</b>	<b>\$'000</b>	\$'000
<b>Note 19A: Levies and charges</b>		
Primary industry levies	613,901	667,956
Primary industry charges	11,922	10,793
<b>Total levies and charges</b>	<b>625,823</b>	<b>678,749</b>

**Figure 9 Primary levies and charges revenue, by industry, 2022–23 to 2023–24****Accounting policy***Levies and charges*

The department collects, administers and disburses agricultural levies and charges on behalf of Australia's primary industries. Agricultural levies collected by the department are disbursed, in conjunction with any relevant Commonwealth contribution, to research and development corporations and authorities. These are used for biosecurity preparedness, emergency plant pest and animal disease responses, marketing, research and development and residue testing.

Agricultural levies revenue are recognised on an accrual basis when the following conditions apply:

- the levy payer/commodity group can be reliably identified;
- the amount of levy payable can be reliably measured; and
- it is probable that the levy payable will be collected.

The amount of the levies revenue accrual recognised relies on the estimation of the amount of probable future levy return lodgements. These relate to leviable commodity transactions that have occurred in the current financial year, with reference to production in prior year and current year forecasts provided by the industries services bodies.

*Revenue*

All administered revenues relate to ordinary activities performed by the department on behalf of the Australian Government. As such, administered appropriations are not revenues of the department, who oversees distribution, or expenditure of the funds as directed.



<b>Note 19B: Interest</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Loans	<b>122,712</b>	33,009
Unwinding of concessional loan discount	<b>71,476</b>	117,631
Other interest	<b>628</b>	616
<b>Total interest</b>	<b>194,816</b>	151,256
<b>Note 19C: Other revenue</b>		
Refunds of prior year payments	<b>4,909</b>	6,070
Fines and penalties	<b>6,137</b>	4,026
<b>Total other revenue</b>	<b>11,046</b>	10,096

**Accounting policy***Fines and penalties*

The department's fines and penalties are primarily biosecurity penalties and fines collected by the Department of Home Affairs. As reporting is the responsibility of the principal department, these collections are recognised in the department's financial statements.

*Refunds of prior year payments*

Prior year refunds relate to amounts that were previously paid out by the department. Following reconciliations of recipient's entitlements, certain amounts were returned in a subsequent financial year. These amounts are recognised as revenue and are returned to the Consolidated Revenue Fund.

<b>Note 19D: Other gains</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Change in fair value through profit or loss	–	842
Other	<b>2 367</b>	–
<b>Total other gains</b>	<b>2 367</b>	842

**Note 20: Administered – financial assets**

<b>Note 20A: Cash and cash equivalents</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash in special accounts	<b>61,927</b>	70,588
Cash on hand or on deposit	<b>15,953</b>	16,094
<b>Total cash and cash equivalents</b>	<b>77,880</b>	86,682

<b>Note 20B: Loan receivables</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Loans</b>		
State and territory governments	<b>170,713</b>	224,735
Farm businesses	<b>2,667,523</b>	2,531,960
<b>Total loans (gross)</b>	<b>2,838,236</b>	2,756,695
<b>Less credit loss allowance</b>	<b>(37,937)</b>	(27,792)
<b>Total loans (net)</b>	<b>2,800,299</b>	2,728,903

<b>Note 20C: Taxation and other receivables</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Taxation receivables</b>		
Levies and charges	<b>92,691</b>	105,013
<b>Total taxation receivables</b>	<b>92,691</b>	105,013
<b>Other receivables</b>		
Statutory receivables	<b>17,447</b>	23,821
Personal benefits	<b>2,757</b>	5,356
Emergency response receivables	<b>7,503</b>	9,902
Interest receivable from loans	<b>47,896</b>	14,878
Other	<b>60</b>	263
<b>Total other receivables</b>	<b>75,663</b>	54,220
<b>Total taxation and other receivables (gross)</b>	<b>168,354</b>	159,233
<b>Less impairment loss allowance</b>		
Taxation receivables	<b>(3,914)</b>	(2,913)
Other receivables	<b>(1,575)</b>	(3,140)
<b>Total impairment loss allowance</b>	<b>(5,489)</b>	(6,053)
<b>Total taxation and other receivables (net)</b>	<b>162,865</b>	153,180

### Loans to state and territory governments

As at 30 June 2024, State and Territory governments owed the Commonwealth for loans relating to five historical schemes. The loans were conditional on the State and Territory governments entering into subsequent loans with farm businesses. Any amounts that were not loaned were returned to the Commonwealth. State and Territory loan schemes are closed and no longer accept loan applications. Loans to State and Territory governments were made under the Farm Finance and Drought loan schemes for periods up to 5 years and the Dairy Recovery, Drought Recovery and Farm Business loan schemes for up to 10 years.

Loans are subject to biannual impairment assessments. No security is required on these loans to government agencies, but a charge over assets is registered by jurisdictions issuing the loans to farmers. If a State or Territory Government is unable to recover loans provided to program recipients, the respective liability to the Commonwealth will be reviewed in accordance with the applicable loan agreements.

For 5-year loans, principal is repaid in full at maturity, whereas 10 year loans are partially amortised during years 6 - 10, with the balance paid at maturity. The last 10-year loan will mature in 2029.

Interest rates are variable with a 6 monthly review period. Effective interest rates averaged 4.86% (2023: 3.69%) for Farm Finance loans, 4.36% (2023: 3.19%) for Drought loans, 3.79% (2023: 2.68%) for Dairy Recovery and Drought Recovery loans and 4.19% (2023: 3.08%) for Farm Business loans. Interest payments to the Commonwealth are due on the 10th business day of the month following collection.

### **Loans to farm businesses**

As at 30 June 2024, the Regional Investment Corporation (RIC) administered five loan programs targeted to farm businesses, primary production-related small businesses and other eligible businesses. Loans were made under the Farm Investment, Drought, AgBiz, AgRebuild and AgriStarter schemes for periods up to 10 years. The AgRebuild scheme is now closed to new applications.

Loans are subject to biannual impairment assessments. Farm businesses must provide security on these loans. If the RIC is unable to recover loans provided to program recipients, the respective liability to the Commonwealth will be reviewed in accordance with section 11 of the *Regional Investment Corporation Operating Mandate Direction 2018*.

Principal is partially amortised during years 6 - 10 with the balance paid at maturity. Interest rates are variable with a 6 monthly review period. Effective interest rates averaged 4.72% (2023: 3.60%) for RIC loans. Interest payments and loan repayments are returned to the Commonwealth within five working days of receipt by the RIC.

### **Accounting judgements and estimates**

#### *Loans to state and territory governments and farm businesses*

The impairment provision for the loans provided to State and Territory governments and farm businesses has been calculated using an Expected Credit Loss (ECL) methodology and represents a best estimate of the potential loss that may arise in the event of loan default. The ECL calculation is a result of three key parameters:

- Probability of default - the likelihood of a loan recipient defaulting on repayment obligations,
- Loss given default - the financial loss to the Commonwealth if a loan defaults; and
- Risk overlays - uncertainty inherent in the loan portfolio.

Estimated assumptions used within the ECL calculations have been updated to reflect current industry benchmarks. In addition, the methodology applied for risk overlays has been updated to ensure overlays are sensitive to the underlying risk factors which drive potential losses.

#### *Emergency response receivables*

Emergency response receivables relate to arrangements where the Commonwealth initially funds an affected industry's share of the response to emergency plant pest or animal disease incursions. The industry must ensure that the Commonwealth is repaid within a reasonable period (usually defined as within 10 years). These receivables are usually repaid through statutory biosecurity levies. As there are no fixed repayment amounts, and only a maximum period in which to repay, these receivables are held at fair value through profit or loss. To estimate the fair value of the receivable balance, the department uses a discounted cash flow approach to adjust the receivable to the net present value of the anticipated cash flows.

<b>Note 20D: Investments in corporate Commonwealth entities</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Grains Research and Development Corporation	<b>761,789</b>	629,440
AgriFutures Australia	<b>53,885</b>	56,112
Cotton Research and Development Corporation	<b>42,854</b>	34,315
Australian Pesticides and Veterinary Medicines Authority	<b>39,338</b>	35,972
Fisheries Research and Development Corporation	<b>20,316</b>	25,280
Regional Investment Corporation	<b>14,838</b>	14,173
Wine Australia	<b>9,542</b>	5,553
<b>Total investments in corporate Commonwealth entities</b>	<b>942,562</b>	<b>800,845</b>

### Accounting policy

#### *Administered investments*

Administered investments in subsidiaries, joint ventures and associates are not consolidated because their consolidation is relevant only at the whole-of-government level.

Administered investments are not held-for-sale and measured at their fair value through other comprehensive income as at 30 June 2024. Fair value has been taken to be the Australian Government's proportional interest in the net assets of the investment as at the end of the reporting period.

Gains on financial assets at fair value were \$141.72 million (2023: gain of \$216.35 million) in the administered schedule of comprehensive income. The gains reflect the net asset movements in the corporate Commonwealth entities.

## Note 21: Administered – payables

<b>Note 21A: Levy disbursements and Commonwealth contributions</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Levy disbursements	<b>65,865</b>	61,024
Commonwealth contributions	<b>103,401</b>	127,362
<b>Total levy disbursements and Commonwealth contributions</b>	<b>169,266</b>	<b>188,386</b>

<b>Note 21B: Grants</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
For profit organisations	<b>12,228</b>	905
Universities	<b>1,568</b>	–
State and Territory Governments	<b>1,382</b>	–
Non-profit organisations	<b>430</b>	4,357
Australian Government entities	<b>199</b>	506
<b>Total grants</b>	<b>15,807</b>	<b>5,768</b>

All grants and suppliers are expected to be settled within the next 12 months.

Settlement of grants was made according to the terms and conditions of each grant. This was usually within 20 days of grant recipients meeting their performance or eligibility criteria.

Settlement of suppliers was usually made within 20 days (2023: 20 days).

**Note 22: Administered – provisions**

<b>Note 22: Loan commitments to farm businesses</b>	<b>Loans to farm businesses</b>
	<b>\$'000</b>
<b>As at 1 July 2023</b>	1,888
Additional commitments made	35,580
Commitments used	(34,033)
<b>Total as at 30 June 2024</b>	<b>3,435</b>

**Accounting policy**

Concessional loan commitments represent the concessional cost of commitments to provide loan advances at a below-market interest rate. Commitments to Farm Businesses and Farm-Related Small Businesses reflect the concessional cost of loan advances that were committed, but not paid, by the RIC on behalf of the department as at 30 June 2024. All advances are expected to be paid in the 2024-25 financial year.

**Accounting judgements and estimates**

Concessional loan commitments are initially measured at their fair value, calculated as the present value of cash flows associated with loan advances committed, but not paid, at the time the commitment is made, discounted at the commercial market interest rate. The provision is subsequently measured at amortised cost and reduced for the concessional component as each loan is advanced.

Commercial market interest rates are obtained from farmers and validated by the RIC. Farm enterprises may consist of several facilities, each with their own interest rate. In these circumstances, the RIC calculates the average interest rate.

## Note 23: Administered – current/non-current distinction for assets and liabilities

<b>Note 23: Administered current/non-current distinction for assets and liabilities</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Assets expected to be recovered in:</b>		
<b>No more than 12 months</b>		
Cash and cash equivalents	77,880	86,682
Loan receivables	14,359	8,433
Trade, taxation and other receivables	155,789	145,969
Prepayments	2,618	2,564
<b>Total no more than 12 months</b>	<b>250,646</b>	<b>243,648</b>
<b>More than 12 months</b>		
Loan receivables	2,785,940	2,720,470
Taxation and other receivables	7,076	7,211
Investments in corporate Commonwealth entities	942,562	800,845
Prepayments	1,561	2,728
<b>Total more than 12 months</b>	<b>3,737,139</b>	<b>3,531,254</b>
<b>Total assets</b>	<b>3,987,785</b>	<b>3,774,902</b>
<b>Liabilities expected to be settled in:</b>		
<b>No more than 12 months</b>		
Levy disbursements and Commonwealth contributions	169,266	188,386
Grants	15,807	5,768
Suppliers	2,315	4,038
Personal benefits - income support to farmers	1,289	893
Loan commitments to farm businesses	3,435	1,888
<b>Total no more than 12 months</b>	<b>192,112</b>	<b>200,973</b>
<b>Total liabilities</b>	<b>192,112</b>	<b>200,973</b>

**Note 24: Administered – restructuring**

<b>Note 24: Administered restructuring</b>	2023
	Environment and Water <sup>a</sup> Department of Climate Change, Energy, the Environment and Water
	\$'000
<b>FUNCTIONS RELINQUISHED</b>	
<b>Assets relinquished</b>	
Cash and cash equivalents	2,131,197
Trade, taxation and other receivables	15,096
Investments in corporate Commonwealth entities	1,078,715
Land	618
Infrastructure	615,240
Plant and equipment	1,614
Flooding easements	814
Heritage and cultural	985
Water entitlements	4,024,726
Inventories	10,755
<b>Total assets relinquished</b>	<b>7,879,760</b>
<b>Liabilities relinquished</b>	
Grants	25,680
Suppliers	91,906
Other payables	439
Corporate Commonwealth entities	3,410
Remediation provision	47,888
<b>Total liabilities relinquished</b>	<b>169,323</b>
<b>Net assets relinquished <sup>b</sup></b>	<b>7,710,437</b>

**a** Environment and water functions of the department were relinquished to the Department of Climate Change, Energy, the Environment and Water on 1 July 2022 as a result of two Administrative Arrangement Orders on 1 June 2022 and 23 June 2022. **b** The net assets relinquished to the Department of Climate Change, Energy, the Environment and Water were \$7.71 billion.

**Note 25: Administered – contingent assets and liabilities****Quantifiable contingencies**

There are no quantifiable contingent assets or liabilities at 30 June 2024 (2023: Nil).

**Unquantifiable contingencies**

The Australian Government encourages expenditure on research and development to increase the competitiveness and sustainability of industries within Australia. Under several Acts, the Commonwealth provides contributions to a number of nominated entities responsible for undertaking research and development activities in respect of portfolio industries. These contributions are typically made on a matching basis. Under legislation, entities are eligible for matching contributions which are subject to annual “caps” based on the total cumulative amount of levies collected, amounts spent on qualifying research and development and the annual level of the determined gross value of production. The operation of these annual caps can result in annual entitlements being limited to less than full cumulative levy collections and/or cumulative qualifying research and development expenditure. However, matching contributions may still be payable in

later years, depending on the level of the caps determined in future years and eligible amounts are therefore carried forward from year to year.

At 30 June 2024, the Commonwealth had a maximum potential liability in respect of matching payments of approximately \$645 million (2023: \$810 million). The Commonwealth's actual future liability is contingent on a combination of several currently indeterminable independent factors which are beyond the control of both the department and the recipient entities, in particular the future annual levels of levy collections and determined gross values of production. The likelihood of meeting the eligibility requirements and the amount of future payments is uncertain. Hence, the total liability is considered unquantifiable.

The cattle or livestock transaction levy imposed under the *Primary Industries (Excise) Levies Act 1999* prior to 6 July 2024 has not been collected on transactions involving the sale of cattle or livestock from Australian exporters to overseas importers. The amount of the uncollected levy is unquantifiable. It is difficult to predict the scope of claims that may arise in relation to the non-collection of the levy.

#### **Accounting policy**

##### *Indemnities*

The maximum amounts payable under the indemnities given is disclosed. At the time of completion of the financial statements, there was no reason to believe that the indemnities would be called upon, and no recognition of any liability was therefore required.



**Note 26: Administered – financial instruments**

<b>Note 26A: Categories of financial instruments</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	77,880	86,682
Loans	2,800,299	2,728,903
Other receivables	16	203
Interest receivable from loans	47,896	14,878
<b>Total financial assets at amortised cost</b>	<b>2,926,091</b>	<b>2,830,666</b>
<b>Financial assets at fair value through profit or loss</b>		
Emergency response receivables	7,503	9,902
<b>Total financial assets at fair value through profit or loss</b>	<b>7,503</b>	<b>9,902</b>
<b>Financial assets at fair value through other comprehensive income</b>		
Investments in corporate Commonwealth entities	942,562	800,845
<b>Total financial assets at fair value through other comprehensive income</b>	<b>942,562</b>	<b>800,845</b>
<b>Total financial assets</b>	<b>3,876,156</b>	<b>3,641,413</b>
<b>Financial liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	2,315	4,038
Grants payable	15,807	5,768
<b>Total financial liabilities at amortised cost</b>	<b>18,122</b>	<b>9,806</b>
<b>Total financial liabilities</b>	<b>18,122</b>	<b>9,806</b>

<b>Note 26B: Net gains or losses on financial assets</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at amortised cost</b>		
Interest revenue	194,816	151,256
Reversal of impairment losses	16	20,133
Impairment	(10,145)	(51)
Concessional loan discount	(35,580)	(13,217)
<b>Net gains/(losses) on financial assets at amortised cost</b>	<b>149,107</b>	<b>158,121</b>
<b>Financial assets at fair value through profit and loss</b>		
Gains/(losses) recognised in income statement	(1,585)	842
<b>Net gains/(losses) on financial assets at fair value through profit and loss</b>	<b>(1,585)</b>	<b>842</b>
<b>Financial assets at fair value through other comprehensive income</b>		
Gains/(losses) recognised in equity	141,717	216,349
<b>Net gains/(losses) on financial assets at fair value through other</b>	<b>141,717</b>	<b>216,349</b>
<b>Net gains/(losses) on financial assets</b>	<b>289,239</b>	<b>375,312</b>

The net interest income/expense from financial assets not at fair value through profit or loss is \$194.82 million (2023: \$151.26 million).

**Note 27: Administered – appropriations**

<b>Note 27A: Annual and unspent appropriations ('recoverable GST exclusive')</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Ordinary annual services</b>		
Annual appropriations		
Operating	<b>243,108</b>	631,650
Payments to corporate Commonwealth entities	<b>27,968</b>	24,628
PGPA Act section 74 receipts	<b>43</b>	13,216
PGPA Act section 75 transfers	–	(320,265)
<b>Total available appropriation</b>	<b>271,119</b>	349,229
Appropriation applied (current and prior years)	<b>(222,759)</b>	(258,573)
<b>Variance <sup>a</sup></b>	<b>48,360</b>	90,656
Opening unspent appropriation balance	<b>193,677</b>	998,736
Prior year PGPA Act section 75 transfers	–	(737,132)
Prior year Appropriation Acts repealed	<b>(23,274)</b>	(158,583)
<b>Closing unspent appropriation balance</b>	<b>218,763</b>	193,677
<b>Balance comprises appropriations as follows: <sup>b</sup></b>		
<i>Supply Act (No. 1) Operating 2020-2021 <sup>c</sup></i>	–	2,565
<i>Appropriation Act (No. 1) Operating 2020-2021 <sup>c</sup></i>	–	20,709
<i>Appropriation Act (No. 1) Operating 2021-2022 <sup>d</sup></i>	<b>78,275</b>	78,434
<i>Supply Act (No. 1) Operating 2022-2023</i>	<b>16,381</b>	19,561
<i>Supply Act (No. 3) Operating 2022-2023</i>	<b>47,211</b>	48,253
<i>Appropriation Act (No. 1) Operating 2022-2023</i>	<b>21,077</b>	24,155
<i>Appropriation Act (No. 1) Operating 2023-2024</i>	<b>45,809</b>	–
<i>Appropriation Act (No. 3) Operating 2023-2024</i>	<b>10,010</b>	–
<b>Total unspent appropriation - ordinary annual services</b>	<b>218,763</b>	193,677
<b>Other services</b>		
Annual appropriations		
Administered assets and liabilities	<b>218,14</b>	236,499
<b>Total available appropriation</b>	<b>218,214</b>	236,499
Appropriation applied (current and prior years)	<b>(205,668)</b>	(143,964)
<b>Variance <sup>e</sup></b>	<b>12,546</b>	92,535
Opening unspent appropriation balance	<b>951,459</b>	891,830
Prior year PGPA Act section 75 transfers	–	(32,906)
Prior year Appropriation Acts repealed	<b>(336,473)</b>	–
<b>Closing unspent appropriation balance</b>	<b>627,532</b>	951,459
<b>Balance comprises appropriations as follows: <sup>f</sup></b>		
<i>Appropriation Act (No. 2) 2020-2021 <sup>c</sup></i>	–	336,473
<i>Appropriation Act (No. 2) 2021-2022 <sup>d</sup></i>	<b>385,669</b>	385,669
<i>Supply Act (No. 2) 2022-2023</i>	–	75,315
<i>Supply Act (No. 4) 2022-2023</i>	<b>122,747</b>	137,958
<i>Cash at bank - Appropriation Act (No. 2) 2022-2023</i>	–	16,044
<i>Appropriation Act (No. 2) 2023-2024</i>	<b>103,213</b>	–
<i>Cash at bank - Appropriation Act (No. 2) 2023-2024</i>	<b>15,903</b>	–
<b>Total unspent appropriation – other services</b>	<b>627,532</b>	951,459
<b>Total unspent appropriation</b>	<b>846,295</b>	1,145,136

**a** The variance of \$48.360 million is comprised of unspent current year appropriations of \$55.82 million offset by prior years appropriation applied in 2024 of \$7.46 million. **b** The unspent annual appropriation is shown inclusive of PGPA Act section 51 withholdings against: *Appropriation Act (No. 1) 2021-2022* of \$40.47 million; and *Appropriation Act (No. 1) 2022-2023* of

\$20.29 million; and *Supply Act (No. 1) 2022-2023* of \$13.96 million; and *Supply Act (No. 3) 2022-2023* of \$41.04 million; and *Appropriation Act (No. 1) 2023-24* of \$21.31 million. **c** *Supply Act (No. 1) 2020-2021*, *Appropriation Act (No. 1) 2020-2021* and *Appropriation Act (No. 2) 2020-2021* self-repealed on 1 July 2023. **d** *Appropriation Act (No. 1) 2021-2022* and *Appropriation Act (No. 3) 2021-2022* self-repealed on 1 July 2024. **e** The variance of \$12.546 million is comprised of unspent current year appropriations of \$103.214 million offset by prior years appropriation applied in 2024 of \$90.67 million. **f** The unspent annual appropriation is shown inclusive of PGPA Act section 51 withholdings against: *Appropriation Act (No. 2) 2021-2022* of \$348.17 million; and *Supply Act (No. 4) 2022-2023* of \$81.31 million.

<b>Note 27B: Special appropriations ('recoverable GST exclusive')</b>	<b>Appropriation applied</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Authority</b>		
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992</i>	<b>(41,794)</b>	(41,400)
<i>Australian Animal Health Council (Live-stock Industries) Funding Act 1996</i>	<b>(7,939)</b>	(7,313)
<i>Australian Meat and Live-stock Industry Act 1997</i>	<b>(217,310)</b>	(222,308)
<i>Dairy Produce Act 1986</i>	<b>(57,362)</b>	(58,426)
<i>Egg Industry Service Provision Act 2002</i>	<b>(10,779)</b>	(10,936)
<i>Farm Household Support Act 2014<sup>a</sup></i>	<b>(57,917)</b>	(75,501)
<i>Forestry Marketing and Research and Development Services Act 2007</i>	<b>(11,996)</b>	(12,557)
<i>Horticulture Marketing and Research and Development Services Act 2000</i>	<b>(144,483)</b>	(122,221)
<i>Pig Industry Act 2001</i>	<b>(24,767)</b>	(24,851)
<i>Plant Health Australia (Plant Industries) Funding Act 2002</i>	<b>(10,107)</b>	(10,440)
<i>Primary Industries Research and Development Act 1989</i>	<b>(474,066)</b>	(426,078)
<i>Public Governance, Performance and Accountability Act 2013</i>	<b>(2,211)</b>	(940)
<i>Sugar Research and Development Services Act 2013</i>	<b>(29,340)</b>	(29,837)
<i>Wine Australia Act 2013</i>	<b>(24,683)</b>	(30,747)
<i>Wool Services Privatisation Act 2000</i>	<b>(48,693)</b>	(56,191)
<b>Total special appropriations applied</b>	<b>(1,163,447)</b>	(1,129,746)

**a** The amount of \$57.92 million (2023: \$75.50 million) was transferred to Services Australia who made Farm Household Allowance payments on behalf of the department.

The following special appropriations had no transactions and budgets during the reporting and comparative years:

- *Australian Meat and Live-stock Industry (Repeals and Consequential Provisions) Act 1997*
- *Dairy Industry Service Reform Act 2003*
- *Egg Industry Service Provision (Transitional and Consequential Provisions) Act 2002*
- *Horticulture Marketing and Research and Development Services (Repeals and Consequential Provisions) Act 2000*
- *Public Governance, Performance and Accountability (Consequential and Transitional Provisions) Act 2014*

**Note 28: Administered – special accounts**

	Agriculture Future Drought Resilience Special Account		Environment Services for Other Entities and Trust Moneys Special Account 2020		Environmental Water Holdings Special Account	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance brought forward from previous period</b>	<b>70,573</b>	67,873	–	660	–	97,308
Increases	100,450	100,154	–	–	–	–
<b>Total increases</b>	<b>100,450</b>	100,154	–	–	–	–
<b>Available for payments</b>	<b>171,023</b>	168,027	–	660	–	97,308
Decreases	(109,096)	(97,454)	–	(660)	–	(97,308)
<b>Total decreases</b>	<b>(109,096)</b>	(97,454)	–	(660)	–	(97,308)
<b>Total balance carried to the next period</b>	<b>61,927</b>	70,573	–	–	–	–
<b>Balance made up of:</b>						
Cash held in the Official Public Account	61,927	70,573	–	–	–	–
<b>Total balance carried to the next period</b>	<b>61,927</b>	70,573	–	–	–	–

	National Cattle Disease Eradication Account		National Environment Protection Council Special Account		Natural Heritage Trust of Australia Account	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance brought forward from previous period</b>	<b>15</b>	15	–	5,308	–	451,451
Increases	–	–	–	–	–	–
<b>Total increases</b>	<b>–</b>	–	–	–	–	–
<b>Available for payments</b>	<b>15</b>	15	–	5,308	–	451,451
Decreases	(15)	–	–	(5,308)	–	(451,451)
<b>Total decreases</b>	<b>(15)</b>	–	–	(5,308)	–	(451,451)
<b>Total balance carried to the next period</b>	<b>–</b>	15	–	–	–	–
<b>Balance made up of:</b>						
Cash held in the Official Public Account	–	15	–	–	–	–
<b>Total balance carried to the next period</b>	<b>–</b>	15	–	–	–	–

	Ozone Protection and Synthetic Greenhouse Gas Account		Reef Trust Special Account 2014		Water for the Environment Special Account	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance brought forward from previous period</b>	–	40,516	–	40,812	–	1,489,185
Increases	–	–	–	–	–	–
<b>Total increases</b>	–	–	–	–	–	–
<b>Available for payments</b>	–	40,516	–	40,812	–	1,489,185
Decreases	–	(40,516)	–	(40,812)	–	(1,489,185)
<b>Total decreases</b>	–	(40,516)	–	(40,812)	–	(1,489,185)
<b>Total balance carried to the next period</b>	–	–	–	–	–	–
<b>Balance made up of:</b>						
Cash held in the Official Public Account	–	–	–	–	–	–
<b>Total balance carried to the next period</b>	–	–	–	–	–	–

	Water Resources Special Account 2016		Water Efficiency Labelling and Standards Account	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Balance brought forward from previous period</b>	–	2,171	–	4,446
Increases	–	–	–	–
<b>Total increases</b>	–	–	–	–
<b>Available for payments</b>	–	2,171	–	4,446
Decreases	–	(2,171)	–	(4,446)
<b>Total decreases</b>	–	(2,171)	–	(4,446)
<b>Total balance carried to the next period</b>	–	–	–	–
<b>Balance made up of:</b>				
Cash held in the Official Public Account	–	–	–	–
<b>Total balance carried to the next period</b>	–	–	–	–

In addition to the above special accounts, the department had responsibility for the Natural Resources Management Account that had no transactions debited or credited to it during the current or prior reporting period.

The following special accounts are appropriated under *Public Governance, Performance and Accountability Act 2013* section 80

Special Account	Establishing instrument	Purpose
Agriculture Future Drought Resilience Special Account	<i>Future Drought Fund Act 2019</i> ; section 33	For the purpose of making payments associated with projects, research, advice, service and technology that will work towards achieving drought resilience.
Natural Resources Management Account	<i>Natural Resources Management (Financial Assistance) Act 1992</i> ; section 11	For the year ended 30 June 2024, the account had a nil balance and there were no transactions debited or credited to it during the current or prior reporting period. For the purposes of granting financial assistance in connection with projects relating to natural resources management.
National Cattle Disease Eradication Account	<i>National Cattle Disease Eradication Act 1991</i> ; section 4	For the year ended 30 June 2024 the account had a nil balance (2023: \$15 161). For the purpose of the eradication of any disease of cattle that is endemic in Australia.

### Note 29: Administered – assets held in trust

Monetary assets – services for other entities and trust monies	2024 \$'000	2023 \$'000
<b>As at 1 July</b>	–	660
Receipts	–	–
Payments	–	–
Amounts transferred as part of restructure	–	(660)
<b>Total as at 30 June</b>	–	–
<b>Total monetary assets held in trust</b>	–	–



# Part 5: Appendixes

## Appendix A: Entity resource statement

Table A1 Entity resource statement subset summary, 2023–24

Category	Item	Actual available appropriation 2023–24 (a) (\$'000)	Payments made (b) (\$'000)	Balance remaining (a) – (b) (\$'000)
Departmental	Annual appropriations: ordinary annual services <sup>c, d, e</sup>	977,863	727,776	250,087
	Annual appropriations: other services – non-operating <sup>f</sup>	76,041	38,198	37,843
	<b>Total departmental annual appropriations</b>	<b>1,053,904</b>	<b>765,974</b>	<b>287,930</b>
	Special account	708,789	665,850	42,939
	<b>Total special accounts</b>	<b>708,789</b>	<b>665,850</b>	<b>42,939</b>
	Less departmental appropriations drawn from annual/special appropriations and credited to special accounts	-157,768	-157,768	0
	<b>Total departmental resourcing</b>	<b>1,604,925</b>	<b>1,274,056</b>	<b>330,869</b>
Administered	Annual appropriations: ordinary annual services <sup>c, g</sup>	304,461	222,759	81,702
	Annual appropriations: other services – non-operating <sup>f</sup>	403,722	205,668	198,054
	<b>Total administered annual appropriations</b>	<b>708,183</b>	<b>428,427</b>	<b>279,756</b>
	Administered special appropriations	1,163,447	1,163,447	0
	<b>Total administered special appropriations</b>	<b>1,163,447</b>	<b>1,163,447</b>	<b>0</b>
	Special accounts	171,038	109,111	61,927
	<b>Total special accounts</b>	<b>171,038</b>	<b>109,111</b>	<b>61,927</b>
	Less administered appropriations drawn from annual/special appropriations and credited to special accounts	-100,000	-100,000	0
	Less payments to corporate entities from annual/special appropriations	-69,762	-69,762	0
	<b>Total administered resourcing</b>	<b>1,872,906</b>	<b>1,531,223</b>	<b>341,683</b>
<b>Total resourcing and payments for Department of Agriculture, Fisheries and Forestry</b>	<b>3,477,831</b>	<b>2,805,279</b>	<b>672,552</b>	

<sup>c</sup> *Appropriation Act (No. 1) 2023–24* and *Appropriation Act (No. 3) 2023–24*. This includes prior year departmental appropriations and section 74 external revenue. <sup>d</sup> Departmental capital budgets are not separately identified in *Appropriation Act (No. 1) 2023–24* and *Appropriation Act (No. 3) 2023–24* and form part of ordinary annual service items. <sup>e</sup> Excludes these departmental annual appropriation amounts withheld under section 51 of the PGPA Act: *Appropriation Act (No. 1) 2021–22* – \$0.865 million; *Appropriation Act (No. 1) 2023–24* – \$70.888 million. <sup>f</sup> *Appropriation Act (No. 2) 2023–24* and *Appropriation Act (No. 4) 2023–24*. This includes prior year departmental appropriations. <sup>g</sup> Excludes these administered annual appropriation amounts withheld under section 51 of the PGPA Act: Ordinary annual services: *Appropriation Act (No. 1) 2021–22* – \$40.470 million, *Appropriation Act (No. 1) 2022–23* – \$20.285 million, *Supply Act (No. 1) 2022–23* – \$13.956 million, *Supply Act (No. 3) 2022–23* – \$41.043 million and *Appropriation Act (No. 1) 2023–24* – \$21.307 million; Other services – non-operating: *Appropriation Act (No. 2) 2021–22* – \$348.169 million, *Supply Act (No. 4) 2022–23* – \$81.309 million.



## Appendix B: Expenses by outcome

### Outcome 1

More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets.

**Table B1 Expenses for Outcome 1, 2023–24**

Program	Category	Activity	Budget <sup>c</sup> 2023–24 (a) (\$'000)	Actual expenses 2023–24 (b) (\$'000)	Variation 2023–24 (a) – (b) (\$'000)
Program 1.2 Sustainable Management – Natural Resources	Administered expenses: ordinary annual services (Appropriation Act No. 1)	Agriculture 2030: Biosecurity – for reduction and prevention activities to reduce the economic and environmental burden of established feral animals, pests and weeds	5,377	4,907	470
		Agriculture 2030: Soil and Stewardship – implement a National Soils Science Challenge	5,000	4,900	100
		National Carp Control Plan	1,839	0	1,839
		Pest Animal and Weed Management	2,767	2,767	0
		<b>Total for Program 1.2</b>	–	<b>14,983</b>	<b>12,574</b>
Program 1.3 Forestry Industry	Administered expenses: ordinary annual services (Appropriation Act No. 1)	A Better Plan for Forestry and Forest Products: Australia-wide National Institute for Forest Products Innovation	24,000	24,000	0
		A Better Plan for Forestry and Forest Products: Forestry Workforce Training Program	1,500	200	1,300
		A Better Plan for Forestry and Forest Products: Support Plantation Establishment	6,949	983	5,966
		Accelerate Adoption of Wood Processing Innovation	35,000	30,542	4,458
		Fisheries – establish new, Regional Forestry Hubs	3,000	3,000	0
		Administered expenses: special appropriations	<i>Forestry Marketing and Research and Development Services Act 2007, s. 9(1) – payments and matching payments to an industry services body and Commonwealth administration expenses</i>	15,494	11,857
	<b>Total for Program 1.3</b>	–	<b>85,943</b>	<b>70,582</b>	<b>15,361</b>
Program 1.4 Fishing Industry	Administered expenses: ordinary annual services (Appropriation Act No. 1)	Agriculture 2030: Forestry and Fisheries – extend and broaden the Tuna Champions program	200	200	0
		Powering Australia: Development of Australia's Seaweed Farming	3,600	3,600	0
		Fisheries Resources Research Fund	676	525	151

Program	Category	Activity	Budget <sup>c</sup> 2023–24 (a) (\$'000)	Actual expenses 2023–24 (b) (\$'000)	Variation 2023–24 (a) – (b) (\$'000)
	Administered expenses: special appropriations	<i>Primary Industries Research and Development Act 1989, s. 30A(3) and s. 30B(9) – Fisheries Research and Development Corporation</i>	28,993	29,570	-577
	<b>Total for Program 1.4</b>	<b>-</b>	<b>33,469</b>	<b>33,895</b>	<b>-426</b>
Program 1.5 Horticulture Industry	Administered expenses: special appropriations	<i>Horticulture Marketing and Research and Development Services Act 2000, s. 16(9) – payments to industry services body</i>	127,105	145,415	-18,310
	<b>Total for Program 1.5</b>	<b>-</b>	<b>127,105</b>	<b>145,415</b>	<b>-18,310</b>
Program 1.6 Wool Industry	Administered expenses: special appropriations	<i>Wool Services Privatisation Act 2000, s. 31(4) – funding contract with research body</i>	74,000	51,478	22,522
	<b>Total for Program 1.6</b>	<b>-</b>	<b>74,000</b>	<b>51,478</b>	<b>22,522</b>
Program 1.7 Grains Industry	Administered expenses: special appropriations	<i>Primary Industries Research and Development Act 1989, s. 30(3) – Grains Research and Development Corporation— Other Grains</i>	122,833	186,583	-63,750
		<i>Primary Industries Research and Development Act 1989, s. 30(3) – Grains Research and Development Corporation – Wheat</i>	117,403	171,189	-53,786
	<b>Total for Program 1.7</b>	<b>-</b>	<b>240,236</b>	<b>357,772</b>	<b>-117,536</b>
Program 1.8 Dairy Industry	Administered expenses: special appropriations	<i>Dairy Produce Act 1986, s. 6(1) – payments under funding contract</i>	51,541	55,472	-3,931
	<b>Total for Program 1.8</b>	<b>-</b>	<b>51,541</b>	<b>55,472</b>	<b>-3,931</b>
Program 1.9 Meat and Livestock Industry	Administered expenses: special appropriations	<i>Australian Meat and Live-stock Industry Act 1997, s. 63(2) – payments to marketing body</i>	85,894	80,820	5,074
		<i>Australian Meat and Live-stock Industry Act 1997, s. 64(2) – payments to research body</i>	29,384	28,002	1,382
		<i>Australian Meat and Live-stock Industry Act 1997, s. 64A(2) – payments to marketing body</i>	2,637	2,605	32
		<i>Australian Meat and Live-stock Industry Act 1997, s. 64B(2) – payments to research body</i>	528	521	7
		<i>Australian Meat and Live-stock Industry Act 1997, s. 64C(2) – payments to marketing body</i>	7,687	8,507	-820

Program	Category	Activity	Budget <sup>c</sup> 2023–24 (a) (\$'000)	Actual expenses 2023–24 (b) (\$'000)	Variation 2023–24 (a) – (b) (\$'000)
		<i>Australian Meat and Live-stock Industry Act 1997, s. 64D(2) – payments to research body</i>	11,531	12,761	-1,230
		<i>Australian Meat and Live-stock Industry Act 1997, s. 66(1) – Commonwealth contribution to research body</i>	104,105	93,863	10,242
		<i>Pig Industry Act 2001, s. 10(1) – payments under funding contract</i>	23,800	24,820	-1,020
	<b>Total for Program 1.9</b>	<b>–</b>	<b>265,566</b>	<b>251,899</b>	<b>13,667</b>
Program 1.10 Agricultural Resources	Administered expenses: ordinary annual services (Appropriation Act No. 1)	Agricultural and Veterinary Chemicals Minor Use Program	145	147	-2
		Agriculture 2030: Improving employment opportunities – extend the Fair Farms program	805	778	27
		Agriculture 2030: Improving employment opportunities – pilot AgUP program	2,188	71	2,117
		Agriculture 2030: Innovation – expanded Australian Farm Data Code	100	100	0
		Agriculture 2030: Supporting Trade – extend the Improved Access to Agricultural and Veterinary Chemicals program	2,000	2,805	-805
		Agriculture 2030: Supporting Trade – extend the Improved Access to Agricultural and Veterinary Chemicals program – grants to Global Minor Use Foundation	50	50	0
		Agriculture 2030: Supporting Trade – fund projects in collaboration with the perishable agriculture goods industry that improve market transparency in the sector	2,000	1,849	151
		AgriFutures Australia	10,085	10,085	0
		National Farm Safety Education Fund	0	166	-166
		Support for Regional Trade Events	6,850	6,850	0
		Wine Tourism and Cellar Door Grant	10,000	10,000	0
	Administered expenses: payments to corporate entities (draw-down)	Australian Pesticides and Veterinary Medicines Authority	1,840	5,905	-4,065
	Administered expenses: special appropriations	<i>Agricultural and Veterinary Chemicals (Administration) Act 1992, s. 58(6) – amounts payable to the APVMA</i>	41,794	45,503	-3,709
		<i>Egg Industry Service Provision Act 2002, s. 8(1) – payments under funding contract</i>	12,191	10,224	1,967

Program	Category	Activity	Budget <sup>c</sup> 2023–24 (a) (\$'000)	Actual expenses 2023–24 (b) (\$'000)	Variation 2023–24 (a) – (b) (\$'000)
		<i>Primary Industries Research and Development Act 1989, s. 30(3) – Cotton R&amp;D Corporation</i>	25,446	23,277	2,169
		<i>Primary Industries Research and Development Act 1989, s. 30(3) – Rural Industries Research and Development Corporation</i>	29,130	32,240	-3,110
		<i>Sugar Research and Development Services Act 2013, s. 7 – payment to industry services body</i>	31,807	28,581	3,226
		<i>Wine Australia Act 2013, s. 32 – payments to the authority</i>	24,317	24,106	211
	Administered expenses: expenses not requiring appropriation in the Budget year	Write-down and impairment of assets	0	1,434	-1,434
	<b>Total for Program 1.10</b>	<b>–</b>	<b>200,748</b>	<b>204,171</b>	<b>-3,423</b>
Program 1.11 Drought Programs	Administered expenses: ordinary annual services (Appropriation Act No. 1)	Future Drought Fund – administration costs	203	203	0
	Administered expenses: payments to corporate entities (draw-down)	Regional Investment Corporation	14,938	14,938	0
		Regional Investment Corporation – Drought Loans	6,820	6,820	0
		Regional Investment Corporation – AgriStarter Loans	305	305	0
	Administered expenses: special account	Agriculture Future Drought Resilience Special Account	109,000	110,377	-1,377
	Administered expenses: expenses not requiring appropriation in the Budget year	Drought Recovery Concessional Loans Scheme – state administration	234	234	0
		Farm Business Concessional Loans Scheme – discount expenses	476	35,580	-35,104
		Farm Business Concessional Loans Scheme – state administration	980	980	0
		Impairment Loss on Financial Instruments	0	11,218	-11,218
	<b>Total for Program 1.11</b>	<b>–</b>	<b>132,956</b>	<b>180,655</b>	<b>-47,699</b>

Program	Category	Activity	Budget <sup>c</sup> 2023–24 (a) (\$'000)	Actual expenses 2023–24 (b) (\$'000)	Variation 2023–24 (a) – (b) (\$'000)	
Program 1.12 Rural Programs	Administered expenses: ordinary annual services (Appropriation Act No. 1)	Rural Financial Counselling Service	18,549	18,549	0	
		Administered expenses: special appropriations	<i>Farm Household Support Act 2014, s. 105 – payments for Farm Household Allowance</i>	49,136	57,065	-7,929
			<i>Farm Household Support Act 2014, s. 105 – payments for Farm Household Allowance</i>	18,009	0	18,009
			Write-down and impairment of assets	0	2,422	-2,422
			Impairment Loss on Financial Instruments	0	-1,073	1,073
<b>Total for Program 1.12</b>	<b>–</b>	<b>85,694</b>	<b>76,963</b>	<b>8,731</b>		
Program 1.13 International Market Access	Administered expenses: ordinary annual services (Appropriation Act No. 1)	Food and Agriculture Organization of the United Nations	19,921	16,307	3,614	
		International Organisations Contributions	2,113	2,541	-428	
		<b>Total for Program 1.13</b>	<b>–</b>	<b>22,034</b>	<b>18,848</b>	<b>3,186</b>
Program 1.2 to Program 1.13	Total administered expenses	Ordinary annual services (Appropriation Act No. 1)	164,917	146,125	18,792	
		Special appropriations	1,016,756	1,124,459	-107,703	
		Special accounts	109,000	110,377	-1,377	
		Payments to corporate entities (Draw-downs)	23,903	27,968	-4,065	
		Expenses not requiring appropriation in the Budget year	19,699	50,795	-31,096	
	Total departmental expenses	Departmental appropriation <sup>c, d</sup>	158,496	324,461	-165,965	
		Expenses not requiring appropriation in the Budget year <sup>e</sup>	17,678	45,635	-27,957	
<b>Total expenses for Outcome 1</b>	<b>–</b>	<b>1,510,449</b>	<b>1,829,820</b>	<b>-319,371</b>		

Note: Original budget as presented in the *Portfolio Budget Statements 2023–24*. Additional funding was received through Appropriation Bill No. 3 in February 2024. **c** Combines ordinary annual services (Appropriation Act No. 1) and retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*. **d** Allocations are notional and reflect the current structure of the department. **e** Includes depreciation expenses, amortisation expenses, write-down and impairment of assets and resources received free of charge.

**Table B2 Average staffing level for Outcome 1, 2023–24**

Category	Budget 2023–24 (no.)	Actual 2023–24 (no.)
Average staffing level for Outcome 1	833	685

## Outcome 2

Safeguard Australia’s animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries.

**Table B3 Expenses for Outcome 2, 2023–24**

Program	Category	Activity	Budget <sup>c</sup>	Actual	Variation
			2023–24 (a) (\$'000)	expenses 2023–24 (b) (\$'000)	2023–24 (a) – (b) (\$'000)
Program 2.1 Biosecurity and Export Services	Administered expenses: ordinary annual services (Appropriation Act No. 1)	Agriculture 2030: Biosecurity – to ensure Australia continues to have a robust biosecurity preparedness and response capability in the event of a pest disease outbreak: Surveillance Animal	870	870	0
		Agriculture 2030: Biosecurity – to ensure Australia continues to have a robust biosecurity preparedness and response capability in the event of a pest disease outbreak: Surveillance Plant	200	200	0
		Australian Trade System Support – Cultivating Australia’s Traceability – Promoting and Protecting Australian Premium Agriculture	15,688	11,916	3,772
		Bolstering Australia’s Biosecurity System – Protecting Australia from Escalating Exotic Animal Disease	6,810	4,776	2,034
		Bolstering Australia’s Biosecurity System – National Livestock Traceability Reform to Enhance Agricultural Biosecurity and Export	15,000	9,492	5,508
		Centre of Excellence for Biosecurity Risk Analysis and Research	1,977	1,908	69
		Enhancing Australia’s Biosecurity System – Priority Pest and Disease Planning and Response	2,894	2,551	343
		Modernising Agricultural Trade – Protecting Australia’s Clean, Green Brand	2,000	2,020	–20
		Priorities for Australia’s Biosecurity System – Environmental Protection Officer	825	541	284
		Reducing Regulatory Burden and Streamlining Audit Arrangements in the Dairy Sector	1,300	2,656	–1,356
	Administered expenses: expenses not requiring appropriation in the Budget year	Other expenses	0	21	–21
<b>Total for Program 2.1</b>	–		<b>47,564</b>	<b>36,951</b>	<b>10,613</b>

Program	Category	Activity	Budget <sup>c</sup> 2023–24 (a) (\$'000)	Actual expenses 2023–24 (b) (\$'000)	Variation 2023–24 (a) – (b) (\$'000)
Program 2.2 Plant and Animal Health	Administered expenses: ordinary annual services (Appropriation Act No. 1)	Agriculture 2030: Biosecurity – continue to protect Australia from the biosecurity risk posed by African swine fever	213	59	154
		Animal Biosecurity and Response Reform	1,070	1,058	12
		Bolstering Australia's Biosecurity System – protecting Australia from escalating exotic animal disease risks: Emergency funding to manage the risk of foot-and-mouth disease and lumpy skin disease	0	165	-165
		Commonwealth Membership of Animal Health Australia and Plant Health Australia	2,915	2,518	397
		International Organisations Contribution – World Organisation for Animal Health	268	446	-178
		Other Exotic Disease Preparedness Program	723	718	5
		Payment to CSIRO – contribution to the operating costs of the Australian Centre for Disease Preparedness	9,186	9,186	0
		Plant Biosecurity and Response Reform	1,511	1,236	275
		Stronger Farmers, Stronger Economy – strengthening research, skills and management of natural resources – immediate assistance fund	2,161	2,130	31
		Administered expenses: special appropriations	<i>Australian Animal Health Council (Live-stock Industries) Funding Act 1996, s. 5 – appropriation</i>	9,437	8,019
	<i>Plant Health Australia (Plant Industries) Funding Act 2002, s. 6 – appropriation</i>		9,632	6,682	2,950
	<i>Plant Health Australia (Plant Industries) Funding Act 2002, s. 10B – payments to Plant Health Australia from Emergency Plant Pest Response levies and charges</i>		3,889	3,450	439
	Administered expenses: Expenses not requiring appropriation in the Budget year	Other expenses	0	1,585	-1,585
	<b>Total for Program 2.2</b>	–	<b>41,005</b>	<b>37,252</b>	<b>3,753</b>
	Administered and departmental expenses: Special accounts	Biosecurity, Imported Food and Export Certification Special Account 2020	461,280	512,810	-51,530
		National Cattle Disease Eradication Account	0	15	-15
National Residue Survey Account – s. 80, PGPA Act 2013 [s. 6(1), <i>National Residue Survey Administration Act 1992</i> ]		12,207	13,228	-1,021	
Total administered expenses	Ordinary annual services (Appropriation Act No. 1)	65,611	54,446	11,165	

Program	Category	Activity	Budget <sup>c</sup> 2023–24 (a) (\$'000)	Actual expenses 2023–24 (b) (\$'000)	Variation 2023–24 (a) – (b) (\$'000)
Program 2.1 and Program 2.2		Special accounts	0	15	-15
		Special appropriations	22,958	18,151	4,807
		Expenses not requiring appropriation in the Budget year	0	1,606	-1,606
Total departmental expenses		Departmental appropriation <sup>c, d</sup>	571,175	376,682	194,493
		Special accounts	473,487	526,038	-52,551
		Expenses not requiring appropriation in the Budget year <sup>e</sup>	16,510	19,709	-3,199
<b>Total expenses for Outcome 2</b>		<b>-</b>	<b>1,149,741</b>	<b>996,647</b>	<b>153,094</b>

Note: Original budget as presented in the *Portfolio Budget Statements 2023–24*. Additional funding was received through Appropriation Bill No. 3 in February 2024. **c** Combines ordinary annual services (Appropriation Act No. 1) and retained revenue receipts under section 74 of the *Public Governance, Performance and Accountability Act 2013*. **d** Allocations are notional and reflect the current structure of the department. **e** Includes depreciation expenses, amortisation expenses, write-down and impairment of assets and resources received free of charge.

**Table B4 Average staffing level for Outcome 2, 2023–24**

Category	Budget 2023–24 (no.)	Actual 2023–24 (no.)
Average staffing level for Outcome 2	4,962	4,402



## Appendix C: Environmental performance

Section 516A of the [Environment Protection and Biodiversity Conservation Act 1999](#) requires an annual report on measures to minimise our effect on the environment, the mechanisms (if any) for reviewing and increasing the effectiveness of those measures and our contribution to the principles of ecologically sustainable development. This section provides the report for 2023–24.

### Commonwealth Climate Disclosure

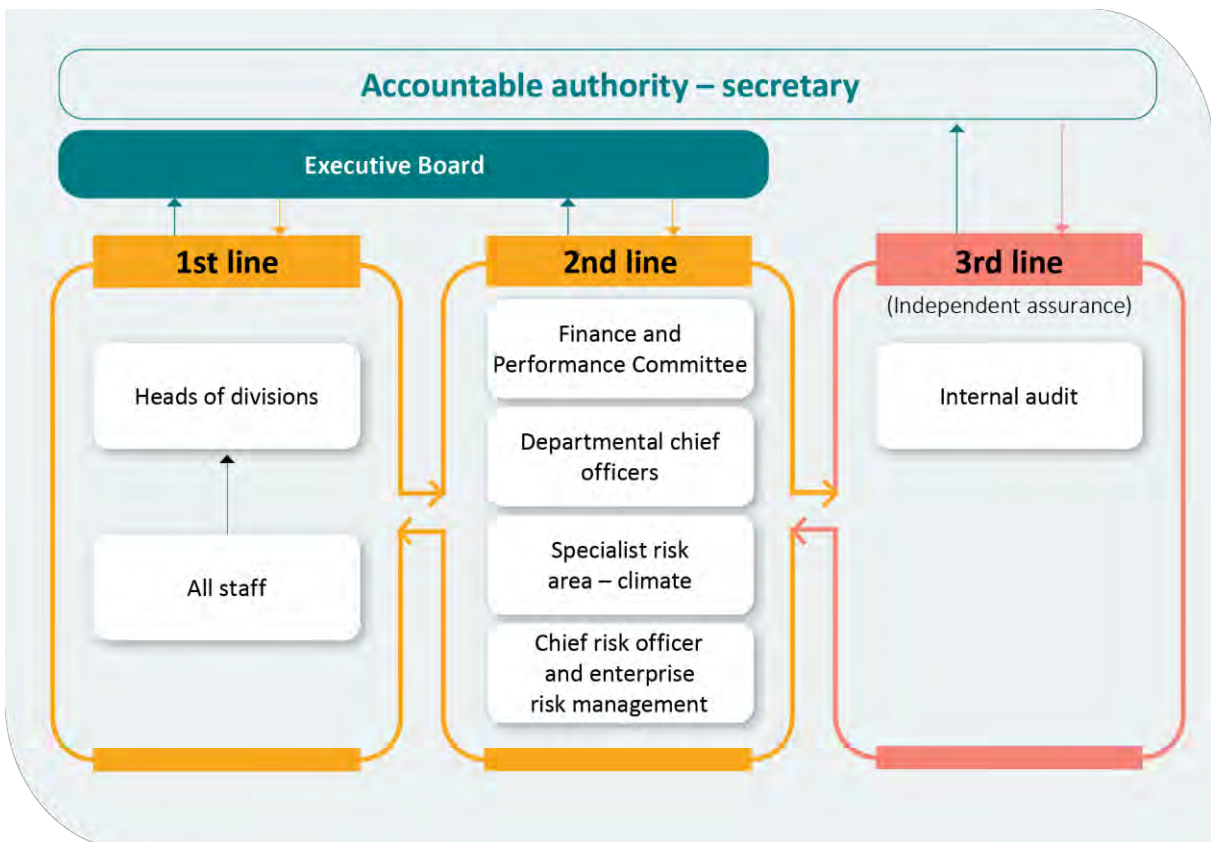
[Commonwealth Climate Disclosure](#) (CCD) is the government’s policy for Commonwealth entities to publicly disclose their exposure to climate risks and opportunities, as well as their actions to manage them. In order to prepare entities for full disclosure requirements in 2024–25, the [Commonwealth Climate Disclosure Pilot](#) (CCDP) was developed to provide limited disclosures in 2023–24 annual reports. This section provides our climate-related disclosures in accordance with the criteria in the CCDP guidance.

### Governance

#### Climate risk governance and accountability

Our accountable authority had ultimate responsibility and accountability for ensuring our department had effective systems of risk oversight, management and internal controls in place. Figure C1 provides an outline of our climate risk governance structure, based on the ‘3 Lines Model’, and our ERMFP. This governance structure will be reviewed in 2024–25.

Figure C1 Climate risk governance structure, at 30 June 2024



In 2023–24, we established and embedded climate as a type of specialist risk to support the accountable authority in managing climate-risk. Specialist risks have context and requirements that

require a tailored approach to their management to comply with relevant legislation and government policy. Climate risks were relevant to all types of risks within our department, including strategic (enterprise-level), divisional and operational risks. All staff were responsible for considering specialist risks in the context of their risk exposure and management approaches and for ensuring they managed these risks in accordance with departmental policies and procedures.

We assigned appropriate senior executive leadership, oversight and accountability for the consideration and management of climate risk and opportunities to our Finance and Performance Committee. This committee, established on 24 November 2023, provides the initial overarching governance body to ensure we appropriately consider and implement policies and procedures to meet our governance, risk and reporting obligations under the [Climate Risk and Opportunity Management Program](#) (CROMP) and CCD policy.

In 2024–25 our Executive Board will consider advice on governance options to effectively embed climate risk into our operations, and policy and program delivery, including formally commencing implementation of the CROMP within our department.

Table C1 summarises roles and responsibilities of the accountable authority and other key areas in managing climate-related risk and opportunities within our department.

**Table C1 Climate-related risk key roles and responsibilities**

Key departmental role	Responsibility in managing climate-related risk
Accountable authority – secretary	<ul style="list-style-type: none"> <li>Ensures our department has effective systems of risk oversight, management and internal control in place, as per section 12 of the PGPA Act.</li> <li>Determines and communicates our risk appetite and tolerance statements.</li> <li>Maintains oversight of compliance with legal, regulatory and ethical expectations.</li> <li>Delegates responsibility and provides resources to relevant governance bodies and areas of our department to ensure we achieve our objectives and obligations.</li> <li>Reports to the minister on our enterprise risks.</li> <li>Makes decisions on the management of risks, controls and treatment programs that have been escalated, if required.</li> <li>Assigns risk management oversight to the Executive Board, including: <ul style="list-style-type: none"> <li>climate risks and assessment processes</li> <li>performance targets, such as the development of emissions reduction targets for inclusion in our emissions reduction plan.</li> </ul> </li> </ul>
Executive Board	<ul style="list-style-type: none"> <li>Approves climate-related strategies, targets, policies, activities and performance.</li> <li>Supports the accountable authority in determining our risk appetite and tolerance statements.</li> <li>Drives the leadership, culture and performance of our department in respect to the appropriate oversight and management of risk.</li> <li>Considers high-impact, immediate and emerging issues and risk.</li> <li>Reviews recommendations on climate-related risk and opportunity management from the Finance and Performance Committee.</li> <li>Reviews our department’s overall management of risks and makes decisions on risks escalated to the Executive Board.</li> </ul>
Finance and Performance Committee	<ul style="list-style-type: none"> <li>Ensures our department appropriately considers and implements policies and procedures to meet our governance, risk and reporting obligations under the CROMP and CCD policy.</li> </ul>

Key departmental role	Responsibility in managing climate-related risk
	<ul style="list-style-type: none"> <li>Provides complementary expertise, support and monitoring on the management of climate-related risk and opportunities.</li> <li>Reports and escalates climate-related risks, opportunities, issues and recommendations to the Executive Board as required.</li> <li>Provides feedback, guidance and information to business areas on managing climate-related risk and opportunities.</li> </ul>
Specialist risk area – climate	<ul style="list-style-type: none"> <li>Supports the development and defines our strategic approach, context, requirements and expectations for the management of climate as a specialised risk category.</li> <li>Provides advice and guidance to relevant governance boards, committees, staff and other senior executive on the management of climate as a specialised risk category.</li> <li>Ensures their approach to the management of climate as a specialised risk category aligns with our ERMFP.</li> </ul>
Chief risk officer and enterprise risk management team	<ul style="list-style-type: none"> <li>Supports the accountable authority and works with senior executive to embed a strong and positive risk culture across all levels of our department.</li> <li>Provides advice on the application of our risk framework.</li> <li>At an enterprise level, analyses and reports to the accountable authority and Executive Board on the risk profile and new and emerging risks relevant to our department.</li> <li>Communicates and seeks input and advice from specialist risk areas as required.</li> </ul>
Heads of divisions	<ul style="list-style-type: none"> <li>Maintains divisional risk registers to monitor climate-related risk identification, assessment and management actions.</li> </ul>

## Risk management

We are committed to completing an organisation-wide risk assessment in accordance with our obligations under the [Australian Government’s Approach to Climate Risk and Opportunity Management in the Public Sector 2024–2026](#). An update on the progress of the 6 steps of the organisation-wide climate risk and opportunity assessment will be reported in our 2024–25 annual report. In 2023–24 we commenced a review of the draft climate risk assessment undertaken by the former Department of Agriculture, Water and the Environment in 2021, to inform our work going forward.

## Metrics and targets

### Climate-related metrics

#### *Greenhouse gas emissions inventory*

Emissions are required to be calculated in line with the APS Net Zero Emissions Reporting Framework consistent with the whole-of-government approach as part of the APS Net Zero by 2030 policy. The Department of Finance’s [Pilot Metrics and Targets Factsheet](#) provides the emissions calculation method.

Our results, presented as tonnes of carbon dioxide equivalent (CO<sub>2</sub>-e) emissions, are based on the best available data at the time of reporting. Our greenhouse gas emissions reporting methodology is consistent with the APS Net Zero 2030 policy.

Electricity-related greenhouse gas emissions calculated using the location-based approach are provided in Table C2. Table C3 provides the market and location-based approach.

Our amended emissions data from 2022–23 is available as part of the [APS Net Zero in Government Operations 2022–23 Annual Progress Report](#), published by the Department of Finance.

**Table C2 Greenhouse gas emissions inventory, location-based method, at 30 June 2024**

Emissions source	Scope 1 CO <sub>2</sub> -e (t)	Scope 2 CO <sub>2</sub> -e (t)	Scope 3 CO <sub>2</sub> -e (t)	Total CO <sub>2</sub> -e (t)
Electricity (location-based method) <sup>a</sup>	n/a	6,084.574	606.408	6,690.983
Natural gas	1,753.860	n/a	141.557	1,895.417
Solid waste <sup>b, c, d</sup>	n/a	n/a	218.260	218.260
Refrigerants <sup>b, e</sup>	Not available	Not available	Not available	Not available
Fleet and other vehicles <sup>f, g</sup>	1,038.405	Not available	260.106	1,298.511
Domestic commercial flights <sup>g</sup>	n/a	n/a	2,461.105	2,461.105
Domestic hire car <sup>b, d, f, g</sup>	n/a	n/a	164.717	164.717
Domestic travel accommodation <sup>b, g</sup>	n/a	n/a	1,576.587	1,576.587
Other energy	Not available	Not available	Not available	Not available
<b>Total CO<sub>2</sub>-e</b>	<b>2,792.265</b>	<b>6,084.574</b>	<b>5,428.740</b>	<b>14,305.580</b>

**CO<sub>2</sub>-e** Carbon dioxide equivalent. **n/a** Not applicable. **Scope 1** Direct greenhouse gas emissions. **Scope 2** Indirect greenhouse gas emissions associated with purchased electricity. **Scope 3** Indirect emissions. Scope 3 categories included in APS Net Zero Emissions Reporting Framework for 2023–24 are: domestic air travel; domestic non-air business travel (including hotel accommodation and hire cars); extraction, production and transport of energy sources; transmission and distribution losses associated with electricity use; and solid waste disposal and treatment. **a** Due to billing cycles not aligning with end of financial year, some emissions data was not available. **b** Indicates emission sources collected for the first time in 2023–24, which may be incomplete. Quality of data expected to improve over time as emission reporting matures **c** The department collects commingled recycling separately to landfill waste. In annual reporting data compiled by the Department of Finance, solid waste is reported according to National Greenhouse Accounts factors, which classifies ‘commingled’ as municipal solid waste. **d** Indicates some data was not available at the time of reporting. Adjustments to data may be required in future reports. **e** Indicates optional emissions source for 2023–24 reporting. **f** Emissions from electricity consumed by electric and plug-in hybrid vehicles has only been reported for electricity directly purchased by the department. Does not include emissions associated with electricity consumption from public charging stations. **g** Following machinery of government changes that took effect from 1 July 2022, some ‘travel’ (domestic forward flights, accommodation and hire car) bookings were made during the 2022–23 financial year using DAFF systems for flights undertaken by DCCEEW during the period July 2023 to September 2023. Whilst attempts have been made to separately identify and extract DCCEEW ‘travel’ bookings, ‘travel’ and fleet carbon emissions data reported by DAFF in this annual report, the data may contain some domestic flights that were cancelled or not flown, and/or some ‘travel’ and fleet records that belong to DCCEEW.

**Table C3 Electricity greenhouse gas emissions, market and location-based methods, at 30 June 2024**

Emissions source	Scope 2 CO <sub>2</sub> -e (t)	Scope 3 CO <sub>2</sub> -e (t)	Total CO <sub>2</sub> -e (t)	Electricity use (%)
Electricity (location-based method only)	6,084.574	606.408	6,690.983	100
Market-based electricity emissions	4,385.083	541.368	4,926.452	63.50
Total renewable electricity	Not applicable	Not applicable	Not applicable	36.50
Mandatory renewables <sup>a</sup>	Not applicable	Not applicable	Not applicable	18.72
Voluntary renewables <sup>b</sup>	Not applicable	Not applicable	Not applicable	17.78

**CO<sub>2</sub>-e** Carbon dioxide equivalent. **Scope 2** Indirect greenhouse gas emissions associated with purchased electricity. **Scope 3** Indirect emissions. **a** Portion of electricity consumed from the grid that is generated by renewable sources. Includes

renewable power percentage. **b** Reflect eligible carbon credit units surrendered by the entity. May include purchased large-scale generation certificates, power purchasing agreements, GreenPower and jurisdictional renewable power percentage (ACT only).

### **Climate-related targets**

Our department is making strong contributions towards the attainment of the government's APS Net Zero by 2030 target. We are following the target as per the [Net Zero Government Operations Strategy](#).

The APS Net Zero by 2030 target is a net emissions reduction target. The Department of Finance's [Pilot Metrics and Targets Factsheet](#) provides details on the target. The target – forming part of Australia's international climate commitments, including Australia's Nationally Determined Contribution under the Paris Agreement – covers the entirety of our organisation's operations, including scope 1 and scope 2 greenhouse gas emissions, with decisions on scope 3 greenhouse gas emissions to be made as further data becomes available.

### **Emissions reduction plan**

During the year, we developed our first emissions reduction plan – [Operations Emissions Reduction Plan 2024–2030](#) (ERP) – endorsed by the acting chief sustainability officer on 19 August 2024. Our ERP sets out our planned activities and new initiatives to reduce emissions to net-zero by 2030.

To progress towards the APS Net Zero by 2030 target, we also:

- completed a passenger fleet audit and developed an Electronic Vehicle Charging Plan
- completed net-zero emissions by 2030 readiness assessments at key sites
- completed voluntary National Australian Built Environment Rating System (NABERS) ratings at key sites with a leased area greater than 1,000 m<sup>2</sup>
- commenced planning and installation of rooftop solar photovoltaic systems at high energy-consuming and Commonwealth-owned sites
- incorporated green lease schedules into new leases
- negotiated with landlords to require minimum NABERS ratings and/or energy efficiency upgrades as part of lease renewals
- purchased low-emissions vehicles to replace aging passenger fleet vehicles in line with operational requirements.

We also continued to progress a range of interim goals and metrics for tracking our performance against the ERP and the APS Net Zero 2030 target as part of our broader climate-related strategy.

### **Environmental impact of operations**

We completed a net-zero readiness assessment to improve energy efficiency, water use and waste management at key operational sites.

In 2023–24 we continued to review, report on and improve our environmental performance.

## **Energy efficiency**

New leases incorporated tenancy and building owner NABERS targets in line with APS Net Zero by 2030 requirements.

## **Water conservation**

Our Canberra office captures and stores rainwater to filter and re-use in the building's cooling towers. Bathrooms contain water-saving shower heads, infrared motion-activated hand basins and dual-flush toilets. These initiatives contributed to a reduction in our reliance on the local water supply.

Our post-entry quarantine (PEQ) facility purchased treated recycled water for non-potable water applications, such as toilet and urinal flushing.

## **Waste management**

To minimise landfill, we continued recycling practices at a number of key sites. We recycled toner cartridges and batteries. We provided separate bins for general waste, organic waste and commingled recycling in our national office.

We supported innovative re-use of waste. Organic waste from our Canberra office was converted into protein and fertiliser. Horse waste from quarantine consignments was repurposed as mulch to increase the sustainability of our PEQ facility. This process means approximately 15,732 cubic meters of waste is strengthening the soil at the site each year, rather than being disposed of as landfill.

At smaller sites, where commercial waste management companies provide fewer services, we supported staff-led recycling initiatives.

In 2023–24 about 62% of the 44 tonnes of waste generated in our Canberra office was recycled. At our Melbourne office, 64% of our waste was recycled.

## **Principles of ecologically sustainable development**

In 2023–24 we demonstrated our commitment to the principles of ecologically sustainable development by supporting Australia's food and fibre needs through the development of policy and programs that integrate short- and long-term economic, environmental, social and equitable considerations.

We funded programs that integrated innovation with management practices that conserved and, where possible, enhanced natural capital – including biodiversity, ecosystems, soils and environmental services – for the benefit of current and future generations. We delivered sustainable agricultural programs through the Natural Heritage Trust, the Future Drought Fund and our national soils program.

Our biosecurity objectives and programs were critical in safeguarding biodiversity and agricultural production within Australia and overseas. Through international engagement we contributed to policies and agreements that prioritised global biological diversity and ecological integrity.

## **2030 Agenda for Sustainable Development**

The United Nations 2030 Agenda for Sustainable Development is a non-binding global roadmap for sustainable development. It includes 17 Sustainable Development Goals (SDGs). We remain

committed to being an active participant in the whole-of-government approach to the implementation of the 2030 Agenda and the SDGs.

## **SDG2 Zero hunger**

We led the Australian Government's work on SDG 2. During the year, we:

- protected and strengthened food systems and value chains through our biosecurity work
- helped regional neighbours improve biosecurity and protect food systems
- invested almost \$390 million (along with industry levies of around \$600 million) in our 15 Rural Research and Development Corporations to increase the productivity, profitability and sustainability of the agricultural industry
- supported Australian farmers to prepare for drought, by investing in programs and initiatives that help the industry to remain productive and profitable
- continued to implement the National Soil Strategy to prioritise soil health, and released our *National Soil Action Plan 2023 to 2028* to help improve Australia's soil health and long-term food security
- partnered with industry to develop consistent sustainability credentials that provide assurance of high-quality, safe and sustainable food and fibre products. An additional \$5 million was invested to continue development of the Australian Agricultural Sustainability Framework, which will assist industry to measure progress and guide investments to further promote sustainable agriculture
- promoted rules-based agricultural trade policies, including for avoiding market distortion and supporting science-based and risk-based decision-making in multilateral forums.

## **SDG13 Climate action**

We contributed to the Australian Government's work on SDG 13 as it relates to the agricultural, fisheries and forestry industries. During the year, we:

- began developing the Agriculture and Land Sectoral Plan to map out the role for the agricultural sector in Australia's transition to net-zero emissions
- endorsed the Emirates Declaration on Sustainable Agriculture, Resilient Food Systems and Climate Action at the 28<sup>th</sup> Conference of the Parties (COP28) to the United Nations Framework Convention on Climate Change
- worked with states and territories to release the *National Statement on Climate Change and Agriculture* – a commitment by all agriculture ministers to work with industry to sustainably manage the impacts of climate change and grow the value of Australian agriculture
- continued to advance agricultural sustainability through the \$302.1 million Climate-Smart Agriculture Program to support farmers to adopt climate-smart practices that manage emissions, build resilience to climate change, improve soil health and protect natural capital.

## **SDG14 Life below water**

We contributed to the Australian Government's work on SDG 14 as it relates to the fisheries industry. During the year, we continued to deliver on the National Fisheries Plan, which provides a shared

vision and strategic framework for Australian governments to drive sustainable growth of the Australian fishing, aquaculture and seafood industries.

### **SDG15 Life on land**

We contributed to the Australian Government's work on SDG 15 by:

- progressing over \$300 million of initiatives to strengthen and support the long-term sustainability of the industry
- working through the Forest and Climate Leaders' Partnership to accelerate global progress to halt and reverse forest loss and land degradation by 2030
- advancing reforms to strengthen Australia's illegal logging laws based on international best practice, adding powers to test and identify timber species
- committing \$600,000 to ensure key Asia-Pacific timber species can be tested and identified
- advancing sustainable forest management internationally, including a \$160,000 contribution to the International Tropical Timber Organization project in Indonesia.



## Appendix D: Employee statistics

### All employees

Requirements for gender reporting and data collection for the 2023–24 reporting period has been revised. The use of n/a for not applicable data is only relevant to the 2022–23 reporting period.

**Table D1 All ongoing employees, by location, gender and attendance type, at 30 June 2024**

Location	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
NSW	358	27	385	263	67	330	1	0	1	0	0	0	0	0	0	716
Qld	360	27	387	240	82	322	2	0	2	0	0	0	0	0	0	711
SA	91	10	101	75	27	102	3	0	3	0	0	0	0	0	0	206
Tas.	4	1	5	2	0	2	0	0	0	0	0	0	0	0	0	7
Vic.	381	15	396	284	76	360	2	0	2	0	0	0	0	0	0	758
WA	143	2	145	123	42	165	0	0	0	0	0	0	0	0	0	310
ACT	918	65	983	1,320	317	1,637	4	4	8	0	0	0	0	0	0	2,628
NT	16	7	23	25	5	30	0	0	0	0	0	0	0	0	0	53
External territories <sup>a</sup>	2	1	3	3	0	3	0	0	0	0	0	0	0	0	0	6
Overseas	10	0	10	9	0	9	0	0	0	0	0	0	0	0	0	19
<b>Total</b>	<b>2,283</b>	<b>155</b>	<b>2,438</b>	<b>2,344</b>	<b>616</b>	<b>2,960</b>	<b>12</b>	<b>4</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,414</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. <sup>a</sup> Includes Christmas Island, Cocos (Keeling) Islands and Norfolk Island.

**Table D2 All non-ongoing employees, by location, gender and attendance type, at 30 June 2024**

Location	Man/Male		Woman/Female		Non-binary		Prefers not to answer		Uses a different term		Total	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time		
NSW	6	32	7	14	0	0	0	0	0	0	0	59
Qld	9	28	20	20	0	0	0	0	0	0	0	77
SA	5	10	6	7	0	0	0	0	0	0	0	28
Tas.	1	3	3	1	0	0	0	0	0	0	0	8
Vic.	11	33	16	23	0	0	0	0	0	0	0	83
WA	3	11	10	14	0	0	0	0	0	0	0	38
ACT	39	14	53	78	1	0	1	0	0	0	0	167
NT	2	2	4	1	1	2	0	0	0	0	0	6
External territories <sup>a</sup>	0	3	3	0	5	0	0	0	0	0	0	8
Overseas	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>76</b>	<b>136</b>	<b>141</b>	<b>120</b>	<b>1</b>	<b>261</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>474</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. <sup>a</sup> Includes Christmas Island, Cocos (Keeling) Islands and Norfolk Island.

**Table D3 All ongoing employees, by location, gender and attendance type, at 30 June 2023**

Location	Man/Male		Woman/Female		Non-binary		Prefers not to answer		Uses a different term		Total	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time		
NSW	343	26	369	229	77	306	n/a	n/a	n/a	n/a	2	677
Qld	323	28	351	199	84	283	n/a	n/a	n/a	n/a	0	634
SA	83	12	95	50	29	79	n/a	n/a	n/a	n/a	2	176
Tas.	5	0	5	2	1	3	n/a	n/a	n/a	n/a	0	8
Vic.	354	20	374	245	69	314	n/a	n/a	n/a	n/a	1	689

Location	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
WA	129	1	130	115	45	160	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	290
ACT	848	62	910	1,158	339	1,497	n/a	n/a	n/a	n/a	n/a	n/a	5	3	8	2,415
NT	11	7	18	16	6	22	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	40
External territories <sup>a</sup>	0	1	1	2	2	4	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	5
Overseas	12	0	12	10	0	10	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	22
<b>Total</b>	<b>2,108</b>	<b>157</b>	<b>2,265</b>	<b>2,026</b>	<b>652</b>	<b>2,678</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>10</b>	<b>3</b>	<b>13</b>	<b>4,956</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. <sup>a</sup> Includes Christmas Island, Cocos (Keeling) Islands and Norfolk Island. n/a Not applicable.

**Table D4 All non-ongoing employees, by location, gender and attendance type, at 30 June 2023**

Location	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
NSW	12	32	44	9	14	23	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	67
Qld	21	29	50	24	30	54	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	104
SA	3	12	15	4	5	9	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	24
Tas.	1	3	4	1	1	2	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	6
Vic.	20	29	49	21	17	38	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	87
WA	4	13	17	9	13	22	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	39
ACT	52	11	63	87	30	117	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	180
NT	2	1	3	3	2	5	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	8
External territories <sup>a</sup>	1	6	7	0	6	6	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	13

Location	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
Overseas	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0
<b>Total</b>	<b>116</b>	<b>136</b>	<b>252</b>	<b>158</b>	<b>118</b>	<b>276</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>528</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. a Includes Christmas Island, Cocos (Keeling) Islands and Norfolk Island. n/a Not applicable.

## Classification and gender

Table D5 APS Act ongoing employees, by classification, gender and attendance type, at 30 June 2024

Classification	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
SES 3	2	0	2	3	0	3	0	0	0	0	0	0	0	0	0	5
SES 2	11	0	11	10	0	10	0	0	0	0	0	0	0	0	0	21
SES 1	29	0	29	33	0	33	0	0	0	0	0	0	0	0	0	62
EL 2 <sup>a</sup>	240	6	246	236	29	265	1	0	1	0	0	0	0	0	0	512
EL 1 <sup>b</sup>	428	23	451	495	145	640	0	1	1	0	0	0	0	0	0	1,092
APS 6 <sup>c</sup>	474	33	507	578	160	738	2	0	2	0	0	0	0	0	0	1,247
APS 5 <sup>d</sup>	288	20	308	391	99	490	1	2	3	0	0	0	0	0	0	801
APS 4 <sup>e</sup>	777	64	841	580	158	738	8	1	9	0	0	0	0	0	0	1,588
APS 3	26	8	34	13	24	37	0	0	0	0	0	0	0	0	0	71
APS 2	3	0	3	3	1	4	0	0	0	0	0	0	0	0	0	7
APS 1	4	2	6	2	0	2	0	0	0	0	0	0	0	0	0	8
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>2,282</b>	<b>156</b>	<b>2,438</b>	<b>2,344</b>	<b>616</b>	<b>2,960</b>	<b>12</b>	<b>4</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,414</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. a EL 2 includes principal legal officer, principal research scientist, senior public affairs officer and veterinary officer level 3T, 4 and 5 classifications. b EL 1 includes public affairs officer level 3, veterinary officer level 3 and senior legal officer level 1 classifications. c APS 6 includes legal officers level 1,

on-plant veterinarians, veterinary officer level 2 and public affairs officer level 2 classifications. **d** APS 5 includes APS meat inspector level 3, legal officer level 1, public affairs officer level 1 and veterinary officer level 1 classifications. **e** APS 4 includes APS meat inspector level 2, graduates and training broadband.

**Table D6 APS Act non-ongoing employees, by classification, gender and attendance type, at 30 June 2024**

Classification	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
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	2	2	4	4	1	5	0	0	0	0	0	0	0	0	0	9
EL 1 <sup>a</sup>	12	4	16	11	9	20	1	0	1	0	0	0	0	0	0	37
APS 6 <sup>b</sup>	24	36	60	45	27	72	0	0	0	0	0	0	0	0	0	132
APS 5 <sup>c</sup>	17	0	17	38	5	43	0	0	0	0	0	0	0	0	0	60
APS 4 <sup>d</sup>	22	80	102	40	62	102	0	0	0	0	0	0	0	0	0	204
APS 3	0	12	12	3	15	18	0	0	0	0	0	0	0	0	0	30
APS 2	1	0	1	0	0	0	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
<b>Total</b>	<b>78</b>	<b>134</b>	<b>212</b>	<b>141</b>	<b>120</b>	<b>261</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>474</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. **a** EL 1 includes veterinary officer level 3 classifications. **b** APS 6 includes on-plant veterinarians, veterinary officer level 2 and public affairs officer level 2 classifications. **c** APS 5 includes APS public affairs officer level 1 classifications. **d** APS 4 includes APS meat inspector level 2 and legal officer level 1 classifications.

**Table D7 APS Act ongoing employees, by classification, gender and attendance type, at 30 June 2023**

Classification	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
SES 3	4	0	4	3	0	3	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	7
SES 2	12	0	12	13	1	14	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	26
SES 1	35	0	35	42	1	43	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	78
EL 2 <sup>a</sup>	263	10	273	261	39	300	n/a	n/a	n/a	n/a	n/a	n/a	1	0	1	574
EL 1 <sup>b</sup>	420	28	448	449	156	605	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	1,053
APS 6 <sup>c</sup>	398	34	432	474	151	625	n/a	n/a	n/a	n/a	n/a	n/a	2	1	3	1,060
APS 5 <sup>d</sup>	260	16	276	297	92	389	n/a	n/a	n/a	n/a	n/a	n/a	1	1	2	667
APS 4 <sup>e</sup>	675	60	735	452	185	637	n/a	n/a	n/a	n/a	n/a	n/a	6	1	7	1,379
APS 3 <sup>f</sup>	36	7	43	31	25	56	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	99
APS 2	3	0	3	2	2	4	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	7
APS 1	2	2	4	2	0	2	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	6
Other	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0
<b>Total</b>	<b>2,108</b>	<b>157</b>	<b>2,265</b>	<b>2,026</b>	<b>652</b>	<b>2,678</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>10</b>	<b>3</b>	<b>13</b>	<b>4,956</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. **a** EL 2 includes veterinary officer level 3T principal legal officer, principal research scientist, senior public affairs officer and veterinary officer level 3T, 4 and 5 classifications. **b** EL 1 includes public affairs officer level 3, veterinary officer level 3 and senior legal officer level 1 classifications. **c** APS 6 includes APS meat inspector level 4, legal officers level 1, on-plant veterinarians, veterinary officer level 2 and public affairs officer level 2 classifications. **d** APS 5 includes APS meat inspector level 3, legal officer level 1, public affairs officer level 1 and veterinary officer level 1 classifications. **e** APS 4 includes APS meat inspector level 2 and legal officer level 1 classifications. **f** APS 3 includes graduates and training broadbands. **n/a** Not applicable.

**Table D8 APS Act non-ongoing employees, by classification, gender and attendance type, at 30 June 2023**

Classification	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
SES 3	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0

Classification	Man/Male			Woman/Female			Non-binary			Prefers not to answer			Uses a different term			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
SES 2	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0
SES 1	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0
EL 2 <sup>a</sup>	6	0	6	3	0	3	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	9
EL 1 <sup>b</sup>	15	0	15	16	6	22	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	37
APS 6 <sup>c</sup>	32	33	65	36	27	63	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	128
APS 5 <sup>d</sup>	27	7	34	50	8	58	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	92
APS 4 <sup>e</sup>	33	81	114	52	61	113	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	227
APS 3	3	15	18	1	15	16	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	34
APS 2	0	0	0	0	1	1	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	1
APS 1	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0
Other	0	0	0	0	0	0	n/a	n/a	n/a	n/a	n/a	n/a	0	0	0	0
<b>Total</b>	<b>116</b>	<b>136</b>	<b>252</b>	<b>158</b>	<b>118</b>	<b>276</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>528</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. **a** EL 2 includes veterinary officer level 4 classifications. **b** EL 1 includes public affairs officer level 3 classifications. **c** APS 6 includes on-plant veterinarians, veterinary officer level 2 and public affairs officer level 2 classifications. **d** APS 5 includes APS meat inspector level 3 and public affairs officer level 1 classifications. **e** APS 4 includes APS meat inspector level 2 classifications. **n/a** Not applicable.

## Employment type

**Table D9 APS Act employees, by classification, employment and attendance type, at 30 June 2024**

Classification	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
SES 3	5	0	5	0	0	0	5
SES 2	26	0	26	0	0	0	26
SES 1	91	1	92	1	0	1	93
EL 2 <sup>a</sup>	536	47	583	5	3	8	591
EL 1 <sup>b</sup>	1,030	188	1,218	25	13	38	1,256
APS 6 <sup>c</sup>	999	182	1,181	70	63	133	1,314
APS 5 <sup>d</sup>	678	113	791	59	5	64	855
APS 4 <sup>e</sup>	1,230	211	1,441	57	142	199	1,640
APS 3	34	30	64	2	27	29	93
APS 2	4	1	5	1	0	1	6
APS 1	6	2	8	0	1	1	9
Other	0	0	0	0	0	0	0
<b>Total</b>	<b>4,639</b>	<b>775</b>	<b>5,414</b>	<b>220</b>	<b>254</b>	<b>474</b>	<b>5888</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. **a** EL 2 includes principal legal officer, principal research scientist, senior public affairs officer and veterinary officer level 3T, 4 and 5 classifications. **b** EL 1 includes public affairs officer level 3, veterinary officer level 3 and senior legal officer level 1 classifications. **c** APS 6 includes legal officer level 1, on-plant veterinarians, veterinary officer level 2 and public affairs officer level 2 classifications. **d** APS 5 includes APS meat inspector level 3, legal officer level 1, public affairs officer level 1 and veterinary officer level 1 classifications. **e** APS 4 includes APS meat inspector level 2, graduates, training broadbands and legal officer level 1 classifications.

**Table D10 APS Act employees, by classification, employment and attendance type, at 30 June 2023**

Classification	Ongoing			Non-ongoing			Total
	Full-time	Part-time	Subtotal	Full-time	Part-time	Subtotal	
SES 3	7	0	7	0	0	0	7
SES 2	25	1	26	0	0	0	26
SES 1	77	1	78	0	0	0	78
EL 2 <sup>a</sup>	525	49	574	9	0	9	583
EL 1 <sup>b</sup>	869	184	1,053	31	6	37	1,090
APS 6 <sup>c</sup>	874	186	1,060	68	60	128	1,188
APS 5 <sup>d</sup>	558	109	667	77	15	92	759
APS 4 <sup>e</sup>	1,133	246	1,379	85	142	227	1,606
APS 3 <sup>f</sup>	67	32	99	4	30	34	133
APS 2	5	2	7	0	1	1	8
APS 1	4	2	6	0	0	0	6
Other	0	0	0	0	0	0	0
<b>Total</b>	<b>4,144</b>	<b>812</b>	<b>4,956</b>	<b>274</b>	<b>254</b>	<b>528</b>	<b>5,484</b>



Note: Includes staff on leave without pay. Excludes statutory appointed positions. **a** EL 2 includes veterinary officer level 3T principal legal officer, principal research scientist and senior public affairs officer and veterinary officer level 3T, 4 and 5 classifications. **b** EL 1 includes public affairs officer level 3, veterinary officer level 3 and senior legal officer level 1 classifications. **c** APS 6 includes APS meat inspector level 4, legal officer level 1, on-plant veterinarians, veterinary officer level 2 and public affairs officer level 2 classifications. **d** APS 5 includes APS meat inspector level 3, legal officer level 1, public affairs officer level 1 and veterinary officer level 1 classifications. **e** APS 4 includes APS meat inspector level 2 and legal officer level 1 classifications. **f** APS 3 includes graduates and training broadbands.

## Employment type by location

**Table D11 APS Act employees, by location and employment type, at 30 June 2024**

Location	Ongoing	Non-ongoing	Total
NSW	715	60	775
Qld	711	77	788
SA	206	28	234
Tas.	7	8	15
Vic.	759	82	841
WA	310	38	348
ACT	2,628	167	2,795
NT	53	6	59
External territories <sup>a</sup>	6	8	14
Overseas	19		19
<b>Total</b>	<b>5,414</b>	<b>474</b>	<b>5,888</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. **a** Includes Christmas Island, Cocos (Keeling) Islands and Norfolk Island.

**Table D12 APS Act employees, by location and employment type, at 30 June 2023**

Location	Ongoing	Non-ongoing	Total
NSW	677	67	744
Qld	634	104	738
SA	176	24	200
Tas.	8	6	14
Vic.	689	87	776
WA	290	39	329
ACT	2,415	180	2,595
NT	40	8	48
External territories <sup>a</sup>	5	13	18
Overseas	22	0	22
<b>Total</b>	<b>4,956</b>	<b>528</b>	<b>5,484</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions. **a** Includes Christmas Island, Cocos (Keeling) Islands and Norfolk Island.

## Indigenous employment

**Table D13 APS Act Indigenous employees, by employment type, at 30 June 2024**

Type	Total
Ongoing	131
Non-ongoing	13
<b>Total</b>	<b>144</b>

**Table D14 APS Act Indigenous employees, by employment type, at 30 June 2023**

Type	Total
Ongoing	119
Non-ongoing	12
<b>Total</b>	<b>131</b>

## Employment arrangements of SES and non-SES employees

**Table D15 APS Act employees, by employment arrangement and category, at 30 June 2024**

Arrangement	SES	Non-SES	Total
Department of Agriculture, Fisheries and Forestry Enterprise Agreement 2024–2027	0	5,800	5,800
Section 24(1) determinations	88	0	88
<b>Total</b>	<b>88</b>	<b>5,800</b>	<b>5,888</b>

Note: Includes staff on leave without pay. Excludes statutory appointed positions.

**Table D16 APS Act employees, by employment arrangement and category, at 30 June 2023**

Arrangement	SES	Non-SES	Total
Department of the Environment and Energy Enterprise Agreement 2016–2019	0	5,216	5,216
Public Service (Terms and Conditions of Employment) (Meat Inspectors) Determination 2020	0	178	178
Section 24(1) determinations	90	0	90
<b>Total</b>	<b>90</b>	<b>5,394</b>	<b>5,484</b>

Note: Employees are recorded against their primary instrument if covered by more than one instrument. Includes staff on leave without pay and excludes statutory appointed positions.

## Salary ranges

**Table D17 APS Act employment salary ranges, by classification, at 30 June 2024**

Classification	Minimum salary (\$)	Maximum salary (\$)
SES 3	372,648	438,575
SES 2	286,197	315,873
SES 1	213,637	269,813
EL 2 <sup>a</sup>	141,563	203,742
EL 1 <sup>b</sup>	120,290	151,690
APS 6 <sup>c</sup>	91,944	129,593
APS 5 <sup>d</sup>	81,690	98,681

Classification	Minimum salary (\$)	Maximum salary (\$)
APS 4 <sup>e</sup>	74,882	104,517
APS 3	66,422	74,302
APS 2	61,889	65,954
APS 1	52,000	58,456
Other	0	0
Minimum–maximum range	52,000	438,575

**a** Only positions meeting the requirements of a strategic policy advice and development officer receive actual salary up to \$203,742. Positions meeting the requirements of a principal research scientist receive actual salary of up to \$190,967. Positions meeting the requirements of a principal legal officer receive actual salary from \$170,165 to \$188,292. **b** Only positions meeting the requirements of a public affairs officer receive actual salary of \$151,690. Positions meeting the requirements of a senior legal officer receive actual salary of up to \$147,317. Positions meeting the requirements of an EL 1 equivalent veterinary officer receive actual salary of up to \$143,888. **c** Only positions meeting the requirements of an APS 6 equivalent veterinary officer receive actual salary from \$104,441 to \$129,593. **d** Only positions meeting the requirements of an APS 5 equivalent meat inspector receive actual salary of up to \$98,681. **e** Only positions meeting the requirements of a Meat Inspector receive actual salary from \$92,135 to \$104,517.

**Table D18 APS Act employment salary ranges, by classification, at 30 June 2023**

Classification	Minimum salary (\$)	Maximum salary (\$)
SES 3	404,803	404,845
SES 2	286,197	299,392
SES 1	205,420	259,436
EL 2 <sup>a</sup>	129,257	212,017
EL 1 <sup>b</sup>	115,663	145,856
APS 6 <sup>c</sup>	85,832	124,609
APS 5 <sup>d</sup>	78,548	94,886
APS 4 <sup>e</sup>	72,002	88,591
APS 3 <sup>f</sup>	63,867	82,681
APS 2	56,208	63,417
APS 1	48,952	56,208
Other	n/a	n/a
Minimum–maximum range	48,952	404,845

**a** Only positions meeting the requirements of a research scientist can access pay points between \$132,155 and \$212,017. Only positions requiring mandatory legal qualifications can access pay points between \$150,189 and \$163,620. **b** Only positions requiring mandatory veterinary qualifications can access pay point \$138,354. Only positions requiring mandatory legal qualifications can access pay point \$141,651. Only positions meeting the requirements of a public affairs officer can access pay point \$145,856. **c** Only positions requiring mandatory veterinary qualifications can access pay point \$124,609. Only positions with an APS meat inspector 4 classification can access pay point \$100,497. Only positions requiring mandatory legal qualifications can access pay point \$103,145. Only positions meeting the requirements of a public affairs officer can access pay point \$103,642. **d** Only positions with an APS meat inspector 3 classification can access pay point \$94,886. **e** Only positions with an APS meat inspector 2 classification can access pay point \$88,591. **f** Only positions with an APS meat inspector 1 classification can access pay points between \$67,918 and \$82,681

## Performance pay

We did not provide performance pay to any employees in 2022–23 or 2023–24.

## **Non-salary benefits**

SES employees received superannuation as the only non-salary benefit.

Non-salary benefits for non-SES officers as part of their remuneration package was generally limited to superannuation. In exceptional cases, employees may have had private use of a Commonwealth vehicle where it was deemed necessary for the performance of their duties.

## Appendix E: Executive remuneration

Table E1 Remuneration for key management personnel, at 30 June 2024

Name	Position title	Base salary (\$)	Bonuses (\$)	Other benefits and allowances (\$)	Superannuation contributions (\$)	Long service leave (\$)	Other long service benefits (\$)	Termination benefits (\$)	Total remuneration (\$)
Adam Fennessy <sup>a</sup>	Secretary	718,988	0	99,549	23,632	9,875	0	0	852,044
Andrew Metcalfe <sup>b</sup>	Secretary	95,699	0	0	3,767	1,501	0	0	100,967
Tess Bishop <sup>c</sup>	Deputy Secretary	338,444	0	0	50,163	8,544	0	0	397,151
Justine Saunders <sup>d</sup>	Deputy Secretary	157,807	0	1,082	24,453	4,022	0	0	187,357
Matt Lowe <sup>e</sup>	Deputy Secretary	165,569	0	0	23,919	3,088	0	0	192,577
Tina Hutchison <sup>f</sup>	Deputy Secretary	79,899	0	0	10,627	1,821	0	0	89,347
Chris Locke	Deputy Secretary	272,532	0	0	76,579	10,758	0	0	359,869
Jared Greenville <sup>g</sup>	Deputy Secretary	91,816	0	0	12,738	2,330	0	0	106,884
Matt Koval <sup>h</sup>	Deputy Secretary	143,038	0	0	18,941	3,556	0	0	165,536
Nicola Hinder <sup>i</sup>	Deputy Secretary	234,844	0	0	39,256	6,261	0	0	280,360
Cindy Briscoe <sup>j</sup>	Deputy Secretary	178,005	0	0	36,841	5,257	0	476,501	696,604
Rosemary Deininger <sup>k</sup>	Deputy Secretary	143,050	0	0	37,629	5,257	0	476,501	662,437

Note: Footnotes are for key management personnel who did not work a full calendar year. **a** Adam Fennessy worked 287 calendar days. **b** Andrew Metcalfe worked 35 calendar days. **c** Tess Bishop worked 287 calendar days. **d** Justine Saunders worked 126 calendar days. **e** Matt Lowe worked 133 calendar days. **f** Tina Hutchison worked 70 calendar days. **g** Jared Greenville worked 103 calendar days. **h** Matt Koval worked 121 calendar days. **i** Nicola Hinder worked 213 calendar days. **j** Cindy Briscoe worked 186 calendar days. **k** Rosemary Deininger worked 186 calendar days.

Table E2 Remuneration for senior executives, at 30 June 2024

Remuneration band (\$)	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	27	91,395	0	0	18,256	6,267	0	0	115,919

Remuneration band (\$)	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 (\$)
220,001 – 245,000	1	204,438	0	0	32,259	5,458	0	0	242,155
245,001 – 270,000	22	215,474	0	3,529	38,565	5,950	0	0	260,119
270,001 – 295,000	31	234,461	0	1,7426	41,834	6,257	0	0	283,418
295,001 – 320,000	3	255,980	0	0	44,755	6,731	0	0	307,455
320,001 – 345,000	8	293,058	0	0	51,749	7,657	0	0	334,316
345,001 – 370,000	5	293,058	0	0	53,454	7,734	0	0	354,246
370,001 – 395,000	0	0	0	0	0	0	0	0	0
395,001 – 420,000	0	0	0	0	0	0	0	0	0
420,001 – 445,000	0	0	0	0	0	0	0	0	0
445,001 – 470,000	0	0	0	0	0	0	0	0	0
470,001 – 495,000	0	0	0	0	0	0	0	0	0
495,001 and over	0	0	0	0	0	0	0	0	0

Table E3 Remuneration for other highly paid staff, at 30 June 2024

Remuneration band (\$)	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 (\$)
250,000 – 270,000	1	219,135	0	0	38,564	3,984	0	0	261,683
270,001 – 295,000	4	173,828	0	75,288	30,282	4,577	0	0	283,974
295,001 – 320,000	4	174,781	0	104,804	27,860	4,435	0	0	311,880
320,001 – 345,000	3	157,573	0	154,340	24,035	3,774	0	0	339,722
345,001 – 370,000	2	174,644	0	156,632	26,615	3,746	0	0	361,637
370,001 – 395,000	5	177,496	0	166,075	30,825	4,121	0	0	378,517

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Remuneration band (\$)	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 (\$)
395,001 – 420,000	0	0	0	0	0	0	0	0	0
420,001 – 445,000	0	0	0	0	0	0	0	0	0
445,001 – 470,000	0	0	0	0	0	0	0	0	0
470,001 – 495,000	1	287,888	0	277,837	44,191	4,194	0	0	491,577
495,001 and over	0	0	0	0	0	0	0	0	0

## Appendix F: Correction of material errors in the previous annual report

The Department of Agriculture, Fisheries and Forestry *Annual report 2022–23* contained 2 errors:

- 1) **Performance measure IG-05** – We incorrectly reported that departmental data sources included the ‘New Export Document System (NEXDOC)’ on page 24. The correct departmental data source name was ‘Next Export Document System (NEXDOC)’.
- 2) **Table D15 APS Act employees, by employment arrangement and category, at 30 June 2023** – We incorrectly reported figures in rows 2 and 3. There were 178 non-SES employees under the Public Service (Terms and Conditions of Employment) (Meat Inspectors) Determination 2020 arrangement. There were 5,216 non-SES employees under the *Department of the Environment and Energy Enterprise Agreement 2016–2019* arrangement.



## **Appendix G: Biosecurity funding and expenditure report 2023–24 – Sustainably funding a strong biosecurity system**

### **Introduction**

#### **Purpose**

The Australian Government's [sustainable biosecurity funding package](#) in Budget 2023–24 committed to annual publication of biosecurity funding and expenditure to provide transparency and accountability. This report delivers on that promise.

This inaugural version has been prepared based on the information available in the Department of Agriculture, Fisheries and Forestry's reporting systems, and future versions may evolve as this new reporting activity matures.

We will publish the report following the end of each financial year. This will complement existing public reporting, including portfolio budget statements, annual reports and corporate plans. While budget statements and annual reports show aggregated financial information at an outcome (biosecurity and export services) and departmental level, this report shows biosecurity-specific financial information. Biosecurity funding figures provided in this report are represented as budgeted figures up to and including Budget 2024–25. Expenditure figures are actuals for the 2023–24 financial year.

#### **Biosecurity in action**

Australia's biosecurity system is critical to protect our economy, environment and way of life. By reducing the risk of pests and diseases entering Australia and investing in a stronger biosecurity system, we support the sustainability, profitability and competitiveness of Australia's agriculture, fisheries and forestry industries. This helps drive a stronger Australian economy and preserve our unique natural environment.

The volume of incoming cargo, people, mail and vessels is significant and predicted to continue to grow. In 2023–24 biosecurity officers supported the biosecurity clearance of more than:

- 113 million imported cargo consignments
- 138,000 containers
- 119 million international travellers
- 19,800 vessels arriving in Australia
- 104,000 international aircraft.

This section showcases examples of the current and future benefits of 2023–24 biosecurity funding use. For analysis and performance results for biosecurity activities, measured against goals and objectives set for 2023–24 in the portfolio budget statements and corporate plan, see [Part 1: Annual performance statements](#).

#### **Trade and market access**

A strong biosecurity status plays a significant role in shaping Australia's export landscape by ensuring product quality, facilitating market access, protecting domestic agriculture, influencing trade negotiations and driving ongoing innovations in biosecurity practice.

Continued and sustained investment in activities that directly or indirectly strengthen the biosecurity system supports export of around two-thirds of Australia’s agricultural, fisheries and forestry products.

In 2023–24 Australia’s biosecurity status directly helped the department improve, maintain and restore access to international export markets:

- We maintained access for meat and meat products to Taiwan through assurance of Australia’s low-risk freedom status for 3 animal diseases – classical swine fever (CSF), peste des petit ruminants (PPR) and bovine spongiform encephalopathy (BSE). This ensured Australian meat exporters can continue to access a market worth \$419 million in 2023.
- We provided revised veterinary health certificates to maintain access for queen bees exported to Canada – Australia exported \$2.9 million of live bees to Canada in 2023. This ensured ongoing trade following the changed *Varroa destructor* status in Australia. Conditions for package bees were also updated to recognise resumption of state freedom from small hive beetle (*Aethina tumida*) in Tasmania.
- We successfully negotiated reinstatement of market access for sheep meat to be exported to Brazil. Brazil changed certification requirements in 2020. We negotiated new certificate requirements, including a shorter attestation list based on Australia’s disease status.
- We improved access for horticulture to China through reinstatement of the northern Tasmania Pest Free Area (PFA) after 5 years. Reinstatement of the PFA has been of high interest to Tasmanian horticultural industries because it will help reduce the cost of export to the Chinese market.

### **Simplified Targeting and Enhanced Processing System program**

In Budget 2023–24 the government committed \$145.2 million over 3 years to the [Simplified Targeting and Enhanced Processing System \(STEPS\) program](#) – a modern digital initiative to create a faster, simpler and more integrated system that will enhance efficiency of biosecurity clearance in the cargo pathway and strengthen biosecurity risk management. STEPS is a multi-year investment that is projected to deliver over \$600 million in savings over 10 years. To date, the program has delivered 3 products:

- 1) External verification for eCertificates – allows accredited brokers to view secure digital sanitary and phytosanitary certificates as they assess commodities under an approved arrangement.
- 2) Approved Arrangement Management Product – allows industry participants to update and view their approved arrangements details online, including contact information, notices and classes.
- 3) Biosecurity Cargo Status Tracker – an interactive, real-time reporting tool that provides reliable visibility to industry of the cargo being managed by the department.

### **Indigenous Ranger Biosecurity Program**

The essential partnership with First Nations people through the [Indigenous Ranger Biosecurity Program](#) provides vital surveillance for the early detection of biosecurity threats along the sparsely populated northern Australian coastline. Indigenous ranger groups are engaged on a fee-for-service basis to undertake biosecurity activities.

In addition to protecting us at the biosecurity frontline, the Indigenous Ranger Biosecurity Program provides skills, employment and economic opportunities on Country for First Nations people in remote and regional communities. In May 2023 the government announced funding of \$40.6 million over 4 years from 2023–24 and ongoing funding of \$12 million per year from 2027–28 to sustainably fund the program.

Key achievements for 2023–24 were:

- delivery of 1,271 biosecurity surveillance activities by rangers resulting in 4,115 observations across northern Australia
- establishment of 3-year contracts with ranger organisations, including expansion of the network to 67 ranger groups
- continuation of 8 departmental biosecurity engagement officers in Cairns, Darwin and Broome to support ranger groups, and increased visits to ranger groups in the field
- provision of grants to 17 ranger groups to support capability-building activities such as training, purchase of equipment and ranger exchanges
- delivery of hands-on biosecurity fundamentals training to 103 rangers in Cairns, Darwin and Kununurra covering the latest biosecurity threats and surveillance activities
- procurement of essential equipment valued at over \$1.2 million (field and IT equipment) for gifting to 63 ranger groups undertaking biosecurity activities, and training valued at over \$120,000
- convening of a roundtable with 46 ranger coordinators and managers to gain their input into how the Indigenous Ranger Biosecurity Program can be strengthened and improved.

### **Hitchhiker Pest Program**

The [Hitchhiker Pest Program](#) aims to address the risk of hitchhiker pests that can be carried via sea containers, their cargoes and associated packaging. The program is focused on plant arthropod hitchhiker pests that can arrive via sea containers and the cargo they contain. The program includes the Sea Container Design Improvement Project and the honey bee molecular test.

#### **Sea Container Design Improvement Project**

Shipping containers have been identified as the source of incursions and invasions of key pest species, including khapra beetle, giant African snail, yellow crazy ant, tropical fire ant and spongy moth. This project aims to improve the design and structure of sea containers, making them less attractive to hitchhiker pests and to reduce soil and plant contamination.

#### **Honey bee molecular test**

The honey bee is critical to Australia's agriculture. The industry is worth more than \$14 billion annually in the form of honey, honey products and through pollination services. Protecting the industry against pests and pathogens through strict biosecurity policies for honey products and bee genetics is crucial across agricultural industries. This project aims to develop, optimise and validate a single method that can detect 3 key honey bee mite pests in bee swarms at border locations.

Our key achievements and outcomes in 2023–24 include:

- accelerated ability to identify exotic bee mites and conduct appropriate surveillance activities, potentially increasing the chance of eradication if an incursion occurs
- development of a draft national diagnostic protocol
- development of an additional tool for surveillance and monitoring.

The CSIRO also delivered training on novel honey bee tests at the Annual Diagnostics Workshop.

## Funding the biosecurity system

### Overview of funding

Funding for the Commonwealth biosecurity system is allocated to meet the department's statutory responsibilities for managing biosecurity risks. The secretary of the department is the Director of Biosecurity and is responsible for the general administration of the *Biosecurity Act 2015* (the Biosecurity Act). The Commonwealth biosecurity system is funded through appropriations from government, cost recovery revenue and [section 74 revenue](#).

### Appropriations from government

The department receives departmental and administered appropriations from government. Departmental appropriations are funds associated with the day-to-day operations and program-support activities of the department, and over which the secretary usually has control. They typically include salaries, purchase of general goods and services, property costs and other operational expenditure. Administered appropriations are funds administered by the department on behalf of the government. This can include payments to states and territories, grant programs and other expenditure for specific government or public purposes.

### Cost recovery revenue

The department also receives revenue through fees and charges for the provision of biosecurity regulatory activities under the biosecurity cost recovery arrangement. The department has authority to recover costs from industry for a range of regulatory activities. The use of cost recovered revenue must align with the rules set under the [Australian Government Charging Framework](#).

The department also receives cost recovered revenue from Australia Post for biosecurity clearance activities undertaken in international mail gateway facilities. This is a statutory fee set in legislation.

### Section 74 revenue

Section 74 of the [Public Governance, Performance and Accountability Act 2013](#) provides a mechanism where funds (revenue) received by the department may be retained to cover the costs of specified activities. This type of revenue mostly relates to amounts likely to be received by the department to meet the cost of providing a good or service. Examples may include application or processing fees or the provision of services to another government entity.

### Emergency biosecurity response funding

The department leads the Australian Government's effort in minimising the impact of pests and diseases on Australian agriculture and our environment. This includes contributing to funding for

nationally cost-shared emergency biosecurity responses under the emergency response deeds (plant, animal and environment).

Emergency biosecurity response funding is separate to biosecurity operational funding and is outside the scope of this report (see [Emergency biosecurity response budget](#)).

## **Cost recovery**

The [2023–24 Biosecurity Cost Recovery Implementation Statement](#) sets out the fees and charges that applied in 2023–24 under the biosecurity cost recovery arrangement. In the 2023–24 financial year, cost recovery revenue from importers was \$365.0 million (excluding Australia Post). This was \$65.3 million or 21.8% higher than the previous financial year. This is due to a number of factors, including the increased fees and charges applied from 1 July 2023.

The revenue figure of \$365.0 million varies slightly from the amount published on 16 July 2024 of \$360.1 million, due to the timing of biosecurity-specific accrued revenue (seaports) and appropriation (anti-smuggling) processed after 1 July 2024.

On 1 July 2024, fees and charges were again increased in line with indexation, consistent with the government’s commitment to review biosecurity fees and charges annually. The 4.1% increase ensures the department will continue to recover the cost of providing regulatory activities without drawing on funds allocated for other critical biosecurity functions.

Learn more about the [biosecurity cost recovery arrangement](#).

## **Self-assessed clearances (SAC)**

As part of the sustainable biosecurity funding package in Budget 2023–24, the government announced that the industry biosecurity cost recovery arrangement would be extended to low-value (\$1,000 or less) goods imported into Australia by sea or air cargo.

In 2023–24, 119 million self-assessed clearance (SAC) goods valued at \$1,000 or less were imported by sea or air cargo into Australia. SAC cargo volumes have steadily increased over the past 5 years by an average of 15% annually (Figure G1).

**Figure G1 Cargo volumes, 2019–20 to 2023–24**

**FID** Full import declaration. **SCL** Cargo reported self-assessed clearance. **SAC** Self-assessed clearance.

The cost of biosecurity clearance in relation to these goods was previously met by taxpayers. The new charge, which will raise approximately \$27 million per year, will ensure that risk creators (importers) are meeting this cost. The new charge will commence from 1 October 2024. It will cover the direct and indirect costs incurred by the department in managing the growing volume of low-value items brought into Australia and the biosecurity risks associated with these goods. A SAC-specific cost recovery implementation statement (CRIS) will be published on commencement of the charge for the 2024–25 financial year. The SAC CRIS will be amalgamated into the Biosecurity CRIS from 2025–26.

### International mail

Australia Post pays the department a legislated annual fee of around \$15.3 million for biosecurity clearance activities at international mail gateway facilities.

Due to the increased risks of this pathway, the cost of assessing and managing biosecurity risks at international mail gateway facilities has grown. This has created an annual shortfall in funding. Through the 2023–24 Mid-Year Economic and Fiscal Outlook (MYEFO), the government provided additional ongoing appropriation funding to the department of approximately \$7 million per year from 2024–25 to address the shortfall.

### Biosecurity budget

The department has a biosecurity budget of approximately \$800 million per year, which is split relatively evenly between appropriation funding and cost recovered revenue.

Table G1 shows the biosecurity budget by funding source for 2023–24 and over the forward estimates. Budget numbers include all government decisions made up to and including Budget 2024–25.

**Table G1 Biosecurity budget**

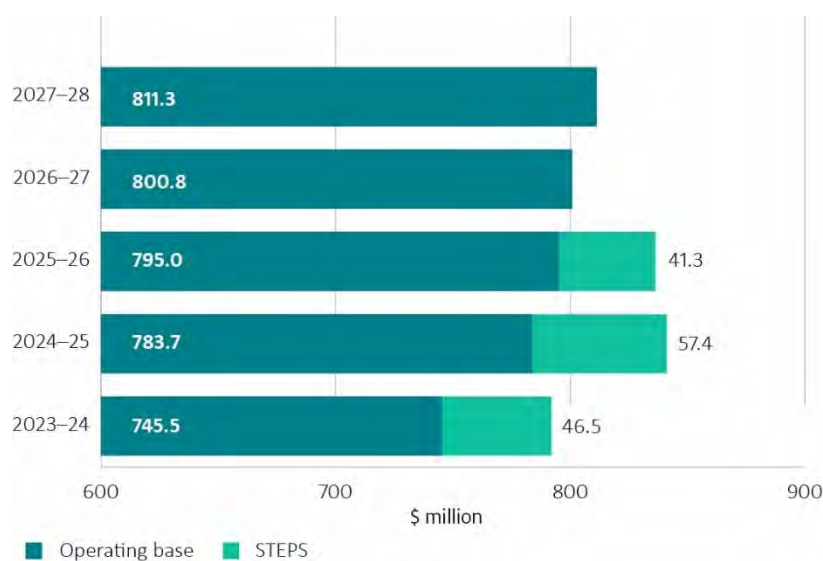
Funding source	2023–24 (\$m)	2024–25 (\$m)	2025–26 (\$m)	2026–27 (\$m)	2027–28 (\$m)
Cost recovery <sup>a</sup>	379.1	417.1	420.0	435.6	443.0
Base appropriations	366.4	366.6	375	365.2	368.3
STEPS program appropriations	46.5	57.4	41.3	n/a	n/a
<b>Total biosecurity funding</b>	<b>792.0</b>	<b>841.1 <sup>b</sup></b>	<b>836.3</b>	<b>800.8</b>	<b>811.3</b>

**a** Includes the cost recovery arrangement, Australia Post, Defence and other s74 contract revenue. **b** Includes the self-assessed clearance charge. The delayed commencement date of 1 October 2024 may vary the amount of revenue collected. **n/a** Not applicable. **STEPS** Simplified Targeting and Enhanced Processing System.

## Stable base operating funding

The sustainable biosecurity funding package delivered long-term certain and stable base operating funding for biosecurity, enabling better planning and resource management.

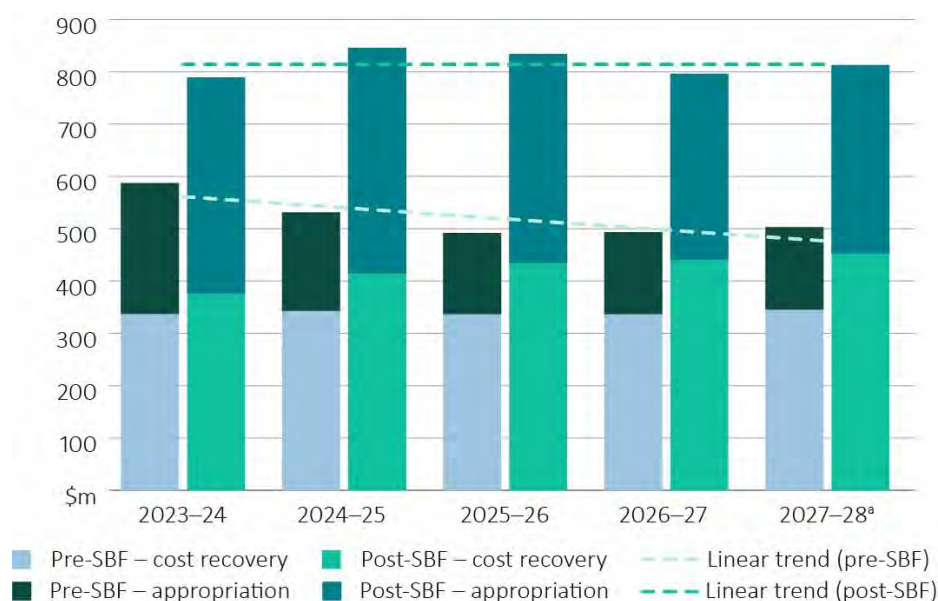
Figure G2 shows the significant increase in base operating funding and its continuation into the future. Higher levels of total biosecurity funding in 2023–24 to 2025–26 reflect the inclusion of the STEPS terminating measure and do not represent a decline in base operating funding in future years.

**Figure G2 Operating base funding, 2023–24 to 2027–28**

**STEPS** Simplified Targeting and Enhanced Processing System.

Budget 2023–24 provided significant and permanent increases to funding for biosecurity. Through MYEFO 2023–24 and Budget 2024–25, the Australian Government has further increased funding for biosecurity. This increased funding can be seen in comparison to the funding that would have been available for biosecurity prior to these decisions of government, and assuming no further decisions that impact funding (Figure G3).



**Figure G3 Biosecurity funding, pre- and post-sustainable biosecurity funding**

<sup>a</sup> 2027–28 pre-SBF appropriation and cost recovery amounts are estimates. **SBF** sustainable biosecurity funding.

Table G2 outlines biosecurity funding for 2023–24 and over the forward estimates, current at Budget 2024–25. The table incorporates additional funding for biosecurity provided through MYEFO 2023–24 and Budget 2024–25. Table G3 shows the biosecurity budget following the announcement of the sustainable biosecurity funding package in Budget 2023–24.

**Table G2 Biosecurity funding, 2023–24 to 2027–28, at Budget 2024–25**

Funding source	Subcategory	2023–24 (\$m)	2024–25 (\$m)	2025–26 (\$m)	2026–27 (\$m)	2027–28 (\$m)
<b>Cost recovery</b>	Existing cost recovery arrangement	350.7	365.7	373.0	388.0	395.7
	Cost recovery – SACs	0.0	27.1	27.1	27.1	27.1
	Australia Post	15.3	15.3	15.6	15.8	16.0
	Defence	0.3	1.1	0.4	1.5	1.5
	Other s74 revenue	12.8	7.9	3.9	3.2	2.7
	<b>Total cost recovery</b>		<b>379.1</b>	<b>417.1</b>	<b>420.0</b>	<b>435.6</b>
<b>Appropriation</b>	Departmental appropriation	373.4	377.1	377.8	337.9	341.9
	Departmental equity injection	13.2	19.8	15.0	2.2	0.3
	Department of Finance gateway review departmental appropriation	0.1	0.1	0.1	0.0	0.0
	Administered	26.2	26.9	23.4	25.1	26.1
	<b>Total appropriation</b>	<b>412.9</b>	<b>424.0</b>	<b>416.3</b>	<b>365.2</b>	<b>368.3</b>
<b>Total biosecurity funding</b>	–	<b>792.0</b>	<b>841.1<sup>a</sup></b>	<b>836.3</b>	<b>800.8</b>	<b>811.3</b>

Note: Total values are rounded. Budget numbers include government decisions made up to and including Budget 2024–25. <sup>a</sup> Includes the self-assessed clearance charge. The delayed commencement date of 1 October 2024 may vary the amount of revenue collected. **SACs** Self-assessed clearances.



**Table G3 Biosecurity funding, 2023–24 to 2026–27, at Budget 2023–24**

Funding source	Subcategory	2023–24 (\$m)	2024–25 (\$m)	2025–26 (\$m)	2026–27 (\$m)
<b>Cost recovery</b>	Existing cost recovery arrangement	312.4	314.1	315.7	317.3
	Cost recovery – SACs	0.0	27.1	27.1	27.1
	Australia Post	15.4	15.4	15.4	15.4
	Defence	1.5	1.5	1.5	1.5
	Other s74 revenue	4.0	2.6	2.2	2.2
	<b>Total cost recovery</b>		<b>333.3</b>	<b>360.7</b>	<b>361.9</b>
<b>Appropriation</b>	Departmental appropriation	410.0	400.5	393.9	370.1
	Departmental equity injection	13.2	17.5	12.6	0.0
	Department of Finance gateway review departmental appropriation	0.1	0.1	0.1	0.0
	Administered	27.5	25.7	22.7	24.9
	<b>Total appropriation</b>		<b>450.9</b>	<b>443.9</b>	<b>429.3</b>
<b>Total biosecurity funding – sustainable biosecurity funding package</b>	<b>–</b>	<b>784.2</b>	<b>804.6</b>	<b>791.2</b>	<b>758.5</b>

SACs Self-assessed clearances.

## Emergency biosecurity response budget

The scope of this report is limited to funding to meet the department’s operational responsibilities for managing biosecurity risks (see [Overview of funding](#)). The Australian Government contributes separately to nationally cost-shared emergency biosecurity responses under the:

- Emergency Animal Disease Response Agreement (EADRA)
- Emergency Plant Pest Response Deed (EPPRD)
- National Environmental Biosecurity Response Agreement (NEBRA)
- National Fire Ant Eradication Program (NFAEP)
- other responses established outside of EADRA, EPPRD, NEBRA and NFAEP.

Responses are cost shared between the Commonwealth, states and territories and, where appropriate, industry parties to EADRA and EPPRD. The Project Agreement for Pest and Disease Preparedness and Response Programs provides the mechanism for the Commonwealth to pay its cost-sharing contribution to the responsible jurisdiction on an individual response basis. The impacted state or territory delivers the response activities.

Funding contributions by parties, including industry, are approved by the National Management Group (NMG) as set out in the relevant deed or agreement in response to biosecurity incidents. The NMG is made up of a representative of each cost-sharing party to the individual response.

At Budget 2024–25, the Commonwealth had committed \$471.1 million in funding from 2023–24 to 2027–28 under the project agreement ([Budget Paper No. 3](#), page 98). This includes provision for underwriting industry contributions, which are repaid through levy arrangements prescribed in each

deed or agreement, or voluntary means. Because these payments are made to states and territories for specific purposes, the Treasury facilitates the payments in consultation with our department.

## Biosecurity expenditure

In 2023–24 the department's biosecurity expenses totalled \$739.7 million. Our activities are largely focused on direct border protection activities, including import clearance, post-entry quarantine (PEQ), seaports program, and biosecurity clearance of international mail and international passengers. Direct border regulatory activities, with the exception of biosecurity clearance of passengers, are typically cost-recovered.

Appropriation funding supports biosecurity activities that may not be recoverable, including statutory functions, and functions that contribute to enduring planning and effort to prepare and respond to the threat of pests and diseases. These activities include:

- providing scientific and policy analysis and advice – including analysis undertaken to support our biosecurity import conditions and other regulatory controls, forecasting and ongoing reform to the national biosecurity system
- undertaking preparedness and surveillance activities, including the Northern Australia Quarantine Strategy and the Indigenous Ranger Biosecurity Program
- supporting ongoing biosecurity work of the Australian Chief Veterinary Officer, Australian Chief Plant Protection Officer and Chief Environmental Biosecurity Officer, and their offices, to provide technical expertise and advice to government on Australia's animal and plant health status, and assist continued and expanded overseas market access
- supporting the Commonwealth's effort towards emergency response functions separate to established cost-sharing and funding arrangements for responses (see [Emergency biosecurity response funding](#))
- meeting international obligations and building the capability of other nations (particularly in the Pacific) to reduce biosecurity risk, including providing vaccines, training and development
- delivering communication and engagement activities to build biosecurity awareness in the community, industry and international audiences
- supporting national coordination and engagement mechanisms
- funding the Australian Bureau of Agricultural and Resource Economics and Sciences to support research and analysis of biosecurity science and economics to assist the department and external organisations
- delivering innovation and new technologies to improve biosecurity outcomes, including through the Biosecurity Innovation Program
- continuing investment in system improvements to better manage risk and drive improved diagnostics and data analytics to support the biosecurity system.

All organisations require supporting and enabling services to deliver their outcomes. A portion of the biosecurity expenditure includes payroll, human resources, finance, ICT, legal and communication support, as well as uniforms and operational consumables such as personal protective equipment and scientific equipment. These expenses are disbursed across activities (Table G4).

**Table G4 Departmental biosecurity expenses, by activity, 2023–24**

Activities	Expenses (actuals) (\$m)
Import clearance (international air cargo, sea cargo and containers)	263.2
Post-entry quarantine (PEQ)	26.3
Seaports Program (maritime vessels entering Australia)	30.8
International mail	17.5
International passengers	86.6
<b>Total direct border protection activities</b>	<b>424.4</b>
Administered funding – biosecurity activities programs	24.3
Government-funded and s74 external revenue (incl. offshore) biosecurity activities <sup>a</sup>	206.7
Simplified Targeting and Enhanced Processing System	17.9
Digital capability and business function	28.1
Indirect costs <sup>b</sup>	38.3
<b>Total non-direct border activities</b>	<b>315.3</b>
<b>Total expenses</b>	<b>739.7</b>

**a** Includes surveillance, compliance, risk analysis, workforce management, policy development, international engagement, commodity import forecasting and staff training activities. **b** Includes asset and/or lease-related expenses such as depreciation and amortisation (e.g. lease expenses from Melbourne Mickleham office are attributable to post-entry quarantine activities within the biosecurity cost recovery arrangements).

## Financial performance

Table G5 shows a breakdown of the department’s biosecurity budget, expenditure and variance for 2023–24. The biosecurity budget for 2023–24 was \$792.0 million, but expenditure amounted to \$739.7 million.

**Table G5 Biosecurity expenditure and budget variance, 2023–24**

Category	Actual (\$m)	Budget (\$m)	Variance (\$m)
Appropriation and other s74 revenue	341.4	386.2	44.8 <sup>a</sup>
Existing cost recovery arrangement	351.2	350.7	-0.52
Australia Post	19.3	15.3	-4.0 <sup>b</sup>
Defence	0.8	0.3	-0.5
Departmental equity injection	2.7	13.2	10.5 <sup>c</sup>
Department of Finance gateway review departmental appropriation	0.1	0.1	0.0
Administered	24.3	26.2	1.9
<b>Total biosecurity expenditure</b>	<b>739.7</b>	<b>792.0</b>	<b>52.3</b>

Note: Variances of less than \$1 million have not been noted. **a** The STEPS program incurred a significant operating underspend of \$17.9 million in 2023–24 due to delays in its ICT program of work. Other expenses were also below budget, reflecting slower than anticipated recruitment of front-line staff, which required additional effort by existing staff to meet service standards. Activity is underway to improve staffing levels to decrease service delivery times. The retained funding from the 2023–24 underspend will be used to support the department’s request for a re profiling of the STEPS funding to continue its delivery over the coming financial years, and to support departmental capital expenditure that spans multiple years. **b** Deficit position in 2023–24 reflected an increasing volume of work. This is expected to continue and will be supplemented by ongoing funding of approximately \$7 million per year from 2024–25. **c** Includes \$0.3 m for Modern

Seamless Border Clearance and \$12.9 m for STEPS. Due to the significant STEPS capital underspend of \$10.7 m in 2023–24, the department is exploring options to re-profile this funding to sustain project delivery.



# Glossary

<b>Term</b>	<b>Definition</b>
3 Lines Model	Divides the responsibilities of risk management among 3 lines of defence
AASB	Australian Accounting Standards Board
ABARES	Australian Bureau of Agricultural and Resource Economics and Sciences
ABF	Australian Border Force
ABS	Australian Bureau of Statistics
AEP	Automatic Entry Processing
AFMA	Australian Fisheries Management Authority
AFWI	Australian Forest and Wood Innovations
AHECC	Australian Harmonized Export Commodity Classification
AIMS	Agricultural Import Management System
ANAO	Australian National Audit Office
AO	Officer of the Order of Australia
APS	Australian Public Service
APSC	Australian Public Service Commission
APVMA	Australian Pesticides and Veterinary Medicines Authority
ASF	African swine fever
APM	Australian Police Medal
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ATO	Australian Taxation Office
AWEI	Australian Workplace Equality Index
BCom	Bachelor of Commerce
BEC	Bachelor of Economics
BICON	Biosecurity Import Conditions system
BIRA	Biosecurity Risk Analysis
BSE	bovine spongiform encephalopathy
CA	Chartered Accountant
CCD	Commonwealth Climate Disclosure
CDDA	Compensation for Detriment caused by Defective Administration
CEBRA	Centre of Excellence for Biosecurity Risk Analysis
CIA	certified internal auditor
CISA	certified information systems auditor
COLS	Cargo Online Lodgement System
CROMP	Climate Risk and Opportunity Management Program
CSF	classical swine fever
CSIRO	Commonwealth Scientific and Industrial Research Organisation

<b>Term</b>	<b>Definition</b>
CSS	Commonwealth Superannuation Scheme
CWMS	Cargo Workflow Management System
DAFF	Department of Agriculture, Fisheries and Forestry
DCCEEW	Department of Climate Change, Energy, the Environment and Water
DHA	Department of Home Affairs
EA	enterprise agreement
EADRA	Emergency Animal Disease Response Agreement
eCert	electronic certification
ECL	expected credit loss
eID	electronic identification
EPPRD	Emergency Plant Pest Response Deed
ERP	emissions reduction plan
ERMFP	<i>Enterprise Risk Management Framework and Policy</i>
EU	European Union
EXDOC	Export Documentation System
FAICD	Fellow of the Australian Institute of Company Directors
FAIM	Fellow of the Australian Institute of Management
FCA	Fellow of Chartered Accountants Australia and New Zealand
FCPA	Fellow Certified Practising Accountant
FDf	Future Drought Fund
FGIA	Fellow of the Governance Institute of Australia
FHA	Farm Household Allowance
FIDs	full import declarations
FIPAA	Fellow of the Institute of Public Administration Australia
FMD	foot-and-mouth disease
FMD Scheme	Farm Management Deposit Scheme
FOI	freedom of information
FOI Act	<i>Freedom of Information Act 1982</i>
FRR	Financial Reporting Rule 2015
FVOCI	financial assets at fair value through other comprehensive income
FVTPL	financial assets at fair value through profit or loss
GAICD	Graduate of the Australian Institute of Company Directors
GST	goods and services tax
HPAI	highly pathogenic avian influenza
Hon	Honourable
Hons	Honours
ICS	Integrated Cargo System (owned by Australian Border Force, Department of Home Affairs)
ICT	information and communication technology
IPP	Indigenous Procurement Policy

<b>Term</b>	<b>Definition</b>
IPS	Information Publication Scheme
ITP	Integrated Transformation Program
JSA	Jobs and Skills Australia
LLB	Bachelor of Laws
LSD	lumpy skin disease
MAPS	Mail and Passenger System
MBA	Master of Business Administration
Micor	Manual of Importing Country Requirements
MP	Member of Parliament
MYEFO	Mid-Year Economic and Fiscal Outlook
NABERS	National Australian Built Environment Rating System
NCP	national compliance program
NEBRA	National Environmental Biosecurity Response Agreement
NEXDOC	Next Export Documentation System
NFAEP	National Fire Ant Eradication Program
NHT	Natural Heritage Trust
NMG	National Management Group
OCC	Operational Coordination Committee
OPA	Official Public Account
PAES	Portfolio Additional Estimates Statements
PBS	Portfolio Budget Statements
PEQ	post-entry quarantine
PFA	Pest Free Area
PFIIA	Professional Fellow of the Institute of Internal Auditors Australia
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
PGPA Rule	Public Governance, Performance and Accountability Rule 2014
PPR	peste des petit ruminants
PSM	Public Service Medal
PSS	Public Sector Superannuation Scheme
PSSap	Public Sector Superannuation accumulation plan
QPR	Quarantine Premises Register
RFCS	Rural Financial Counselling Service
RIC	Regional Investment Corporation
RMG 128	Resource Management Guide – Regulator Performance
ROU	right of use
SAC	self-assessed clearances
SDG	Sustainable Development Goal
SES	Senior Executive Service
SME	small and medium enterprises



<b>Term</b>	<b>Definition</b>
SOETM	Services for Other Entities and Trust Moneys
SPPI	solely payments of principal and interest
STEPS	Simplified Targeting and Enhanced Processing System
TAMS	Traveller and Mail System
TAP	Transformation Action Plan
WELS	Water Efficiency Labelling and Standards
WGEA	Workplace Gender Equality Agency
WHS	work health and safety

# List of requirements

Requirement	PGPA Rule reference	Description	Requirement	Page
Letter of transmittal (17AD(g))	17AI	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	iii
Aids to access (17AD(h))	17AJ(a)	Table of contents (print only)	Mandatory	v
	17AJ(b)	Alphabetical index (print only)	Mandatory	227
	17AJ(c)	Glossary of abbreviations and acronyms	Mandatory	217
	17AJ(d)	List of requirements	Mandatory	221
	17AJ(e)	Details of contact officer	Mandatory	ii
	17AJ(f)	Entity's website address	Mandatory	ii
	17AJ(g)	Electronic address of report	Mandatory	ii
Review by accountable authority (17AD(a))	17AD(a)	A review by the accountable authority of the entity	Mandatory	ix
Overview of the entity (17AD(b))	17AE(1)(a)(i)	A description of the role and functions of the entity	Mandatory	1
	17AE(1)(a)(ii)	A description of the organisational structure of the entity	Mandatory	3
	17AE(1)(a)(iii)	A description of the outcomes and programs administered by the entity	Mandatory	7
	17AE(1)(a)(iv)	A description of the purposes of the entity as included in corporate plan	Mandatory	2
	17AE(1)(aa)(i)	Name of the accountable authority or each member of the accountable authority	Mandatory	73
	17AE(1)(aa)(ii)	Position title of the accountable authority or each member of the accountable authority	Mandatory	73
	17AE(1)(aa)(iii)	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory	73
	17AE(1)(b)	An outline of the structure of the portfolio of the entity	Mandatory	3
	17AE(2)	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	7
Report on the performance of the entity	17AD(c)(i)16F	Annual performance statement in accordance with paragraph 39(1)(b) of the PGPA Act and section 16F of the PGPA Rule	Mandatory	5

Requirement	PGPA Rule reference	Description	Requirement	Page
(17AD(c)): Annual performance statements				
Report on the performance of the entity	17AF(1)(a)	A discussion and analysis of the entity's financial performance	Mandatory	97
(17AD(c)): Report on Financial Performance	17AF(1)(b)	A table summarising the total resources and total payments of the entity	Mandatory	97
(17AD(c)(ii))	17AF(2)	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.	97
Management and accountability (17AD(d)): Corporate governance	17AG(2)(a)	Information on compliance with section 10 (fraud systems)	Mandatory	iii
	17AG(2)(b)(i)	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared	Mandatory	iii
	17AG(2)(b)(ii)	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place	Mandatory	iii
	17AG(2)(b)(iii)	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity	Mandatory	iii
	17AG(2)(c)	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance	Mandatory	73
	17AG(2)(d) – (e)	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	97
Management and accountability (17AD(d)): Audit committee	17AG(2A)(a)	A direct electronic address of the charter determining the functions of the entity's audit committee	Mandatory	75
	17AG(2A)(b)	The name of each member of the entity's audit committee	Mandatory	75
	17AG(2A)(c)	The qualifications, knowledge, skills or experience of each member of the entity's audit committee	Mandatory	75
	17AG(2A)(d)	Information about the attendance of each member of the entity's audit committee at committee meetings	Mandatory	75
	17AG(2A)(e)	The remuneration of each member of the entity's audit committee	Mandatory	75

Requirement	PGPA Rule reference	Description	Requirement	Page
Management and accountability (17AD(d)): External scrutiny	17AG(3)	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny	Mandatory	89
	17AG(3)(a)	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	89
	17AG(3)(b)	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	90
	17AG(3)(c)	Information on any capability reviews on the entity that were released during the period	If applicable, mandatory	79, 91
Management and accountability (17AD(d)): Management of human resources	17AG(4)(a)	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives	Mandatory	79
	17AG(4)(aa)	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: <ul style="list-style-type: none"> <li>• statistics on full-time employees</li> <li>• statistics on part-time employees</li> <li>• statistics on gender</li> <li>• statistics on staff location</li> </ul>	Mandatory	188
	17AG(4)(b)	Statistics on the entity's APS employees on an ongoing and non-ongoing basis, including the following: <ul style="list-style-type: none"> <li>• statistics on staffing by classification level</li> <li>• statistics on full-time employees</li> <li>• statistics on part-time employees</li> <li>• statistics on gender</li> <li>• statistics on staff location</li> <li>• statistics on employees who identify as Indigenous</li> </ul>	Mandatory	191
	17AG(4)(c)	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i>	Mandatory	197
	17AG(4)(c)(i)	Information on the number of SES and non-SES employees covered by agreements, contracts or determinations identified in paragraph 17AG(4)(c)	Mandatory	197
	17AG(4)(c)(ii)	The salary ranges available for APS employees by classification level	Mandatory	197
	17AG(4)(c)(iii)	A description of non-salary benefits provided to employees	Mandatory	199
	17AG(4)(d)(i)	Information on the number of employees at each classification level who received performance pay	If applicable, mandatory	Not applicable (see page 198)

Requirement	PGPA Rule reference	Description	Requirement	Page
	17AG(4)(d)(ii)	Information on aggregate amounts of performance pay at each classification level	If applicable, mandatory	Not applicable
	17AG(4)(d)(iii)	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)	Information on aggregate amount of performance payments	If applicable, mandatory	Not applicable
Management and accountability (17AD(d)): Assets management	17AG(5)	An assessment of the effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory	99
Management and accountability (17AD(d)): Purchasing	17AG(6)	An assessment of entity performance against the Commonwealth Procurement Rules	Mandatory	85
Management and accountability (17AD(d)): Reportable consultancy contracts	17AG(7)(a)	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	86
	17AG(7)(b)	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	86
	17AG(7)(c)	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	86
	17AG(7)(d)	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	87
Management and accountability (17AD(d)): Reportable non-consultancy contracts	17AG(7A)(a)	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	87
	17AG(7A)(b)	A statement that 'Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-	Mandatory	87

Requirement	PGPA Rule reference	Description	Requirement	Page
		consultancy contracts is available on the AusTender website.'		
Management and accountability (17AD(d)): Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts (17AD(daa))	17AGA	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts	Mandatory	87
Management and accountability (17AD(d)): Australian National Audit Office access clauses	17AG(8)	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	87
Management and accountability (17AD(d)): Exempt contracts	17AG(9)	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	87
Management and accountability (17AD(d)): Small business	17AG(10)(a)	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	85
	17AG(10)(b)	An outline of the ways in which the procurement practices of the entity support small and medium enterprises	Mandatory	85
	17AG(10)(c)	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	85
Management and accountability (17AD(d)): Financial statements	17AD(e)	Inclusion of the annual financial statements in accordance with subsection 43(4) of the PGPA Act	Mandatory	101

Requirement	PGPA Rule reference	Description	Requirement	Page
Management and accountability (17AD(d)): Executive remuneration	17AD(da)	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2-3 of the PGPA Rule	Mandatory	200
Other mandatory information (17AD(f))	17AH(1)(a)(i)	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	88
	17AH(1)(a)(ii)	If the entity did not conduct advertising campaigns, a statement to that effect	If applicable, mandatory	Not applicable
	17AH(1)(b)	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	79
	17AH(1)(c)	Outline of mechanisms of disability reporting, including reference to website for further information	Mandatory	83
	17AH(1)(d)	Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found	Mandatory	79
	17AH(1)(e)	Correction of material errors in previous annual report	If applicable, mandatory	203
	17AH(2)	Information required by other legislation	Mandatory	93

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